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February 1, 2011

ALABAMA POWER

A SOUTHERN COMPANY Filed

Feb 02, 2011

APSC

Mr. Walter L. Thomas, Jr.
Secretary
Alabama Public Service Commission
Post Office Box 304260
Montgomery, AL 36130

Subject: Post-Retirement Benefits Other than Pensions Annual Filing
Fiscal Year 2009

Dear Mr. Thomas:

Please find attached information related to the policy statement in Informal
Docket U-3454. Included are:



- 1) An independent Auditors report of the Company's post-retirement benefit plan.
- 2) Valuation report prepared by an actuary which includes Census date used by actuary and all actuarial data used to develop per-capita claims costs.
- 3) Copy of the Trustee's report of the amounts funded Including total assets in the funds.

If you need any additional information, please let me know.

Yours very truly,

Attachments

cc: Ms. Judy McLean – w/attachments
Ms. Janice Hamilton – w/attachments

Fpd Ex

***Southern Company Services, Inc.
Retiree Group Life Insurance Plan***

***Financial Statements and
Supplemental Schedules***

***As of
December 31, 2009 and 2008***

***and For the Year Ended
December 31, 2009***

***Southern Company Services, Inc.
Retiree Group Life Insurance Plan***

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Babush, Neiman, Kornman & Johnson, LLP
Certified Public Accountants & Consultants

Independent Auditors' Report

To the Benefits Administration Committee and Participants of
Southern Company Services, Inc. Retiree Group Life Insurance Plan

We were engaged to audit the financial statements and supplemental schedules of Southern Company Services, Inc. Retiree Group Life Insurance Plan as of December 31, 2009, and for the year then ended, as listed in the accompanying index. These financial statements and supplemental schedules are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2008 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by The Bank of New York Mellon and Hancock Bank, the trustees of the Plan, as of December 31, 2008. Their report, dated January 10, 2010, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note H, which was certified by The Bank of New York Mellon and Hancock Bank, the trustees of the Plan, except for comparing the information with the related information included in the 2009 financial statements and supplemental schedules. We have been informed by the plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustees as of and for the year ended December 31, 2009 that the information provided to the Plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2009 financial statements and supplemental schedule taken as a whole. The form and content of the information included in the 2009 financial statements and supplemental schedule, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Babush, Neiman, Kornman & Johnson LLP

Atlanta, Georgia
October 5, 2010



**Southern Company Services, Inc.
Retiree Group Life Insurance Plan**

**Statements of Net Assets Available for Benefits
December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
ASSETS		
INVESTMENTS, at fair value		
Investments in Master Trusts		
Interest in Alabama Power Company VEBA Master Trust	\$ 60,202,062	\$ 50,473,732
Interest in Mississippi Power Company VEBA Master Trust	1,812,971	1,666,737
Interest in Gulf Power Company VEBA Master Trust	72,365	76,424
Other Investments		
UBS Global Securities Relationship Fund	68,678,873	53,330,037
Cash and cash equivalents	17,580,468	17,486,455
Common collective trust	306,847	3,555,805
Deposit administration contract with Provident Life and Accident Insurance Company	<u>1,230,201</u>	<u>1,234,983</u>
Total Investments	149,883,787	127,824,173
Receivables	<u>64</u>	<u>398</u>
TOTAL ASSETS	<u>149,883,851</u>	<u>145,311,026</u>
LIABILITIES		
Accrued administrative expenses	(239,122)	(111,540)
Accrued income taxes	<u>-</u>	<u>(5,734,228)</u>
TOTAL LIABILITIES	<u>(239,122)</u>	<u>(5,845,768)</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 149,644,729</u>	<u>\$ 139,465,258</u>

See notes to financial statements.

**Southern Company Services, Inc.
Retiree Group Life Insurance Plan**

**Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2009**

ADDITIONS TO NET ASSETS ATTRIBUTED TO

CONTRIBUTIONS

Contributions from employers	\$ 11,950,106
Contributions from participants	<u>521,998</u>
Total Contributions	<u>12,472,104</u>

INVESTMENT INCOME

Interest and dividends	142,107
Net appreciation in fair value of UBS Global Securities Relationship Fund	16,933,934
Net income from investments in Master Trusts	<u>8,806,674</u>
Total Investment Income	<u>25,882,715</u>

TOTAL ADDITIONS

38,354,819

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO

Life insurance premiums	10,256,882
Administrative expenses	390,011
Other	<u>42,000</u>

TOTAL DEDUCTIONS

10,688,893

NET INCREASE

27,665,926

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of Year	<u>121,978,803</u>
End of Year	<u>\$ 149,644,729</u>

See notes to financial statements.

**Southern Company Services, Inc.
Retiree Group Life Insurance Plan**

**Statements of Plan Benefit Obligations
December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
POSTRETIREMENT BENEFIT OBLIGATIONS		
Retired participants	\$ 210,598,815	\$ 173,754,087
Others participants fully eligible for benefits	41,479,248	14,411,057
Participants not yet fully eligible for benefits	<u>46,750,632</u>	<u>121,245,769</u>
POSTRETIREMENT BENEFIT OBLIGATIONS	<u>\$ 298,828,695</u>	<u>\$ 309,410,913</u>

See notes to financial statements.

**Southern Company Services, Inc.
Retiree Group Life Insurance Plan**

**Statement of Changes in Plan's
Benefit Obligations
For the Year Ended December 31, 2009**

POST RETIREMENT BENEFIT OBLIGATION

Beginning of Year	<u>\$ 309,410,913</u>
Increase (decrease) in postretirement benefits during the year attributable to:	
Amendment (See Note A)	(59,023,466)
Benefits accumulated	5,878,369
Interest due to the passage of time	19,387,374
Benefits paid	(9,333,928)
Change in actuarial assumption due to discount rate	29,032,120
Other	<u>3,477,313</u>
Net decrease	<u>(10,582,218)</u>

PLAN'S TOTAL BENEFIT OBLIGATION - End of year \$ 298,828,695

See notes to financial statements.

Southern Company Services, Inc. Retiree Group Life Insurance Plan

Notes to Financial Statements

A. PLAN DESCRIPTION

General. The following description of the Southern Company Services, Inc. Retiree Group Life Insurance Plan (the "Plan") is provided for general information purposes only. Readers should refer to the Plan document and other documents related to the Plan for a complete description of the Plan's provisions.

The Plan is a defined benefit health and welfare benefit plan established to provide life insurance benefits to retired employees of Southern Company Services, Inc. and affiliated companies who have adopted the Plan. The adopting employers of the Plan are Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, Southern Communication Services, Inc., Southern Company Energy Solutions, Southern Company Services, and Southern Nuclear Operating Company, Inc. (collectively referred to as the "Companies"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Voluntary Employees Beneficiary Association ("VEBA") trusts that are associated with the Plan are the Georgia Power Company Post-Retirement Life Insurance Benefits Trust, Alabama Power Company Post-Retirement Welfare Benefits Trust (the "Alabama Power Company VEBA Master Trust"), the Gulf Power Company Post-Retirement Welfare Benefits Trust (the "Gulf Power Company VEBA Master Trust") and the Mississippi Power Company Medical Benefits Trust (the "Mississippi Power Company VEBA Master Trust"). The trustees are Hancock Bank for the Mississippi Power Company VEBA Master Trust and The Bank of New York Mellon for the remaining trusts.

The Plan pays premiums to Metropolitan Life Insurance Company ("MetLife") for life insurance benefits under the Plan. A selected group of retirees whose benefits are not insured by MetLife have claims paid directly from a deposit administration contract held by Provident Life and Accident Insurance Company ("UNUM"). Such claims are immaterial for the year ended December 31, 2009.

Eligibility. The Plan provides basic life insurance benefits to employees who retire from the Companies under early, normal, or deferred retirement provisions. Those who retire after their 65th birthday are enrolled automatically in the Plan as of the date of their retirement. Those who retire prior to their 65th birthday must apply and indicate whether they will continue at their current benefit levels until their 65th birthday or receive reduced coverage.

Benefits. The basic life insurance benefit is \$5,000 for those employees who do not obtain contributory life insurance. For those employees who do obtain contributory life insurance, additional coverage is provided. The coverage amount depends upon whether the retiree retires or retired before or after age 55, and upon whether the retiree qualifies as a grandfathered retiree. For non-grandfathered retirees who retire on or after age 55, coverage will equal \$2,000 times years of accredited service, subject to a maximum of \$50,000. For non-grandfathered retirees who retire before age 55, the coverage amount will equal \$1,000 times years of accredited service, subject to a maximum of \$25,000. For

Notes to Financial Statements (Continued)

retirees who meet the grandfathering criteria, previous coverage levels may be maintained. Effective September 1, 2009, the Plan was amended to reduce post-65 benefits for all employees who retire after January 1, 2011. This amendment is reflected as a decrease in the plan's postretirement benefit obligation for the year ended December 31, 2009.

Contributions. Except for retirees who meet the grandfathering criteria, the Companies pay the cost of premiums. Grandfathered retirees continue to pay a portion of the cost of coverage, which is immaterial.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("generally accepted accounting principles").

Use of Estimates and Risks and Uncertainties. The preparation of financial statements in conformity with generally accepted accounting principles requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations, and changes therein, and disclosure of contingent assets and liabilities. Actual amounts could differ from those estimates. The Plan and the master trusts invest in various investment instruments including common stocks, the UBS Global Securities Relationship Fund, common collective trust funds, repurchase agreements, trust-owned life insurance, and U.S. government securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Administrative Expenses. Expenses, including taxes and interest, incurred in the administration of the Plan are paid by the Plan.

Postretirement Benefits. The postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed by the terms of the Plan to employee service rendered to the date of the financial statements, reduced by the actuarial present value of contributions expected to be received in the future from current Plan participants. Postretirement benefits include future benefits expected to be paid to or for (1) currently retired employees and their beneficiaries and dependents, and (2) active employees and their beneficiaries and dependents after retirement from service with the Companies. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributable to that employee's service rendered to the valuation date. The postretirement benefit obligation represents the amount that is to be funded by contributions from the Companies and from existing Plan assets and participants.

The actuarial present value of the expected postretirement benefit obligation is determined by the Plan's independent actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment and to reflect the portion of those costs expected to be borne by

Notes to Financial Statements (Continued)

the retired participants and other providers.

The significant assumptions used in the 2009 and 2008 valuations were as follows:

Weighted-average discount rates of 6.0% and 6.7%, respectively.

Life expectancy of participants is based on the Retired Pensioners 2000 Combined Healthy Mortality Table (projected).

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of postretirement benefit obligations.

Benefit Obligations. The Plan's deficiency of net assets over benefit obligations at December 31, 2009 and 2008 is expected to be funded through the Companies' contributions and retiree contributions.

Investment Valuation and Income Recognition. Except for Trust-owned life insurance, common collective trust funds ("CCTs") and the deposit administration contract, the Plan's investments inside and outside of the master trusts are stated at fair value, as determined by the trustees based on quoted market prices of the underlying investments. Amounts for securities that have no quoted market price represent estimated fair value. Many factors are considered in an estimated value. In general, however, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

The Plan's investment in the UBS Global Securities Relationship Fund, a collective trust fund, and other CCTs are stated at fair value as determined by the net asset value of the shares held at year-end. The deposit administration contract with UNUM is stated at cost, which approximates fair value. Trust owned life insurance held in the Alabama Power Company VEBA Master Trust is stated at cash surrender value, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Cash and Cash Equivalents. The Plan has an insurance reserve account with MetLife, which is an interest bearing cash account.

New Accounting Pronouncements. On April 9, 2009, the Financial Accounting Standards Board ("FASB") issued the Staff Position No. 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("FSP 157-4"), currently incorporated by the FASB Accounting Standards Codification ("Codification" or "ASC") in topic 820 ("FASB ASC 820"), *Fair Value Measurement and Disclosures*. FSP 157-4 (FASB ASC 820) provides additional guidance for estimating fair value when the volume and level of activity for an asset or liability have decreased significantly and for identifying circumstances indicating that a transaction is not orderly. FSP 157-4 (FASB ASC 820) is effective for interim and annual reporting periods ending after June 15, 2009 and will be applied prospectively. The adoption of FSP 157-4 (FASB ASC 820) had no impact on the Plan's financial statements.

Notes to Financial Statements (Continued)

In January 2010, the FASB issued ASC Update 2010-06, *Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements*. This guidance requires (i) separate disclosure of significant transfers between Level 1 and Level 2 and reasons for the transfers; (ii) disclosures by class of assets and liabilities; and (iii) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 disclosure requirements which will be effective for fiscal years beginning after December 15, 2010 and interim periods within those fiscal years. The adoption of this guidance is reflected, where applicable, throughout these financial statements.

C. INVESTMENTS IN MASTER TRUSTS (Unaudited)

A portion of the Plan's investment assets are held in master trusts established by the Companies and consists of an undivided interest in an investment account of the Alabama Power Company VEBA Master Trust, the Mississippi Power Company VEBA Master Trust, and the Gulf Power Company VEBA Master Trust (the "Master Trusts"). Use of a master trust permits the commingling of Plan assets with the assets of other plans sponsored by the Companies for investment and administrative purposes. Although assets of other plans are commingled in each of the Master Trusts, the trustees maintain supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income (loss) of the investment assets is allocated by the trustees to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

The investments of the Master Trusts at December 31, 2009 are summarized as follows:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Investments, at fair value			
Common collective trust fund	\$ 17,840,919	\$ 378,162	\$ 529,301
U.S. government securities	-	4,034,337	-
Common stocks	35,431,857	-	-
Trust-owned life insurance	143,510,630	-	-
Total investments, at fair value	<u>196,783,406</u>	<u>4,412,499</u>	<u>529,301</u>
Other receivable	<u>42,007</u>	<u>-</u>	<u>92</u>
Total net assets of Master Trust	<u>\$ 196,825,413</u>	<u>\$ 4,412,499</u>	<u>\$ 529,393</u>
Plan's investment in Master Trust	<u>\$ 60,202,062</u>	<u>\$ 1,812,971</u>	<u>\$ 72,365</u>
Plan's investment in the Master Trust as a percentage of total	<u>30.6 %</u>	<u>41.1 %</u>	<u>13.7 %</u>

Notes to Financial Statements (Continued)

The investments of the Master Trusts at December 31, 2008 are summarized as follows:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Investments, at fair value			
Money market funds	\$ -	\$ 336,000	\$ -
U.S. government securities	-	4,355,440	-
Common stocks	15,384,699	-	-
Common collective trust fund	44,477,771	-	-
Trust-owned life insurance	105,367,568	-	-
Repurchase agreements	-	-	542,784
Total investments, at fair value	<u>165,230,038</u>	<u>4,691,440</u>	<u>542,784</u>
Investment income receivable	<u>48,874</u>	<u>41,961</u>	<u>-</u>
Total net assets of Master Trust	<u>\$ 165,278,912</u>	<u>\$ 4,733,401</u>	<u>\$ 542,784</u>
Plan's investment in Master Trust	<u>\$ 50,473,732</u>	<u>\$ 1,666,737</u>	<u>\$ 76,424</u>
Plan's investment in the Master Trust as a percentage of total	<u>30.5 %</u>	<u>35.2 %</u>	<u>14.1 %</u>

The net investment income of the Master Trusts for the year ended December 31, 2009 is summarized below:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Dividend and interest income	\$ 654,736	\$ 151,041	\$ 6,737
Net appreciation (depreciation)			
Trust-owned life insurance	22,878,327	-	-
U.S. government securities	-	(90,926)	-
Common stocks	4,610,903	-	-
Total net appreciation (depreciation)	<u>27,489,230</u>	<u>(90,926)</u>	<u>-</u>
Administrative expenses	<u>(117,537)</u>	<u>-</u>	<u>-</u>
Net investment income from Master Trust	<u>\$ 28,026,429</u>	<u>\$ 60,115</u>	<u>\$ 6,737</u>

D. FAIR VALUE MEASUREMENTS

On January 1, 2008, the Plan adopted FAS No. 157 (FASB ASC 820), which defines fair value, establishes a framework for measuring fair value and requires additional disclosures about fair value measurements. The criterion that is set forth in this standard is applicable to fair value measurement where it is permitted or required under other accounting pronouncements.

FAS No. 157 (FASB ASC 820) defines fair value as the exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on inputs of observable and unobservable market data that a market participant

Notes to Financial Statements (Continued)

would use in pricing the asset or liability. The use of observable inputs is maximized for fair value measurement. As a means to illustrate the inputs used, FAS No. 157 (FASB ASC 820) established a three-tier fair value hierarchy that prioritizes inputs to valuation techniques used for fair value measurement.

- Level 1 Consists of observable market data in an active market for identical assets or liabilities.
- Level 2 Consists of observable market data, other than that included in Level 1, that is either directly or indirectly observable.
- Level 3 Consists of unobservable market data. The input may reflect the assumptions of the Plan of what a market participant would use in pricing an asset or liability. If there is little available market data then the Plan's own assumptions are the best available information.

In the case of multiple inputs being used in a fair value measurement, the lowest level input that is significant to the fair value measurement represents the level in the fair value hierarchy in which the fair value measurement is reported.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Outside the Master Trusts			
UBS Global Securities Relationship Fund	\$ -	\$ 68,678,873	\$ -
Common collective trust fund	-	306,847	-
Metlife cash reserve account	17,580,468	-	-
Provident Life and Accident Insurance Company Deposit Administration Contract	-	1,230,201	-
Total assets at fair value	\$ 17,580,468	\$ 70,215,921	\$ -
Assets Held Within the Master Trust *			
Money market collective trust fund	\$ -	\$ 18,748,382	\$ -
U.S. government securities	4,034,337	-	-
Common stocks	35,431,857	-	-
Trust-owned life insurance	-	143,510,630	-
Total Master Trust Investments	\$ 39,466,194	\$ 162,259,012	\$ -

* Master Trust Investments do not include interest income receivable.

Notes to Financial Statements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Outside the Master Trusts			
UBS Global Securities Relationship Fund	\$ -	\$ 53,330,037	\$ -
BONY Common Collective Trust	-	3,555,805	-
Provident Life and Accident Insurance Company Deposit Administration Contract	-	1,234,983	-
Total assets at fair value	<u>\$ -</u>	<u>\$ 58,120,825</u>	<u>\$ -</u>
Assets Held Within the Master Trust*			
Money market funds	\$ 336,040	\$ -	\$ -
U.S. government and agency securities	4,355,440	-	-
Common stocks	15,384,699	-	-
Common collective trust	-	44,477,771	-
Trust-owned life insurance	-	105,367,568	-
Repurchase agreements	-	542,784	-
Total Master Trust Investments	<u>\$ 20,076,179</u>	<u>\$ 150,388,123</u>	<u>\$ -</u>

* Master Trust Investments do not include interest income receivable.

E. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Alabama Power Company VEBA Master Trust held approximately 2,600 shares of the Company common stock (market value of approximately \$96,000) and earned approximately \$2,800 in dividend income for the year ended December 31, 2009. As the Company is the plan sponsor these transactions qualify as exempt party-in-interest transactions.

F. INCOME TAX STATUS

The trusts were established for purposes of holding the Plan's assets and are intended to qualify pursuant to Section 501(c)(9) of the Internal Revenue Code ("IRC"). Accordingly, the net investment income from the trusts is exempt from income taxes, except as described below. The trusts have obtained exemption letters from the Internal Revenue Service as follows:

Alabama Power Company VEBA Master Trust	January 3, 1996
Mississippi Power Company VEBA Master Trust	February 25, 1988
Gulf Power Company VEBA Master Trust	April 8, 1996
Georgia Power Company Post-Retirement Life Insurance Benefits Trust	May 3, 1996

The Companies believe that the trusts continue to qualify and to operate in accordance with the applicable requirements of the IRC.

During 2003 through 2007, the balance in the Georgia Power Company Post-Retirement Life Insurance Benefits Trust exceeded the qualified asset account limits as defined by the IRC. As a result, unrelated business income taxes and interest of \$8,631,829 were owed

Notes to Financial Statements (Continued)

for tax years 2003 through 2007. Of the total income taxes and interest owed, \$3,268,320 relates to the 2007 tax year and were paid with the tax returns filed in 2008. The remaining income taxes and interest owed of \$5,363,509 (plus interest accrued in 2008 of \$370,719) are reflected as accrued income taxes in the Statement of Net Assets Available for Benefits as of December 31, 2008 and were paid in January 2009. The Plan Sponsor subsequently determined that no tax or interest was owed with respect to 2007. In January of 2009, refund claims for the previously paid tax and interest were filed. Collectibility of the requested refunds was substantially uncertain, as there was no legal precedent regarding the circumstances of the refund claim. The refund claims were also subject to audit by the Internal Revenue Service and the State of Georgia. As such, the Statements of Net Assets Available for Benefits as of December 31, 2008 and 2009 did not reflect a receivable for the refund claims. Subsequent refunds of Federal and State tax, together with related interest, approximately \$3.4 million were received and appropriately recorded in 2010.

The balance in the Georgia Power Company Post-Retirement Life Insurance Benefits Trust did not exceed the qualified asset account limits as defined by the IRC during 2009, so there were no unrelated business income taxes owed for the 2009 tax year. These unrelated business income taxes have no impact on the tax status of the Plan.

G. PLAN TERMINATION

Although they have not expressed any intention to do so, the Companies have the right under the Plan to amend and terminate the Plan subject to the provisions set forth in ERISA. In the event of termination, the Companies will contribute the necessary amounts to fund all claims incurred prior to the date of termination.

Notes to Financial Statements (Continued)

H. INFORMATION CERTIFIED BY THE TRUSTEES (Unaudited)

The following is a summary of the unaudited information regarding the Plan as of December 31, 2009 and 2008, and for the year ended December 31, 2009, included in the Plan's financial statements and supplemental schedules, that was derived from the information prepared by the Bank of New York Mellon and Hancock Bank, the trustees of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustees that such information is complete and accurate:

	<u>2009</u>	<u>2008</u>
Investments:		
Investment in Alabama Power Company VEBA Master Trust	\$ 60,202,062	\$ 50,473,732
Investment in Mississippi Power Company VEBA Master Trust	1,812,971	1,666,737
Investment in Gulf Power Company VEBA Master Trust	72,365	76,424
UBS Global Securities Relationship Fund	68,678,873	53,330,037
Common collective trust fund	306,847	3,555,805
Investment income:		
Interest and dividend income	\$ 142,107	
Net appreciation in fair value of UBS Global Securities Relationship Fund	16,933,934	
Net income from investments in Master Trusts	8,806,674	

The deposit administration contract with Provident Life and Accident Insurance Company and the insurance reserve account with MetLife are not covered by certifications.

In addition, all investment balances and information included in Notes D and the supplemental schedules and investment balances in Note C, other than the deposit administration contract and the insurance reserve account, were furnished and certified by the trustees and are unaudited.

I. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 5, 2010, which is the date the financial statements were available to be issued, and have determined that there are no subsequent events that require disclosure under the Subsequent Events topic of ASC 855, *Subsequent Events*.

SUPPLEMENTAL SCHEDULES

Form 5500, Schedule H, Part IV, Line 4i
Plan Sponsor's EIN: 63-0274273
Plan Number: 518

Southern Company Services, Inc. Retiree Group Life Insurance Plan

***Schedule of Assets (Held at Year End)
As of December 31, 2009***

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Bank of New York Mellon UBS Metlife Provident Life and Accident Insurance Company	Money Market Collective Trust Fund Global Securities Relationship Fund Interest bearing cash Deposit administration contract	\$ 306,847 39,364,891 17,580,468 1,230,201	\$ 306,847 68,678,873 17,580,468 1,230,201
*	Party-in-interest			

Form 5500, Schedule H, Part IV, Line 4j
 Plan Sponsor's EIN: 63-0274273
 Plan Number: 518

Southern Company Services, Inc. Retiree Group Life Insurance Plan

**Schedule of Reportable Transactions
 For the Year Ended December 31, 2009**

(a) Identity of Issue	(b) Description	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current value of Asset at Date of Transaction	(i) Net Gain (Loss)
Series of transactions in excess of 5%:						
UBS	UBS Global Relationship Fund	\$ 6,013,741	\$ 7,400,000	\$ 6,013,741	\$ 7,400,000	\$ 1,386,259
UBS	UBS Global Relationship Fund	5,814,902	-	5,814,902	5,814,902	-
Mellon	Money market fund	11,928,321	-	11,928,321	11,928,321	-
Mellon	Money market fund	15,177,279	15,177,279	15,177,279	15,177,279	-

***Southern Company Services, Inc.
Healthcare Plan for Retirees***

***Financial Statements and
Supplemental Schedules***

***As of
December 31, 2009 and 2008***

***and For the Year Ended
December 31, 2009***

Southern Company Services, Inc. Healthcare Plan for Retirees

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Babush, Neiman, Kornman & Johnson, LLP
Certified Public Accountants & Consultants

Independent Auditors' Report

To the Plan Administrator and Participants of
Southern Company Services, Inc. Healthcare Plan for Retirees

We were engaged to audit the financial statements and supplemental schedules of Southern Company Services, Inc. Healthcare Plan for Retirees as of December 31, 2009, and for the year then ended, as listed in the accompanying index. These financial statements and supplemental schedules are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2008 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by The Bank of New York Mellon and Hancock Bank, the trustees of the Plan, and JP Morgan Chase Bank N.A., the trustee of the 401 (h) account, as of December 31, 2008. Their report, dated October 15, 2009, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note J, which was certified by The Bank of New York Mellon and Hancock Bank, the trustees of the Plan, and JP Morgan Chase Bank N.A., the trustee of the 401 (h) account, except for comparing the information with the related information included in the 2009 financial statements and supplemental schedules. We have been informed by the plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the trustees as of and for the year ended December 31, 2009 that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2009 financial statements and supplemental schedules taken as a whole. The form and content of the information included in the 2009 financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Babush, Neiman, Kornman & Johnson LLP
Atlanta, Georgia
October 5, 2010



Southern Company Services, Inc. Healthcare Plan for Retirees

***Statements of Net Assets Available for Benefits
As of December 31, 2009 and 2008***

	<u>2009</u>	<u>2008</u>
ASSETS		
<i>INVESTMENTS, at fair value</i>		
<i>Investments in Master Trusts</i>		
Investments in Alabama Power Company VEBA Master Trust	\$ 136,623,351	\$ 114,779,725
Investments in Mississippi Power Company VEBA Master Trust	2,599,528	3,039,961
Investments in Gulf Power Company VEBA Master Trust	457,028	466,360
<i>Other Investments</i>		
Net assets held in The Southern Company Pension Plan - restricted for 401(h) account	239,602,447	224,557,706
Common stocks	65,880,536	53,569,472
Mutual funds	-	20
Common collective trust fund	21,194,733	-
Money market funds	225	19,805,109
Trust-owned life insurance	<u>126,632,257</u>	<u>110,199,416</u>
Total Investments	592,990,105	526,417,769
Other receivables	<u>90,065</u>	<u>124,154</u>
TOTAL ASSETS	<u>593,080,170</u>	<u>526,541,923</u>
LIABILITIES		
Drafts payable	-	20,872
Due to broker for securities purchased	-	449,692
Administrative expenses and other payables	<u>82,484</u>	<u>9,240</u>
TOTAL LIABILITIES	<u>82,484</u>	<u>479,804</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 592,997,686</u>	<u>\$ 526,062,119</u>

See notes to financial statements.

Southern Company Services, Inc. Healthcare Plan for Retirees

**Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2009**

ADDITIONS TO NET ASSETS ATTRIBUTED TO

CONTRIBUTIONS

Employer	\$ 81,199,271
Participants	<u>18,136,077</u>
Total Contributions	99,335,348

INVESTMENT INCOME

Interest and dividends	1,705,471
Net appreciation in fair value of investments	4,135,423
Net increase in 401 (h) account	15,044,741
Net gain from investments in Master Trusts	19,286,607
Other income	<u>34,563,896</u>
Total Investment Income	<u>74,736,138</u>

TOTAL ADDITIONS 174,071,486

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO

Benefits paid for participants	99,542,429
Administrative expenses	<u>7,593,490</u>

TOTAL DEDUCTIONS 107,135,919

NET INCREASE 66,935,567

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of Year	<u>526,062,119</u>
End of Year	<u>\$ 592,997,686</u>

See notes to financial statements.

Southern Company Services, Inc. Healthcare Plan for Retirees

**Statements of Plan's Benefit Obligations
As of December 31, 2009 and 2008**

	2009	2008
AMOUNTS CURRENTLY PAYABLE		
Claims payable	\$ 13,002	\$ 3,082
Claims incurred but not reported	<u>4,785,175</u>	<u>5,294,936</u>
Total amounts currently payable	<u>4,798,177</u>	<u>5,298,018</u>
POSTRETIREMENT BENEFIT OBLIGATION - Net of amounts currently payable		
Retired participants	964,059,676	885,084,873
Other participants fully eligible for benefits	305,687,296	358,926,559
Participants not yet fully eligible for benefits	<u>493,385,474</u>	<u>492,865,676</u>
Total postretirement benefit obligations	<u>1,763,132,446</u>	<u>1,736,877,108</u>
TOTAL PLAN'S BENEFIT OBLIGATIONS	<u>\$ 1,767,930,623</u>	<u>\$ 1,742,175,126</u>

See notes to financial statements.

Southern Company Services, Inc. Healthcare Plan for Retirees

***Statement of Changes in Plan's
Benefits Obligations
For the Year Ended December 31, 2009***

AMOUNTS CURRENTLY PAYABLE

Balance - beginning of year	\$ 5,298,018
Claims reported and approved for payment including benefits reclassified from postretirement benefit obligations	99,552,349
Claims paid	(99,542,429)
Net change in claims incurred but not reported	<u>(509,761)</u>
Balance - end of year	<u>4,798,177</u>

***POSTRETIREMENT BENEFIT OBLIGATION - Net of
amounts currently payable***

Balance - beginning of year	1,736,877,108
Increase (decrease) in postretirement benefits during the year attributable to:	
Benefits accumulated	21,941,773
Interest due to the passage of time	114,302,029
Other miscellaneous actuarial gains	(203,966,199)
Benefit payments	(83,763,619)
Changes in actuarial assumptions due to discount rate	<u>177,741,354</u>
Balance - end of year	<u>1,763,132,446</u>

TOTAL PLAN'S BENEFIT OBLIGATIONS - End of year \$ 1,767,930,623

See notes to financial statements.

Southern Company Services, Inc. Healthcare Plan for Retirees

Notes to Financial Statements

A. PLAN DESCRIPTION

General. The following description of the Southern Company Services, Inc. Healthcare Plan for Retirees (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a complete description of the Plan's provisions.

The Plan is a defined benefit health and welfare benefit plan established January 1, 2001, to provide medical benefits and health coverage to retired employees of Southern Company Services, Inc. and affiliated companies which have adopted the Plan. The adopting employers of the Plan are Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, Southern Communications Services, Inc., Southern Company Energy Solutions, LLC, Southern Company Services, Inc., Southern Management Development, Inc., and Southern Nuclear Operating Company, Inc. (collectively referred to as the "Employing Companies").

The Plan was established through a merger and consolidation of several plans: Southern Company Services, Inc. East Region Healthcare Plan for Retirees, Southern Company Services, Inc. West Region Healthcare Plan for Retirees, and Gulf Power Company Medical Plan for Retirees (collectively, the "Merged Plans"). In addition, certain provisions of the Mississippi Power Company Medical Benefits Plan were incorporated within the Plan as they pertained to retirees of Mississippi Power Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Voluntary Employees Beneficiary Association ("VEBA") trusts that are associated with the Plan are the Alabama Power Company Post-Retirement Welfare Benefits Trust (the "Alabama Power Company VEBA Master Trust"), the Gulf Power Company Post-Retirement Welfare Benefits Trust (the "Gulf Power Company VEBA Master Trust"), the Mississippi Power Company Medical Benefits Trust (the "Mississippi Power Company VEBA Master Trust") (collectively the "Master Trusts"), and the Georgia Power Post-Retirement Medical Benefits Trust (the "Georgia Power Company VEBA Trust"). The trustees of these trusts are Hancock Bank for the Mississippi Power Company VEBA Master Trust and The Bank of New York Mellon for the remaining trusts.

The Plan utilizes multiple third-party administrators to process claims incurred by eligible participants and their dependents.

Eligibility. The Plan provides health coverage to retired employees (as defined by the Plan document) and their dependents. Each retired employee who was a participant in any of the Merged Plans on December 31, 2000, became eligible for the Plan as of January 1, 2001. Each employee of the Employing Companies who was covered under the Southern Company Services, Inc. Healthcare Plan (the "Active Plan"), immediately prior to becoming retired, was automatically enrolled in the Plan, as of their date of retirement, in the same coverage option under which they were enrolled in the Active Plan (provided the applicable health plan option is offered to the respective retiree). Each employee of the Employing Companies who was not covered under the Active Plan prior to retirement but was eligible

Notes to Financial Statements (Continued)

to be covered is eligible to enroll in the Plan as of his or her retirement date and must do so within 60 days of such date. A retired employee who declines coverage under the Plan can only elect to become covered during an annual enrollment period, pursuant to special enrollment rights under the Health Insurance Portability and Accountability Act of 1996, or as a result of a qualified change in status, cost, or coverage, as determined under Internal Revenue Code ("IRC") Section 125.

Benefits. The Plan offers medical, mental health, and prescription drug benefits to retirees under several coverage options.

Contributions. Southern Company Services, Inc. periodically reviews the cost of providing benefits under the Plan and determines the level of retiree contributions to be made by participants in the Plan. These contribution rates are communicated to each participant in time for the annual enrollment period. Unless an employee retired after attaining age 55 and either retired prior to January 1, 2002, or was employed by one of the Employing Companies on January 1, 2002, and had accumulated 25 or more years of accredited service by that date or was age 55 or older on January 1, 2002 and had accumulated 10 or more years of credited service by that date, the following contribution rates applied effective January 1, 2007:

- Retired employees who have 10 years of accredited service will pay 40% of the estimated annual cost of retiree medical coverage ("Annual Cost"), as determined by the Plan Administrator each year.
- The percentage of the Annual Cost owed by each participant will be reduced by one percentage point for each year of accredited service in excess of 10 years earned by the retiree, up to a maximum of 40 years of accredited service; in no event will the retiree's contribution be less than 10% of the Annual Cost.
- For each retired employee who retires after January 1, 2002 and prior to attaining age 55, the percentage of the Annual Cost owed by the retiree will be increased by 3.6% of the Annual Cost that is not paid by the retiree under the previous two scenarios for each year prior to age 55.
- Each retiree will be responsible for paying the full amount of the Annual Cost if and to the extent that the Annual Cost exceeds specified amounts, which are based on age and coverage category.

East region generally includes all retirees of Georgia Power Company, Southern Nuclear Operating Company, Inc. employees who were employed in Georgia; and retirees of Southern Communications Services, Inc., Southern Company Energy Solutions, LLC, Southern Management Development, Inc., and Southern Company Services, Inc. who reside in Georgia. West region generally includes Alabama Power Company retirees; Southern Nuclear Operating Company, Inc. employees who were employed in Alabama; and retirees of Southern Communications Services, Inc., Southern Company Energy Solutions, LLC, Southern Management Development, Inc., and Southern Company Services, Inc. who reside outside of Georgia.

Notes to Financial Statements (Continued)

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("generally accepted accounting principles" or "GAAP").

Use of Estimates and Risks and Uncertainties. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, claims incurred but not reported, claims payable, and disclosure of contingent assets and liabilities. Actual amounts could differ from those estimates. The Plan, the Master Trusts, and the 401(h) accounts utilize various investment instruments including common stocks, mutual funds, money market funds, trust-owned life insurance, U.S. federal and state government and agency securities, common collective trust funds, partnerships, joint venture interests, and corporate bonds. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Claims Incurred But Not Reported. The Plan's liability for incurred but unreported claims is estimated using actuarial methods that use historical trend information.

Administrative Expenses. Expenses incurred in the administration of the Plan are paid by the Plan.

Postretirement Benefits. The postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed by the terms of the Plan to employees' service rendered to the date of the financial statements, reduced by the actuarial present value of contributions expected to be received in the future from current Plan participants. Postretirement benefits include future benefits expected to be paid to or for (1) currently retired employees and their beneficiaries and dependents and (2) active employees and their beneficiaries and dependents after retirement from service with the Employing Companies. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributable to that employee's service rendered to the valuation date. The postretirement benefit obligation represents the amount that is to be funded by contributions from the Employing Companies and from the existing Plan assets.

The actuarial present value of the expected postretirement benefit obligation is determined by the Plan's independent actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment and to reflect the portion of those costs expected to be borne by Medicare, the retired participants, and other providers.

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act") was signed into law. The Act introduced a prescription drug benefit under Medicare (Medicare Part D) as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D.1. Southern Company (the "Company") and its actuarial advisors determined that

Notes to Financial Statements (Continued)

benefits provided to certain participants are expected to be at least actuarially equivalent to Medicare Part D, and, accordingly, the Company expects to be entitled to a federal subsidy under the Act. The Plan's postretirement benefit obligation in the statements of plan's benefit obligations as of December 31, 2009 and 2008, and the changes in the postretirement benefit obligation in the statement of changes in plan's benefit obligations for the year ended December 31, 2009, do not reflect any amount associated with the Medicare subsidy because the Plan is not directly entitled to the Medicare subsidy. The postretirement benefit obligation in the Plan's financial statements differs from that disclosed in the Company's financial statements since the Company amounts are reported net of the Medicare subsidy in accordance with generally accepted accounting principles for the preparation of such financial statements.

For measurement purposes, the health care cost trend rate for non-Medicare-eligible participants and Medicare-eligible participants was assumed to be 8.5% for 2009, dropping to 5.25% by 2016.

The health care cost trend rate assumption has a significant effect on the amounts reported. If the assumed rates increased by one percentage point for each future year, the postretirement benefit obligation as of December 31, 2009 and 2008, would increase by \$152,236,375 and \$153,926,312, respectively.

Other significant assumptions used in the 2009 and 2008 valuations were as follows:

- Weighted-average discount rate of 5.8% and 6.7%, respectively.
- Life expectancy of participants is based on the Retired Pensioners' 2000 Combined Healthy Participant Mortality Table (projected).
- Retirement age of 65.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of postretirement benefit obligations.

Benefit Obligations. The Plan's deficiency of net assets over benefit obligations at December 31, 2009 and 2008, is expected to be funded through future increases in the Employing Companies' contributions and retiree contributions.

401(h) Account. In addition to normal retirement benefits, the Southern Company Pension Plan (the "Pension Plan") includes a medical benefit component to fund a portion of the postretirement obligations for retirees and their beneficiaries in accordance with Section 401 (h) of the IRC. A separate account has been established and is maintained in the Pension Plan for such contributions. In accordance with Section 401(h) of the IRC, the Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing health benefits for retirees and their beneficiaries. The related obligations for health benefits are not included in the Pension Plan's obligations in the statements of accumulated plan benefits but are reported as obligations in the financial statements of the Plan.

Notes to Financial Statements (Continued)

Investment Valuation and Income Recognition. Except as indicated below, a majority of the Plan's investments in the master trusts and the assets in the 401(h) accounts are stated at fair value, as determined by the trustees based on quoted market prices of the underlying investments. The investments held by master trusts, 401(h) account and those held by the Plan outside of master trusts include : common stocks, corporate bonds, U.S. government securities, mutual funds, common collective trust funds ("CCTs"), foreign and statement government and agency securities, trust-owned life insurance and money market funds. Trust-owned life insurance is stated at cash surrender value, which approximates fair value. CCTs are stated at fair value as determined by the issuer of the CCT based on the fair market value of the underlying investments. Amounts for securities that have no quoted market price represent estimated fair value. Many factors are considered in an estimated value. In general, however, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. The Plan's investments in limited partnerships and joint venture interests included in the 401 (h) account are carried at cost until either (a) the holding becomes traded on a public market (at which time, its quoted market price, with appropriate adjustment for limited liquidity, is used as fair value) or (b) the investment is determined to have increased or decreased in value (in which case, it will be revalued and assigned an estimated fair value by the Plan administrator based primarily on values recommended by the management of the limited partnership or the investment manager). Due to the inherent uncertainty of the limited partnership and joint venture valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. Money market funds are stated at cost, which approximates fair value.

Purchases and sales of investment securities are recorded on the trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

New Accounting Pronouncements. On April 9, 2009, the Financial Accounting Standards Board ("FASB") issued the Staff Position No. 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("FSP 157-4"), currently incorporated by the FASB Accounting Standards Codification ("Codification" or "ASC") in topic 820 ("FASB ASC 820"), *Fair Value Measurement and Disclosures*. FSP 157-4 (FASB ASC 820) provides additional guidance for estimating fair value when the volume and level of activity for an asset or liability have decreased significantly and for identifying circumstances indicating that a transaction is not orderly. FSP 157-4 (FASB ASC 820) is effective for interim and annual reporting periods ending after June 15, 2009 and will be applied prospectively. The adoption of FSP 157-4 (FASB ASC 820) had no impact on the Plan's financial statements.

In January 2010, the FASB issued ASC Update 2010-06, *Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements*. This guidance requires (i) separate disclosure of significant transfers between Level 1 and Level 2 and reasons for the transfers; (ii) disclosures by class of assets and liabilities; and (iii) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 disclosure requirements which will be effective for fiscal years beginning after December 15, 2010 and interim periods within those fiscal years. The adoption of this guidance is reflected, where applicable, throughout these financial statements.

Notes to Financial Statements (Continued)

C. INVESTMENTS (Unaudited)

During the year ended December 31, 2009, the Plan's investments (including gains and losses on investments bought, sold, and held during the year) appreciated (depreciated) in value as follows:

Common stocks	\$ (15,618,580)
Cash surrender value - trust-owned life insurance	<u>19,754,003</u>
	<u>\$ 4,135,423</u>

D. INVESTMENTS IN MASTER TRUSTS (Unaudited)

A portion of the Plan's investment assets are held in master trusts established by the Employing Companies for the Plan and the Employing Companies' medical plan for active employees and the Employing Companies' retiree life insurance plan and consists of an undivided interest in an investment account of the Alabama Power Company VEBA Master Trust, the Mississippi Power Company VEBA Master Trust, and the Gulf Power Company VEBA Master Trust. Use of these Master Trusts permits the commingling of Plan assets with the assets of other plans sponsored by the Employing Companies for investment and administrative purposes. Although assets of other plans are commingled in each of the Master Trusts, the trustees maintain supporting records for the purpose of allocating the net gain or loss of the investment accounts to the participating plans. The net investment income (loss) of the investment assets is allocated by the trustees to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

The investments of the Master Trusts at December 31, 2009 are summarized as follows:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Investments, at fair value			
Common collective trust fund	\$ 17,840,919	\$ 378,162	\$ 529,301
U.S. government securities	-	4,034,337	-
Common stocks	35,431,857	-	-
Trust-owned life insurance	<u>143,510,630</u>	<u>-</u>	<u>-</u>
Total investments, at fair value	196,783,406	4,412,499	529,301
Other receivable	<u>42,007</u>	<u>-</u>	<u>92</u>
Total net assets of the Master Trusts	<u>\$ 196,825,413</u>	<u>\$ 4,412,499</u>	<u>\$ 529,393</u>
Plan's investment in the Master Trusts	<u>\$ 136,623,351</u>	<u>\$ 2,599,528</u>	<u>\$ 457,028</u>
Plan's investment in the Master Trusts as a percentage of total	<u>69.4 %</u>	<u>58.9 %</u>	<u>86.3 %</u>

Notes to Financial Statements (Continued)

The investments of the Master Trusts at December 31, 2008 are summarized as follows:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Investments, at fair value			
Money market funds	\$ -	\$ 336,040	\$ -
U.S. government and agency securities	-	4,355,440	-
Common stocks	15,384,699	-	-
CCT- (money market fund)	44,477,771	-	-
Trust-owned life insurance	105,367,568	-	-
Repurchase agreements	-	-	542,784
Total investments, at fair value	<u>165,230,038</u>	<u>4,691,480</u>	<u>542,784</u>
Investment income receivable	<u>48,874</u>	<u>41,961</u>	<u>-</u>
Total net assets of the Master Trusts	<u>\$ 165,278,912</u>	<u>\$ 4,733,441</u>	<u>\$ 542,784</u>
Plan's investment in the Master Trusts	<u>\$ 114,779,725</u>	<u>\$ 3,039,961</u>	<u>\$ 466,360</u>
Plan's investment in the Master Trusts as a percentage of total	<u>69.5%</u>	<u>64.2 %</u>	<u>85.9 %</u>

The net investment income (loss) of the Master Trusts for the year ended December 31, 2009, is summarized below:

	Alabama Power Company VEBA Master Trust	Mississippi Power Company VEBA Master Trust	Gulf Power Company VEBA Master Trust
Dividend and interest income	\$ 654,736	\$ 151,041	\$ 6,737
Net appreciation (depreciation)			
Trust-owned life insurance	22,878,327	-	-
U.S. government and agency securities	-	(90,926)	-
Common stocks	4,610,903	-	-
Total net appreciation (depreciation)	<u>27,489,230</u>	<u>(90,926)</u>	<u>-</u>
Administrative expenses	<u>(117,537)</u>	<u>-</u>	<u>-</u>
Net investment income from Master Trust	<u>\$ 28,026,429</u>	<u>\$ 60,115</u>	<u>\$ 6,737</u>

Notes to Financial Statements (Continued)

E. FAIR VALUE MEASUREMENTS

On January 1, 2008, the Plan adopted FAS No. 157 (FASB ASC 820), which defines fair value, establishes a framework for measuring fair value and requires additional disclosures about fair value measurements. The criterion that is set forth in this standard is applicable to fair value measurement where it is permitted or required under other accounting pronouncements.

FAS No. 157 (FASB ASC 820) defines fair value as the exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on inputs of observable and unobservable market data that a market participant would use in pricing the asset or liability. The use of observable inputs is maximized for fair value measurement. As a means to illustrate the inputs used, FAS No. 157 (FASB ASC 820) established a three-tier fair value hierarchy that prioritizes inputs to valuation techniques used for fair value measurement.

Level 1	Consists of observable market data in an active market for identical assets or liabilities.
Level 2	Consists of observable market data, other than that included in Level 1, that is either directly or indirectly observable.
Level 3	Consists of unobservable market data. The input may reflect the assumptions of the Plan of what a market participant would use in pricing an asset or liability. If there is little available market data then the Plan's own assumptions are the best available information.

In the case of multiple inputs being used in a fair value measurement, the lowest level input that is significant to the fair value measurement represents the level in the fair value hierarchy in which the fair value measurement is reported.

The following table sets forth by level, within the fair value hierarchy, the Plan Assets at fair value as of December 31, 2009 (in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Outside the Master Trusts			
Common stocks	\$ 65,880,536	\$ -	\$ -
Common collective trust fund	21,194,958	-	-
Trust-owned life insurance	-	<u>126,632,257</u>	<u>-</u>
Total assets at fair value	<u>\$ 87,075,494</u>	<u>\$ 126,632,257</u>	<u>\$ -</u>

Notes to Financial Statements (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Within the Master Trusts *			
Money market funds	\$ 18,748,382	\$ -	\$ -
U.S. government securities	4,034,337	-	-
Common stocks	35,431,857	-	-
Trust-owned life insurance	-	143,510,630	-
	<u>-</u>	<u>143,510,630</u>	<u>-</u>
Total Master Trust Investments	<u>\$ 58,214,576</u>	<u>\$ 143,510,630</u>	<u>\$ -</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
401(h) Assets (in thousands)			
Money market funds	\$ 4,216	\$ -	\$ -
U.S. government securities	-	8,369	-
Corporate debt		15,236	
Common and preferred stocks	107,027	-	-
Mutual funds	13,320	-	-
Partnership and joint ventures	-	-	42,575
Foreign gov't and agency securities		12,910	
Common collective trust funds		36,557	
Other	-	4,640	-
	<u>-</u>	<u>4,640</u>	<u>-</u>
Total 401(h) Held Assets	<u>\$ 124,563</u>	<u>\$ 77,712</u>	<u>\$ 42,575</u>

The following table provides further details of the Level 3 fair value measurements for limited partnership and joint venture interests (including private real estate funds) for the year ended December 31, 2009 (in thousands):

Beginning balance	\$ 38,899
Purchases, sales, issuances, and settlements (net)	21,786
Unrealized gains or losses	(20,492)
Realized gains or losses	<u>2,349</u>
Ending balance	<u>\$ 42,542</u>

Notes to Financial Statements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan Assets at fair value as of December 31, 2008 (in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Outside the Master Trusts			
Common stocks	\$ 53,570	\$ -	\$ -
Money market funds	19,805	-	-
Trust-owned life insurance	-	110,199	-
	<u>-</u>	<u>110,199</u>	<u>-</u>
Total assets at fair value	<u>\$ 73,375</u>	<u>\$ 110,199</u>	<u>\$ -</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets Held Within the Master Trusts *			
Money market funds	\$ 336	\$ -	\$ -
U.S. government and agency securities	-	4,355	-
Common stock	15,385	-	-
Common collective trust	-	44,478	-
Trust-owned life insurance	-	105,368	-
Repurchase agreements	-	543	-
	<u>-</u>	<u>543</u>	<u>-</u>
Total Master Trust Investments	<u>\$ 15,721</u>	<u>\$ 154,744</u>	<u>\$ -</u>

* Master Trust Investments do not include interest income receivable.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
401(h) Assets (in thousands)			
Money market funds	\$ 4,960	\$ -	\$ -
U.S. government and agency securities	-	10,198	-
Corporate debt	-	17,213	-
Common stock	114,259	-	-
Mutual funds	1,607	-	-
Partnership and joint ventures	-	-	38,899
Foreign gov't and agency securities	-	9,671	-
Common collective trust	-	27,751	-
	<u>-</u>	<u>27,751</u>	<u>-</u>
Total 401(h) Held Assets	<u>\$ 120,826</u>	<u>\$ 64,833</u>	<u>\$ 38,899</u>

Notes to Financial Statements (Continued)

F. 401(h) ACCOUNT (Unaudited)

The Pension Plan's investment assets are held in a trust account at the trustee. A portion of the Plan's obligations is funded through contributions to the Pension Plan in accordance with IRC Section 401(h).

The components of the net assets available for such obligations as of December 31, 2009 and 2008, and the related changes in net assets available for the year ended December 31, 2009, are summarized as follows (In thousands):

	<u>2009</u>	<u>2008</u>
Net assets of 401(h) account		
Investment in Pension Plan Trust, at fair value	\$ 239,602	\$ 224,557
Changes in net assets of 401(h) account		
Net assets - beginning of year	\$ 224,557	
Net appreciation in fair value of investments	23,239	
Interest and dividend income	6,151	
Benefit payments	(13,295)	
Administrative expenses	<u>(1,050)</u>	
Net assets - end of year	<u>\$ 239,602</u>	

Notes to Financial Statements (Continued)

The investments of the 401(h) account as of December 31, 2009 and 2008 are summarized as follows (in thousands):

	<u>2009</u>	<u>2008</u>
Assets:		
Investments, at fair value		
Interest-bearing cash	\$ 4,216	\$ 2,312
U.S. government securities	8,369	10,198
Corporate debt instruments - preferred	5,282	6,583
Corporate debt instruments - all other	9,954	10,630
Corporate stocks - preferred	356	153
Corporate stocks - common	106,671	114,106
Partnership and joint venture interests	42,575	38,899
Collective trust funds	36,557	27,751
Mutual funds	13,320	1,607
Foreign and state government and agency securities	12,910	14,622
Other	<u>4,640</u>	<u>32</u>
 Total investments	 244,850	 226,893
 Foreign currency contracts	 331	 785
Receivables for securities sold	1,446	415
Accrued income and other	785	869
Cash	1,657	1,761
Collateral for securities lending agreements	<u>34,914</u>	<u>25,382</u>
 Total assets	 <u>283,983</u>	 <u>256,105</u>
 Liabilities:		
Payables for securities purchased	2,546	4,311
Foreign currency contracts	6,725	1,840
Cash overdraft	-	15
Administrative fees payable	196	-
Liabilities to return collateral held under securities lending agreements	<u>34,914</u>	<u>25,382</u>
 Total liabilities	 <u>44,381</u>	 <u>31,548</u>
 Total net assets 401(h) account	 <u>\$ 239,602</u>	 <u>\$ 224,557</u>

Notes to Financial Statements (Continued)

The net investment income (loss) of the 401(h) account for the year ended December 31, 2009 is summarized below (in thousands):

Interest and dividend income	\$ 6,151
Net appreciation in fair value of investments:	
Common and preferred stocks	27,813
Mutual funds	2,434
Common and collective trust funds	4,717
Total debt instruments (including corporate and government)	1,396
Limited partnerships and joint ventures	(15,771)
Other investments	<u>2,650</u>
Total net appreciation in fair value of investments	<u>23,239</u>
Total net investment gain	<u>\$ 29,390</u>

Derivative financial instruments are used by The Southern Company Pension Plan Trust ("Pension Plan Trust") equity and balanced portfolio investment managers primarily to rebalance the fixed income/equity allocation of the portfolios and to hedge the currency risk component of the Pension Plan Trust foreign investments. Certain of the fixed income investment managers are permitted to use certain specified types of derivative instruments as part of their respective strategies. These strategies include the use of futures and options as substitutes for certain types of fixed income securities. Leveraging of the Pension Plan Trust assets and speculation are prohibited. Foreign currency hedge positions are not permitted to exceed the level of exposure in the Pension Plan Trust related assets.

Securities Lending. The Pension Plan Trust participates in a securities lending program through its trustee. Under this program, the Pension Plan Trust investment securities are loaned to investment brokers for a fee. Securities so loaned are fully collateralized by cash, letters of credit, and securities issued or guaranteed by the U.S. government, its agencies, and instrumentalities. At December 31, 2009 and 2008, \$849 million and \$615 million, respectively, of the fair market value of the Pension Plan securities were on loan under the securities lending program. The fair value of the collateral received as a percentage of the total current value of the securities on loan by the Pension Plan Trust was approximately 104 % for domestic loans and 105% for international loans at December 31, 2009, and 102% for domestic loans and 106% for international loans at December 31, 2008. Income from the program was \$4.7 million and \$4.9 million for the years ended December 31, 2009 and 2008, respectively.

Foreign Currency Exchange Contracts. The Pension Plan Trust enters into forward contracts to purchase and sell foreign currencies in the normal course of its investing activities to manage the currency exposure associated with the Pension Plan Trusts' foreign equity and fixed income investments. The terms of these contracts generally do not exceed one year. The credit risk associated with these contracts is minimal as they are entered into with a limited number of highly rated counterparties.

Notes to Financial Statements (Continued)

The Pension Plan Trust reflects the fair value of all forward contracts as an asset or liability. The fair values associated with the foreign currency contracts have been estimated by valuing the net position of the contracts using the applicable spot rates and forward rates as of the reporting date. For the Pension Plan Trusts' holdings, forward contracts to purchase foreign currency are shown as currency contract payables and forward contracts to sell foreign currency are shown as currency contract receivables. Changes in fair value are accounted for as net appreciation (depreciation) in fair value of investments.

G. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan's investments include holdings in The Bank of New York Cash Reserve Fund. The Bank of New York is a trustee of the Plan's assets, and therefore, transactions in this fund qualify as an exempt party-in-interest transaction.

H. INCOME TAX STATUS

The trusts established for purposes of holding the Plan's assets are intended to qualify pursuant of Section 501(c)(9) of the IRC, and accordingly, the net investment income from the trusts is exempt from income taxes. The trusts have obtained exemption letters from the Internal Revenue Service as follows:

Alabama Power Company VEBA Master Trust	January 3, 1996
Mississippi Power Company VEBA Master Trust	February 25, 1988
Gulf Power Company VEBA Master Trust	April 8, 1996
Georgia Power Post-Retirement Medical Benefits Trust	May 3, 1996

The Plan Administrator believes that the trusts continue to qualify and to operate in accordance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

I. PLAN TERMINATION

Although it has not expressed any intention to do so, the Plan Administrator has the right under the Plan to amend and terminate the Plan, subject to the provisions set forth in ERISA. In the event of termination, the Employing Companies will contribute the necessary amounts to fund all claims and expenses incurred prior to the date of termination.

J. INFORMATION CERTIFIED BY THE TRUSTEES (Unaudited)

The following is a summary of the unaudited information as of and for the years ended December 31, 2009 and 2008, and for the year ended December 31, 2009, included in the Plan's financial statements and supplemental schedules that was prepared by or derived from information prepared by The Bank of New York Mellon and Hancock Bank, the trustees of the Master Trusts, and JPMorgan Chase Bank, the trustee of the Plan's 401(h) account, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustees that such information is complete and accurate.

Notes to Financial Statements (Continued)

	<u>2009</u>	<u>2008</u>
Investments:		
Investment in Alabama Power Company VEBA Master Trust	\$ 136,623,351	\$ 114,779,725
Investment in Mississippi Power Company VEBA Master Trust	2,599,528	3,039,961
Investment in Gulf Power Company VEBA Master Trust	457,028	466,360
Net assets held in The Southern Company Pension Plan - restricted for 401(h) account	239,602,447	224,557,706
Common stocks	65,880,536	53,569,472
Mutual funds	-	20
Common collective trust fund	21,194,958	
Money market funds	225	19,805,109
Trust-owned life insurance	126,632,257	110,199,416
Investment income receivable	90,065	-
Due to broker for securities purchased	-	(449,692)
Investment income (loss):		
Interest and dividend income	1,705,471	
Net appreciation in fair value of investments	4,135,423	
Net gain from investments in master trusts	19,286,607	
Net increase in 401(h) account	15,044,741	
Other income	34,563,896	

In addition, all investment balances and investment income (loss) information included in Notes D, E, and F and the supplemental schedules were derived from information furnished and certified by the trustees.

K. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Net assets available for Plan benefits per the financial statements	\$ 592,997,686	\$ 526,062,119
Benefit obligations currently payable	(4,798,177)	(5,298,018)
Net assets held in 401(h) account not included as assets in Form 5500	<u>(239,602,447)</u>	<u>(224,557,706)</u>
Net assets available for Plan benefits per the Form 5500	<u>\$ 348,597,062</u>	<u>\$ 296,206,395</u>

Notes to Financial Statements (Continued)

The net assets of the 401(h) account included in the financial statements are available to pay retiree health benefits, but are included in the Form 5500 for the Pension Plan and not in the Plan's Form 5500. A reconciliation of benefit payments per the financial statements to the Form 5500 for the year ended December 31, 2009 is as follows:

Benefit payments per the financial statements	\$ 99,542,429
Less benefit obligations payable - December 31, 2008	(5,298,018)
Plus benefit obligations payable - December 31, 2009	<u>4,798,177</u>
Total benefit payments per the Form 5500	<u>\$ 99,042,588</u>

A reconciliation of net decrease per the financial statements to the Form 5500 for the year ended December 31, 2009 is as follows:

Net increase per the financial statements	\$ 66,935,567
Plus benefit obligations payable - December 31, 2008	5,298,018
Less benefit obligations payable - December 31, 2009	(4,798,177)
Less net increase in 401(h) net assets available	<u>(15,044,741)</u>
Total deductions per Form 5500	<u>\$ 52,390,667</u>

L. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 5, 2010, which is the date the financial statements were available to be issued, and have determined that there are no subsequent events that require disclosure under the Subsequent Events topic of ASC 855, *Subsequent Events*.

SUPPLEMENTAL SCHEDULES

Form 5500, Schedule H, Part IV, Line 4i
Plan Sponsor EIN: 63-0274273
Plan Number: 608

Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	225.0000	BSDT-LATE MONEY DEPOSIT ACCT 0.025% 12/31/2049 DD 06/26/97	225.00	225.00
		TOTAL INTEREST-BEARING CASH	225.00	225.00
		<u>CORPORATE STOCK - COMMON</u>		
	2,700.0000	INVESCO LTD SHS	33,390.57	63,423.00
	1,796.0000	NABORS INDUSTRIES LTD SHS	14,184.01	39,314.44
	2,250.0000	XL CAP LTD CL A COM	32,204.96-	41,242.50
	3,100.0000	AFLAC INC COM	115,473.02	143,375.00
	4,700.0000	AES CORP COM	10,874.84	62,557.00
	700.0000	AK STL HLDG CORP COM	5,948.20	14,945.00
	0.0900	AOL INC	1.37	2.10
	39,201.0000	AT & T INC COM	906,507.30	1,098,804.03
	10,332.0000	ABBOTT LABS COM	505,500.49	557,824.68
	600.0000	ABERCROMBIE & FITCH CO CL A	9,764.66	20,910.00
	3,523.0000	ADOBE SYS INC DEL COM	64,687.92	129,575.94
	3,700.0000	ADVANCED MICRO DEVICES INC COM	11,202.56-	35,816.00
	2,822.0000	AETNA INC COM NEW	62,360.34	89,457.40

Form 5500, Schedule H, Part IV, Line 4i
Plan Sponsor EIN: 63-0274273
Plan Number: 608

Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	700.0000	AFFILIATED COMPUTER SVCS INC CL A	31,942.99	41,783.00
	2,232.0000	AGILENT TECHNOLOGIES INC	28,270.04	69,348.24
	1,450.0000	AIR PRODS & CHEMS INC COM	66,932.11	117,537.00
	600.0000	AIRGAS INC	28,412.52	28,560.00
	1,100.0000	AKAMAI TECHNOLOGIES INC	12,807.45	27,874.00
	6,474.0000	ALCOA INC COM	30,429.86	104,360.88
	1,300.0000	ALLEGHENY ENERGY INC COM	37,868.66	30,524.00
	650.0000	ALLEGHENY TECHNOLOGIES INC COM	13,065.13	29,100.50
	2,038.0000	ALLERGAN INC COM	74,436.60	128,414.38
	3,500.0000	ALLSTATE CORP COM	92,468.68	105,140.00
	1,950.0000	ALTERA CORP COM	25,359.69	44,128.50
	13,747.0000	ALTRIA GROUP INC	176,637.24	269,853.61
	2,214.0000	AMAZON.COM INC COM	111,172.87	297,827.28
	1,750.0000	AMEREN CORP	51,725.55	48,912.50
	3,360.0000	AMERICAN ELEC PWR INC COM	101,587.99	116,894.40
	7,900.0000	AMERICAN EXPRESS CO COM	102,705.44	320,108.00
	876.0000	AMERICAN INTL GROUP INC COM NEW	173,685.85-	26,262.48
	2,600.0000	AMERICAN TOWER CORP	71,743.64	112,346.00

Form 5500, Schedule H, Part IV, Line 4i
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Plan Number: 608

Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	1,900.0000	AMERISOURCEBERGEN CORP COM	32,216.92	49,533.00
	1,710.0000	AMERIPRISE FINL INC COM	35,053.96	66,382.20
	6,716.0000	AMGEN INC COM	363,887.77	379,924.12
	1,100.0000	AMPHENOL CORP NEW CL A	26,580.43	50,798.00
	3,232.0000	ANADARKO PETE CORP COM	105,354.95	201,741.44
	1,900.0000	ANALOG DEVICES INC COM	30,139.53	60,002.00
	1,850.0000	AON CORP COM	75,071.84	70,929.00
	2,245.0000	APACHE CORP COM	133,875.65	231,616.65
	779.0000	APARTMENT INVT & MGMT CO CL A	6,245.45	12,401.68
	850.0000	APOLLO GROUP INC CL A	58,829.64	51,493.00
	5,981.0000	APPLE INC	391,226.79	1,260,388.09
	8,850.0000	APPLIED MATLS INC COM	57,974.19	123,369.00
	4,209.0000	ARCHER DANIELS MIDLAND CO COM	98,567.45	131,783.79
	800.0000	ASSURANT INC COM	19,635.86	23,584.00
	1,500.0000	AUTODESK INC COM	25,034.73	38,115.00
	3,350.0000	AUTOMATIC DATA PROCESSING INC COM	117,325.60	143,447.00
	700.0000	AUTONATION INC COM	7,420.00	13,405.00

Form 5500, Schedule H, Part IV, Line 4i
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Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	203.0000	AUTOZONE INC COM	23,471.82	32,088.21
	541.0000	AVALONBAY CMNTYS INC COM	26,266.33	44,421.51
	700.0000	AVERY DENNISON CORP COM	16,115.26	25,543.00
	2,850.0000	AVON PRODS INC COM	56,591.85	89,775.00
	4,514.0000	BB&T CORP COM	100,495.07	114,520.18
	1,900.0000	BJ SVCS CO COM	19,195.15	36,340.00
	1,200.0000	BMC SOFTWARE INC COM	17,639.68	48,120.00
	2,050.0000	BAKER HUGHES INC COM	61,163.85	82,984.00
	650.0000	BALL CORP COM	21,240.03	33,605.00
	65,912.0000	BANK OF AMERICA CORP	370,582.03	992,634.72
	7,921.0000	BANK NEW YORK MELLON CORP COM	195,871.37	221,550.37
	700.0000	BARD C R INC	47,051.08	54,530.00
	4,059.0000	BAXTER INTL INC COM	188,038.53	238,182.12
	1,550.0000	BECTON DICKINSON & CO COM	88,259.85	122,233.00
	1,700.0000	BED BATH & BEYOND INC COM	34,639.25	65,637.00
	750.0000	BEMIS INC COM	16,820.03	22,237.50
	2,250.0000	BEST BUY INC COM	57,923.85	88,785.00
	500.0000	BIG LOTS INC COM	7,001.16	14,490.00
	1,965.0000	BIOGEN IDEC INC COM	87,166.94	105,127.50

Form 5500, Schedule H, Part IV, Line 4i
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Plan Number: 608

Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	450.0000	BLACK & DECKER CORP COM	16,112.81	29,173.50
	2,200.0000	BLOCK H & R INC COM	43,829.68	49,764.00
	4,850.0000	BOEING CO COM	199,836.22	262,530.50
	906.0000	BOSTON PPTYS INC COM	37,506.35	60,765.42
	9,999.0000	BOSTON SCIENTIFIC CORP COM	45,841.77	89,991.00
	11,350.0000	BRISTOL MYERS SQUIBB CO COM	144,462.48	286,587.50
	2,875.0000	BROADCOM CORP CL A COM	37,230.32	90,476.25
	750.0000	BROWN FORMAN CORP CL B	34,296.13	40,177.50
	1,800.0000	BURLINGTON NORTH SANTA FE CORP COM	112,804.29	177,516.00
	4,527.0000	CBS CORP NEW CL B	7,679.35	63,604.35
	1,552.0000	CB RICHARD ELLIS GROUP INC CL A	893.95-	21,060.64
	380.0000	CF INDS HLDGS INC COM	12,771.71	34,496.40
	1,100.0000	C H ROBINSON WORLDWIDE INC COM NEW	56,240.56	64,603.00
	1,813.0000	CIGNA CORP COM	27,222.38	63,944.51
	442.0000	CME GROUP INC COM	61,441.70	148,494.32
	1,850.0000	CMS ENERGY CORP COM	13,046.30	28,971.00
	2,600.0000	CSX CORP COM	71,746.72	126,074.00

Form 5500, Schedule H, Part IV, Line 4i
Plan Sponsor EIN: 63-0274273
Plan Number: 608

Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	9,394.0000	CVS CAREMARK CORP	234,996.82	302,580.74
	2,550.0000	CA INC COM	38,073.69	57,273.00
	700.0000	CABOT OIL & GAS CORP COM	14,975.61	30,513.00
	1,600.0000	CAMERON INTL CORP COM	33,166.54	66,880.00
	1,200.0000	CAMPBELL SOUP CO COM	33,983.84	40,560.00
	2,973.0000	CAPITAL ONE FINL CORP	46,915.16	113,984.82
	2,350.0000	CARDINAL HEALTH INC COM	39,534.75	75,764.00
	1,175.0000	CAREFUSION CORP	22,001.86	29,386.75
	2,905.0000	CARNIVAL CORP PAIRED CTF 1 COM 1 TR SH BEN INT	55,901.65	92,059.45
	4,100.0000	CATERPILLAR INC	155,269.91	233,659.00
	3,038.0000	CELGENE CORP	162,322.98	169,155.84
	2,800.0000	CENTERPOINT ENERGY INC COM	30,402.55	40,628.00
	1,977.0000	CENTURYTEL INC COM	48,424.23	71,587.17
	500.0000	CEPHALON INC COM	38,228.72	31,210.00
	4,225.0000	CHESAPEAKE ENERGY CORP COM	64,205.80	109,343.00
	13,302.0000	CHEVRON CORPORATION COM	840,908.66	1,024,120.98
	2,246.0000	CHUBB CORP COM	99,728.83	110,458.28
	1,012.0000	CINCINNATI FINL CORP COM	24,153.90	26,554.88

Form 5500, Schedule H, Part IV, Line 4i
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Southern Company Services, Inc. Healthcare Plan for Retirees
Schedule of Assets (Held at End of Year)
As of December 31, 2009

(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	38,200.0000	CISCO SYS INC COM	353,055.74	914,508.00
	900.0000	CINTAS CORP	19,445.59	23,463.00
	129,413.0000	CITIGROUP INC COM	761,345.40	428,357.03
	1,250.0000	CITRIX SYS INC COM	20,829.92	52,012.50
	900.0000	CLIFFS NAT RES INC COM	41,153.04	41,481.00
	950.0000	CLOROX CO COM	48,659.90	57,950.00
	2,116.0000	COACH INC COM	38,652.48	77,297.48
	15,420.0000	COCA COLA CO COM	655,090.14	878,940.00
	2,050.0000	COCA COLA ENTERPRISES INC COM	21,833.83	43,460.00
	2,000.0000	COGNIZANT TECH SOLUTIONS CL A	32,940.30	90,660.00
	3,350.0000	COLGATE PALMOLIVE CO	218,971.33	275,202.50
	18,945.0000	COMCAST CORP NEW CL A	271,804.77	319,412.70
	1,000.0000	COMERICA INC COM	14,205.66	29,570.00
	1,000.0000	COMPUTER SCIENCES CORP COM	32,480.18	57,530.00
	1,575.0000	COMPUWARE CORP	8,589.87	11,387.25
	2,900.0000	CONAGRA FOODS INC COM	45,634.04	66,845.00
	9,904.0000	CONOCOPHILLIPS COM	433,644.74	505,797.28
	1,250.0000	CONSOL ENERGY INC COM	32,550.85	62,250.00

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	1,952.0000	CONSOLIDATED EDISON INC COM	73,172.96	88,679.36
	1,250.0000	CONSTELLATION BRANDS INC CL A	15,763.41	19,912.50
	1,450.0000	CONSTELLATION ENGY GRP INC COM	30,597.78	50,996.50
	10,350.0000	CORNING INC COM	43,213.94	199,858.50
	2,900.0000	COSTCO WHSL CORP NEW COM	141,571.07	171,593.00
	900.0000	COVENTRY HEALTH CARE INC COM	8,337.27	21,861.00
	1,372.0000	CUMMINS INC COM	29,401.70	62,919.92
	1,800.0000	D R HORTON INC	4,355.20	19,566.00
	1,200.0000	DTE ENERGY CO COM	39,840.32	52,308.00
	1,800.0000	DANAHER CORP COM	87,605.28	135,360.00
	900.0000	DARDEN RESTAURANTS INC	21,594.77	31,563.00
	700.0000	DAVITA INC COM	33,406.59	41,118.00
	1,100.0000	DEAN FOODS CO COM NEW	16,299.75	19,844.00
	2,800.0000	DEERE & CO COM	92,269.29	151,452.00
	11,350.0000	DELL INC COM	64,635.91	162,986.00
	1,600.0000	DENBURY RES INC COM NEW	27,097.76	23,680.00
	1,000.0000	DENTSPLY INTL INC NEW COM	27,095.29	35,170.00
	2,970.0000	DEVON ENERGY CORP NEW COM	156,093.33	218,295.00

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	400.0000	DEVRY INC DEL COM	18,565.68	22,692.00
	500.0000	DIAMOND OFFSHORE DRILLING INC COM	27,735.35	49,210.00
	12,400.0000	DISNEY WALT CO COM	245,363.38	399,900.00
	3,550.0000	DISCOVER FINL SVCS COM	22,970.55	52,220.50
	6,300.0000	DIRECTV COM CL A	171,807.67	210,105.00
	4,126.0000	DOMINION RES INC VA NEW COM	136,086.17	160,583.92
	1,300.0000	DONNELLEY R R & SONS CO COM	11,564.42	28,951.00
	1,200.0000	DOVER CORP COM	33,228.56	49,932.00
	7,555.0000	DOW CHEM CO COM	78,132.67	208,744.65
	1,700.0000	DR PEPPER SNAPPLE INC COM	26,046.02	48,110.00
	6,000.0000	DU PONT E I DE NEMOURS & CO COM	117,880.75	202,020.00
	8,889.0000	DUKE ENERGY CORP NEW COM	109,747.83	152,979.69
	400.0000	DUN & BRADSTREET CORP DEL NEW	30,877.51	33,748.00
	13,447.0000	EMC CORP MASS	51,755.35	234,919.09
	1,672.0000	EOG RES INC COM	89,049.51	162,685.60
	1,000.0000	EQT CORP COM	33,675.00	43,920.00
	9,550.0000	E TRADE FINANCIAL CORP	7,423.34-	16,808.00

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	500.0000	EASTMAN CHEM CO COM	13,402.85	30,120.00
	1,700.0000	EASTMAN KODAK CO COM	6,911.98	7,174.00
	1,150.0000	EATON CORP	50,497.21	73,163.00
	7,450.0000	EBAY INC COM	89,202.57	175,298.50
	1,550.0000	ECOLAB INC COM	53,203.96	69,099.00
	2,350.0000	EDISON INTL COM	66,272.31	81,733.00
	5,057.0000	EL PASO CORP COM	6,280.27	49,710.31
	2,100.0000	ELECTRONIC ARTS	23,367.57	37,275.00
	4,983.0000	EMERSON ELEC CO COM	169,180.85	212,275.80
	900.0000	ENSCO INTERNATIONAL PLC ADR	37,872.00	35,946.00
	1,340.0000	ENTERGY CORP NEW COM	85,554.34	109,665.60
	850.0000	EQUIFAX INC COM	20,394.39	26,256.50
	1,800.0000	EQUITY RESIDENTIAL SH BEN INT COM	48,818.27	60,804.00
	4,524.0000	EXELON CORP COM	208,383.53	221,087.88
	1,400.0000	EXPEDIA INC DEL COM	7,985.21	36,022.00
	1,400.0000	EXPEDITORS INTL WASH INC COM	39,889.03	48,678.00
	1,900.0000	EXPRESS SCRIPTS INC COM STK	86,243.29	164,198.00
	31,524.0000	EXXON MOBIL CORP	2,131,223.08	2,149,621.56

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	1,000.0000	FLIR SYS INC	28,399.50	32,730.00
	800.0000	FMC TECHNOLOGIES INC COM	31,146.32	46,272.00
	500.0000	FMC CORP NEW COM	27,345.49	27,880.00
	2,892.0000	FPL GROUP INC COM	124,653.78	152,755.44
	900.0000	FAMILY DLR STORES INC	23,486.56	25,047.00
	900.0000	FASTENAL CO	30,911.88	37,476.00
	550.0000	FEDERATED INVS INC PA CL B	8,364.92	15,125.00
	2,124.0000	FEDEX CORP COM	115,643.90	177,247.80
	2,100.0000	FIDELITY NATL INFORMATION SVCS INC COM	39,433.62	49,224.00
	5,284.0000	FIFTH THIRD BANCORP	22,987.78-	51,519.00
	1,479.8280	FIRST HORIZON NATIONAL CORP COM	5,884.51	19,829.70
	322.0000	FIRST SOLAR INC COM	48,224.56	43,598.80
	1,000.0000	FISERV INC COM	33,173.51	48,480.00
	2,098.0000	FIRSTENERGY CORP COM	87,622.52	97,452.10
	1,200.0000	FLUOR CORP NEW COM	42,901.32	54,048.00
	400.0000	FLOWERVE CORP COM	20,107.83	37,812.00
	21,443.0000	FORD MTR CO DEL COM PAR \$0.01	22,577.36-	214,430.00
	2,000.0000	FOREST LABS INC CL A COM	45,165.76	64,220.00

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	950.0000	FORTUNE BRANDS INC COM	29,853.69	41,040.00
	997.0000	FRANKLIN RES INC COM	54,709.15	105,033.95
	2,872.0000	FREEPORT MORAN COPPER & GOLD INC COM	47,639.64	230,592.88
	2,050.0000	FRONTIER COMMUNICATIONS CORP COM	15,083.26	16,010.50
	1,100.0000	GAMESTOP CORP NEW CL A	20,681.53	24,134.00
	1,450.0000	GANNETT INC COM	8,906.84	21,532.50
	3,153.0000	GAP INC COM	36,435.44	66,055.35
	2,540.0000	GENERAL DYNAMICS CORP COM	122,797.55	173,151.80
	70,647.0000	GENERAL ELEC CO COM	538,468.38	1,068,889.11
	2,163.0000	GENERAL MILS INC COM	117,673.53	153,162.03
	1,100.0000	GENUINE PARTS CO COM	37,948.47	41,756.00
	3,151.0000	GENWORTH FINL INC COM	1,459.78	35,763.85
	1,750.0000	GENZYME CORP COM	108,002.18	85,767.50
	5,958.0000	GILEAD SCIENCES INC COM	242,025.56	257,802.66
	3,421.0000	GOLDMAN SACHS GROUP INC COM	282,306.01	577,601.64
	850.0000	GOODRICH CORP	28,788.88	54,612.50
	1,600.0000	GOODYEAR TIRE & RUBR CO COM	1,580.74	22,560.00

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	1,602.0000	GOOGLE INC CL A	500,329.72	993,207.96
	450.0000	GRAINGER W W INC COM	30,669.70	43,573.50
	1,900.0000	HCP INC COM	46,238.53	58,026.00
	5,949.0000	HALLIBURTON CO COM	99,522.55	179,005.41
	1,550.0000	HARLEY DAVIDSON INC COM	18,326.65	39,060.00
	429.0000	HARMAN INTL INDS INC NEW COM	2,998.15	16,135.12
	900.0000	HARRIS CORP DEL COM	33,882.24	42,795.00
	2,482.0000	HARTFORD FINL SVCS GROUP INC COM	22,476.33	57,731.32
	800.0000	HASBRO INC COM	20,760.46	25,648.00
	800.0000	HEALTH CARE REIT INC COM	30,212.10	35,456.00
	2,050.0000	HEINZ H J CO COM	75,231.51	87,658.00
	1,100.0000	HERSHEY COMPANY COM	35,421.82	39,369.00
	1,934.0000	HESS CORP COM	85,426.93	117,007.00
	15,799.0000	HEWLETT PACKARD CO COM	505,600.25	813,806.49
	11,300.0000	HOME DEPOT INC COM	190,380.15	326,909.00
	5,000.0000	HONEYWELL INTL INC COM	133,871.05	196,000.00
	500.0000	HORMEL FOODS CORP COM	14,912.15	19,225.00
	1,055.0000	HOSPIRA INC	24,009.94	53,805.00

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	4,095.6170	HOST HOTELS & RESORTS INC	16,914.03	47,795.85
	3,100.0000	HUDSON CITY BANCORP INC COM	44,108.63	42,563.00
	1,160.0000	HUMANA INC COM	34,463.37	50,473.50
	4,760.0000	HUNTINGTON BANCSHARES INC	16,290.74	17,374.00
	1,200.0000	IMS HEALTH INC COM CASH MERGER	16,047.28	25,272.00
	1,200.0000	ITT CORP	46,695.17	59,688.00
	2,550.0000	ILLINOIS TOOL WKS INC COM	86,964.48	122,374.50
	36,621.0000	INTEL CORP	321,794.75	747,068.40
	630.0000	INTEGRYS ENERGY GROUP INC COM	24,194.55	26,453.70
	494.0000	INTERCONTINENTAL EXCHANGE INC COM	29,560.65	55,476.20
	8,723.0000	IBM CORP COM	703,728.11	1,141,840.70
	500.0000	INTL FLAVORS & FRAGRANCES INC COM	13,962.84	20,570.00
	1,950.0000	INTERNATIONAL GAME TECHNOLOGY COM	18,351.29	36,601.50
	2,812.0000	INTERNATIONAL PAPER CO COM	14,437.37	75,305.36
	3,150.0000	INTERPUBLIC GROUP COS INC COM	21,867.76	23,247.00
	252.0000	INTUITIVE SURGICAL INC COM NEW	23,817.30	76,464.36

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	2,050.0000	INTUIT COM	46,448.02	62,996.50
	1,200.0000	IRON MTN INC PA COM	26,543.44	27,312.00
	1,368.0000	JDS UNIPHASE CORP COM PAR \$0.001	230,754.55-	11,286.00
	26,158.0000	JPMORGAN CHASE & CO COM	698,659.01	1,090,003.86
	1,350.0000	JABIL CIRCUIT INC COM	970.76-	23,449.50
	800.0000	JACOBS ENGR GROUP INC COM	31,565.84	30,088.00
	1,100.0000	JANUS CAP GROUP INC COM	4,016.84	14,795.00
	18,384.0000	JOHNSON & JOHNSON COM	1,030,133.03	1,184,113.44
	4,430.0000	JOHNSON CTLS INC COM	73,040.72	120,673.20
	3,500.0000	JUNIPER NETWORKS INC COM	56,798.36	93,345.00
	1,100.0000	KLA TENCOR CORP	17,866.89	39,776.00
	1,650.0000	KELLOGG CO COM	64,914.15	87,780.00
	5,700.0000	KEYCORP NEW COM	17,899.65	31,635.00
	2,750.0000	KIMBERLY CLARK CORP COM	135,126.00	175,202.50
	2,509.0000	KIMCO RLTY CORP COM	28,803.84	33,946.77
	1,583.0000	KING PHARMACEUTICALS INC COM	8,678.77	19,423.41
	2,050.0000	KOHL'S CORP COM	64,721.46	110,556.50
	9,735.0000	KRAFT FOODS INC CL A	218,634.35	264,597.30

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	4,350.0000	KROGER CO COM	102,762.84	89,305.50
	4,250.0000	LSI CORP COM	10,372.44	25,542.50
	820.0000	L-3 COMMUNICATIONS HLDGS INC COM	60,689.44	71,299.00
	750.0000	LABORATORY CORP AMER HLDGS COM NEW	44,315.36	56,130.00
	750.0000	ESTEE LAUDER COS INC CL A	21,542.03	36,270.00
	1,050.0000	LEGGETT & PLATT INC COM	14,429.77	21,420.00
	1,080.0000	LEGG MASON INC	12,009.22	32,572.80
	950.0000	LENNAR CORP CL A	1,948.75	12,131.50
	1,200.0000	LEUCADIA NATL CORP COM	19,555.71	28,548.00
	450.0000	LEXMARK INTERNATIONAL INC COM	4,022.06	11,891.00
	1,222.0000	LIFE TECHNOLOGIES CORP COM	28,779.03	63,812.84
	6,743.0000	LILLY ELI & CO COM	225,624.29	240,792.53
	1,800.0000	LIMITED BRANDS INC	15,169.26	34,632.00
	1,943.0000	LINCOLN NATL CORP IND COM	23,651.05	48,341.84
	1,450.0000	LINEAR TECHNOLOGY CORP COM	25,743.37	44,312.00
	2,173.0000	LOCKHEED MARTIN CORP COM	146,721.68	163,735.55
	2,415.0000	LOEWS CORP COM	56,314.82	87,785.25
	1,100.0000	LORILLARD INC COM	61,699.33	88,253.00

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	9,700.0000	LOWES COS INC COM	180,667.91	226,883.00
	581.0000	M & T BK CORP COM	27,731.01	38,863.09
	1,400.0000	MEMC ELECTRONICS MATERIALS	10,043.84	19,068.00
	2,811.0000	MACYS INC COM	19,301.12	47,112.36
	4,682.0000	MARATHON OIL CORP COM	108,517.75	146,172.04
	3,500.0000	MARSH & MCLENNAN COS INC COM	58,533.82	77,280.00
	3,300.0000	MARSHALL & ILSLEY CORP NEW COM	15,863.19	17,985.00
	1,675.0000	MARRIOTT INTL INC NEW CL A	28,957.60	45,643.75
	2,350.0000	MASCO CORP COM	18,293.91	32,453.50
	600.0000	MASSEY ENERGY CORP COM	6,035.93	25,206.00
	639.0000	MASTERCARD INC CL A	97,091.86	163,571.22
	2,400.0000	MATTEL INC COM	31,777.53	47,952.00
	1,000.0000	MCAFEE INC	30,717.75	40,570.00
	900.0000	MCCORMICK & CO NON VOTING	27,325.25	32,517.00
	7,192.0000	MCDONALDS CORP COM	376,477.47	449,068.48
	2,050.0000	MCGRAW HILL COS INC COM	44,713.36	68,695.50
	1,750.0000	MCKESSON CORP COM	60,111.29	109,375.00
	600.0000	MEAD JOHNSON NUTRITION CO COM CL A	25,720.50	26,220.00

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	1,138.0000	MEADWESTVACO CORP COM	9,681.34	32,580.94
	3,180.0000	MEDCO HEALTH SOLUTIONS INC COM	105,636.33	203,233.80
	7,393.0000	MEDTRONIC INC COM	205,817.48	325,144.14
	20,279.0000	MERCK & CO INC NEW	1,034,630.90	740,994.66
	200.0000	MEREDITH CORP COM	3,355.75	6,170.00
	5,400.0000	METLIFE INC COM	167,791.69	190,890.00
	1,600.0000	METROPCS COMMUNICATIONS INC COM	20,650.08	12,208.00
	51,295.0000	MICROSOFT CORP COM	921,947.42	1,563,471.60
	1,200.0000	MICROCHIP TECHNOLOGY INC COM	20,442.05	34,860.00
	5,550.0000	MICRON TECHNOLOGY INC COM	28,756.08-	58,608.00
	400.0000	MILLIPORE CORP COM	19,507.86	28,940.00
	875.0000	MOLEX INC COM	8,387.33	18,856.25
	1,000.0000	MOLSON COORS BREWING CO CL B	41,453.94	45,160.00
	3,692.0000	MONSANTO CO NEW COM	190,494.75	301,821.00
	750.0000	MONSTER WORLDWIDE INC COM	1,675.30-	13,050.00
	1,300.0000	MOODYS CORP COM	23,354.56	34,840.00
	9,000.0000	MORGAN STANLEY	121,909.00	266,400.00

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	15,219.0000	MOTOROLA INC COM	20,647.84-	118,099.44
	1,300.0000	MURPHY OIL CORP COM	55,047.99	70,460.00
	1,950.0000	MYLAN INC COM	15,362.85	35,938.50
	1,700.0000	NYSE EURONEXT COM	28,853.86	43,010.00
	900.0000	NASDAQ OMX GROUP/THE COM STK	20,787.72	17,838.00
	2,800.0000	NATIONAL OILWELL VARCO INC	65,983.63	123,452.00
	1,500.0000	NATIONAL SEMICONDUCTOR CORP COM	15,099.40	23,040.00
	2,275.0000	NETAPP INC COM	22,616.05	78,169.00
	750.0000	NEW YORK TIMES CO CL A	4,949.18	9,270.00
	1,850.0000	NEWELL RUBBERMAID INC	12,087.25	27,768.50
	3,250.0000	NEWMONT MINING CORP HOLDING CO COM	118,716.36	153,757.50
	14,950.0000	NEWS CORPORATION CL A	99,874.72	204,665.50
	450.0000	NICOR INC COM	14,454.49	18,945.00
	2,600.0000	NIKE INC CL B COM	111,932.95	171,782.00
	2,103.0000	NISOURCE INC COM	15,412.07	32,344.14
	1,200.0000	NOBLE ENERGY INC COM	54,893.40	85,464.00
	1,100.0000	NORDSTROM INC WASH COM	13,669.60	41,338.00

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	2,482.0000	NORFOLK SOUTHN CORP COM	94,586.36	130,106.44
	1,300.0000	NORTHEAST UTILS COM	27,528.54	33,527.00
	1,600.0000	NORTHERN TR CORP COM	81,956.91	83,840.00
	2,048.0000	NORTHROP GRUMMAN CORP COM	87,172.80	114,380.80
	2,200.0000	NOVELL INC	1,793.31	9,130.00
	600.0000	NOVELLUS SYS INC	3,787.92	14,004.00
	2,103.0000	NUCOR CORP	76,034.53	98,104.95
	3,604.0000	NVIDIA CORP COM	19,465.19	67,322.72
	5,433.0000	OCCIDENTAL PETE CORP COM	250,319.99	441,974.55
	1,800.0000	OFFICE DEPOT INC COM	2,342.28	11,610.00
	2,100.0000	OMNICOM GROUP INC USD0.15 COM	49,006.58	82,215.00
	25,922.0000	ORACLE CORPORATION COM	411,912.87	635,866.66
	900.0000	O'REILLY AUTOMOTIVE INC	32,120.82	34,308.00
	1,100.0000	OWENS ILL INC NEW	24,267.54	36,157.00
	2,600.0000	PG&E CORP COM	86,415.57	116,090.00
	3,050.0000	PNC FINANCIAL SERVICES GROUP	29,015.44	161,009.50
	1,150.0000	PPG INDS INC COM	43,331.24	67,321.00
	2,650.0000	PPL CORP COM	70,065.45	85,621.50
	2,362.0000	PACCAR INC	55,364.53	85,669.74

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Southern Company Services, Inc. Healthcare Plan for Retirees
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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	800.0000	PACTIV CORP COM	16,481.50	19,312.00
	800.0000	PALL CORP COM	21,322.82	28,960.00
	1,050.0000	PARKER HANNIFIN CORP COM	40,877.15	56,574.00
	550.0000	PATTERSON COS INC COM	10,293.34	15,389.00
	2,100.0000	PAYCHEX INC COM	50,499.78	64,344.00
	1,800.0000	PEABODY ENERGY CORP COM	39,654.96	81,378.00
	1,500.0000	JC PENNEY CO INC COM	27,519.51	39,915.00
	2,300.0000	PEOPLES UTD FINL INC COM	39,523.31	38,410.00
	1,700.0000	PEPCO HLDGS INC COM	27,795.12	28,645.00
	1,000.0000	PEPSI BOTTLING GROUP INC COM	22,452.37	37,500.00
	10,380.0000	PEPSICO INC COM	517,445.71	631,104.00
	700.0000	PERKINELMER INC COM	6,492.35	14,413.00
	53,486.0000	PFIZER INC COM STK USD0.05	753,519.21	972,910.34
	12,647.0000	PHILIP MORRIS INTL INC COM	451,424.57	609,458.93
	850.0000	PINNACLE WEST CAP CORP COM	20,589.25	31,093.00
	800.0000	PIONEER NAT RES CO	10,866.70	38,536.00
	1,350.0000	PITNEY BOWES INC COM	27,976.30	30,726.00

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	1,050.0000	PLUM CREEK TIMBER CO INC COM	34,783.91	39,648.00
	400.0000	POLO RALPH LAUREN CORP CL A	14,404.66	32,392.00
	2,081.0000	PRAXAIR INC COM	100,471.24	167,125.11
	934.0000	PRECISION CASTPARTS CORP	47,236.79	103,066.90
	1,750.0000	PRICE T ROWE GROUP INC COM	53,824.36	93,187.50
	283.0000	PRICELINE COM INC COM NEW	61,505.27	61,810.03
	2,100.0000	PRINCIPAL FINANCIAL GROUP INC COM	40,042.62	50,484.00
	19,414.0000	PROCTER & GAMBLE CO COM	1,078,505.76	1,177,070.82
	1,982.0000	PROGRESS ENERGY INC COM	75,651.76	81,281.82
	4,469.0000	PROGRESSIVE CORP OHIO COM	57,043.24	80,397.31
	2,950.0000	PROLOGIS INT	10,725.74	40,385.50
	3,084.0000	PRUDENTIAL FINL INC COM	88,261.18	153,459.84
	3,500.0000	PUBLIC SVC ENTERPRISE GROUP INC COM	90,367.60	116,375.00
	952.0000	PUBLIC STORAGE COM	66,867.99	77,540.40
	2,022.0000	PULTE HOMES INC	13,497.72	20,220.00
	750.0000	QLOGIC CORP COM	7,053.46	14,152.50
	11,077.0000	QUALCOMM INC	329,477.39	512,422.02

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	1,400.0000	QUANTA SVCS INC COM	30,330.93	29,176.00
	1,000.0000	QUEST DIAGNOSTICS INC COM	44,171.73	60,380.00
	1,288.0000	QUESTAR CORP	40,925.14	53,542.16
	9,816.0000	QWEST COMMUNICATIONS INTL INC COM	30,243.44-	41,325.36
	800.0000	RADIO SHACK CORP COM	2,758.60	15,600.00
	1,100.0000	RANGE RES CORP COM	36,126.17	54,835.00
	2,550.0000	RAYTHEON CO COM NEW	113,778.60	131,376.00
	1,200.0000	RED HAT INC COM	26,448.36	37,080.00
	7,634.0000	REGIONS FINL CORP NEW COM	5,634.72	40,383.86
	2,112.0000	REPUBLIC SVCS INC COM	51,509.12	59,790.72
	1,181.0000	REYNOLDS AMERN INC COM	43,169.28	62,557.57
	950.0000	ROBERT HALF INTL INC COM	15,147.40	25,393.50
	900.0000	ROCKWELL AUTOMATION INC	23,644.39	42,282.00
	1,100.0000	ROCKWELL COLLINS INC COM	38,936.09	60,896.00
	800.0000	ROSS STORES INC COM	35,265.04	34,168.00
	700.0000	ROWAN COS INC COM	8,479.51	15,848.00
	350.0000	RYDER SYS INC COM	11,988.64	14,409.50

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	2,000.0000	SAIC INC COM	38,495.60	37,880.00
	3,050.0000	SLM CORP	21,129.71	34,373.50
	2,800.0000	SAFEWAY INC NEW COM	55,054.83	59,612.00
	2,250.0000	ST JUDE MED INC COM	61,212.27	82,755.00
	700.0000	SALESFORCE COM INC COM	20,444.43	51,639.00
	1,491.0000	SANDISK CORP	4,278.46	43,224.09
	4,556.0000	SARA LEE CORP	38,362.36	55,492.08
	900.0000	SCANA CORP NEW COM	29,092.64	33,912.00
	8,009.0000	SCHLUMBERGER LTD COM	298,236.60	521,305.81
	6,240.0000	SCHWAB CHARLES CORP NEW COM	82,403.42	117,436.80
	600.0000	SCRIPPS NETWORKS INTERACTIVE INC CL A	11,432.06	24,900.00
	1,000.0000	SEALED AIR CORP NEW COM	12,144.91	21,860.00
	332.0000	SEARS HLDGS CORP COM	11,930.14	27,705.40
	1,750.0000	SEMPRA ENERGY COM	64,774.72	97,965.00
	650.0000	SHERWIN WILLIAMS CO COM	31,003.72	40,072.50
	800.0000	SIGMA ALDRICH CORP	28,015.84	40,440.00
	1,891.0000	SIMON PPTY GROUP INC NEW COM	83,375.30	150,901.80

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	1,600.0000	SMITH INTL INC COM	32,341.16	43,472.00
	800.0000	JM SMUCKER COMPANY COM NEW	34,402.19	49,400.00
	350.0000	SNAP ON INC COM	12,325.95	14,791.00
	4,850.0000	SOUTHWEST AIRLS CO COM	27,507.51	55,435.50
	2,300.0000	SOUTHWESTERN ENERGY CO (DEL) COM	63,703.69	110,860.00
	4,244.0000	SPECTRA ENERGY CORP COM	46,143.11	87,044.44
	19,150.0000	SPRINT NEXTEL CORP COM SER 1	29,089.05-	70,089.00
	500.0000	STANLEY WKS	15,944.79	25,755.00
	4,725.0000	STAPLES INC COM	76,212.89	116,187.75
	4,850.0000	STARBUCKS CORP COM	41,335.61	111,841.00
	1,272.0000	STARWOOD HOTELS & RESORTS COM	20,957.10	46,517.04
	3,300.0000	STATE STREET CORP	97,117.53	143,682.00
	600.0000	STERICYCLE INC COM	30,501.00	33,102.00
	1,891.0000	STRYKER CORP	70,260.00	95,249.67
	4,925.0000	SUN MICROSYSTEMS INC COM NEW	96,787.98-	46,147.25
	725.0000	SUNOCO INC COM	25,597.56	18,922.50
	3,261.0000	SUNTRUST BKS INC	28,783.22	66,165.69
	1,382.0000	SUPERVALU INC COM	17,594.34	17,565.22

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Southern Company Services, Inc. Healthcare Plan for Retirees
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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	5,378.0000	SYMANTEC CORP COM	62,695.83	96,212.42
	3,900.0000	SYSCO CORP COM	79,898.12	108,966.00
	1,750.0000	TECO ENERGY INC COM	15,576.65	28,385.00
	2,750.0000	TJX COS INC NEW COM	49,349.12	100,512.50
	4,984.0000	TARGET CORP COM	158,934.15	241,076.08
	2,600.0000	TELLABS INC COM	17,728.96-	14,768.00
	2,700.0000	TENET HEALTHCARE CORP COM	2,590.80-	14,553.00
	1,150.0000	TERADATA CORP DEL COM	15,045.22	36,144.50
	1,120.0000	TERADYNE INC COM	1,764.67	12,017.60
	900.0000	TESORO CORP	8,155.65	12,195.00
	8,249.0000	TEXAS INSTRS INC COM	58,814.80	214,968.94
	1,800.0000	TEXTRON INC COM	16,717.32	33,858.00
	2,750.0000	THERMO FISHER SCIENTIFIC	85,186.97	131,147.50
	4,733.0000	3M CO COM	251,644.67	391,277.11
	800.0000	TIFFANY & CO NEW COM	18,610.88	34,400.00
	7,765.0000	TIME WARNER INC NEW COM NEW	26,509.24-	226,272.10
	2,352.0000	TIME WARNER CABLE INC COM	88,281.78	97,349.28
	500.0000	TITANIUM METALS CORP	4,405.00	6,260.00

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	550.0000	TORCHMARK CORP	21,485.86	24,172.50
	1,261.0000	TOTAL SYS SVCS INC	13,944.63	21,777.47
	3,675.0000	TRAVELERS COS INC COM	152,392.90	183,235.50
	1,950.0000	TYSON FOODS INC CL A	14,012.10	23,926.50
	12,668.0000	US BANCORP DEL COM NEW	256,962.32	285,156.68
	3,406.0000	UNION PAC CORP COM	142,021.36	217,643.40
	6,600.0000	UNITED PARCEL SVC INC CL B	318,886.49	378,642.00
	987.0000	UNITED STATES STEEL CORP COM NEW	29,910.38	54,403.44
	6,250.0000	UNITED TECHNOLOGIES CORP COM	293,459.61	433,812.50
	7,751.0000	UNITEDHEALTH GROUP INC COM	170,901.13	236,250.48
	2,150.0000	UNUM GROUP	31,234.97	41,968.00
	611.0000	V F CORP COM	27,682.02	44,749.64
	3,700.0000	VALERO ENERGY CORP COM NEW COM	73,171.91	61,975.00
	800.0000	VARIAN MED SYS INC COM	27,108.35	37,480.00
	1,000.0000	VENTAS INC	21,888.20	43,740.00
	1,200.0000	VERISIGN INC COM	22,218.28	29,088.00
	18,835.0000	VERIZON COMMUNICATIONS COM	512,975.38	624,003.55
	3,977.0000	VIACOM INC NEW CL B	39,647.60	118,236.21

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	3,000.0000	VISA INC COM CL A	261,213.60	262,380.00
	1,069.0100	VORNADO RLTY TR COM	53,865.34	74,766.56
	850.0000	VULCAN MATLS CO COM	49,988.77	44,769.50
	14,208.0000	WAL MART STORES INC COM	723,900.87	759,417.60
	6,550.0000	WALGREEN CO	154,591.82	240,516.00
	40.0000	WASHINGTON POST CO CL B DEL COM	13,330.88	17,584.00
	3,250.0000	WASTE MGMT INC DEL COM	94,049.21	109,882.50
	650.0000	WATERS CORP COM	22,807.00	40,274.00
	750.0000	WATSON PHARMACEUTICALS INC COM	19,059.41	29,707.50
	3,050.0000	WELLPOINT INC COM	118,335.22	177,784.50
	33,910.0000	WELLS FARGO & CO NEW COM	588,142.33	915,230.90
	1,500.0000	WESTERN DIGITAL CORP DEL COM	43,053.90	66,225.00
	4,595.0000	WESTERN UN CO COM	54,930.85	86,615.75
	1,377.0000	WEYERHAEUSER CO COM	32,013.46	59,403.78
	509.0000	WHIRLPOOL CORP COM	15,885.44	41,055.94
	950.0000	WHOLE FOODS MKT INC	3,242.92	26,077.50
	4,050.0000	WILLIAMS COS INC COM	42,602.46	85,374.00
	2,898.0000	WINDSTREAM CORP COM	25,184.05	31,849.02

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(a)	Shares/par value	(b) and (c) Identity of issue, borrower, lessor, or similar party and Description of investment	(d) Cost	(e) Current value
	900.0000	WISCONSIN ENERGY CORP COM	37,672.15	44,847.00
	1,170.0000	WYNDHAM WORLDWIDE CORP COM	2,329.06	23,598.90
	500.0000	WYNN RESORTS LTD COM	18,555.49	29,115.00
	3,812.0000	XTO ENERGY INC COM	118,275.62	177,372.36
	3,215.0000	XCEL ENERGY INC	54,201.27	68,222.30
	1,800.0000	XILINX INC COM	21,571.65	45,108.00
	5,708.0000	XEROX CORP COM	32,303.71	48,289.68
	7,850.0000	YAHOO INC	26,596.03	131,723.00
	3,130.0000	YUM BRANDS INC COM	79,699.20	109,456.10
	1,440.0000	ZIMMER HLDGS INC COM	48,491.95	85,118.40
	800.0000	ZIONS BANCORPORATION	13,192.11	10,264.00
	TOTAL CORPORATE STOCK - COMMON		42,135,546.65	65,880,536.32
	<u>COMMON/COLLECTIVE TRUST</u>			
	21,194,732.9000	CHARITABLE TEMPORARY INVT FUND	21,194,732.90	21,194,732.90
	126,632,257.4400	HARTFORD TOLI-POST RETIREMENT WELFARE BEBEFITS TRUST	126,632,257.44	126,632,257.44

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Southern Company Services, Inc. Healthcare Plan for Retirees

***Schedule of Reportable Transactions
For the Year Ended December 31, 2009***

(a) Identity of Issue	(b) Description	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current value of Asset at Date of Transaction	(i) Net Gain (Loss)
Series of transactions in excess of 5%:						
BSDT-LATE	Money Deposit Account	\$ 1,443,173	\$ -	\$ 1,443,173	\$1,443,173	\$ -
BSDT-LATE	Money Deposit Account	-	19,897,715	19,897,715	19,897,715	-
Mellon	Charitable Temporary Invt Fund	60,556,242	-	60,556,242	60,556,242	-
Mellon	Charitable Temporary Invt Fund	-	59,166,617	59,166,617	59,166,617	-
Hartford	TOLI-Post Retirement Welfare Benefits Trust	9,109,185	-	9,109,185	9,109,185	-
Hartford	TOLI-Post Retirement Welfare Benefits Trust	-	9,605,145	7,891,676	9,605,145	1,713,469
Single transaction in excess of 5%:						
BSDT-LATE	Money Deposit Account	-	18,454,767	18,454,767	18,454,767	-
Mellon	Charitable Temporary Invt Fund	18,454,792	-	18,454,792	18,454,792	-
Mellon	Charitable Temporary Invt Fund	-	18,454,767	18,454,767	18,454,767	-
Mellon	Charitable Temporary Invt Fund	19,046,088	-	19,046,088	19,046,088	-
Mellon	Charitable Temporary Invt Fund	-	18,999,975	18,999,975	18,999,975	-
Mellon	Charitable Temporary Invt Fund	-	19,099,967	19,099,967	19,099,967	-
Mellon	Charitable Temporary Invt Fund	18,165,569	-	18,165,569	18,165,569	-