

# Fourth Quarter 2023 Earnings Conference Call

**February 15, 2024**



# Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this presentation is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, financial objectives, earnings guidance, statements concerning projected cost and schedule for completion of Plant Vogtle Unit 4, and planned financing activities. Southern Company and its subsidiaries caution that there are certain factors that can cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of Southern Company and its subsidiaries; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Southern Company's and its subsidiaries' Annual Reports on Form 10-K for the year ended December 31, 2023 and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of recent and future federal and state regulatory changes, including tax, environmental and other laws and regulations to which Southern Company and its subsidiaries are subject, as well as changes in application of existing laws and regulations; the extent and timing of costs and legal requirements related to coal combustion residuals; current and future litigation or regulatory investigations, proceedings, or inquiries, including litigation and other disputes related to the Kemper County energy facility and Plant Vogtle Units 3 and 4; the effects, extent, and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate, including from the development and deployment of alternative energy sources; variations in demand for electricity and natural gas; available sources and costs of natural gas and other fuels and commodities; the ability to complete necessary or desirable pipeline expansion or infrastructure projects, limits on pipeline capacity, public and policymaker support for such projects, and operational interruptions to natural gas distribution and transmission activities; transmission constraints; the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities or other projects, including Plant Vogtle Unit 4 (which includes components based on new technology that only within the last several years began initial operation in the global nuclear industry at this scale) due to current and/or future challenges which include, but are not limited to, changes in labor costs, availability, and productivity, challenges with the management of contractors or vendors, subcontractor performance, adverse weather conditions, shortages, delays, increased costs, or inconsistent quality of equipment, materials, and labor, contractor or supplier delay, the impacts of inflation, delays due to judicial or regulatory action, nonperformance under construction, operating, or other agreements, operational readiness, including specialized operator training and required site safety programs, engineering or design problems or any remediation related thereto, design and other licensing-based compliance matters, challenges with start-up activities, including major equipment failure or system integration, and/or operational performance, challenges related to pandemic health events, continued public and policymaker support for projects, environmental and geological conditions, delays or increased costs to interconnect facilities to transmission grids, and increased financing costs as a result of changes in interest rates or as a result of project delays; the ability to overcome or mitigate the current challenges, or challenges yet to be identified, at Plant Vogtle Unit 4, that could further impact the cost and schedule for the project; legal proceedings and regulatory approvals and actions related to past and ongoing construction projects, including Public Service Commission approvals and Federal Energy Regulatory Commission actions; under certain specified circumstances, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Unit 4 not to proceed with construction; in the event Georgia Power becomes obligated to provide funding to Municipal Electric Authority of Georgia ("MEAG Power") with respect to the portion of MEAG Power's ownership interest in Plant Vogtle Units 3 and 4 involving Jacksonville Electric Authority, any inability of Georgia Power to receive repayment of such funding; the ability to construct facilities in accordance with the requirements of permits and licenses (including satisfaction of U.S. Nuclear Regulatory Commission requirements), to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction; investment performance of the employee and retiree benefit plans and nuclear decommissioning trust funds; advances in technology, including the pace and extent of development of low- to no-carbon energy and battery energy storage technologies and negative carbon concepts; performance of counterparties under ongoing renewable energy partnerships and development agreements; state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to return on equity, equity ratios, additional generating capacity, and fuel and other cost recovery mechanisms; the ability to successfully operate the electric utilities' generation, transmission, and distribution facilities, Southern Power Company's generation facilities and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions; the inherent risks involved in operating and constructing nuclear generating facilities; the inherent risks involved in transporting and storing natural gas; the performance of projects undertaken by the non-utility businesses and the success of efforts to invest in and develop new opportunities; internal restructuring or other restructuring options that may be pursued; potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; the ability of counterparties of Southern Company and its subsidiaries to make payments as and when due and to perform as required; the ability to obtain new short- and long-term contracts with wholesale customers; the direct or indirect effect on the Southern Company system's business resulting from cyber intrusion or physical attack and the threat of cyber and physical attacks; global and U.S. economic conditions, including impacts from geopolitical conflicts, recession, inflation, interest rate fluctuations and financial market conditions, and the results of financing efforts; access to capital markets and other financing sources; changes in Southern Company's and any of its subsidiaries' credit ratings; the ability of Southern Company's electric utilities to obtain additional generating capacity (or sell excess generating capacity) at competitive prices; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events, political unrest, wars or other similar occurrences; the direct or indirect effects on the Southern Company system's business resulting from incidents affecting the U.S. electric grid, natural gas pipeline infrastructure, or operation of generating or storage resources; impairments of goodwill or long-lived assets; and the effect of accounting pronouncements issued periodically by standard-setting bodies. Southern Company and its subsidiaries expressly disclaim any obligation to update any forward-looking information.

# Non-GAAP Financial Measures

*In addition to including earnings per share (EPS) in accordance with generally accepted accounting principles (GAAP), this presentation also includes historical adjusted EPS excluding: (1) estimated loss on plants under construction; (2) acquisition and disposition impacts; (3) loss on extinguishment of debt; (4) estimated loss on qualifying infrastructure plant and other capital investments; and (5) impairments.*

*Estimated loss on plants under construction includes charges/(credits) related to Georgia Power's construction of Plant Vogtle Units 3 and 4, which impacted EPS for the three and twelve months ended December 31, 2023 and 2022. Further charges may occur; however, the amount and timing of any such charges are uncertain.*

*Also included in estimated loss on plants under construction are charges (net of salvage proceeds), associated legal expenses (net of insurance recoveries), and tax impacts related to Mississippi Power's integrated coal gasification combined cycle project in Kemper County, Mississippi (Kemper IGCC). Mississippi Power expects to complete dismantlement of the abandoned gasifier-related assets and site restoration activities by 2026. The additional pre-tax period costs associated with these activities, including related costs for compliance and safety, asset retirement obligation accretion, and property taxes, are estimated to total approximately \$15 million annually through 2025.*

*The impacts of acquisitions and dispositions impacted EPS for the three and twelve months ended December 31, 2023 and 2022.*

*The loss on extinguishment of debt includes costs associated with the extinguishment of debt at Southern Company which impacted EPS for the twelve months ended December 31, 2023.*

*The estimated loss on qualifying infrastructure plant and other capital investments includes charges related to the disallowances at Nicor Gas which impacted EPS for the three and twelve months ended December 31, 2023. Further charges may occur; however, the amount and timing of any such charges are uncertain.*

*The impairment charge associated with goodwill at PowerSecure impacted EPS for the three and twelve months ended December 31, 2022. Additional impairment charges may occur in the future; however, the amount and timing of any such charges are uncertain.*

*This presentation also includes projected adjusted EPS for future periods excluding any additional: acquisition and disposition impacts, charges (credits) associated with the Kemper IGCC and/or the construction of Plant Vogtle Units 3 and 4, charges associated with Nicor Gas disallowances, impairment charges, and/or costs associated with the extinguishment of debt at Southern Company and its non-state regulated subsidiaries. Information concerning the magnitude of the impacts, if any, from these items on EPS is not available at this time. Accordingly, this presentation does not include a quantitative reconciliation of projected adjusted EPS (which is a forward-looking non-GAAP financial measure) because doing so would involve unreasonable efforts.*

*Southern Company believes presentation of EPS excluding the items described above provides investors with information comparable to guidance. Management also uses such measures to evaluate Southern Company's performance.*

# Southern Company Value Proposition

Strategy: Maximize long-term value to shareholders through a customer-, community-, and relationship-focused business model that produces sustainable levels of return for investors

## Key financial objectives

- ✓ Superior risk-adjusted total shareholder return
- ✓ A high degree of financial integrity and strong investment grade credit ratings
- ✓ Strong, sustainable returns on invested capital
- ✓ Regular, predictable and sustainable EPS and dividend growth\*

**76 years  
of dividends\***

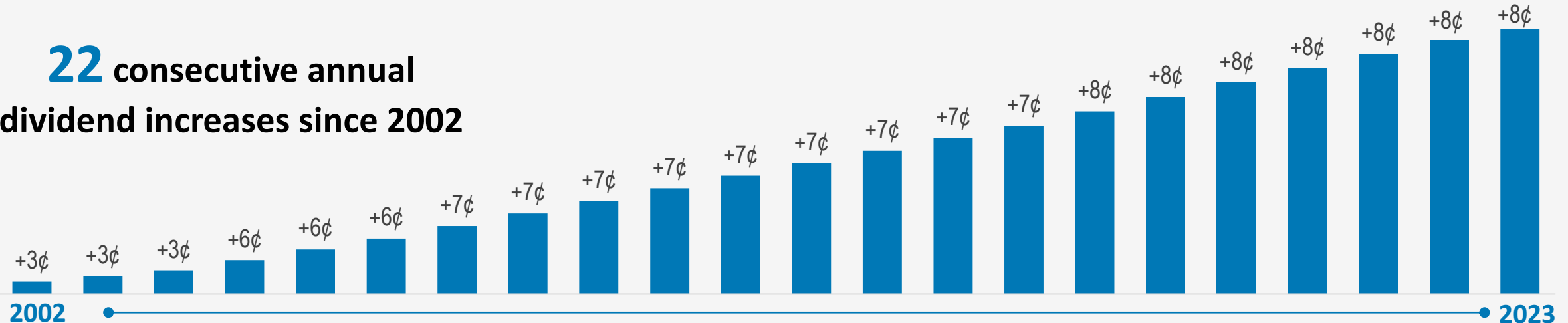
equal to or greater than the  
previous year

**>90% of  
Earnings**

from state-regulated utilities



**22 consecutive annual  
dividend increases since 2002**



\* Future dividends are subject to approval of the Southern Company Board of Directors and depend on earnings, financial condition and other factors.

# Strong near-term adjusted EPS projections and a clean, simple growth story

## Adjusted Full-Year Earnings at the Very Top of EPS Guidance Range

- 2023 adjusted EPS of \$3.65
- 2024 adjusted EPS guidance range of \$3.95 to \$4.05
  - Midpoint of \$4.00 represents 10% growth from 2023 adjusted results
  - Assumes Vogtle Unit 4 is in service April 2024<sup>1</sup>
- Long-term adjusted EPS growth estimate of 5% to 7% from 2024 adjusted EPS guidance range
  - >90% of projected earnings from premier state-regulated electric and gas utilities
  - Supported by projected state-regulated utility rate base growth of 6%
  - \$5B increase to 5-year capital investment plan for state-regulated utilities

<sup>1</sup> See slide 30 for the potential Vogtle Unit 4 schedule impacts on 2024 EPS

# Highlighting Our Successes



**2023 Top 50 Companies for Diversity**, *DiversityInc* (8th consecutive year), No. 1 for Black executives, No. 3 for veterans, No. 5 for Supplier Diversity

**2023 Most Trustworthy Companies in America**, *Newsweek* – Southern Company, Georgia Power



**No. 1 in Electric & Natural Gas Utilities Category**

**2024 World's Most Admired Companies™**, *Fortune* magazine

**No. 1 in Electric & Natural Gas Utilities Category**

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**2023 America's Best Large Employers** (No. 15 overall, top utility) *and* **2023 Best Employers for Women**, (No. 9), *Forbes* magazine



**2023 Best for Vets: Employers**, *The Military Times* (No. 1 in Energy-Utility-Gas-Electric, No. 6 overall)

**2024 Top 100 Military-Friendly Employer**, *GI Jobs* magazine (No. 5)



**2023 EEI Index Award – Large Cap**  
Edison Electric Institute



**2023 Best Places to Work for Disability Inclusion**, *The Disability Equality Index* – 100% score (7th consecutive year)



**2023 Top U.S. Utility for Economic Development**, *Site Selection* magazine – Alabama Power (5th consecutive year) & Georgia Power (25th consecutive year)

**A- Score**, CDP Climate Change Disclosure for transparency and leadership within the thermal power generation sector

**2023 100% Corporate Equality Index Score**, Human Rights Campaign (7th consecutive year)



# 2023 Earnings Results

	Q4		YTD	
	2023	2022	2023	2022
<b>Earnings / (Loss) Per Share As Reported</b>	<b>\$0.78</b>	<b>(\$0.08)</b>	<b>\$3.64</b>	<b>\$3.28</b>
Less:				
Estimated Loss on Plants Under Construction <sup>1</sup>	\$0.15	(\$0.14)	\$0.03	(\$0.14)
Acquisition and Disposition Impacts <sup>2</sup>	\$0.03	(\$0.09)	\$0.03	(\$0.07)
Loss on Extinguishment of Debt <sup>3</sup>	-	-	-	-
Impairments <sup>4</sup>	-	(\$0.11)	-	(\$0.11)
Estimated Loss on QIP and Other Capital Investments <sup>5</sup>	(\$0.04)	-	(\$0.07)	-
<b>Earnings Per Share Excluding Items</b>	<b>\$0.64</b>	<b>\$0.26</b>	<b>\$3.65</b>	<b>\$3.60</b>

<sup>1</sup> Includes a credit of \$0.16 per share and a net credit of \$0.05 per share associated with the construction of Plant Vogtle Units 3 and 4 for the three and twelve months ended December 31, 2023, respectively. Includes a charge of \$0.14 and net charges of \$0.13 per share associated with the construction of Plant Vogtle Units 3 and 4 for the three and twelve months ended December 31, 2022, respectively. Includes charges (net of salvage proceeds), associated legal expenses (net of insurance recoveries), and tax impacts resulting from the abandonment and closure activities associated with the mine and gasifier-related portions of the Kemper IGCC.

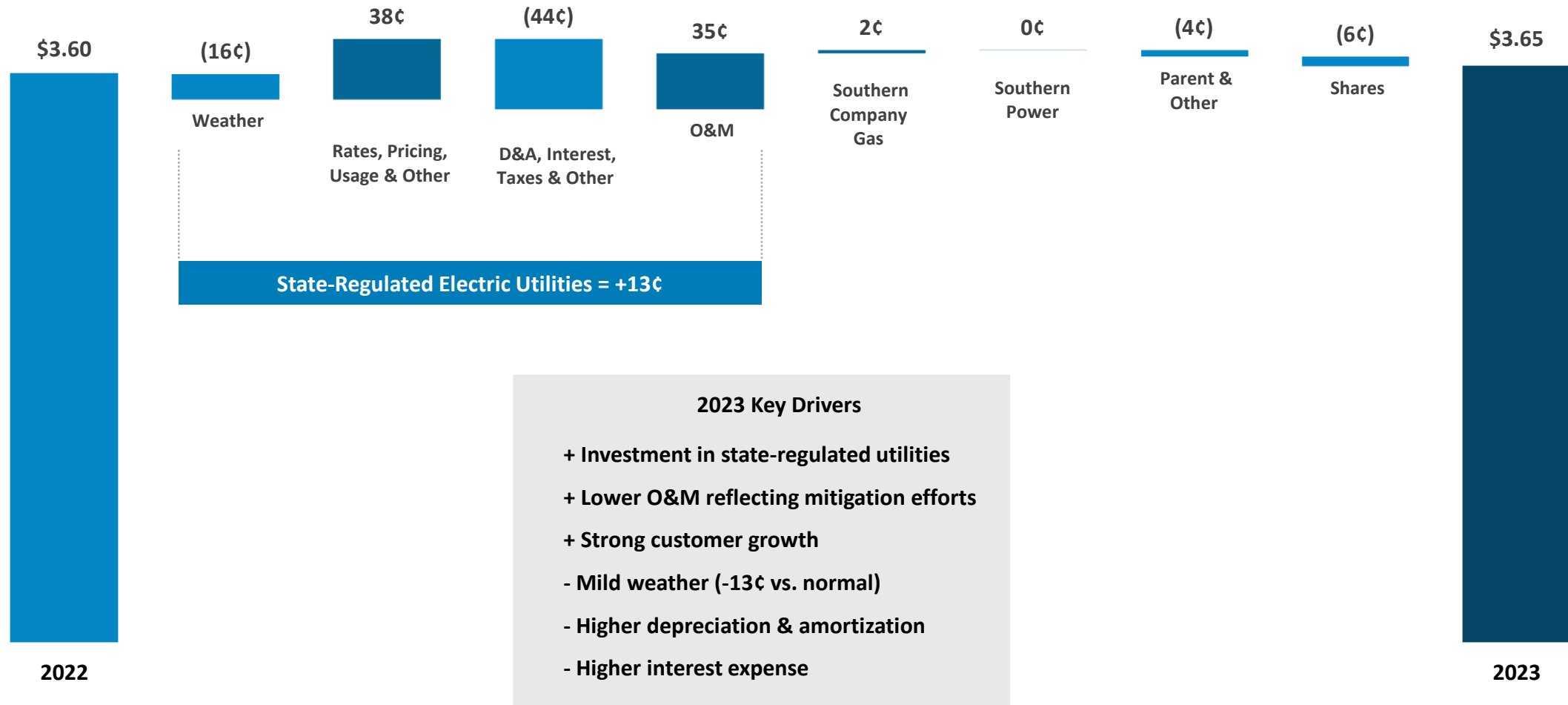
<sup>2</sup> Represents impacts related to the sale of Gulf Power and natural gas storage facilities.

<sup>3</sup> Represents costs associated with the extinguishment of debt at Southern Company in 2023.

<sup>4</sup> Represents an impairment charge related to goodwill at PowerSecure.

<sup>5</sup> Represents charges associated with the Illinois Commerce Commission disallowances related to (1) its review of the Qualifying Infrastructure Plant (QIP) capital investments by Nicor Gas for the calendar year 2019 under the QIP Rider, or Investing in Illinois program, and (2) Nicor Gas' general base rate case proceeding.

# 2023 Year-Over-Year Adjusted Drivers<sup>1</sup>



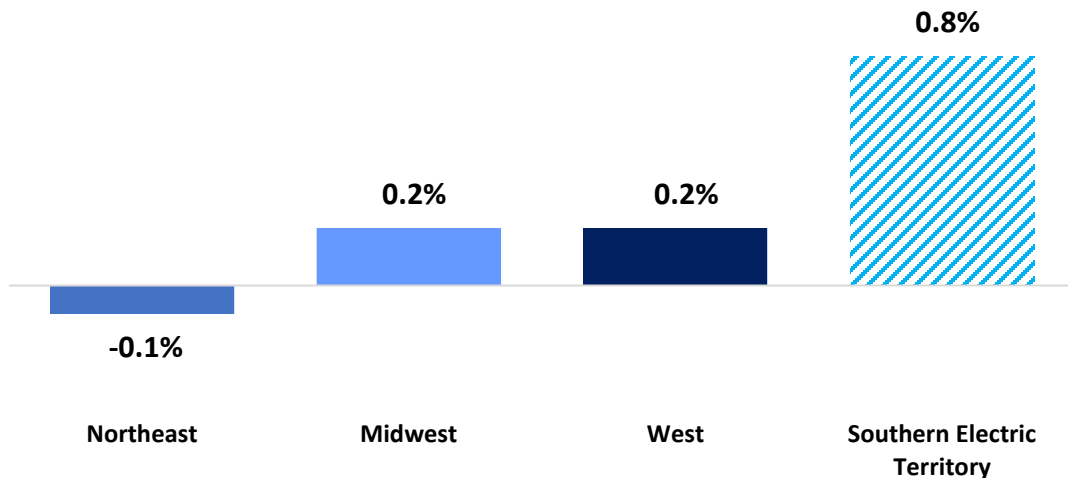
<sup>1</sup>Excludes charges (net of salvage proceeds), associated legal expenses (net of insurance recoveries), and tax impacts associated with the Kemper IGCC, charges and credits associated with the construction of Plant Vogtle Units 3 and 4, acquisition and disposition impacts, costs associated with the extinguishment of debt at Southern Company, and charges associated with disallowances at Nicor Gas.



# Retail Electricity Sales

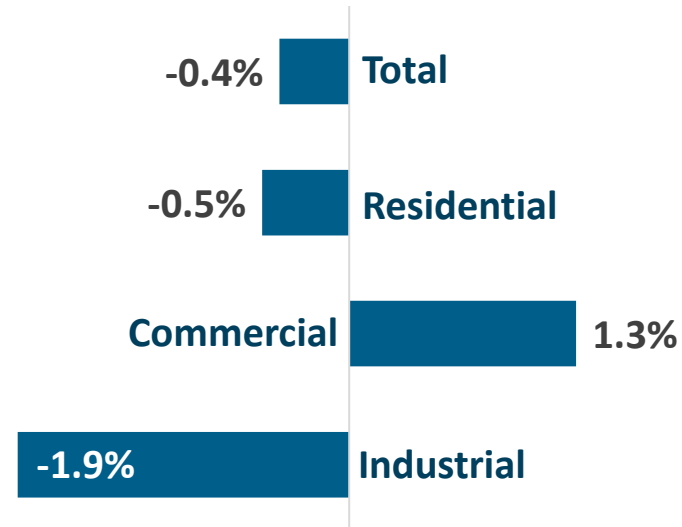
- Strong commercial growth and usage, offset by lower residential usage (largely return to the office dynamics)
- Lower industrial usage, partially driven by continued weakness in housing-related sectors and customer-specific outages
- 200,000 residential customers added since 2020; the highest four-year total in decades

Population Change by Region  
July 2022 to July 2023



Source: United States Census Bureau - Vintage 2023 Population Estimates

Weather-Normal Retail  
Electricity Sales 2023 vs. 2022



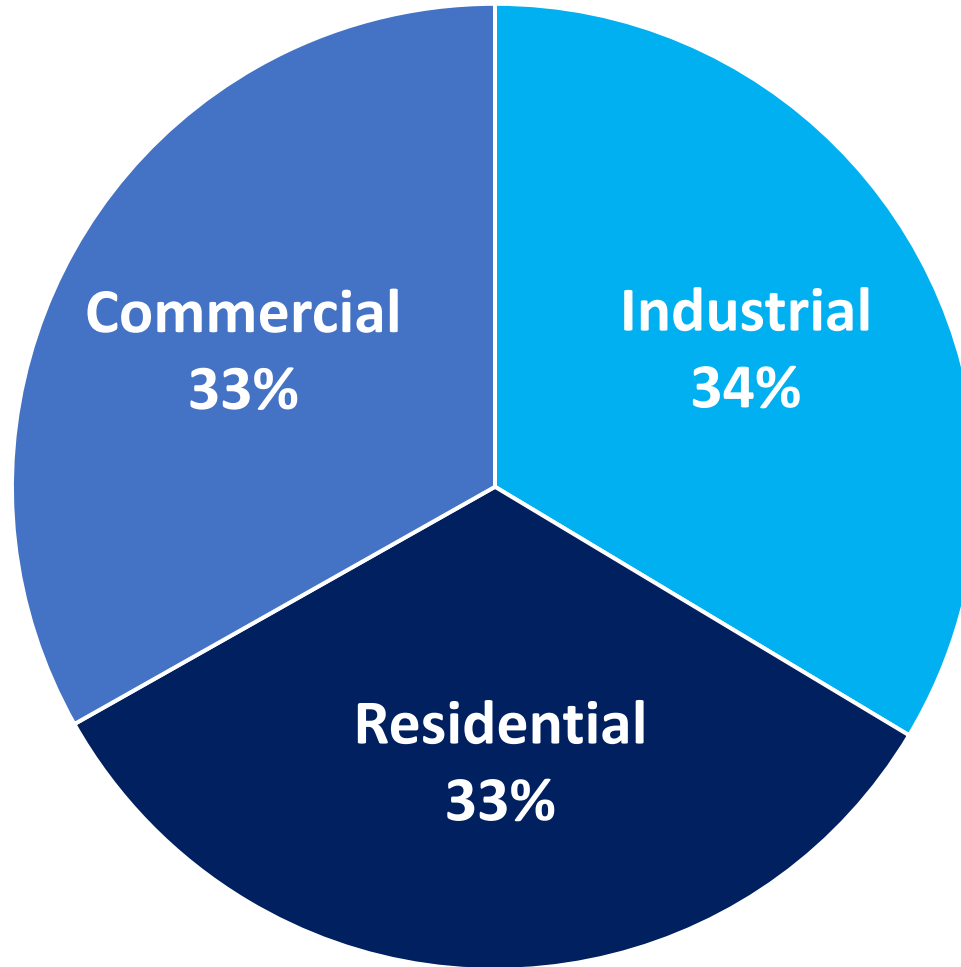
- Retail electricity sales projected to average between **1% to 2% growth in 2024 and 2025**
- Retail electricity sales projected to average approximately **6% annual growth from 2025 to 2028**

# Our electric customer base remains balanced and diverse

2023 Weather-Normal Retail Electric Sales

## Top 10 Commercial Segments

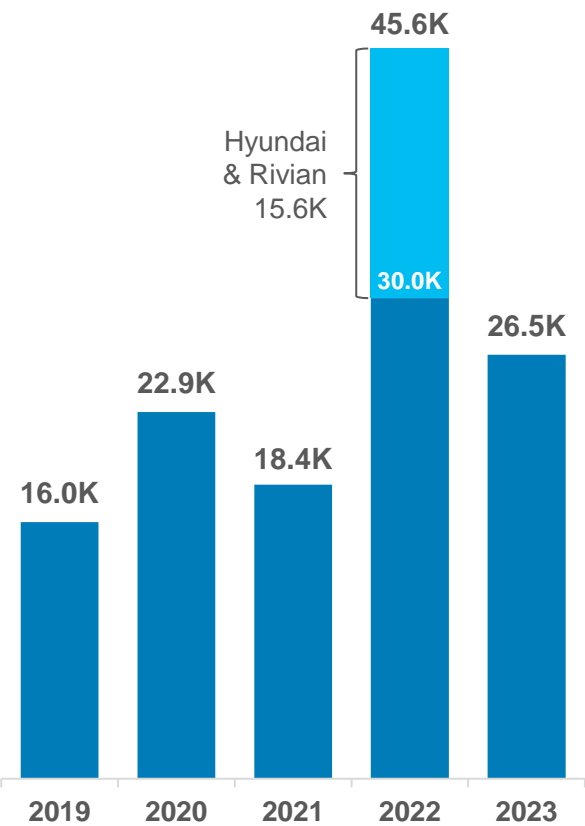
Office	18%
Retail	14%
Education	13%
Healthcare	11%
Data Center	8%
Restaurant	7%
Government	6%
Grocery	5%
Warehouse	4%
Hotel	3%



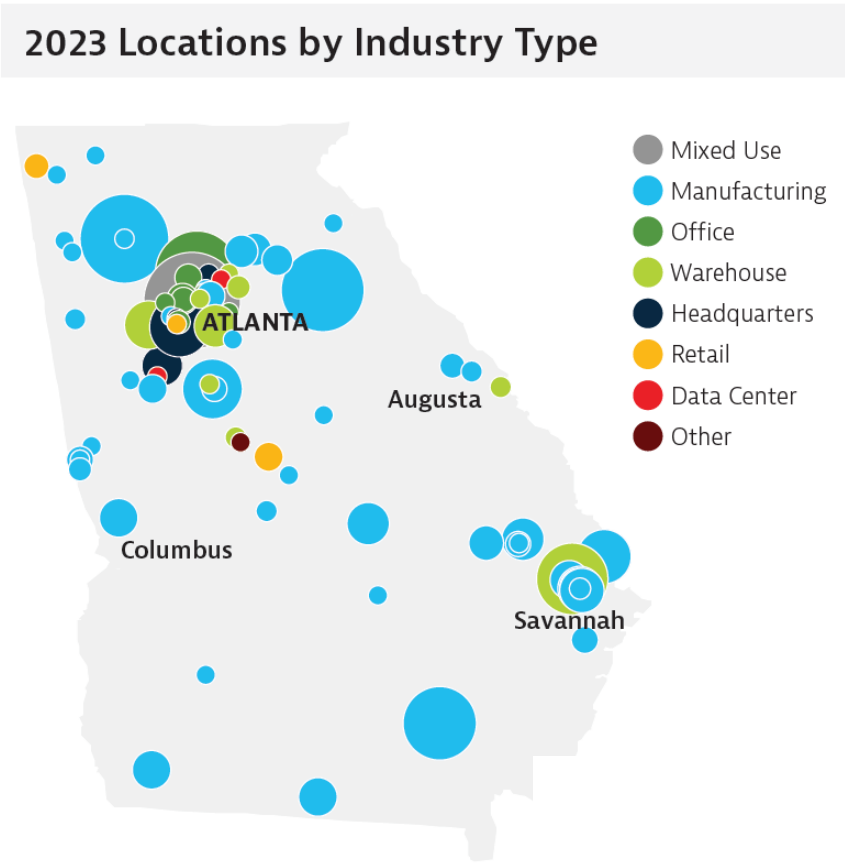
## Top 10 Industrial Segments

Primary Metals	12%
Chemicals	12%
Paper	10%
Pipeline	8%
Transportation	6%
Stone, Clay & Glass	6%
Food	6%
Petroleum	5%
Utilities	5%
Lumber	5%

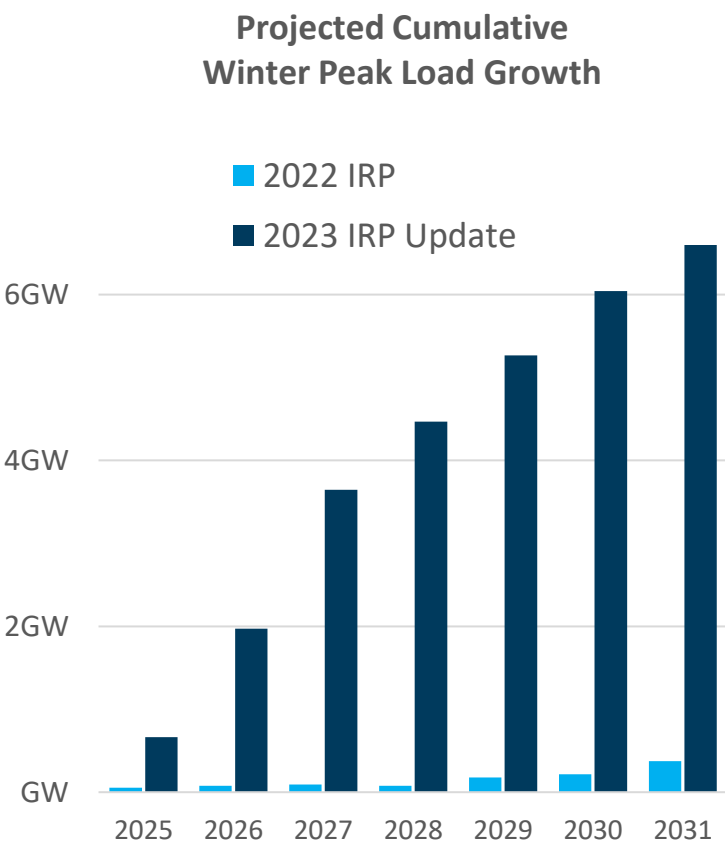
# Economic development success in Georgia driving significant growth



**Tens of thousands  
of new jobs**



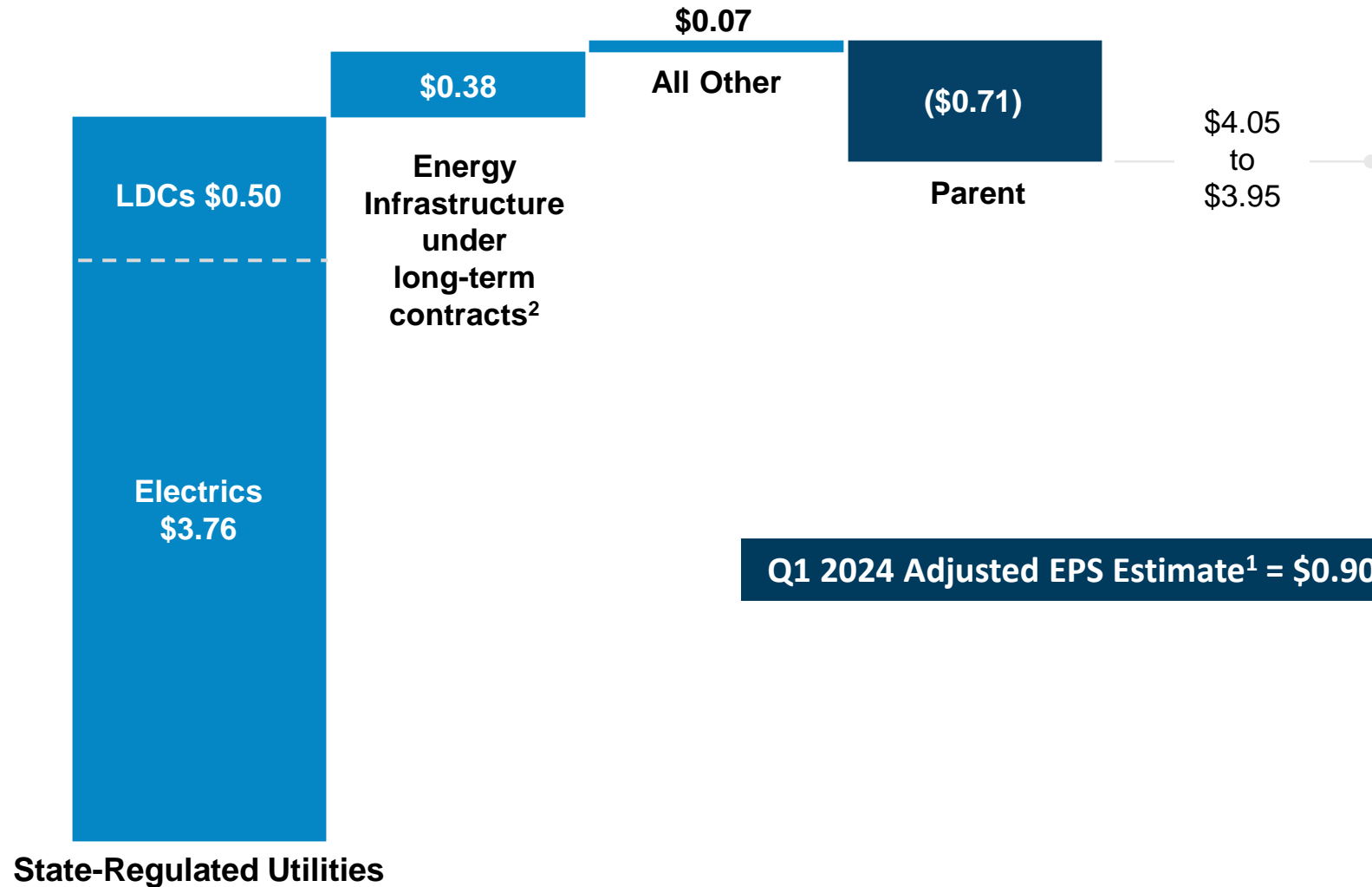
**Growth continues to  
reflect diverse industries**



**New resources are needed to  
serve the projected growth**

# 2024 Adjusted EPS Guidance<sup>1</sup> = \$3.95 to \$4.05

>90% of Projected Earnings from Premier State-Regulated Electric and Gas Franchises



<sup>1</sup> Excludes any further charges (credits) associated with the construction of Plant Vogtle Units 3 and 4, charges (net of salvage proceeds), associated legal expenses (net of insurance proceeds), and tax impacts from the abandonment and closure activities associated with the mine and gasifier-related portions of the Kemper IGCC, future acquisition and disposition impacts, future impairment charges, any further charges associated with Nicor Gas disallowances and/or additional costs associated with the extinguishment of debt at Southern Company and its non-state regulated subsidiaries.

<sup>2</sup> Includes Southern Power, interstate natural gas pipelines, and Southern Company system-owned distributed energy sources.

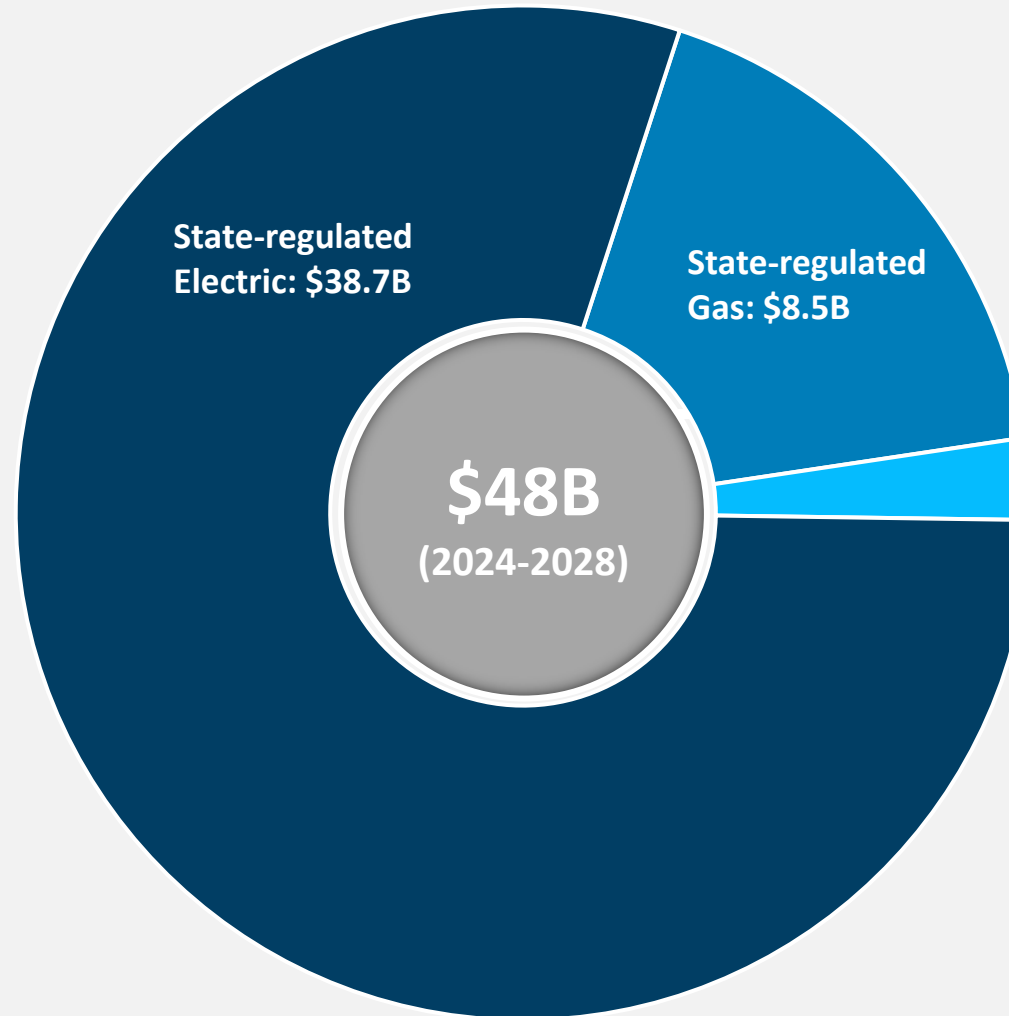
# 97% of Projected Capital Investment in State-Regulated Utilities

~\$5 billion increase from previous 5-year total

**\$48B** Capital Investment Plan<sup>1</sup> drives projected rate base growth of 6%  
and underpins 5% to 7% projected adjusted EPS growth

## State-Regulated Electric (6% rate base growth)

- Capital growth driven by continued economic development activity
- Continued focus on grid resilience
- Transition to and maintenance of cleaner energy resources



## State-Regulated Gas (8% rate base growth)

- 60% in pipeline replacement and improvement
- Strong customer growth

## Long-term contracts / Other: \$1.3B

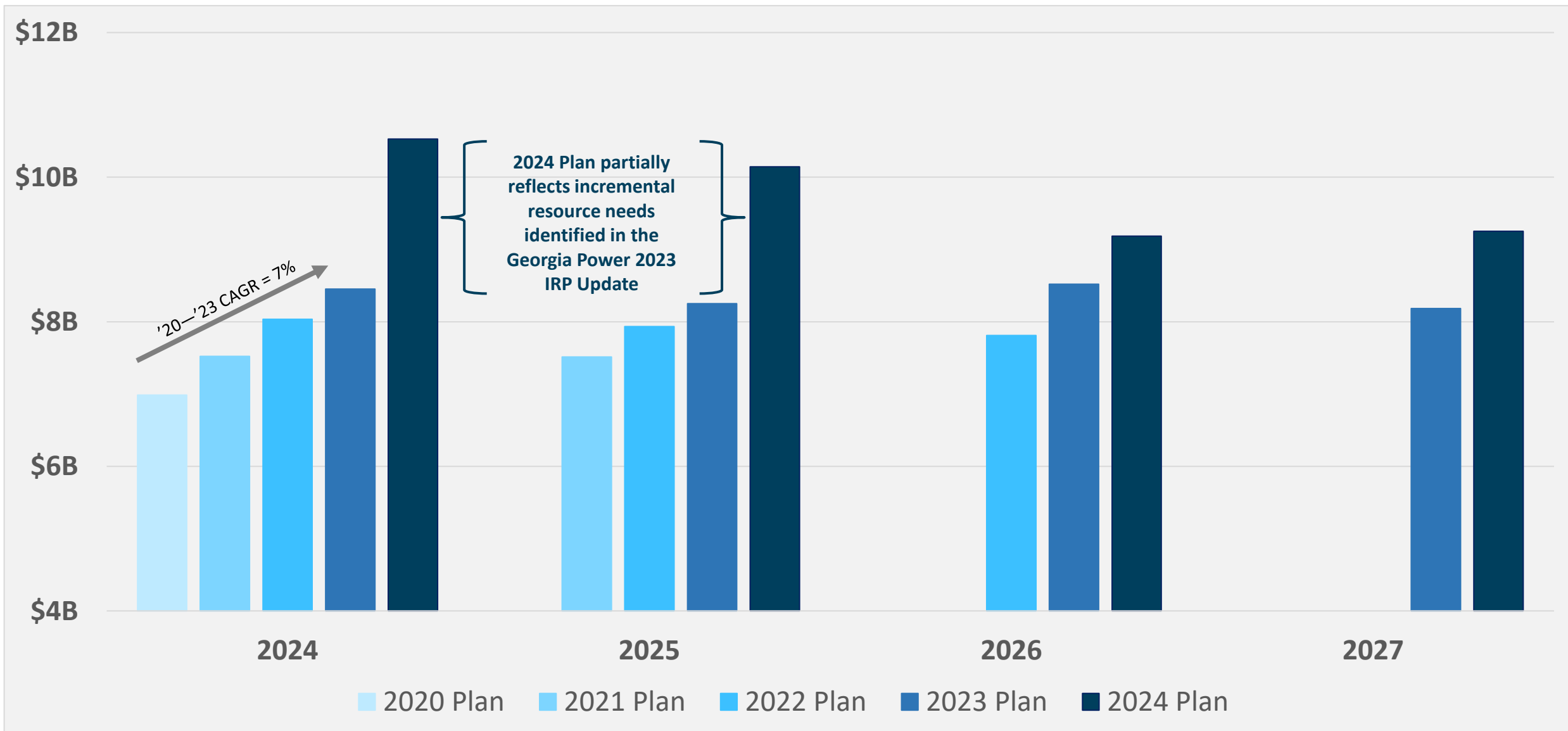
## Energy Infrastructure Under Long-term Contracts

- Existing projects and maintenance

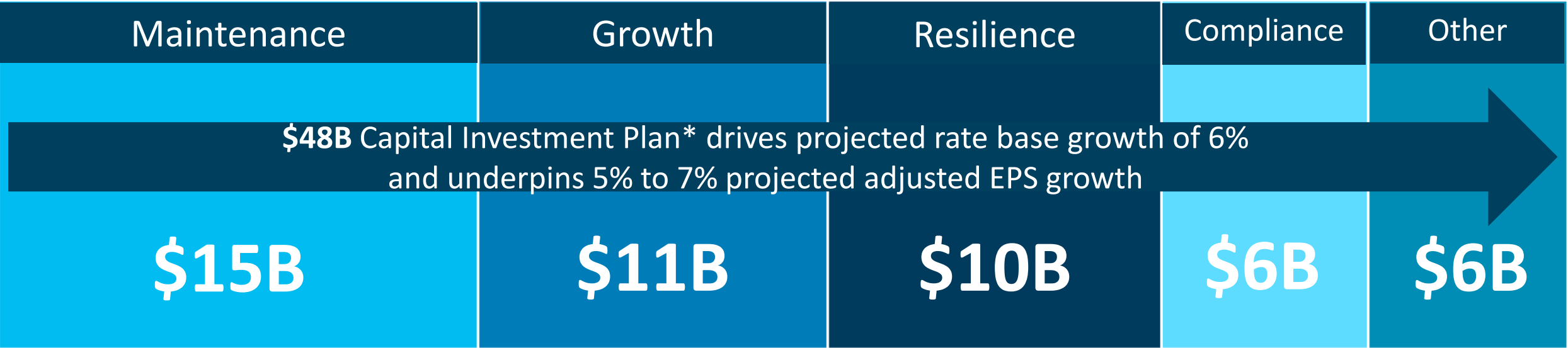
<sup>1</sup>excludes Plant Vogtle Unit 4 construction

# Growth of Historical Capital Forecast

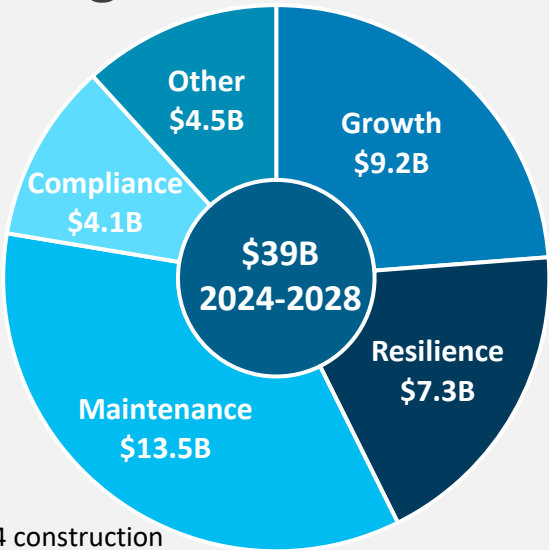
(Annual State-Regulated Utility Capex Forecast Excluding Plant Vogtle Units 3 & 4 Construction)



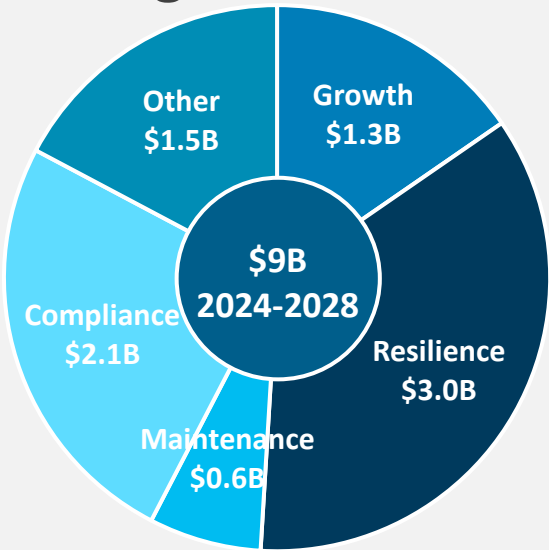
# Investing to deliver clean, safe, reliable and affordable energy to customers



State-Regulated Electric Utilities



State-Regulated Gas Utilities



\*excluding Plant Vogtle Unit 4 construction

# Appendix





# Capital Investment Plan



# State-Regulated Electric Utilities Overview

Long-Term Projected Rate Base Growth: ~6%

	2023 Customers	2023 Invested Capital <sup>1</sup>	Allowed Retail Equity Ratio
Georgia Power	2.7M	\$38B	56% <sup>2</sup>
Alabama Power	1.5M	\$23B	55% <sup>3</sup>
Mississippi Power	0.2M	\$4B	55% <sup>4</sup>

- Project to average ~\$8+ billion capital investment annually
- Economic development success driving substantial increase in projected growth capital versus prior forecast
- Grid and fleet modernization and resilience initiatives continue
- Environmental compliance obligations continue

<sup>1</sup> Invested capital amounts based on year-end 2023; excluding over/under recovered fuel

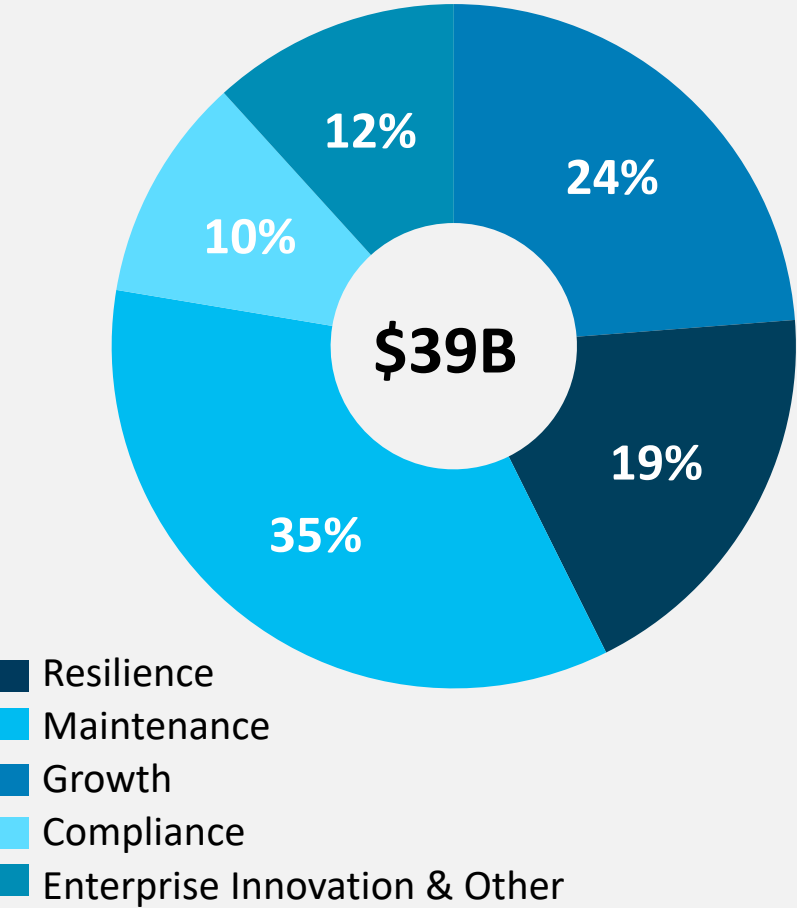
<sup>2</sup> Approximately 56% at end of 2023

<sup>3</sup> Approximately 53% at end of 2023; project to achieve 55% by end of 2025

<sup>4</sup> Approximately 55% at end of 2023

<sup>5</sup> Excludes Plant Vogtle Unit 4 construction

Projected Capital Investment Composition<sup>5</sup>  
2024 - 2028



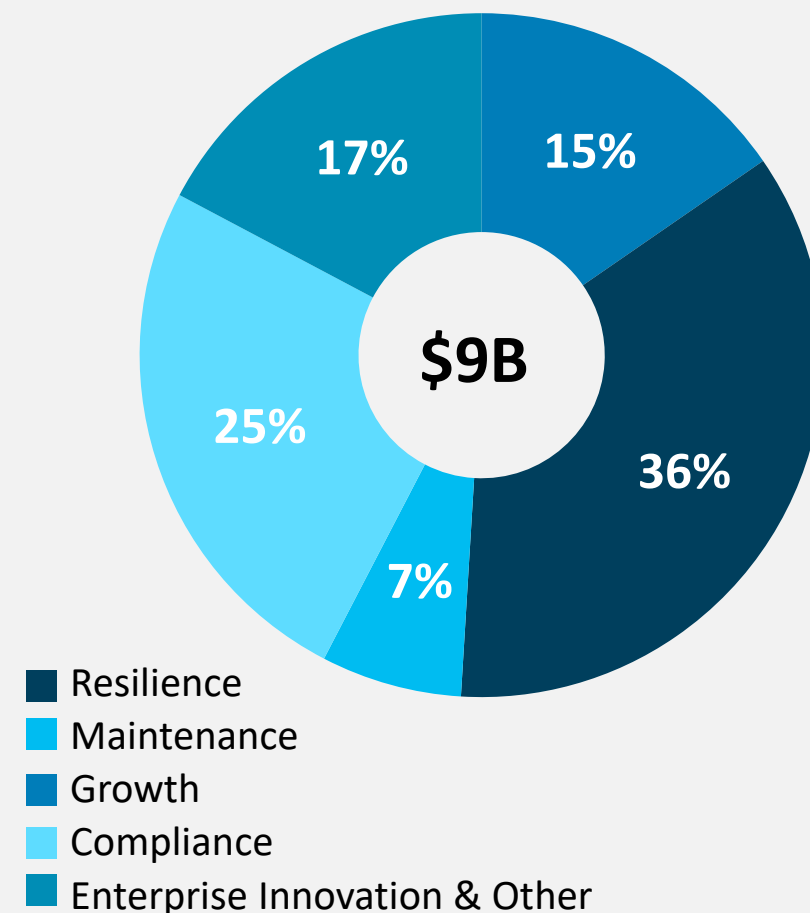
# State-Regulated Gas LDCs Overview

Long-Term Projected Rate Base Growth: ~8%

	2023 Customers	2023 Rate Base <sup>1</sup>	Allowed Equity Ratio
Nicor Gas (IL)	2.3M	\$6B	50%
Atlanta Gas Light (GA)	1.7M	\$4B	56%
Virginia Natural Gas (VA)	313K	\$1B	49%
Chattanooga Gas (TN)	71K	\$270M	49%

- Project to average ~\$1.7+ billion capital investment annually
- Continued compliance-related capital deployment
- Recover costs through primarily fixed-rate design

Projected Capital Investment Composition  
2024 - 2028



<sup>1</sup> Rate base amounts for AGL, CGC and VNG calculated using 13-month average, and for Nicor using annual average of beginning and end of year balances.

# \$48 Billion in Projected Capital Investment Through 2028: Functional View

## Excluding Plant Vogtle Unit 4 Construction

<i>(in \$ billions)</i>	2024	2025	2026	2027	2028	Total '24-'28
New Generation	0.9	0.9	0.4	0.0	0.0	2.2
Generation Maintenance	1.3	1.1	1.0	1.1	0.9	5.4
Environmental Compliance	0.1	0.1	0.1	0.1	0.0	0.5
Pond Closures	0.7	0.8	0.7	0.7	0.6	3.5
Transmission	1.7	1.7	1.7	2.3	2.7	10.1
Distribution	1.7	1.7	1.8	1.9	1.9	9.0
Nuclear Fuel	0.3	0.3	0.4	0.3	0.4	1.8
General	1.6	1.5	1.1	1.0	0.8	6.1
State-Regulated Electrics (excl Plant Vogtle Unit 4)	8.3	8.1	7.3	7.4	7.5	38.7
State-Regulated Gas LDCs	1.7	1.8	1.7	1.7	1.7	8.5
<b>Total State-Regulated Utilities</b>	<b>10.1</b>	<b>9.9</b>	<b>9.0</b>	<b>9.1</b>	<b>9.2</b>	<b>47.2</b>
Southern Power	0.3	0.2	0.1	0.1	0.1	0.8
GAS Pipelines & Other	0.1	0.0	0.0	0.0	0.0	0.2
PowerSecure	0.1	0.0	0.0	0.0	0.0	0.1
Other	0.1	0.0	0.0	0.0	0.0	0.1
<b>Total Consolidated</b>	<b>10.5</b>	<b>10.1</b>	<b>9.2</b>	<b>9.3</b>	<b>9.4</b>	<b>48.5</b>

Due to rounding, totals may not foot

# \$48 Billion in Projected Capital Investment Through 2028: Company View

## Excluding Plant Vogtle Unit 4 Construction

<i>(in \$ billions)</i>	2024	2025	2026	2027	2028	Total '24-'28
Alabama Power	2.4	2.4	2.2	2.2	2.1	11.4
Georgia Power	5.5	5.3	4.8	4.9	5.1	25.6
Mississippi Power	0.3	0.4	0.3	0.3	0.3	1.5
<b>State-Regulated Electrics <sup>1</sup></b>	<b>8.3</b>	<b>8.1</b>	<b>7.3</b>	<b>7.5</b>	<b>7.5</b>	<b>38.7</b>
State-Regulated Gas LDCs	1.7	1.8	1.7	1.7	1.7	8.5
Pipelines/Other	0.1	0.0	0.0	0.0	0.0	0.2
<b>Southern Company Gas</b>	<b>1.8</b>	<b>1.8</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>8.8</b>
Southern Power	0.3	0.2	0.1	0.1	0.1	0.8
PowerSecure	0.1	0.0	0.0	0.0	0.0	0.1
Other	0.1	0.0	0.0	0.0	0.0	0.1
<b>Total Consolidated</b>	<b>10.5</b>	<b>10.1</b>	<b>9.2</b>	<b>9.3</b>	<b>9.4</b>	<b>48.5</b>

<sup>1</sup>Includes SEGCO  
Due to rounding, totals may not foot

# Capital Markets / Financing



# Long-term Financings <sup>1</sup>

as of February 15, 2024

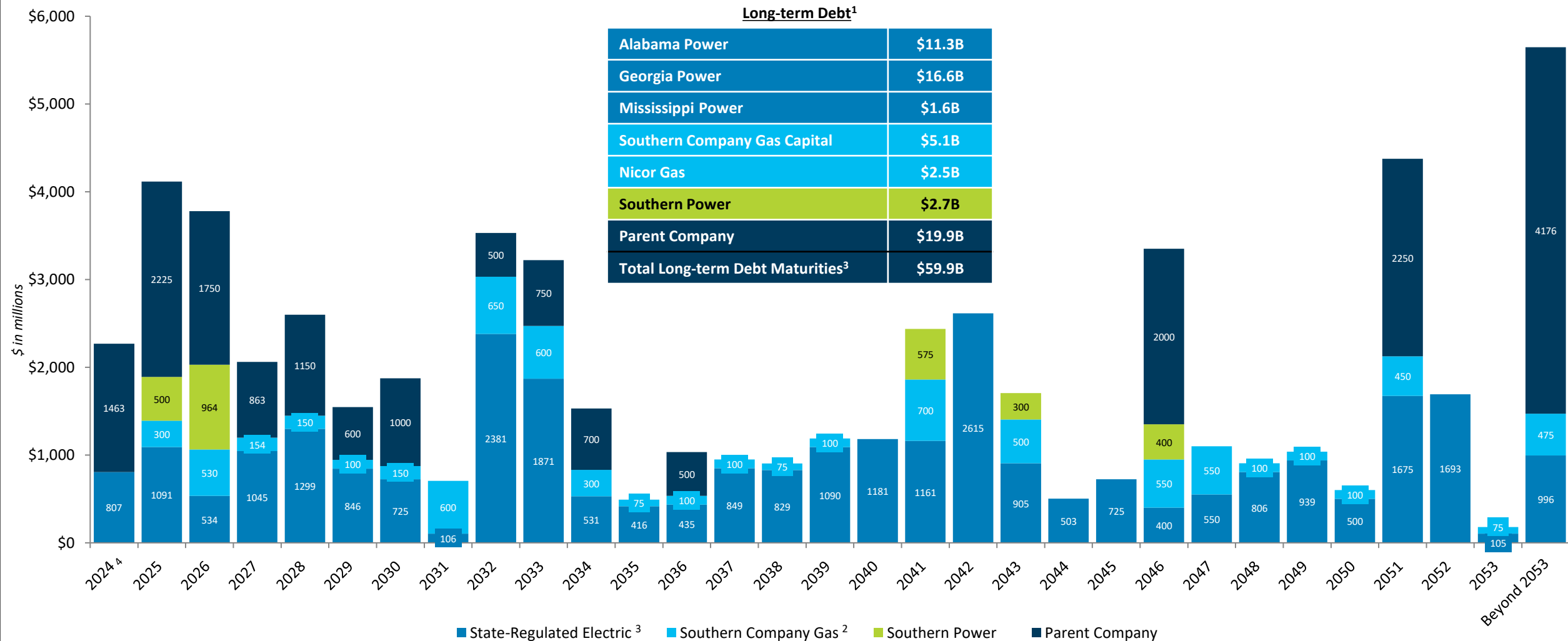
	Projected			
<u>Long-term Debt (\$ in millions)</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2024-2026</u>
Alabama Power	300	450	300	1,050
Georgia Power	2,000	2,000	1,000	5,000
Mississippi Power	250	-	-	250
<b>State-Regulated Electrics</b>	<b>\$2,550</b>	<b>\$2,450</b>	<b>\$1,300</b>	<b>\$6,300</b>
Southern Power	300	-	300	600
Southern Company Gas Capital	400	700	850	1,950
Nicor Gas	325	300	300	925
Parent Company	3,000	2,000	2,500	7,500
<b>Total Long-term Debt Financings</b>	<b>\$6,575</b>	<b>\$5,450</b>	<b>\$5,250</b>	<b>\$17,275</b>
<b>Annual Equity Financings<sup>2</sup></b>	<b>\$350</b>	<b>\$350</b>	<b>\$350</b>	<b>\$1,050</b>

<sup>1</sup> Amounts and timing could materially change based upon numerous factors, including market conditions, regulatory approvals, the Southern Company system's capital requirements and available investment opportunities. YTD financings include tax-exempt securities previously held by subsidiaries. Projected financings exclude potential tax-exempt financings and potential replacement of callable securities. Excludes long term-bank notes and lease obligations

<sup>2</sup> Estimated annual proceeds from internal equity plans to fund approximately \$5 billion of incremental capital expenditures added to 2024 base capital investment forecast. Southern Company maintains an at-the-market program to partially finance incremental capital increases associated with further increases to the capital forecast or, potentially, to partially refinance callable hybrid securities, if doing so preserves or improves its credit profile or long-term EPS.

# Long-term Debt Maturity Tower<sup>1</sup>

## as of February 15, 2024



**Southern Company's weighted average long-term debt maturity is over 16 years**

<sup>1</sup> Excludes financing leases, fair value adjustments, unamortized debt issuance costs and unamortized discount/premium

<sup>2</sup> Includes maturities at Southern Company Gas Capital and Atlanta Gas Light

<sup>3</sup> Includes SEGCO

<sup>4</sup> Includes \$21 million of Alabama Power's obligations related to Industrial Development Board of the Town of Wilsonville (Alabama) Pollution Control Revenue Bonds (Alabama Power Company Gaston Plant Project), Series D that matured on 1/1/2024



# Long-term Debt Maturity Schedule<sup>1</sup>

as of February 15, 2024

	Projected			
<u>Long-term Debt (\$ in millions)</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2024-2026</u>
Alabama Power <sup>2</sup>	21	250	45	316
Georgia Power	486	831	424	1,741
Mississippi Power	200	11	65	276
<b>State-Regulated Electrics<sup>3</sup></b>	<b>\$807</b>	<b>\$1,092</b>	<b>\$534</b>	<b>\$2,433</b>
Southern Power	-	500	964	1,464
Southern Company Gas Capital <sup>4</sup>	-	250	380	630
Nicor Gas	-	50	150	200
Parent Company	1,463	2,225	1,750	5,438
<b>Total Long-term Debt Maturities</b>	<b>\$2,270</b>	<b>\$4,117</b>	<b>\$3,778</b>	<b>\$10,165</b>

Due to Rounding, totals may not foot.

<sup>1</sup> Excludes financing leases, as well as fixed rate revenue bonds subject to remarketing.

<sup>2</sup> Includes \$21 million of Alabama Power's obligations related to Industrial Development Board of the Town of Wilsonville (Alabama) Pollution Control Revenue Bonds (Alabama Power Company Gaston Plant Project), Series D that matured on 1/1/2024

<sup>3</sup> 2024 Total State-Regulated Electrics maturities includes \$100M SEGCO maturity.

<sup>4</sup> Includes maturities at Southern Company Gas Capital and Atlanta Gas Light.

# Liquidity and Credit

\$ in millions as of December 31, 2023

**Over \$7.6 billion in committed credit facilities and available liquidity of over \$4.8 billion**

<i>(in millions)</i>	2024	2025	2026	2028	Total
<b>Credit Facility Expirations</b>	\$280	\$125	\$800	\$6,400	\$7,605

<i>(in millions)</i>	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Power	Parent Company	Other <sup>1</sup>	Consolidated
Unused Credit Lines	\$1,350	\$1,726	\$275	1,598	\$589	\$1,998	\$30	<b>\$7,566</b>
Cash	324	9	38	33	124	2	219	<b>748</b>
<b>Total</b>	<b>\$1,674</b>	<b>\$1,735</b>	<b>\$313</b>	<b>\$1,631</b>	<b>\$713</b>	<b>\$2,000</b>	<b>\$249</b>	<b>\$8,314</b>
Less: Outstanding CP	40	809		415	138	391	-	<b>1,794</b>
Less: PCB Floaters <sup>2</sup>	818	819	69	-	-	-	-	<b>1,706</b>
<b>Net Available Liquidity</b>	<b>\$816</b>	<b>\$107</b>	<b>\$244</b>	<b>\$1,216</b>	<b>\$575</b>	<b>\$1,610</b>	<b>\$249</b>	<b>\$4,814</b>

Due to Rounding, totals may not foot.

<sup>1</sup> Represents amounts from non-SEC reporting subsidiaries, including SEGCO, PowerSecure, Southern Nuclear, Southern LINC and others.

<sup>2</sup> PCB Floaters include all variable rate demand note revenue bonds outstanding. Does not include \$325 million of fixed-rate revenue bonds subject to remarketing within 12 months.

# Vogtle 3 & 4



# Plant Vogtle Units 3 & 4 Milestone Timeline Comparison

Days between Major Milestones	Unit 3 July 2023 COD	Unit 4	Improvement
Cold Hydro Start	10/16/20	12/7/22	
Cold Hydro to Hot Functional Test Start	<b>191 days</b> 4/25/21	<b>103 days</b> 3/20/23	<b>88 days</b>
Hot Functional Test Duration	<b>94 days</b> 7/28/21	<b>42 days</b> 5/1/23	<b>52 days</b>
Hot Functional Test Complete to 103(g)	<b>371 days</b> 8/3/22	<b>88 days</b> 7/28/23	<b>283 days</b>
103(g) to Fuel Load	<b>71 days</b> 10/13/22	<b>20 days</b> 8/17/23	<b>51 days</b>
Fuel Load to Primary and Secondary Systems Operable	<b>56 days</b> 12/8/22	<b>35 days</b> 9/21/23	<b>21 days</b>

# Plant Vogtle Units 3 & 4 Cost Update

(Georgia Power's share)

## Estimated Cost of Project (\$M)

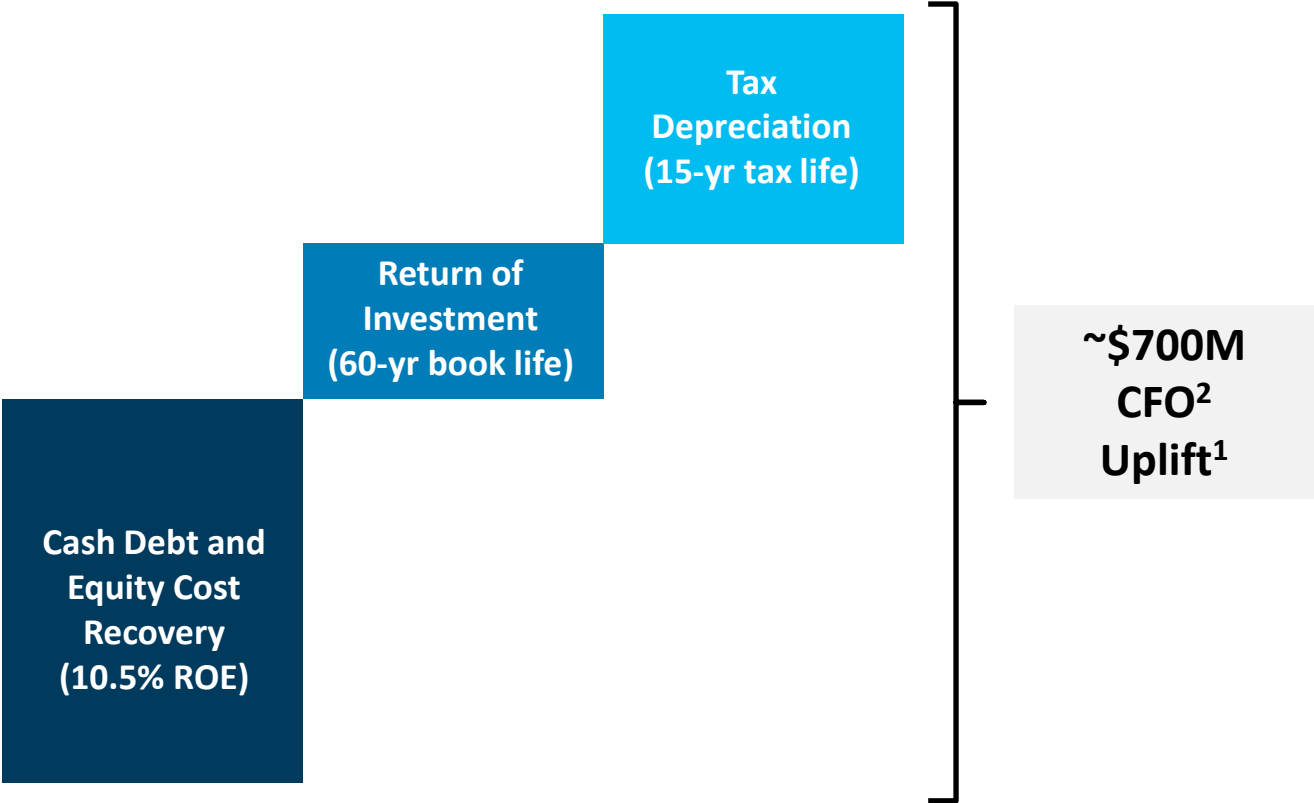
Base project capital cost forecast through Q2 2024 <sup>1,2</sup>	\$10,717
Construction contingency estimate	36
<b>Total project capital cost forecast<sup>1,2</sup></b>	<b>\$10,753</b>
<b>Net investment as of December 31, 2023<sup>2</sup></b>	<b>(10,564)</b>
<b>Remaining estimate to complete</b>	<b>\$189</b>

<sup>1</sup> Includes approximately \$610 million of costs that are not shared with other Vogtle owners, including \$33 million of construction monitoring costs, and approximately \$567 million of incremental costs under relevant cost-sharing provisions. Excludes financing costs expected to be capitalized through AFUDC of approximately \$440 million, of which \$417 million has been accrued through December 31, 2023.

<sup>2</sup> Net of \$1.7 billion received from Toshiba under the Guarantee Settlement Agreement and approximately \$188 million in related customer refunds.

# Projected Financial Impacts Related to Plant Vogtle Units 3 & 4

## Illustrative Annualized Cash Flow Improvement Post Plant Vogtle Unit 4 In Service<sup>1</sup> (increases relative to 2021)



<sup>1</sup> Assumes Unit 4 in service during second quarter 2024, recovery of \$7.562 billion of Plant Vogtle Units 3 & 4 capital investment in base rates, ROE of 10.5%, Georgia Power equity ratio of 56% and corporate tax rate of approximately 25%.

<sup>2</sup> Cash provided from operating activities

## Projected EPS Impacts of Delays

Vogtle Monthly Impacts <sup>3</sup>	EPS <sup>4</sup>
1-Month Delay at U4	~ (3¢)

<sup>3</sup> Estimated monthly EPS impact from rate penalties during construction if in service date for Unit 4 is extended beyond March 31, 2024.

<sup>4</sup> Based on Plant Vogtle Units 3 & 4 approved Prudence Order, if Unit 4 in service is delayed beyond March 31, 2024, the ROE will be 0% for any capital (NCCR and AFUDC) above the \$2.1B of Unit 3 already in rates.

## Projected Capital Cost Impacts of Delays

Vogtle Monthly Pre-tax Impacts <sup>5</sup>	Capital Cost
1-Month Delay at U4	~\$25M

<sup>5</sup> Estimated additional base capital costs for Georgia Power resulting from extension of in-service date beyond Q2 2024 for Unit 4. Estimates include potential incremental costs associated with the cost-sharing provisions of the joint ownership agreements.

# Regulatory



# Regulatory Recovery Mechanisms – Electric Subsidiaries<sup>1</sup>

	Alabama Power	Georgia Power	Mississippi Power
Base Rates	Annual base rate (Rate RSE) and clause filings	Three-year base rate case cycle with annual compliance filings	Annual base rate (PEP-6) and clause filings
Other Regulatory Mechanisms			
Fuel	ECR	Fuel Rates	Fuel Rates
Purchased Power Energy	ECR	Fuel Rates	Fuel Rates
Purchased Power Capacity	CNP PPA	Base Rates	Energy Cost Management Rates
Environmental	CNP Compliance	Base/ECCR	ECO Rates
Ash Ponds	CNP Compliance	Base/ECCR	ECO Rates
Energy Conservation	RSE	Base/DSM	PEP
Plant Additions	RSE <sup>2</sup>	Base Rates	PEP
Storm Reserve	NDR	Base Rates	SRR Rates
New Plant Certification	CNP New Plant	Base Rates	Certification Process
Depreciation	CNP Depreciation <sup>3</sup>	Base Rates	PEP

<sup>1</sup>See the Form 10-K for additional information.

<sup>2</sup>Recovers plant additions, including extensions of existing systems in ordinary course of business that are not recovered through specific regulatory mechanisms

<sup>3</sup>Recovers changes in depreciation resulting from depreciation rates updates



# Regulatory Mechanisms – Gas LDCs<sup>1</sup>

	Nicor Gas	Atlanta Gas Light (AGL)	Virginia Natural Gas (VNG)	Chattanooga Gas (CGC)
Rate Decoupling	✓ (Revenue Normalization) <sup>2</sup>	✓ (Straight –Fixed –Variable)	✓ (Revenue Normalization) <sup>2</sup>	
Weather Normalization		N/A	✓	✓
Bad Debt Recovery <sup>3</sup>	✓	N/A	✓	✓
Energy Efficiency Plan Recovery	✓		✓	
Annual Base Rate Adjustment Mechanisms		✓ (GRAM)		✓ (ARM)
Infrastructure Programs		✓ (GRAM, SRR, ECON-1)	✓ (SAVE)	✓ (ARM)

<sup>1</sup>See the Form 10-K for additional information.

<sup>2</sup>Revenue Normalization tariff applies only to residential customers

<sup>3</sup>The gas portion of bad debt expense is recovered through purchased gas adjustment mechanisms. Nicor Gas also has a rider to recover the non-gas portion of bad debt expense.

# Georgia Power 2023 IRP Update Schedule

Link to access Commission Meetings and Hearings: [Georgia Public Service Commission - YouTube](#)

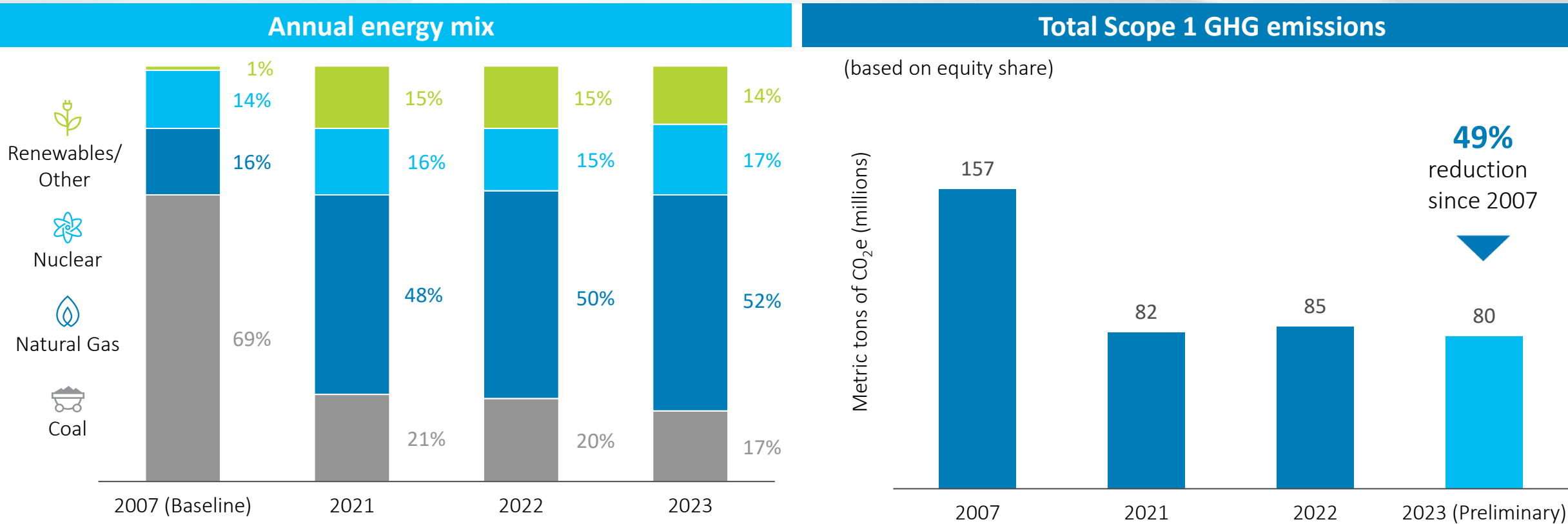
## Docket Number: 55378

October 27, 2023	Georgia Power files IRP Update
December 4, 2023	Georgia Power direct testimony filing
January 16-17, 2024	Georgia Power hearings
February 15, 2024	Staff and intervenors direct testimony filing
February 29, 2024 – March 1, 2024	Staff and intervenors hearings
March 18, 2024	Georgia Power rebuttal testimony filing
March 27-28, 2024	Georgia Power rebuttal hearings
April 16, 2024	Commission decision rendered

# Sustainability



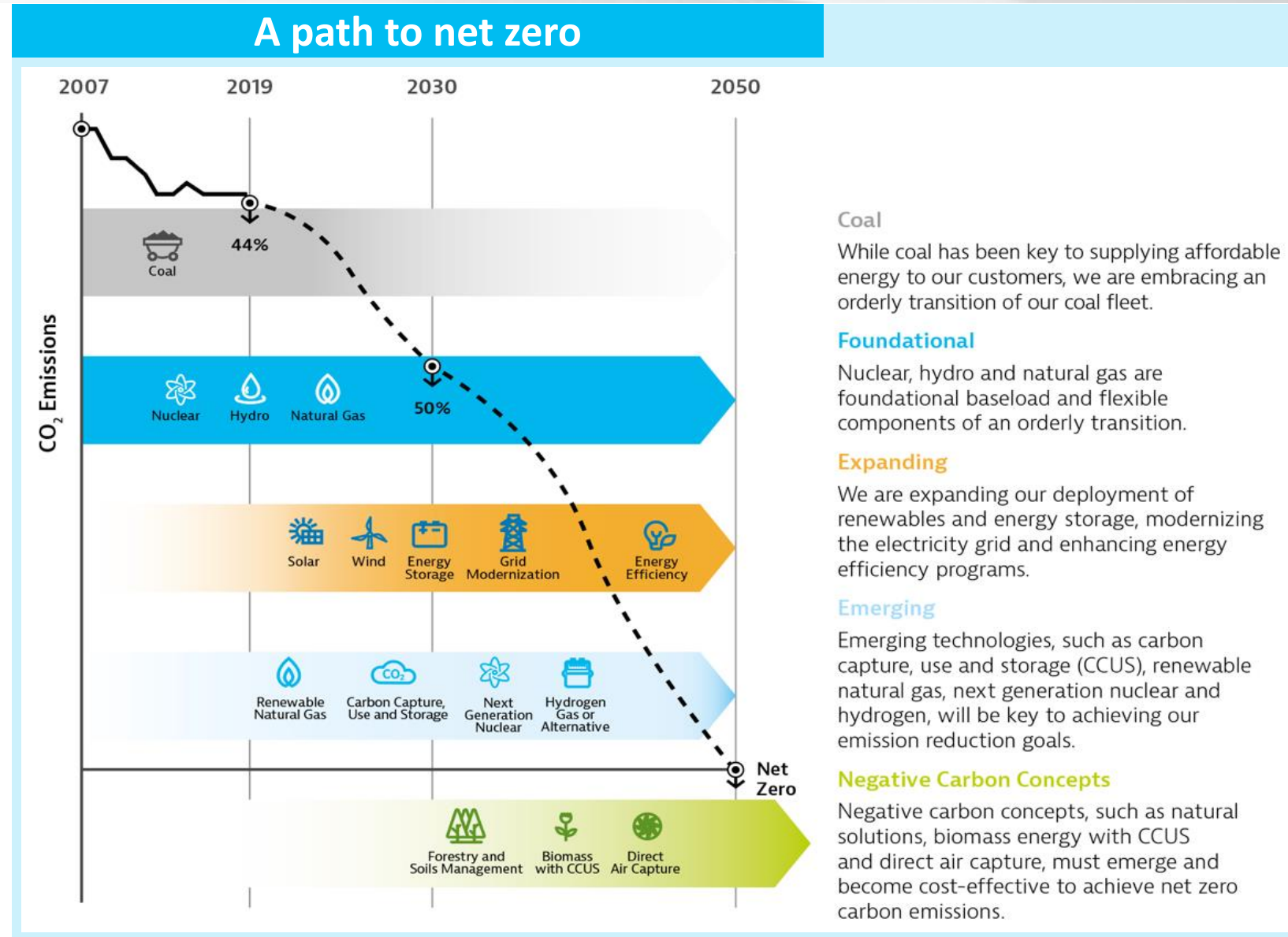
# Greenhouse Gas Emission Reduction Goal: 50% by 2030, Net Zero by 2050



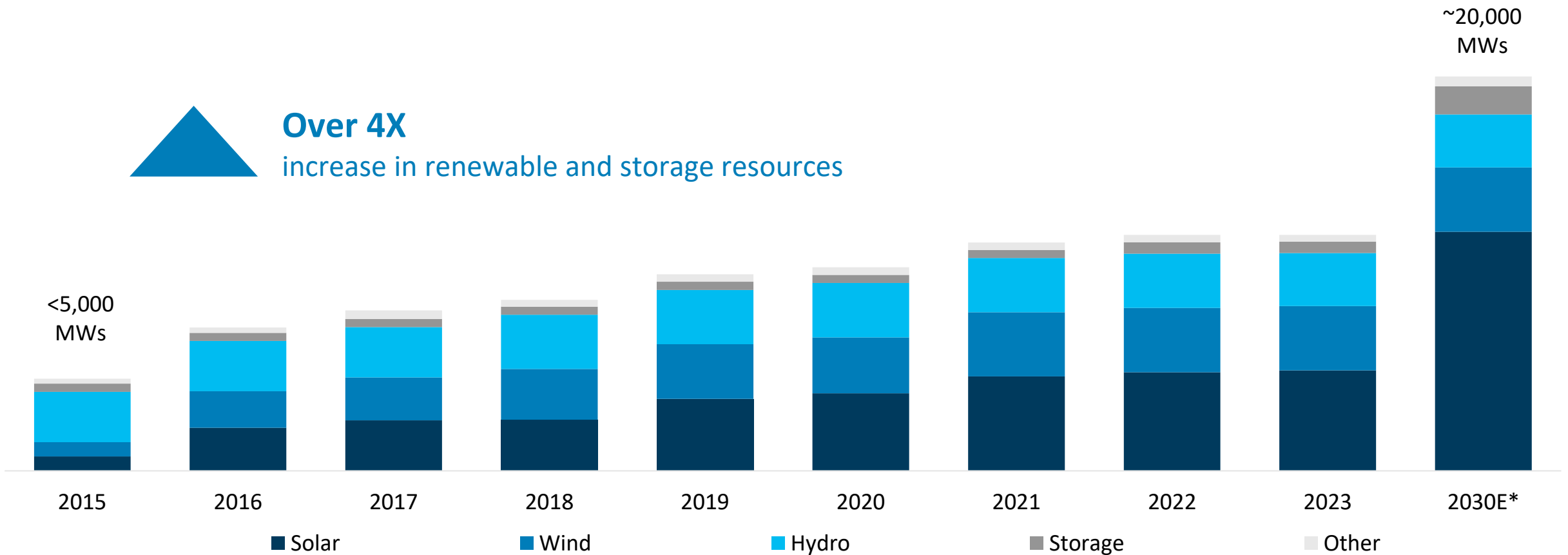
- Annual energy mix represents all of the energy the Southern Company system uses to serve its retail and wholesale customers during the year. It is not meant to represent delivered energy mix to any particular retail customer or class of customers. Annual energy mix percentages include non-affiliate power purchase agreements.
- Renewables/Other category includes wind, solar, hydro, biomass, landfill gas and fuel cells.
- With respect to renewable generation and associated renewable energy credits (RECs), to the extent an affiliate of Southern Company has the right to the RECs associated with renewable energy it generates or purchases, it retains the right to sell the energy and RECs, either bundled or separately, to retail customers and third parties.
- Based on preliminary 2023 emissions, the Southern Company system reduced GHG emissions by 49% from 2007 levels. Southern Company system management expects to achieve GHG reductions of greater than 50% as early as 2025, five years earlier than the established interim goal, and remain close to 50% through the late 2020s, followed thereafter by continued reductions. GHG emissions decreased in 2023 when compared to 2022 as coal generation was displaced by lower carbon generation including from Plant Vogtle Unit 3.

# Achieving Our Path to Net Zero

- We expect our path to net zero to be achieved through:
  - Continued coal fleet transition
  - Utilization of natural gas to enable fleet transition
  - Further growth in portfolio of zero-carbon resources
  - Enhanced energy efficiency initiatives
  - Continued investment in R&D focused on clean energy technologies
  - Negative carbon solutions



# Strong Growth in Renewables and Storage



*Includes owned and contracted resources including 100% capacity for jointly owned projects. With respect to renewable generation and associated renewable energy credits (RECs), to the extent an affiliate of Southern Company has the right to the RECs associated with renewable energy it generates or purchases, it retains the right to sell the energy and RECs, either bundled or separately, to retail customers or third parties. Other includes biomass and landfill gas.*

*\*Future estimates include owned and contracted capacity that have received regulatory approval. Additional renewable resources could be added prior to 2030 at Southern Power or at the traditional electric operating companies, should they be proposed and approved through regulatory processes.*



# Robust Disclosure

➡ **Sustainability Website** available here

➡ **Supplier Code of Conduct** available here

➔ **Key Data and Reports** available here

➡ Policy Engagement and Advocacy available here

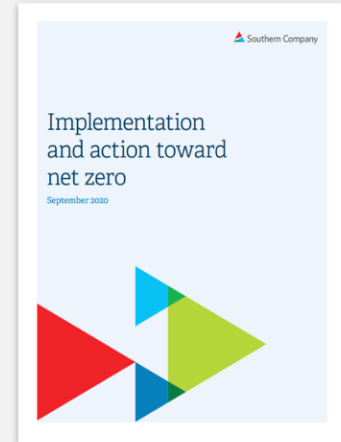
## ESG Data Table

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**CDP**



## Climate Reports



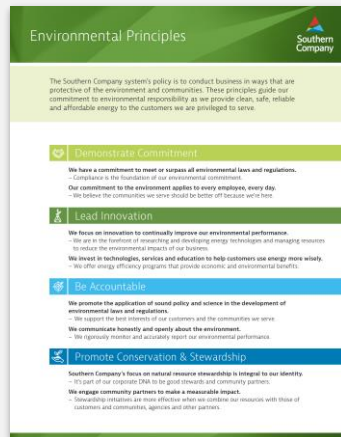
## Sustainability Summary



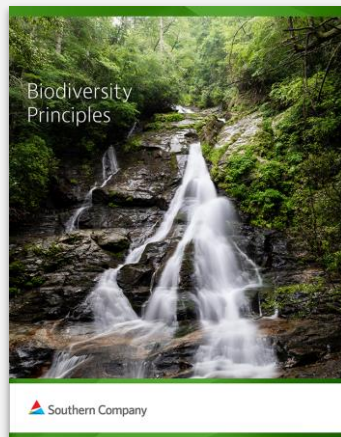
## Frameworks & Other

- TCFD Report
- SASB Report
- GRI Report
- EEI ESG/  
Sustainability  
Reporting  
Template
- EEO-1 Data

## Environmental Principles



## Biodiversity Principles



## Moving to Equity Report



## Just Transition Report



## Human Rights Statement



## Supplier Code of Conduct



# Ratings and Rankings Demonstrate Commitment and Progress

	Scale	Rating
<b>MSCI (2023)</b>	Letter grade CCC – AAA (best) Score 0-10 (best)	A 5.9
<b>Sustainalytics ESG Risk Rating (2023)</b>	0 (best) – 100	29.1
<b>ISS Governance Score (2024)</b>	1 (best) – 10	1
<b>CDP Climate (2021 &amp; 2022)</b>	Letter grade	A-
<b>GRESB (2023)</b>	Letter grade Score 0-100 (best)	A 82 (11 <sup>th</sup> of 48 U.S. Utilities)
<b>CPA Zicklin (2023)</b>	0 – 100 (best)	91% – Trendsetter Designation





Southern  
Company