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January 17, 2014

ALABAMA
POWER

A SOUTHERN COMPANY Filed

Jan 17, 2014

APSC

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

Re: Docket 18148

In accordance with the rules and regulations governing application of energy cost recovery rate, enclosed is a report showing the current status of energy cost as of December 31, 2013. Also, attached is a summary of monthly fuel cost adjustment factors for retail and wholesale. Consistent with the Commission's rules on e-filing, the original and one copy are being sent under separate cover.

Sincerely,



Nick Sellers

NCS/jbb

Enclosure

Schedule 1

ALABAMA POWER COMPANY
RATE ECR
Energy Cost
December 2013

	Actual Cost	Actual MWH
Steam Power (Account 501)		
Barry Steam Plant	\$ 11,030,025	225,905
Gadsden Steam Plant	981,731	16,681
Gaston Steam Plant - Unit #5	21,837,915	553,788
Gorgas Steam Plant	1,830,143	26,285
Greene County Steam Plant	4,323,145	126,787
Miller Steam Plant	42,814,638	1,875,957
	<u>82,817,597</u>	<u>2,825,403</u>
Total		
Nuclear Power (Account 518)		
Farley Nuclear Plant	<u>11,702,210</u>	<u>1,330,885</u>
Other Power Generation (Account 547)	<u>32,620,295</u>	<u>991,949</u>
Purchases and Sales (Accounts 555 and 447)		
Southern Electric Generating Company	1,913,126	57,619
Southern Company Pool:		
Purchases from Assoc. & Non-Assoc.	2,493,578	72,392
Sales to Assoc. & Non-Assoc.	(23,057,838)	(825,461)
Purchase Power Agreements (CNP - PPA)	2,407,553	70,598
Miscellaneous:		
Purchases	669,085	21,806
Sales	<u>(1)</u>	<u>0</u>
Total	<u>(15,574,497)</u>	<u>(603,046)</u>
Hedging Activity (Accounts 547 and 456)		
Net Gain/Loss on Hedge Activity	<u>(411,278)</u>	<u>0</u>
Carrying Cost	<u>(160,794)</u>	<u>0</u>
Total Energy Cost	<u>\$ 110,993,533</u>	<u>4,545,191</u>
Hydro Generation		<u>664,305</u>

Schedule 2

ALABAMA POWER COMPANY
 RATE ECR
 Energy Sales (MWH)
 December 2013

	Actual	
	Subject to Rate ECR	Total
Residential	1,694,945	1,694,945
Commercial	1,105,458	1,105,458
Industrial	1,810,506	1,810,506
Street and Highway Lighting	18,115	18,115
Interdepartmental	-	-
Municipalities	-	13,790
Cooperatives	-	57,336
AMEA	-	250,755
Sales to Other Utilities	-	-
Total Booked Energy Sales	4,629,024	<u>4,950,905</u>
Less Unbilled Energy Sales Adjustment	<u>59,824</u>	
Total Billed Energy Sales	<u>4,569,200</u>	

Schedule 3

**ALABAMA POWER COMPANY
RATE ECR
OVER/(UNDER) RECOVERED ENERGY COST AS OF
December 31, 2013**

Total energy cost for the Month (Schedule 1)	\$ 110,993,533
Less:	
Energy cost applicable to wholesale sales	1,553,711
Energy cost applicable to AMEA	5,398,555
Energy cost recovered in long term contract sales to other utilities	0
	6,952,266
Plus:	
Emission allowance cost/revenue (net)	129,530
Coal contract buyout amortization	291,667
	421,197
Energy cost recoverable under Rate ECR	104,462,464
Energy cost recovered under Rate ECR	116,164,351
Energy cost over/(under) recovered through operation of Rate ECR for December 2013	11,701,887
Over/(Under) recovered energy cost applicable to Rate ECR as of November 30, 2013	30,581,549
Accumulated over/(under) recovered energy cost applicable to Rate ECR as of December 31, 2013	\$ 42,283,436

ALABAMA POWER COMPANY
ENERGY COST RECOVERY FACTOR
CALCULATED FROM RATE ECR

<u>Billing Month</u>	<u>Rate ECR (Mills)</u>
January 2001 – March 2002	17.880 (1)
April 2002 – March 2005	15.180 (2)
April 2005 – December 2005	17.880 (3)
January 2006 – June 2007	24.000 (4)
July 2007 – December 2009	31.000 (5)
Twenty Four Month Period beginning with October 9, 2008	39.830 (6)
June 9, 2009 –October 8, 2010	37.330 (7)
January 2010 – March 2011	24.030 (8)
April 2011 – December 2011	26.810 (9)
January 2012 – December 2012	26.810 (10)
January 2013 – December 2013	26.810 (11)
January 2014 – December 2014	26.810 (12)

(1) Effective January 1, 2001 and thereafter.

* RLF Effect:

Secondary	18.368
Primary	17.325
Subtransmission	17.117
Transmission	16.875

(2) Effective for billing months April, 2002 through December, 2002, as ordered in APSC Docket No. 18148, March 5, 2002. Extended through June, 2003, as ordered on December 5, 2002. Extended through December, 2003, as ordered on June 3, 2003. Extended through June, 2004, as ordered on December 9, 2003. Extended through September, 2004, as ordered on June 1, 2004. Extended through December, 2004, as ordered on September 14, 2004. Extended through March, 2005, as ordered on December 13, 2004.

**RDF Effect:	Non-Summer	Summer
Secondary	14.825	16.810
Primary	13.983	15.856
Subtransmission	-	-
Transmission	13.620	15.444

(3) Effective April 1, 2005 and thereafter.

***RDF Effect:	Non-Summer	Summer
Secondary	17.462	19.800
Primary	16.471	18.676
Subtransmission	-	-
Transmission	16.043	18.191

(4) Effective for the billing months of January, 2006 through December, 2007, as ordered in APSC Docket No. 18148, December 15, 2005.

****RDF Effect:	Non-Summer	Summer
Secondary	23.439	26.578
Primary	22.108	25.068
Subtransmission	-	-

- | | | | |
|--|--------------|--------|--------|
| | Transmission | 21.534 | 24.418 |
|--|--------------|--------|--------|
- (5) Effective for billing months of July, 2007 through December, 2009, as ordered in APSC Docket No. 18148, June 18, 2007.
- | | | | |
|-----------------|-----------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 30.276 | 34.329 |
| | Primary | 28.556 | 32.380 |
| | Subtransmission | - | - |
| | Transmission | 27.815 | 31.540 |
- (6) Effective based on a twenty four month period beginning with October 9, 2008 billings, as ordered in APSC Docket No. 18148, October 20, 2008.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 38.899 | 44.108 |
| | Primary | 36.690 | 41.603 |
| | Transmission | 35.738 | 40.523 |
- (7) Effective for the billing period of June 9, 2009 through October 8, 2010, as ordered in APSC Docket No. 18148, June 2, 2009.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 36.458 | 41.339 |
| | Primary | 34.387 | 38.992 |
| | Transmission | 33.495 | 37.980 |
- (8) Effective for the billing period of January 1, 2010 through December 31, 2010, as ordered in APSC Docket No. 18148, December 2, 2009. Extended through March 2011 as ordered on December 7, 2010.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 23.468 | 26.611 |
| | Primary | 22.136 | 25.100 |
| | Transmission | 21.561 | 24.448 |
- (9) Effective for the billing period of April 1, 2011 through December 31, 2011, as ordered in APSC Docket No. 18148, December 7, 2010.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 26.183 | 29.689 |
| | Primary | 24.697 | 28.004 |
| | Transmission | 24.056 | 27.277 |
- (10) Effective for the billing period of January 1, 2012 through December 31, 2012, as ordered in APSC Docket No. 18148, December 6, 2011.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 26.183 | 29.689 |
| | Primary | 24.697 | 28.004 |
| | Transmission | 24.056 | 27.277 |
- (11) Effective for the billing period of January 1, 2013 through December 31, 2013, as ordered in APSC Docket No. 18148, December 4, 2012.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 26.183 | 29.689 |
| | Primary | 24.697 | 28.004 |
| | Transmission | 24.056 | 27.277 |
- (12) Effective for the billing period of January 1, 2014 through December 31, 2014, as ordered in APSC Docket No. 18148, December 3, 2013.
- | | | | |
|-----------------|--------------|--------|--------|
| ****RDF Effect: | Non-Summer | Summer | |
| | Secondary | 26.183 | 29.689 |
| | Primary | 24.697 | 28.004 |
| | Transmission | 24.056 | 27.277 |

ALABAMA POWER COMPANY
 Monthly Fuel Cost Adjustment Factor
 Calculated From Rate Schedule REA and Mun
In Mills/kWh

<u>Billing Month</u>	Actual <u>Wholesale Fuel Factors</u>	Estimated <u>Wholesale Fuel Factors</u>
January, 2012	2.873	
February	2.223	
March	3.794	
April	5.854	
May	4.912	
June	7.144	
July	9.295	
August	8.830	
September	6.680	
October	5.355	
November	5.871	
December	4.165	
January, 2013	5.569	
February	3.975	
March	5.024	
April	5.253	
May	4.727	
June	10.240	
July	7.534	
August	8.036	
September	8.462	
October	9.266	
November	5.156	
December	3.238	
January – March, 2014		7.772