

Alabama Power Company Environmental Compliance Update



**Presented to the
Alabama Public Service Commission
December 12, 2023**

FORWARD-LOOKING STATEMENT CAUTIONARY NOTE



Certain information contained in this report is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning current and proposed environmental regulations and related compliance plans and estimated expenditures. Alabama Power cautions that there are various factors that could 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 Alabama Power; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Alabama Power's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 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 environmental and other laws and regulations to which Alabama Power is 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; available sources and costs of fuels; effects of inflation; the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities or other projects; the ability to construct facilities in accordance with the requirements of permits and licenses 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; advances in technology; state and federal rate regulations and the impact of pending and future rate filings; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events, political unrest, wars, or other similar occurrences; and the direct or indirect effects on Alabama Power's business resulting from incidents affecting the U.S. electric grid or operation of generating resources. Alabama Power expressly disclaims any obligation to update any forward-looking information contained in this report, except in accordance with the rules and requirements of, and rate schedules on file with, the Alabama Public Service Commission.

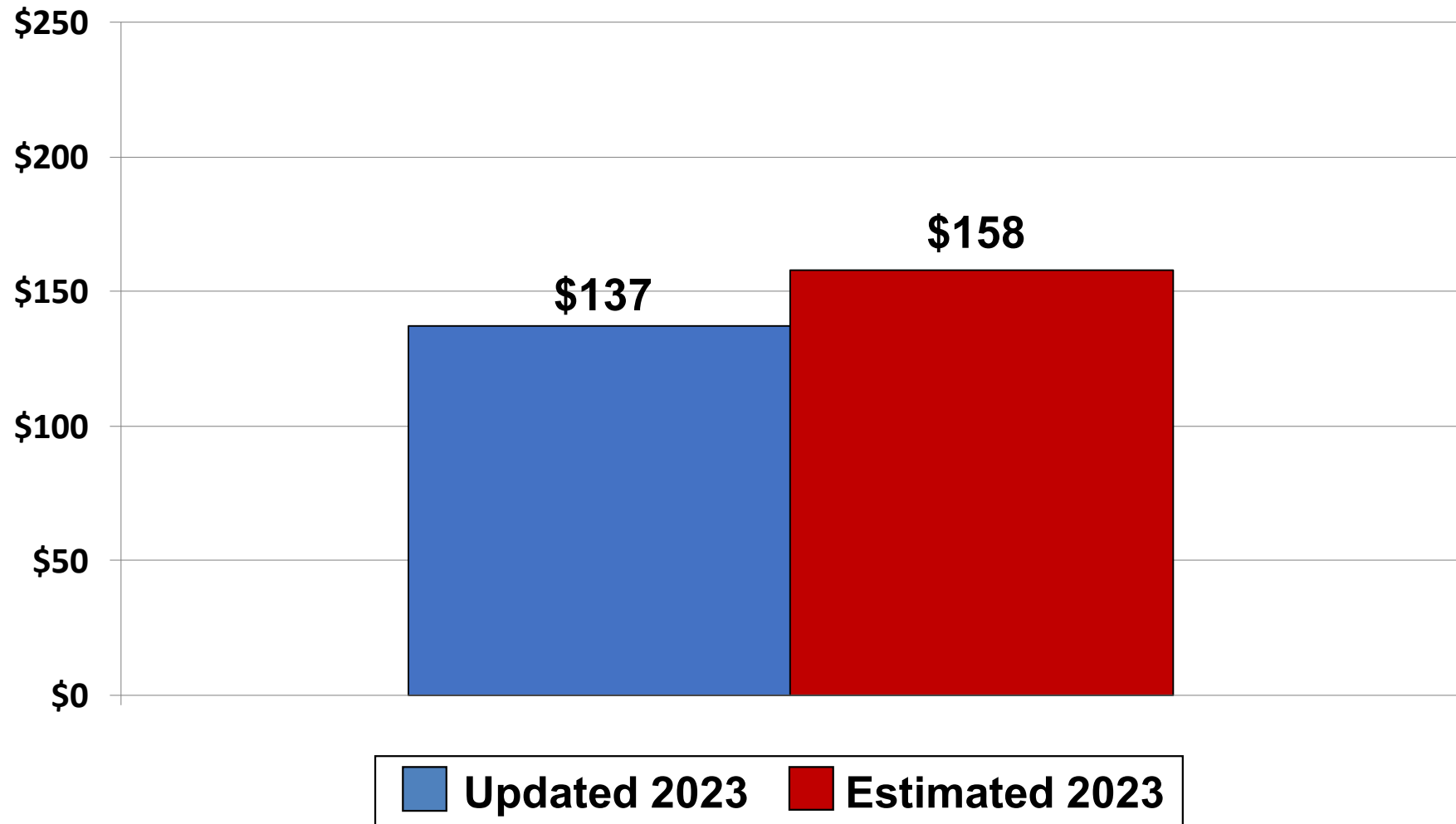
Environmental Compliance Plan

2023 Total Plant in Service Costs (Millions of Dollars)



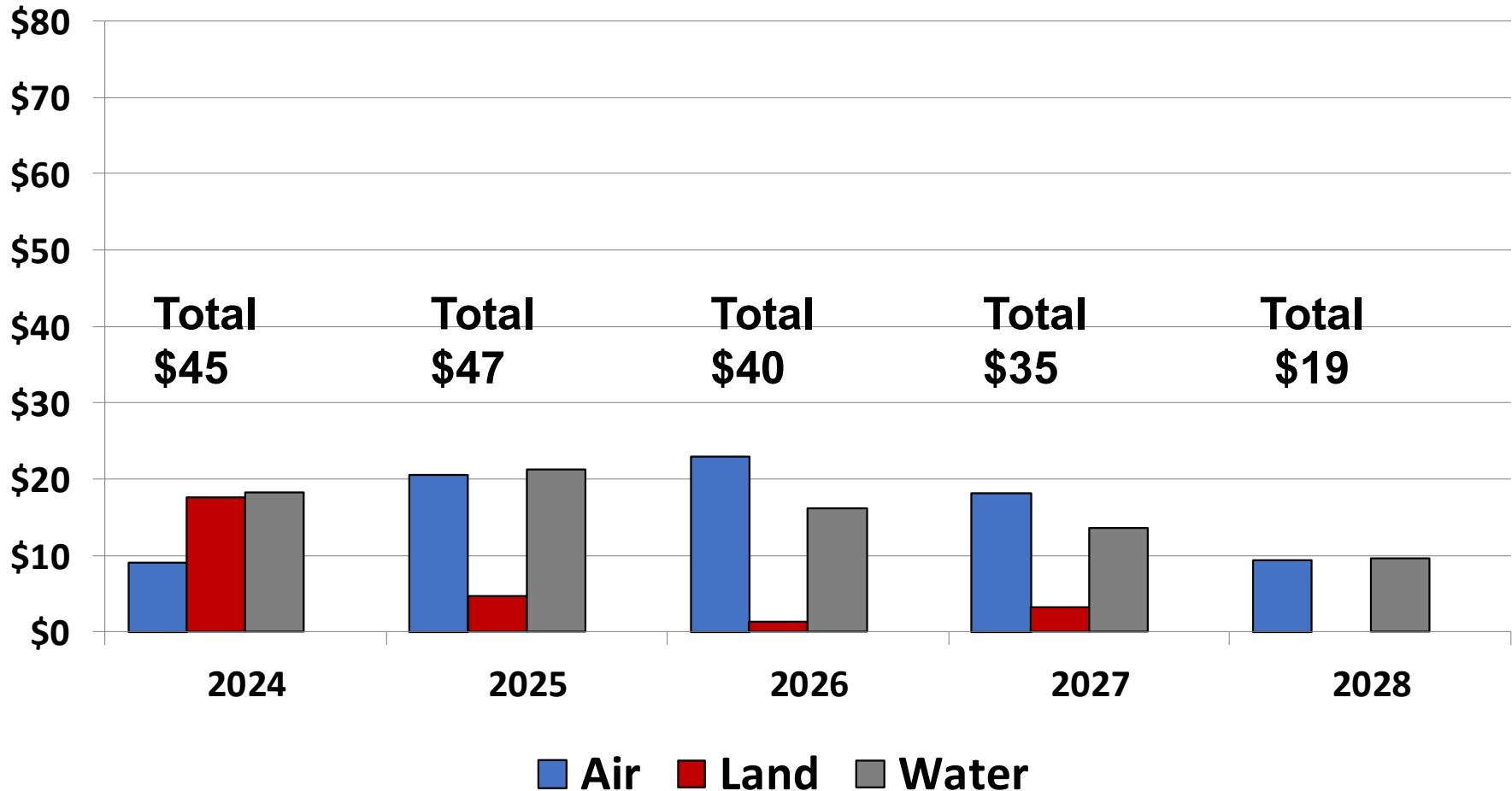
Environmental Compliance Plan

2023 Operation & Maintenance Expenses (Millions of Dollars)



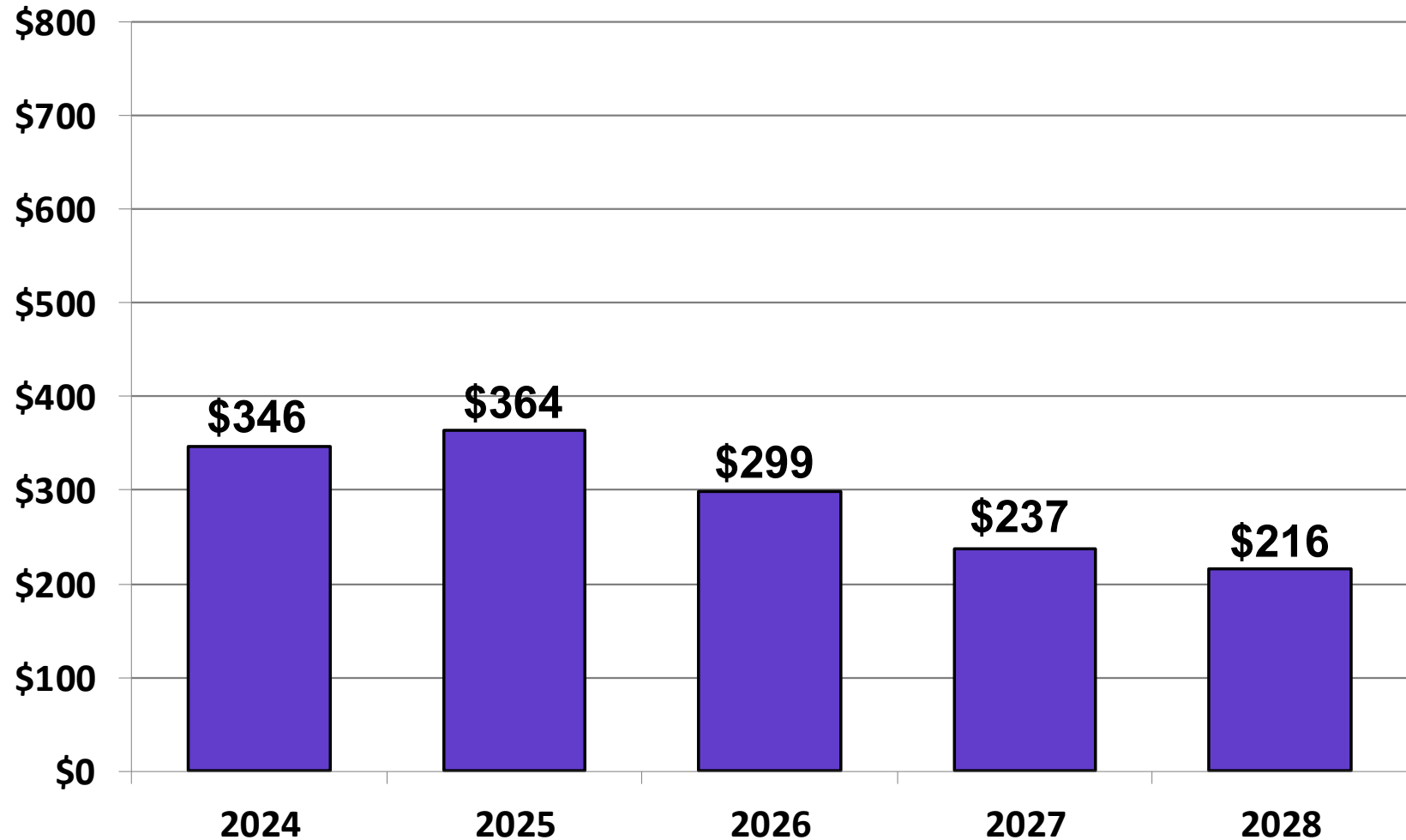
Environmental Compliance Plan

Estimated 2024 – 2028 Capital Expenditures (Millions of Dollars)



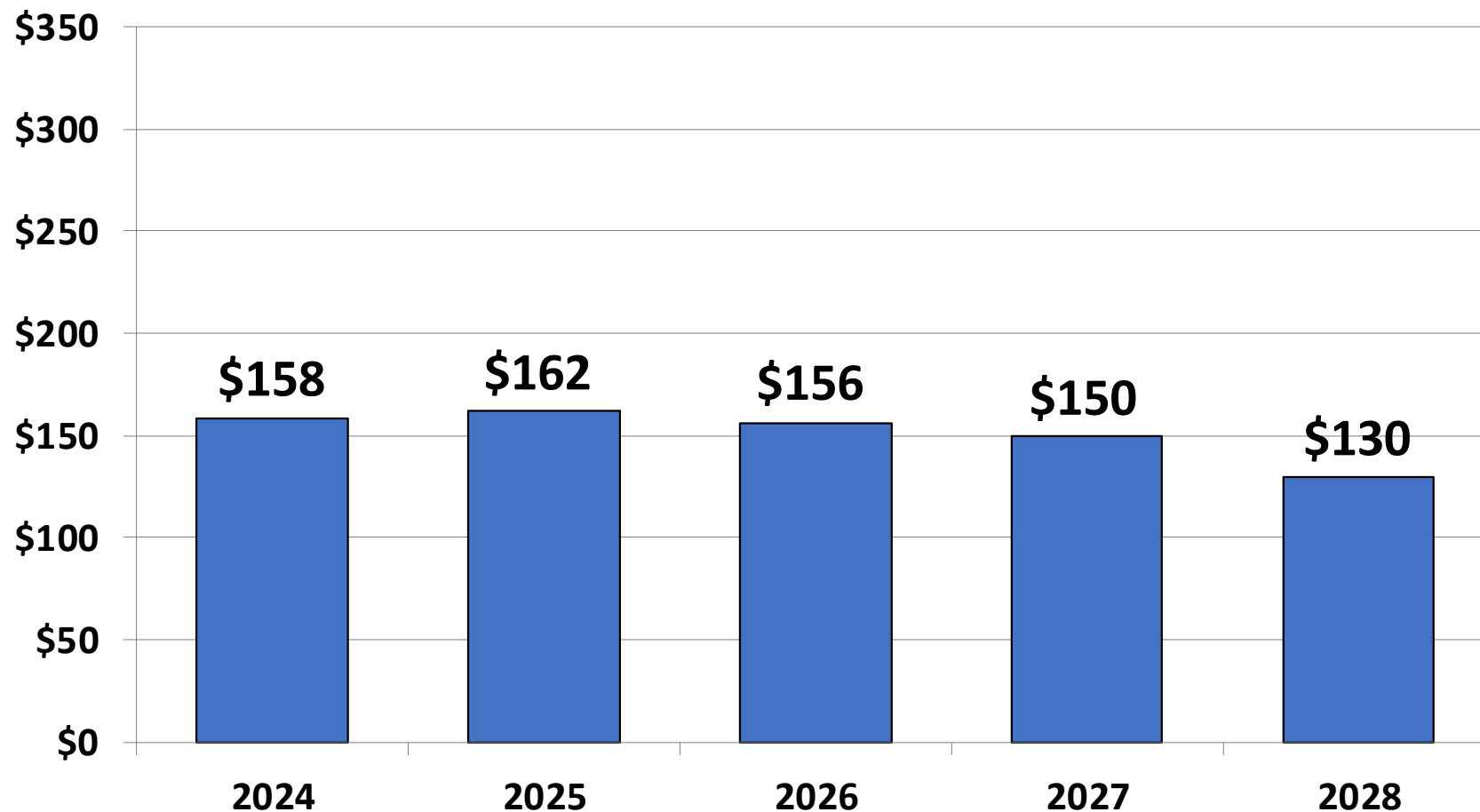
Environmental Compliance Plan

Estimated 2024 – 2028 Closure Costs for CCR Rule (Millions of Dollars)



Environmental Compliance Plan

Estimated 2024 – 2028 O&M Expenses (Millions of Dollars)



Governmental Mandates



- **Rate CNP-C will operate in 2024**
 - **Revenue requirement decrease of approximately \$23 million**

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