



Southern Company's Transition to Net Zero

- **Taking care of our communities** Southern Company is committed to continued engagement with federal, state and local leaders and other partners to tackle energy availability, resiliency and emissions reductions. We will ensure the equitable and just treatment of the communities and customers we serve as we pursue a safe, reliable and affordable net zero energy future. We are committed to ensuring fair access to energy, with a focus on assisting low income and disadvantaged communities.
- **Advancing the solution** Climate change is real, and it is a pressing issue facing our world today. We set an ambitious goal to reduce our greenhouse gas emissions to net zero by 2050, aligning with the objective of the Paris Agreement. Southern Company will engage with policymakers to achieve these goals.
- **Targeting net zero** Southern Company believes the most efficient way to achieve economy-wide net zero emissions will include continued robust deployment of existing net zero solutions, continued clean energy innovation through increased investment in research, development, demonstration and deployment (RDD&D) of promising net zero solutions, and could also include carbon pricing mechanisms and / or trading programs.
- **Seeking to ensure a smart transition** Southern Company believes natural gas plays a role in the economy wide net zero transition and in ensuring resilience. We are committed to developing and deploying solutions to keep natural gas viable as a foundational fuel for our customers through the use of carbon capture, use of next generation gas, renewable natural gas and methane reduction techniques to mitigate the carbon footprint. We recognize the importance of natural gas and its infrastructure as a tool that will continue to carry the nation's energy sources to support the current economy and empower future business and industry. Natural gas plays an important role in facilitating the expanded use of renewable energy such as wind and solar.

Public Policy Advocacy Positions

ALIGNMENT WITH THE PARIS AGREEMENT: The Paris Agreement is an opportunity for the U.S. to engage on a coordinated, global strategy to address the threat of climate change. Southern Company supports this objective by actively advancing a net zero goal in direct alignment with the commitments of this accord. We look forward to advancing our clean energy agenda, both independently as a publicly-held utility working closely with our customers and regulators, and with other policy makers as they work to carry out the U.S.' nationally determined contribution (NDC) within the Agreement.

EFFECTIVE CARBON POLICY: Southern Company supports comprehensive, economy-wide legislation and policies to reduce climate change that could include a carbon pricing mechanism and / or trading program, provides RDD&D support, fosters workforce and community development, and promotes economic stability and growth. Any carbon pricing mechanism and / or trading program should account for geographically diverse energy mixes, recognize all low-, no- and negative-carbon solutions, and include compliance flexibility through provisions such as banking and cost containment mechanisms.

PROMOTING EFFICIENT ENERGY USE: Southern Company supports efficient energy use as a primary tool to reduce greenhouse gas emissions, including adoption and enforcement of cost-effective building codes and appliance standards. We promote efficient energy use through education, pricing, cost-effective energy efficiency programs, and providing solutions for economically vulnerable communities. Efficient energy use will provide growing benefits as we transition to net zero emissions.

PROTECTING CUSTOMERS: Southern Company believes it is critical for policymakers to consider the impacts to energy affordability, reliability, and safety. We are committed to ensuring fair access to energy for all customers and communities we serve, with a focus on assisting low income and disadvantaged communities.

ENVIRONMENTAL JUSTICE: Southern Company is committed to the communities that we serve. As embodied in our [Environmental Principles](#), our policy is to conduct business in ways that are protective of the environment, our neighbors, and our communities. We are committed to providing clean, safe, reliable, and affordable energy, and environmental justice considerations are a part of this commitment. The fair treatment and involvement of our neighbors and customers, including minority and low-income communities, is essential to support sustainable communities and minimize adverse impacts. We believe that the communities we serve should be better off because of our work – a goal bigger than the bottom line.

PROMOTING RESEARCH, DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT: Southern Company believes the path to economy-wide net zero emissions is through robust RDD&D that enables net zero carbon emission solutions to be realized across various timeframes at equal or lower cost of service for energy customers compared to current conditions. We support establishing and expanding long-term stable funding in energy RDD&D that enables breakthrough technologies and strategies that optimize economy-wide outcomes and are critical to net zero goals.

CLEAN ENERGY INNOVATION: Southern Company is committed to advancing clean energy policy through federal legislation and regulatory initiatives to meet our long-term climate goals. We support technologies that can be deployed in a timely manner to meet our net zero goals and ensure energy remains reliable and affordable, including advanced renewables and new dispatchable resources, medium- and long-duration energy storage and advanced demand efficiency, zero-carbon fuels, advanced nuclear, and carbon capture use and storage.

ADVANCING EVS & LOW EMITTING VEHICLES: Southern Company supports enhanced and extended federal funding and tax incentives to spur the adoption of low- and no- emitting vehicles, promote alternative vehicle charging infrastructure installation, and support additional R&D in vehicles, batteries, electric grid integration, and other non-vehicle equipment and services. As decarbonizing the transportation sector represents the single largest opportunity for greenhouse gas reductions, we believe a coordinated Federal-State-Local Government approach is essential for the success of this effort.

TAX POLICY FLEXIBILITY: Southern Company supports equitable tax policy improvements, such as production tax credits and investment tax credits, that recognize the breadth of climate change solutions that achieve permanent carbon reductions, while establishing financial tools that provide optionality and flexibility. Investor-owned utilities, like Southern Company, can drive adoption of cleaner energy solutions with appropriate tax policy that eliminates unintended economic barriers to the deployment of low carbon technologies and reduces costs to customers.