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October 19, 2010

Alabama Public Service Commission
Post Office Box 304260
Montgomery, Alabama 36130

Re: Docket 18148

In accordance with the rules and regulations governing application of energy cost recovery rate, enclosed is a report showing the current status of energy cost as of September 30, 2010. Consistent with the Commission's rules on e-filing, the original and one copy are being sent under separate cover.

Sincerely,

A handwritten signature in black ink that reads "Zeke W. Smith". The signature is written in a cursive, flowing style.

ZWS/jj

Enclosure

Schedule 1

ALABAMA POWER COMPANY
RATE ECR
September 2010 Energy Cost

	Actual Cost	Actual MWH
Steam Power (Account 501)		
Barry Steam Plant	\$ 23,844,496	577,478
Gadsden Steam Plant	523,114	13,680
Gaston Steam Plant - Unit #5	19,696,508	547,277
Gorgas Steam Plant	18,997,021	497,642
Greene County Steam Plant	3,497,393	99,868
Miller Steam Plant	<u>38,288,810</u>	<u>1,770,409</u>
Total	<u>104,847,342</u>	<u>3,506,354</u>
Nuclear Power (Account 518)		
Farley Nuclear Plant	<u>7,327,393</u>	<u>1,217,369</u>
Other Power Generation (Account 547)	<u>25,730,868</u>	<u>825,472</u>
Purchases and Sales (Accounts 555 and 447)		
Southern Electric Generating Company	4,539,660	179,479
Southern Company Pool:		
Purchases from Assoc. & Non-Assoc.	9,433,741	176,864
Sales to Assoc. & Non-Assoc.	(15,128,331)	(465,766)
Purchase Power Agreements (CNP - PPA)	3,930,705	67,017
Miscellaneous:		
Purchases	1,100,456	23,755
Sales	<u>-</u>	<u>-</u>
Total	<u>3,876,231</u>	<u>(18,651)</u>
Hedging Activity (Accounts 547 and 456)		
Net Gain/Loss on Hedge Activity	<u>6,001,136</u>	<u>-</u>
Carrying Cost	<u>(276,637)</u>	<u>-</u>
Total Energy Cost	<u>\$ 147,506,333</u>	<u>5,530,544</u>
Hydro Generation		<u><u>87,336</u></u>

Schedule 2

**ALABAMA POWER COMPANY
RATE ECR
September 2010 Energy Sales (MWH)**

	Actual	
	Subject to Rate ECR	Total
Residential	1,743,509	1,743,509
Commercial	1,349,564	1,349,564
Industrial	1,847,813	1,847,813
Street and Highway Lighting	17,040	17,040
Interdepartmental	313	313
Municipalities	-	44,827
Cooperatives	-	49,057
AMEA		311,254
Sales to Other Utilities	-	-
Total	<u>4,958,239</u> *	<u>5,363,377</u>

* Includes unbilled net negative of 350,631 MWH

Schedule 3

**ALABAMA POWER COMPANY
RATE ECR
OVER/(UNDER) RECOVERED ENERGY COST AS OF
September 30, 2010**

Total energy cost for September 2010 (Schedule 1)	<u>\$ 147,506,333</u>
Less:	
Energy cost applicable to wholesale sales	2,519,891
Energy cost applicable to AMEA	8,589,124
Energy cost recovered in long term contract sales to other utilities	<u>-</u>
	<u>11,109,015</u>
Plus: Emission Allowance Cost/Revenue (Net)	<u>1,035,655</u>
Energy cost recoverable under Rate ECR	137,432,973
Energy cost recovered under Rate ECR	<u>137,913,519</u>
September 2010 energy cost over/(under) recovered through operation of Rate ECR	<u>480,546</u>
Over/(Under) recovered energy cost applicable to Rate ECR as of August 31, 2010	<u>57,186,271</u>
Accumulated over/(under) recovered energy cost applicable to Rate ECR as of September 30, 2010	<u><u>\$ 57,666,817</u></u>