



Moses H. Feagin  
Executive Vice President  
Chief Financial Officer & Treasurer

600 18th Street North  
Post Office Box 2641  
Birmingham, AL 35291  
205 257 1604 tel  
205 257 2176 fax

November 19, 2024

Alabama Public Service Commission  
RSA Union Building  
100 North Union Street, Suite 950  
Montgomery, Alabama 36104

Attention: Mr. Walter L. Thomas, Jr.  
Secretary

Re: Filing of Rate **CNP**, Subpart C Compliance Factors, Calculations  
and Information for Compliance Cost Year 2024  
Docket Nos. 18117 and 18416



Dear Secretary Thomas:

In accordance with the provisions of Rate CNP, Subpart C, we are submitting the factors, calculations and related information associated with the Company's cost of complying with governmental mandates for cost year 2025. The enclosed filing reflects a projected under-recovery of such costs in 2025, as reflected in the overall revenue requirement determined pursuant to the rate and using the currently effective factors.

Although entitled under Subpart C to recover the entirety of this revenue requirement, the Company has considered, at the request of the Commission acting through its Staff, whether the current compliance factors could remain in effect for cost year 2025, subject to the entry of an appropriate consent order. The Company has determined that the current compliance factors can be left in place for cost year 2025, and this submission has been tailored accordingly. In the event an appropriate consent order is not entered, the Company reserves the right to file revised factors for application in 2025.

By means of this letter, we are providing the enclosed information to the Commission Staff and the Office of the Attorney General. If further information is needed, please do not hesitate to contact the undersigned. The Company is available to meet with the Commission or its Staff to discuss the enclosed materials.

Sincerely,

Enclosures

Alabama Public Service Commission

November 19, 2024

Page 2

cc: Commissioner Twinkle Andress Cavanaugh  
Commissioner Jeremy H. Oden  
Commissioner Chris V. Beeker III

Secretary of the Alabama Public Service Commission  
Mr. Walter L. Thomas, Jr. (11)

Executive Director and Chief Administrative Law Judge  
The Honorable John A. Garner

Director, Electricity Policy Division  
Mr. John D. Free (5)

Office of the Attorney General  
Ms. Olivia W. Martin

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

- (1) Revenue requirement for the retail average net investment balance for compliance with governmental mandates for the year 2025.

\$ 397,312,683 [See Appendix 1]

- (2) Retail operation and maintenance expense and depreciation and amortization expense attributable to governmental mandates for the cost year 2025.

\$ 294,866,693	Operation & Maintenance Expense [See Appendix 2]
<u>\$ 374,317,136</u>	Depreciation & Amortization Expense [See Appendix 3]
<u>\$ 669,183,829</u>	Total

- (3) The amount of (over-recovery)/under-recovery of Items (1) and (2) for prior years.

\$ 31,007,413 [See Appendix 4 (1 of 14)]

- (4) The retail revenue requirement for compliance with governmental mandates for the year 2025.

\$ 1,097,503,925 [Sum of Items (1), (2) and (3) above]

- (5) The projected compliance cost recovery for the year 2025 under currently effective factors.

\$ 1,047,519,070 [See Appendix 5]

- (6) The projected under-recovered retail revenue requirement for compliance with governmental mandates for the year 2025.

\$ 49,984,855 [Item (4) less Item (5) above]

- (7) Per the transmittal letter, the compliance factors in effect for year 2024 are anticipated to remain in effect for cost year 2025.

[See Appendix 5]

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**Net Investment - Environmental**

		Plant in Service	Accumulated Depreciation & Amortization (Appendix 8)	Accumulated Deferred Income Taxes	Third Party Offsets	Net Unrecovered Investment (Appendix 9)	Net Investment
January	2025	\$ 4,997,674,484	\$ 1,404,541,087	\$ 822,142,169	\$ 1,552,683	\$ 823,525,899	\$ 3,592,964,444
February	2025	4,997,674,484	1,417,833,603	822,142,169	1,546,846	840,755,995	3,596,907,861
March	2025	4,998,181,430	1,431,062,291	822,142,169	1,541,008	858,318,575	3,601,754,537
April	2025	5,012,387,962	1,442,762,528	822,142,169	1,535,171	875,396,286	3,621,344,380
May	2025	5,022,612,661	1,454,314,204	822,142,169	1,529,334	892,367,903	3,636,994,857
June	2025	5,022,617,629	1,467,449,617	822,142,169	1,523,496	909,224,260	3,640,726,607
July	2025	5,022,737,767	1,480,839,465	822,142,169	1,517,659	925,738,247	3,643,976,721
August	2025	5,022,742,734	1,494,242,508	822,142,169	1,511,822	942,252,235	3,647,098,470
September	2025	5,022,747,701	1,507,637,563	822,142,169	1,506,408	958,766,223	3,650,227,784
October	2025	5,023,292,300	1,519,482,235	822,142,169	1,519,822	975,280,210	3,655,428,284
November	2025	5,023,539,886	1,532,551,557	822,142,169	1,513,947	991,795,824	3,659,128,037
December	2025	5,034,863,926	1,544,789,070	822,142,169	1,571,375	1,008,313,054	3,674,674,366

12 Months Average Net Investment - Environmental	\$ 3,635,102,196
--	------------------

Average Net Plant Balance - Environmental	\$ 3,635,102,196
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Environmental Plant Balance	<u>\$ 3,520,232,967</u>
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 3 of 3]	9.9367%
<b>Retail Revenue Requirement for Net Investment - Environmental</b>	<b><u>\$ 349,794,989</u></b>

**Net Investment - Other**

		Plant in Service	Accumulated Depreciation & Amortization	Accumulated Deferred Income Taxes	Third Party Offsets	Net Investment
January	2025	\$ 778,442,019	\$ 175,990,215	\$ 112,967,658	\$ 504,076	\$ 488,980,070
February	2025	779,265,686	178,139,664	112,967,658	502,735	487,655,629
March	2025	779,637,157	180,292,667	112,967,658	501,394	485,875,438
April	2025	779,727,215	182,450,736	112,967,658	500,052	483,808,769
May	2025	779,727,215	184,619,681	112,967,658	498,711	481,641,165
June	2025	780,039,077	186,788,626	112,967,658	497,370	479,785,423
July	2025	780,039,077	188,961,460	112,967,658	496,029	477,613,930
August	2025	780,039,077	191,134,295	112,967,658	494,688	475,442,436
September	2025	780,162,840	193,307,130	112,967,658	493,347	473,394,705
October	2025	780,286,396	195,480,719	112,967,658	492,006	471,346,013
November	2025	781,612,686	197,655,275	112,967,658	490,665	470,499,088
December	2025	888,167,052	199,832,959	112,967,658	489,324	574,877,111

12 Months Average Net Investment - Other	\$ 487,576,648
--	----------------

Average Net Plant Balance - Other	\$ 487,576,648
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Plant Balance - Other	<u>\$ 472,169,226</u>
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 3 of 3]	10.0637%
<b>Retail Revenue Requirement for Net Investment - Other</b>	<b><u>\$ 47,517,694</u></b>

<b>Total Retail Revenue Requirement for Net Investment</b>	<b><u>\$ 397,312,683</u></b>
--	------------------------------

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**Operation & Maintenance Expense - Environmental**

		<b>O&amp;M (Including Labor Overhead)</b>	<b>Taxes Other Than Income Taxes</b>	<b>Third Party Offsets</b>	<b>Joint Use Rent</b>	<b>Total Company Less Third Party Offsets &amp; Joint Use Rent</b>
January	2025	\$ 12,813,514	\$ 2,130,966	\$ 14,791	\$ 593,336	\$ 14,336,353
February	2025	12,223,116	2,067,464	14,510	593,336	13,682,734
March	2025	15,711,556	2,091,665	14,851	593,336	17,195,034
April	2025	19,746,264	2,086,709	14,755	593,336	21,224,882
May	2025	16,742,127	2,088,305	19,674	593,336	18,217,422
June	2025	13,175,291	2,076,643	14,755	593,336	14,643,843
July	2025	13,108,062	2,082,000	14,851	593,336	14,581,875
August	2025	12,791,647	2,080,719	14,909	593,336	14,264,121
September	2025	12,974,040	2,068,510	14,811	593,336	14,434,403
October	2025	12,744,858	2,084,645	15,947	593,336	14,220,220
November	2025	12,648,496	2,075,283	25,410	593,336	14,105,033
December	2025	13,273,568	2,076,594	14,908	593,336	14,741,918
		<u>\$ 167,952,539</u>	<u>\$ 25,009,503</u>	<u>\$ 194,172</u>	<u>\$ 7,120,032</u>	<u>\$ 185,647,838</u>

Total Operation & Maintenance Expense - Environmental	\$ 185,647,838
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Environmental</b>	<b><u>\$ 178,389,008</u></b>

**Operation & Maintenance Expense - Other**

		<b>O&amp;M (Including Labor Overhead)</b>	<b>Taxes Other Than Income Taxes</b>	<b>Third Party Offsets</b>	<b>Joint Use Rent</b>	<b>Total Company Less Third Party Offsets &amp; Joint Use Rent</b>
January	2025	\$ 8,932,156	\$ 740,284	\$ 191	\$ 1,751	\$ 9,670,498
February	2025	8,003,672	730,879	186	1,751	8,732,614
March	2025	9,578,096	734,626	193	1,751	10,310,778
April	2025	9,229,514	733,395	191	1,751	9,960,967
May	2025	8,997,109	734,555	193	1,751	9,729,720
June	2025	9,897,600	733,287	191	1,751	10,628,945
July	2025	10,602,476	733,503	193	1,751	11,334,035
August	2025	10,206,693	732,631	193	1,751	10,937,380
September	2025	9,431,919	730,367	191	1,751	10,160,344
October	2025	8,716,230	753,765	192	1,751	9,468,052
November	2025	8,874,285	750,779	190	1,751	9,623,123
December	2025	9,912,262	750,835	192	2,080	10,660,825
		<u>\$ 112,382,012</u>	<u>\$ 8,858,906</u>	<u>\$ 2,296</u>	<u>\$ 21,341</u>	<u>\$ 121,217,281</u>

Total Operation & Maintenance Expense - Other	\$ 121,217,281
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Other</b>	<b><u>\$ 116,477,685</u></b>

<b>Total Retail Operation &amp; Maintenance Expense</b>	<b><u>\$ 294,866,693</u></b>
---	------------------------------

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**Depreciation & Amortization Expense - Environmental**

		<b>Depreciation &amp; Amortization Expense</b>	<b>Third Party Offsets</b>	<b>Total Company Less Third Party Offsets</b>	<b>Closure Cost CCR Facility Recovery</b>
January	2025	\$ 25,979,048	\$ 7,156	\$ 25,971,892	\$ 5,972,989
February	2025	25,974,562	7,156	25,967,406	5,972,989
March	2025	25,974,562	7,156	25,967,406	5,972,989
April	2025	25,975,787	7,156	25,968,631	5,972,989
May	2025	26,060,570	7,156	26,053,414	5,972,989
June	2025	26,085,231	7,156	26,078,075	5,972,989
July	2025	26,085,243	7,156	26,078,087	5,972,989
August	2025	26,085,642	7,156	26,078,486	5,972,989
September	2025	26,085,653	7,156	26,078,497	5,972,989
October	2025	26,085,665	7,156	26,078,509	5,972,989
November	2025	26,088,869	7,194	26,081,675	5,972,989
December	2025	26,091,343	7,194	26,084,149	5,972,989
		<u>\$ 312,572,175</u>	<u>\$ 85,948</u>	<u>\$ 312,486,227</u>	<u>\$ 71,675,868</u>

Total Depreciation & Amortization Expense - Environmental	\$ 312,486,227
Closure Cost CCR Facility Recovery - Environmental	71,675,868
Unrecovered Investment Net (Accretion) / Amortization Expense - Environmental [See Appendix 9]	(76,069,820)
Total Cost of Removal Recovery - Environmental [See Appendix 9]	47,639,520
Total Depreciation & Amortization Expense - Environmental	<b>\$ 355,731,795</b>
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Depreciation &amp; Amortization Expense - Environmental</b>	<b>\$ 341,822,682</b>

**Depreciation & Amortization Expense - Other**

		<b>Depreciation &amp; Amortization Expense</b>	<b>Third Party Offsets</b>	<b>Total Company Less Third Party Offsets</b>
January	2025	\$ 2,802,080	\$ 1,341	\$ 2,800,739
February	2025	2,802,080	1,341	2,800,739
March	2025	2,805,636	1,341	2,804,295
April	2025	2,819,701	1,341	2,818,360
May	2025	2,821,577	1,341	2,820,236
June	2025	2,821,577	1,341	2,820,236
July	2025	2,825,467	1,341	2,824,126
August	2025	2,825,467	1,341	2,824,126
September	2025	2,825,467	1,341	2,824,126
October	2025	2,826,222	1,341	2,824,881
November	2025	2,827,188	1,341	2,825,847
December	2025	2,830,316	1,341	2,828,975
		<u>\$ 33,832,778</u>	<u>\$ 16,092</u>	<u>33,816,686</u>

Total Depreciation & Amortization Expense - Other	<b>\$ 33,816,686</b>
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Other Depreciation &amp; Amortization Expense - Other</b>	<b>\$ 32,494,454</b>
<b>Total Retail Depreciation &amp; Amortization Expense</b>	<b>\$ 374,317,136</b>

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

<b>Total Under-Recovery from Prior Year Filing</b> [See 2024 Filing, Appendix 4 (pg 1 of 15)]		<b>\$ 7,449,609</b>
<b>2025 Filing Over-Recovery for Compliance Cost Year 2023</b> [See Appendix 4 (pg 8 of 14)]	<b>\$ (5,974,342)</b>	
<b>2024 Filing Over-Recovery for Compliance Cost Year 2023</b> [See 2024 Filing, Appendix 4 (pg 15 of 15)]	<b><u>\$ (39,321,802)</u></b>	<b>33,347,460</b>
<b>2025 Filing Over-Recovery for Compliance Cost Year 2024</b> [See Appendix 4 (pg 14 of 14)]		<b><u>(9,789,656)</u></b>
<b>Total Under-Recovery for Compliance Cost Year 2025</b>		<b><u><u>\$ 31,007,413</u></u></b>

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - December 2023

**Net Investment True-Up - Environmental<sup>1</sup>**

		Plant in Service <sup>2</sup>	Accumulated Depreciation & Amortization <sup>2</sup>	Accumulated Deferred Income Taxes	Net Unrecovered Investment <sup>3</sup>	Net Investment
January	2023	\$ 4,962,115,869	\$ 1,027,370,904	\$ 895,633,143	\$ 611,694,851	\$ 3,650,806,673
February	2023	4,962,461,702	1,049,863,422	892,513,917	620,495,348	3,640,579,711
March	2023	4,963,531,212	1,070,305,993	889,394,014	630,576,015	3,634,407,220
April	2023	4,962,829,500	1,092,445,847	886,274,556	641,527,743	3,625,636,840
May	2023	4,962,938,366	1,110,286,448	883,155,029	648,289,542	3,617,786,431
June	2023	4,962,986,764	1,124,632,201	880,035,470	659,219,489	3,617,538,582
July	2023	4,963,787,842	1,139,102,497	876,915,528	669,052,796	3,616,822,613
August	2023	4,964,198,969	1,153,398,802	873,795,158	679,876,128	3,616,881,137
September	2023	4,964,549,477	1,170,522,428	870,674,567	690,648,480	3,614,000,962
October	2023	4,964,877,149	1,184,510,479	867,553,768	701,637,926	3,614,450,828
November	2023	4,984,987,989	1,203,081,724	864,422,577	722,672,182	3,640,155,870
December	2023	4,984,187,141	1,219,498,393	861,291,082	733,067,110	3,636,464,776
12 Months Average Net Investment - Environmental						\$ 3,627,127,637

**Central Alabama<sup>1</sup>**

		Plant in Service <sup>4</sup>	Accumulated Depreciation & Amortization <sup>4</sup>	Accumulated Deferred Income Taxes	Net Investment
January	2023	\$ 16,003,481	\$ 5,312,406	\$ 219,567	\$ 10,471,508
February	2023	16,003,481	5,360,669	224,705	10,418,107
March	2023	16,003,481	5,408,932	229,842	10,364,707
April	2023	16,003,481	5,457,195	234,980	10,311,306
May	2023	-	-	-	-
June	2023	-	-	-	-
July	2023	-	-	-	-
August	2023	-	-	-	-
September	2023	-	-	-	-
October	2023	-	-	-	-
November	2023	-	-	-	-
December	2023	-	-	-	-
12 Months Average Net Investment - Environmental					\$ 3,463,802

Total Company Average Net Plant Investment - Environmental	\$ 3,627,127,637
Less Central Alabama Average Net Plant Investment - Environmental	3,463,802
Average Net Plant Balance - Environmental	\$ 3,623,663,835
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Environmental Plant Balance	\$ 3,509,156,058
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 1 of 3]	10.1497%
<b>Retail Revenue Requirement for Net Investment - Environmental</b>	<b>\$ 356,168,812</b>

<sup>1</sup>In accordance with the Order dated August 14, 2020 in Docket No. 32953, the amounts presented reflect the recovery of compliance costs associated with Central Alabama through Rate CNP-C beginning May 23, 2023.

<sup>2</sup>Includes acquisition adjustments for Central Alabama and Calhoun Generating Station that are being amortized through May 2043 and December 2043, respectively.

<sup>3</sup>Net Unrecovered Investment. [See Appendix 4, pg 7 of 15]

<sup>4</sup>Includes acquisition adjustment for Central Alabama that is being amortized through May 2043.



**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - December 2023

**Net Investment True-Up - Other<sup>1</sup>**

		Plant in Service	Accumulated Depreciation & Amortization	Accumulated Deferred Income Taxes	Net Investment
January	2023	\$ 695,533,573	\$ 123,031,384	\$ 114,267,440	\$ 458,234,749
February	2023	696,323,020	125,348,148	114,243,396	456,731,476
March	2023	697,804,351	127,483,315	114,219,300	456,101,736
April	2023	697,871,179	129,559,636	114,195,202	454,116,341
May	2023	697,902,800	131,639,788	114,171,102	452,091,910
June	2023	697,753,305	133,730,938	114,147,008	449,875,359
July	2023	697,971,838	136,035,067	114,122,906	447,813,865
August	2023	698,320,370	138,096,981	114,098,793	446,124,596
September	2023	698,337,295	140,184,233	114,074,678	444,078,384
October	2023	698,407,447	142,550,768	114,050,561	441,806,118
November	2023	723,169,126	144,827,753	114,025,579	464,315,794
December	2023	733,640,231	147,145,298	114,000,232	472,494,701
12 Months Average Net Investment - Other					\$ 453,648,752

**Central Alabama<sup>1</sup>**

		Plant in Service	Accumulated Depreciation & Amortization	Accumulated Deferred Income Taxes	Net Investment
January	2023	\$ 302,177	\$ 11,966	\$ 6,868	\$ 283,343
February	2023	302,177	13,150	7,129	281,898
March	2023	302,177	14,334	7,389	280,454
April	2023	302,177	15,518	7,649	279,010
May	2023	-	-	-	-
June	2023	-	-	-	-
July	2023	-	-	-	-
August	2023	-	-	-	-
September	2023	-	-	-	-
October	2023	-	-	-	-
November	2023	-	-	-	-
December	2023	-	-	-	-
12 Months Average Net Investment - Other					\$ 93,725

Total Company Average Net Plant Balance - Other	\$ 453,648,752
Less Central Alabama Average Net Plant Investment - Other	93,725
Average Net Plant Balance - Other	\$ 453,555,027
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Plant Balance - Other	\$ 439,222,688
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 1 of 3]	10.1445%
<b>Retail Revenue Requirement for Net Investment - Other</b>	<b>\$ 44,556,946</b>
<b>Total Retail Revenue Requirement for Net Investment</b>	<b>\$ 400,725,758 (A)</b>

<sup>1</sup>See Order dated August 14, 2020 in Docket No. 32953.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**(Over)/Under Recovery Calculation**  
**Actual January - December 2023**

**Operation & Maintenance Expense True-Up - Environmental**

		O&M (Including Labor Overhead) <sup>1</sup>	Taxes Other Than Income Taxes <sup>2</sup>	Total Central Alabama <sup>3</sup>	Joint Use Rent	Total Company Less Central Alabama & Joint Use Rent
January	2023	\$ 8,889,260	\$ 1,778,927	\$ 92,250	\$ 525,164	\$ 10,050,773
February	2023	10,463,066	1,749,598	127,926	527,113	11,557,625
March	2023	9,326,413	1,666,374	157,527	518,235	10,317,025
April	2023	5,477,023	1,856,785	(42,103)	190,227	7,185,684
May	2023	11,461,633	1,533,568	200,136	436,853	12,358,212
June	2023	14,219,007	1,732,036	-	436,853	15,514,190
July	2023	12,224,898	1,501,030	-	436,853	13,289,075
August	2023	7,616,757	1,871,469	-	436,853	9,051,373
September	2023	12,778,006	1,707,461	-	436,853	14,048,614
October	2023	14,814,429	1,718,811	-	439,416	16,093,824
November	2023	14,418,756	1,753,980	-	439,416	15,733,320
December	2023	22,198,477	1,800,922	-	439,392	23,560,007
		<u>\$ 143,887,725</u>	<u>\$ 20,670,961</u>	<u>\$ 535,736</u>	<u>\$ 5,263,228</u>	<u>\$ 158,759,722</u>

Total Operation & Maintenance Expense - Environmental - Excluding Central Alabama	\$ 158,759,722
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Environmental</b>	<b><u>\$ 152,552,217</u></b>

**Operation & Maintenance Expense True-Up - Other**

		O&M (Including Labor Overhead) <sup>1</sup>	Taxes Other Than Income Taxes <sup>2</sup>	Total Central Alabama <sup>3</sup>	Joint Use Rent	Total Company Less Central Alabama & Joint Use Rent
January	2023	\$ 6,594,182	\$ 669,754	\$ -	\$ 308	\$ 7,263,628
February	2023	7,657,692	665,219	-	308	8,322,603
March	2023	7,474,149	651,481	-	308	8,125,322
April	2023	7,798,253	658,084	-	115	8,456,222
May	2023	8,519,543	664,183	-	260	9,183,466
June	2023	10,021,422	664,310	-	260	10,685,472
July	2023	8,859,204	620,869	-	260	9,479,813
August	2023	6,877,220	688,664	-	260	7,565,624
September	2023	8,226,826	657,223	-	260	8,883,789
October	2023	7,079,277	681,755	-	260	7,760,772
November	2023	8,237,409	690,597	-	260	8,927,746
December	2023	10,367,848	691,388	-	260	11,058,976
		<u>\$ 97,713,025</u>	<u>\$ 8,003,527</u>	<u>\$ -</u>	<u>\$ 3,119</u>	<u>\$ 105,713,433</u>

Total Operation & Maintenance Expense - Other - Excluding Central Alabama	\$ 105,713,433
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Other</b>	<b><u>\$ 101,580,038</u></b>
<b>Total Retail Operation &amp; Maintenance Expense</b>	<b><u>\$ 254,132,255</u></b> (B)

<sup>1</sup>Reflects presentation change for 2023.

<sup>2</sup>Includes payroll taxes previously presented in Labor Overhead.

<sup>3</sup>See Order dated August 14, 2020 in Docket No. 32953.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**(Over)/Under Recovery Calculation**  
**Actual January - December 2023**

**Depreciation & Amortization Expense True-Up - Environmental**

		<b>Depreciation &amp; Amortization Expense<sup>1</sup></b>	<b>Central Alabama Depreciation &amp; Amortization Expense<sup>1</sup></b>	<b>Total Company Less Central Alabama</b>	<b>Closure Cost CCR Facility Recovery</b>
January	2023	\$ 23,892,156	\$ 48,263	\$ 23,843,893	\$ 5,972,989
February	2023	27,207,603	48,263	27,159,340	5,972,989
March	2023	25,803,734	48,263	25,755,471	5,972,989
April	2023	25,811,306	48,263	25,763,043	5,972,989
May	2023	25,759,528	35,808	25,723,720	5,972,989
June	2023	27,069,368	-	27,069,368	5,972,989
July	2023	25,924,470	-	25,924,470	5,972,989
August	2023	25,926,959	-	25,926,959	5,972,989
September	2023	25,931,339	-	25,931,339	5,972,989
October	2023	25,937,029	-	25,937,029	5,972,989
November	2023	25,899,964	-	25,899,964	5,972,989
December	2023	25,975,742	-	25,975,742	5,972,989
		<b>\$ 311,139,198</b>	<b>\$ 228,860</b>	<b>310,910,338</b>	<b>\$ 71,675,868</b>

Total Depreciation & Amortization Expense - Environmental	\$ 310,910,338
Closure Cost CCR Facility Recovery - Environmental	71,675,868
Unrecovered Investment Amortization Expense - Environmental [Appendix 4, pg 7 of 14]	(60,892,734)
Total Cost of Removal Recovery - Environmental [See Appendix 4, pg 7 of 14]	54,981,348
Total Depreciation & Amortization Expense - Environmental	<b>\$ 376,674,820</b>
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Depreciation &amp; Amortization Expense - Environmental</b>	<b>\$ 361,946,835</b>

**Depreciation & Amortization Expense True-Up - Other**

		<b>Depreciation &amp; Amortization Expense<sup>1</sup></b>	<b>Central Alabama Depreciation &amp; Amortization Expense<sup>1</sup></b>	<b>Total Company Less Central Alabama</b>
January	2023	\$ 2,364,251	\$ 1,184	\$ 2,363,067
February	2023	2,365,605	1,184	2,364,421
March	2023	2,368,661	1,184	2,367,477
April	2023	2,372,481	1,184	2,371,297
May	2023	2,374,823	878	2,373,945
June	2023	2,374,968	-	2,374,968
July	2023	2,372,732	-	2,372,732
August	2023	2,374,451	-	2,374,451
September	2023	2,374,721	-	2,374,721
October	2023	2,374,795	-	2,374,795
November	2023	2,375,011	-	2,375,011
December	2023	2,431,045	-	2,431,045
		<b>\$ 28,523,544</b>	<b>\$ 5,614</b>	<b>\$ 28,517,930</b>

Total Depreciation & Amortization Expense - Other	\$ 28,517,930
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Other Depreciation &amp; Amortization Expense - Other</b>	<b>\$ 27,402,879</b>
<b>Total Retail Depreciation &amp; Amortization Expense</b>	<b>\$ 389,349,714 (C)</b>

<sup>1</sup>See Order dated August 14, 2020 in Docket No. 32953 and July 15, 2022 in Docket No. 33182. Includes amortization of acquisition adjustments.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**(Over)/Under Recovery Calculation**  
**Actual January - December 2023**

**Accumulated Depreciation True Up - Environmental<sup>1</sup>**

		Depreciation & Amortization Expense <sup>2</sup>	Retirements	Cost of Removal CCR Facility Closure Cost	Closure Cost CCR Facility Recovery	All Other Cost of Removal/Salvage	Accumulated Depreciation & Amortization <sup>3</sup>
Beginning Balance							\$ 1,005,307,447
January	2023	\$ 23,892,156	\$ (163,041)	\$ (7,981,605)	\$ 5,972,989	\$ 342,958	\$ 1,027,370,904
February	2023	27,207,603	(1,200,978)	(9,219,121)	5,972,989	(267,975)	1,049,863,422
March	2023	25,803,734	(401,086)	(10,871,399)	5,972,989	(61,667)	1,070,305,993
April	2023	25,811,306	(349,379)	(9,369,733)	5,972,989	74,671	1,092,445,847
May	2023	25,759,528	-	(13,858,044)	5,972,989	(33,872)	1,110,286,448
June	2023	27,069,368	(227,434)	(18,334,595)	5,972,989	(134,575)	1,124,632,201
July	2023	25,924,470	-	(17,146,811)	5,972,989	(280,352)	1,139,102,497
August	2023	25,926,959	(308,725)	(17,093,447)	5,972,989	(201,471)	1,153,398,802
September	2023	25,931,339	(181,226)	(14,301,589)	5,972,989	(297,887)	1,170,522,428
October	2023	25,937,029	(22,858)	(17,156,634)	5,972,989	(742,475)	1,184,510,479
November	2023	25,899,964	(71,973)	(12,890,694)	5,972,989	(339,041)	1,203,081,724
December	2023	25,975,742	(1,576,136)	(13,150,755)	5,972,989	(805,171)	1,219,498,393

<sup>1</sup>Central Alabama amounts included.

<sup>2</sup>See Orders dated August 14, 2020 in Docket No. 32953 and July 15, 2022 in Docket No. 33182. Includes amortization of acquisition adjustments for Central Alabama and Calhoun Generating Station.

<sup>3</sup>In accordance with APSC Docket No. U-4457, the capitalization of asset retirement costs is excluded from Account 101 (Electric Plant in Service) and the associated depreciation is excluded from Account 108 (Accumulated Provision for Depreciation of Electric Utility Plant). Accumulated depreciation reflects the amount of cash outflows for cost of removal for coal combustion residual (CCR) facilities offset by amounts previously recovered for cost of removal through depreciation rates.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

**(Over)/Under Recovery Calculation**  
**Actual January - December 2023**

**Net Unrecovered Investment True-Up - Environmental**

			<b>Unrecovered Investment<sup>1</sup></b>	<b>Accumulated Amortization</b>	<b>Accumulated Deferred Income Taxes</b>	<b>Accumulated Cost of Removal (Cost)/Recovery</b>	<b>Net Unrecovered Investment<sup>2</sup></b>
January	2023	\$	779,764,202	\$ 202,774,862	\$ 248,638,848	\$ (283,344,359)	\$ 611,694,851
February	2023		790,084,573	207,289,444	249,415,783	(287,116,002)	620,495,348
March	2023		802,609,459	211,804,025	250,642,583	(290,413,164)	630,576,015
April	2023		815,139,793	216,318,607	252,176,168	(294,882,725)	641,527,743
May	2023		824,212,746	220,833,189	252,228,418	(297,138,403)	648,289,542
June	2023		836,501,409	225,347,770	253,749,428	(301,815,278)	659,219,489
July	2023		848,412,813	229,862,352	254,881,543	(305,383,878)	669,052,796
August	2023		860,324,218	234,376,934	256,365,643	(310,294,487)	679,876,128
September	2023		872,241,900	238,891,516	257,839,888	(315,137,984)	690,648,480
October	2023		884,161,326	243,406,097	259,391,015	(320,273,712)	701,637,926
November	2023		896,043,670	247,920,679	264,493,268	(339,042,459)	722,672,182
December	2023		907,933,733	252,435,261	265,832,057	(343,400,695)	733,067,110

**Unrecovered Investment - Accumulated Cost of Removal True-Up - Environmental**

			<b>Cost of Removal CCR Facility Closure Cost</b>	<b>Closure Cost CCR Facility Recovery</b>	<b>All Other Cost of Removal - Net (Cost)/Recovery<sup>3</sup></b>	<b>Accumulated Cost of Removal (Cost)/Recovery</b>
Beginning Balance						\$ (277,826,164)
January	2023	\$	(7,942,791)	\$ 3,574,108	\$ (1,149,512)	\$ (283,344,359)
February	2023		(7,354,543)	3,574,108	8,792	(287,116,002)
March	2023		(7,076,112)	3,574,108	204,842	(290,413,164)
April	2023		(7,982,077)	3,574,108	(61,592)	(294,882,725)
May	2023		(5,811,754)	3,574,108	(18,032)	(297,138,403)
June	2023		(8,277,569)	3,574,108	26,586	(301,815,278)
July	2023		(6,704,666)	3,574,108	(438,042)	(305,383,878)
August	2023		(7,902,878)	3,574,108	(581,839)	(310,294,487)
September	2023		(7,782,135)	3,574,108	(635,470)	(315,137,984)
October	2023		(7,889,711)	3,574,108	(820,125)	(320,273,712)
November	2023		(21,988,198)	3,574,108	(354,657)	(339,042,459)
December	2023		(6,620,527)	3,574,108	(1,311,817)	(343,400,695)

**Unrecovered Investment - Cost Recovery True-Up - Environmental**

						<b>Cost of Removal Recovery</b>		
			<b>Amortization</b>	<b>Accretion<sup>4</sup></b>	<b>Net (Accretion) / Amortization</b>	<b>Closure Cost CCR Facility Recovery</b>	<b>All Other Cost of Removal Recovery<sup>5</sup></b>	<b>Total Cost of Removal Recovery</b>
January	2023	\$	4,514,582	\$ (10,746,691)	\$ (6,232,109)	\$ 3,574,108	\$ 1,007,671	\$ 4,581,779
February	2023		4,514,582	(8,211,912)	(3,697,330)	3,574,108	1,007,671	4,581,779
March	2023		4,514,581	(9,477,300)	(4,962,719)	3,574,108	1,007,671	4,581,779
April	2023		4,514,582	(9,478,979)	(4,964,397)	3,574,108	1,007,671	4,581,779
May	2023		4,514,582	(9,465,394)	(4,950,812)	3,574,108	1,007,671	4,581,779
June	2023		4,514,582	(10,178,805)	(5,664,223)	3,574,108	1,007,671	4,581,779
July	2023		4,514,582	(9,598,545)	(5,083,963)	3,574,108	1,007,671	4,581,779
August	2023		4,514,582	(9,592,882)	(5,078,300)	3,574,108	1,007,671	4,581,779
September	2023		4,514,582	(9,594,767)	(5,080,185)	3,574,108	1,007,671	4,581,779
October	2023		4,514,582	(9,599,181)	(5,084,599)	3,574,108	1,007,671	4,581,779
November	2023		4,514,582	(9,561,616)	(5,047,034)	3,574,108	1,007,671	4,581,779
December	2023		4,514,582	(9,561,645)	(5,047,063)	3,574,108	1,007,671	4,581,779
		\$	54,174,983	\$ (115,067,717)	\$ (60,892,734)	\$ 42,889,296	\$ 12,092,052	\$ 54,981,348

<sup>1</sup>Includes the regulatory asset associated with the timing differences for the cost recovery of announced coal unit and equipment retirements discussed in the Notice of Planned Participation (NOPPs), regarding compliance with the ELG rule.

<sup>2</sup>In accordance with authorization in APSC Docket No. U-5033 related to unit retirements as a result of the effects of pending Environmental Mandates.

<sup>3</sup>Includes non-CCR ARO and dismantlement cost and recovery.

<sup>4</sup>Represents the difference between the depreciation expense for environmental equipment, calculated utilizing the shorter lives resulting from the announced coal unit and equipment retirements, and the expense calculated using the retirement dates previously established.

<sup>5</sup>Includes non-CCR ARO and dismantlement cost recovery.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - December 2023

**Retail Revenue Requirement Recovery True-Up**

		<b>Retail Revenue Requirement Recovery</b>	
		<hr/>	
January	2023	\$	94,718,653
February	2023		82,946,745
March	2023		76,330,918
April	2023		74,436,866
May	2023		73,491,647
June	2023		88,589,543
July	2023		103,740,041
August	2023		113,480,805
September	2023		107,805,079
October	2023		82,247,771
November	2023		70,066,442
December	2023		82,327,559
		<b>\$</b>	<b>1,050,182,069</b> (D)
		<hr/>	

**True-Up Calculation**

Retail Revenue Requirement for Net Investment	\$	400,725,758	(A)
Retail Operation & Maintenance Expense		254,132,255	(B)
Retail Depreciation & Amortization Expense		389,349,714	(C)
2023 Retail Revenue Requirement	\$	1,044,207,727	
2023 Retail Revenue Requirement Recovery		1,050,182,069	(D)
		<hr/>	
Amount of (over)/under recovery [(A)+(B)+(C)-(D)]	\$	(5,974,342)	

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Net Investment True-Up - Environmental**

		Plant in Service	Accumulated Depreciation & Amortization	Accumulated Deferred Income Taxes <sup>1</sup>	Third Party Offsets <sup>2</sup>	Net Unrecovered Investment <sup>3</sup>	Net Investment
January	2024	\$ 4,986,909,101	\$ 1,236,980,753	\$ 859,107,832	\$ -	\$ 740,595,515	\$ 3,631,416,031
February	2024	4,992,060,741	1,256,673,975	856,922,291	1,348,730	748,988,229	3,626,103,974
March	2024	4,987,718,754	1,271,670,481	854,738,688	1,342,775	757,468,016	3,617,434,826
April	2024	4,992,868,535	1,287,856,327	852,552,808	1,336,821	765,152,965	3,616,275,544
May	2024	4,993,097,188	1,303,164,991	850,366,861	1,338,032	773,949,822	3,612,177,126
June	2024	4,980,429,022	1,308,142,982	848,186,522	1,332,064	783,359,049	3,606,126,503
July	2024	4,981,048,829	1,326,983,306	846,005,909	1,326,095	792,333,806	3,599,067,325
August	2024	4,980,882,521	1,342,485,278	843,825,377	1,320,126	801,645,601	3,594,897,341
September	2024	4,982,296,320	1,359,153,686	841,644,216	1,314,157	810,548,453	3,590,732,714
October	2024	4,982,228,308	1,371,263,742	839,470,712	1,481,925	817,284,649	3,587,296,578
November	2024	4,986,735,954	1,382,863,561	837,296,139	1,547,146	824,054,793	3,589,083,901
December	2024	4,997,674,484	1,393,381,586	835,116,828	1,564,904	831,305,064	3,598,916,230
12 Months Average Net Investment - Environmental							\$ 3,605,794,008

Average Net Plant Balance - Environmental	\$ 3,605,794,008
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Environmental Plant Balance	\$ 3,491,850,917
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 2 of 3]	9.9360%
<b>Retail Revenue Requirement for Net Investment - Environmental</b>	<b>\$ 346,950,307</b>

**Net Investment True-Up - Other**

		Accumulated Depreciation & Amortization		Accumulated Deferred Income Taxes <sup>1</sup>		Third Party Offsets <sup>2</sup>		Net Investment				
	Plant in Service											
January	2024	\$	733,322,224	\$	149,616,913	\$	113,874,657	\$	-	\$	469,830,654	
February	2024		733,558,866		152,053,763		113,758,776		13,926		467,732,401	
March	2024		733,655,104		154,467,708		113,642,879		13,863		465,530,654	
April	2024		736,676,941		156,909,295		113,526,505		13,800		466,227,341	
May	2024		735,589,536		157,847,450		113,410,302		13,737		464,318,047	
June	2024		735,364,439		160,311,946		113,294,135		13,675		461,744,683	
July	2024		735,394,494		162,736,169		113,177,964		13,612		459,466,749	
August	2024		736,045,295		165,195,284		113,061,689		13,549		457,774,773	
September	2024		736,583,985		167,658,921		112,945,329		14,545		455,965,190	
October	2024		741,239,924		169,379,522		112,828,234		13,515		459,018,653	
November	2024		745,221,493		171,248,893		112,710,509		13,449		461,248,642	
December	2024		752,326,317		173,126,602		112,589,112		13,274		466,597,329	
		12 Months Average Net Investment - Other									\$	462,954,593

Average Net Plant Balance - Other	\$ 462,954,593
Retail Electric Investment Factor [See Appendix 6]	96.84%
Retail Average Net Plant Balance - Other	\$ 448,325,228
Retail Cost of Capital Rev. Requirement Rate [See Appendix 7, pg 2 of 3]	10.0637%
<b>Retail Revenue Requirement for Net Investment - Other</b>	<b>\$ 45,118,106</b>
<b>Total Retail Revenue Requirement for Net Investment</b>	<b>\$ 392,068,413 (A)</b>

<sup>1</sup>Accumulated Deferred Income Taxes are estimated and not actualized.

<sup>2</sup>Adjustment related to third party arrangement. Third party offsets are estimated and not actualized.

<sup>3</sup>Net Unrecovered Investment. [See Appendix 4, pg 13 of 14]

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Operation & Maintenance Expense True-Up - Environmental**

		O&M (Including Labor Overhead)	Taxes Other Than Income Taxes	Third Party Offsets <sup>1</sup>	Joint Use Rent	Total Company Less Central Alabama & Joint Use Rent
January	2024	\$ 14,493,087	\$ 2,126,979	\$ -	\$ 439,392	\$ 16,180,674
February	2024	8,879,627	2,096,655	13,743	439,392	10,523,147
March	2024	14,197,854	2,002,457	13,931	439,392	15,746,988
April	2024	10,511,869	2,045,512	13,858	439,392	12,104,131
May	2024	10,457,462	2,013,838	19,231	1,083,205	11,368,864
June	2024	13,888,350	2,028,520	13,858	568,154	15,334,858
July	2024	12,751,032	2,017,970	13,931	568,154	14,186,917
August	2024	13,871,194	2,049,487	13,976	568,154	15,338,551
September	2024	13,108,864	2,031,919	13,901	568,154	14,558,728
October	2024	21,755,006	2,054,737	13,976	456,335	23,339,432
November	2024	16,627,168	2,041,040	19,201	456,335	18,192,672
December	2024	16,667,751	2,026,548	13,976	456,335	18,223,988
		<u>\$ 167,209,264</u>	<u>\$ 24,535,662</u>	<u>\$ 163,582</u>	<u>\$ 6,482,394</u>	<u>\$ 185,098,950</u>

Total Operation & Maintenance Expense - Environmental	\$ 185,098,950
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Environmental</b>	<b><u>\$ 177,861,581</u></b>

**Operation & Maintenance Expense True-Up - Other**

		O&M (Including Labor Overhead)	Taxes Other Than Income Taxes	Third Party Offsets <sup>1</sup>	Joint Use Rent	Total Company Less Central Alabama & Joint Use Rent
January	2024	\$ 6,904,194	\$ 715,432	\$ -	\$ 260	\$ 7,619,366
February	2024	6,652,801	744,351	101	260	7,396,791
March	2024	7,800,109	707,588	101	260	8,507,336
April	2024	7,752,671	717,482	101	260	8,469,792
May	2024	9,390,996	713,150	101	641	10,103,404
June	2024	10,450,946	724,476	101	336	11,174,985
July	2024	8,098,383	707,615	101	336	8,805,561
August	2024	11,113,968	713,660	101	336	11,827,191
September	2024	9,690,746	710,604	101	336	10,400,913
October	2024	8,368,480	725,606	101	1,354	9,092,631
November	2024	7,923,914	723,308	101	1,354	8,645,767
December	2024	8,314,321	722,063	101	1,609	9,034,674
		<u>\$ 102,461,529</u>	<u>\$ 8,625,335</u>	<u>\$ 1,111</u>	<u>\$ 7,342</u>	<u>\$ 111,078,411</u>

Total Operation & Maintenance Expense - Other	\$ 111,078,411
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Operation &amp; Maintenance Expense - Other</b>	<b><u>\$ 106,735,245</u></b>
<b>Total Retail Operation &amp; Maintenance Expense</b>	<b><u>\$ 284,596,826</u></b> (B)

<sup>1</sup>Adjustment related to third party arrangement. Third party offsets are estimated and not actualized.



Alabama Power Company  
Rate CNP Factor for Compliance with Governmental Mandates  
Cost Year 2025

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Depreciation & Amortization Expense True-Up - Environmental**

		Depreciation & Amortization Expense	Third Party Offsets <sup>1</sup>	Total Company Less Third Party Offsets	Closure Cost CCR Facility Recovery
January	2024	\$ 25,892,097	\$ -	\$ 25,892,097	\$ 5,972,989
February	2024	25,900,234	6,334	25,893,900	5,972,989
March	2024	25,910,371	6,334	25,904,037	5,972,989
April	2024	25,907,847	6,334	25,901,513	5,972,989
May	2024	25,927,261	6,334	25,920,927	5,972,989
June	2024	25,921,560	6,349	25,915,211	5,972,989
July	2024	25,902,439	6,349	25,896,090	5,972,989
August	2024	25,902,386	6,349	25,896,037	5,972,989
September	2024	25,901,706	6,349	25,895,357	5,972,989
October	2024	25,908,312	6,970	25,901,342	5,972,989
November	2024	25,909,812	6,973	25,902,839	5,972,989
December	2024	25,926,786	7,136	25,919,650	5,972,989
		<u>\$ 310,910,811</u>	<u>\$ 71,811</u>	<u>\$ 310,839,000</u>	<u>\$ 71,675,868</u>

Total Depreciation & Amortization Expense - Environmental	\$ 310,839,000
Closure Cost CCR Facility Recovery - Environmental	71,675,868
Unrecovered Investment Amortization Expense - Environmental [Appendix 4, pg 13 of 14]	(70,629,291)
Total Cost of Removal Recovery - Environmental [See Appendix 4, pg 13 of 14]	54,981,349
Total Depreciation & Amortization Expense - Environmental	<u>\$ 366,866,926</u>
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Depreciation &amp; Amortization Expense - Environmental</b>	<u><b>\$ 352,522,429</b></u>

**Depreciation & Amortization Expense True-Up - Other**

		Depreciation & Amortization Expense	Third Party Offsets <sup>1</sup>	Total Company Less Third Party Offsets
January	2024	\$ 2,462,616	\$ -	\$ 2,462,616
February	2024	2,461,996	63	2,461,933
March	2024	2,462,621	63	2,462,558
April	2024	2,462,768	63	2,462,705
May	2024	2,475,536	63	2,475,473
June	2024	2,470,073	63	2,470,010
July	2024	2,469,490	63	2,469,427
August	2024	2,469,707	63	2,469,644
September	2024	2,472,127	63	2,472,064
October	2024	2,481,204	63	2,481,141
November	2024	2,494,656	63	2,494,593
December	2024	2,501,113	63	2,501,050
		<u>\$ 29,683,907</u>	<u>\$ 693</u>	<u>\$ 29,683,214</u>

Total Depreciation & Amortization Expense - Other	\$ 29,683,214
Retail Expense Allocation Factor [See Appendix 6]	96.09%
<b>Retail Other Depreciation &amp; Amortization Expense - Other</b>	<u><b>\$ 28,522,600</b></u>
<b>Total Retail Depreciation &amp; Amortization Expense</b>	<u><b>\$ 381,045,029</b></u> (C)

<sup>1</sup>Adjustment related to third party arrangement. Third party offsets are estimated and not actualized.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Accumulated Depreciation True Up - Environmental<sup>1</sup>**

		Depreciation & Amortization Expense	Retirements	Cost of Removal CCR Facility Closure Cost <sup>2</sup>	Closure Cost CCR Facility Recovery	All Other Cost of Removal/Salvage	Accumulated Depreciation & Amortization <sup>3</sup>
Beginning Balance						\$	1,219,498,393
January	2024	\$ 25,892,097	\$ (202,496)	\$ (13,921,826)	\$ 5,972,989	\$ (258,404)	\$ 1,236,980,753
February	2024	25,900,234	(2,115,669)	(9,874,792)	5,972,989	(189,540)	1,256,673,975
March	2024	25,910,371	(5,260,986)	(11,525,733)	5,972,989	(100,135)	1,271,670,481
April	2024	25,907,847	(461,740)	(15,222,162)	5,972,989	(11,088)	1,287,856,327
May	2024	25,927,261	(463,376)	(16,104,656)	5,972,989	(23,554)	1,303,164,991
June	2024	25,921,560	(13,384,941)	(13,502,199)	5,972,989	(29,418)	1,308,142,982
July	2024	25,902,439	(1,431,513)	(11,595,618)	5,972,989	(7,973)	1,326,983,306
August	2024	25,902,386	(223,104)	(16,123,881)	5,972,989	(26,418)	1,342,485,278
September	2024	25,901,706	(30,871)	(15,030,960)	5,972,989	(144,456)	1,359,153,686
October	2024	25,908,312	(36,120)	(19,185,573)	5,972,989	(549,552)	1,371,263,742
November	2024	25,909,812	(496,363)	(19,226,639)	5,972,989	(559,980)	1,382,863,561
December	2024	25,926,786	(1,280,559)	(19,226,639)	5,972,989	(874,552)	1,393,381,586

<sup>1</sup>Impact of third party offsets are not included.

<sup>2</sup>Net of adjustments for certain regulatory assets associated with the timing differences for cost recovery of the announced coal unit and equipment retirements, as discussed in the Notice of Planned Participation (NOPPs) regarding compliance with the ELG rule.

<sup>3</sup>In accordance with APSC Docket No. U-4457, the capitalization of asset retirement costs is excluded from Account 101 (Electric Plant in Service) and the associated depreciation is excluded from Account 108 (Accumulated Provision for Depreciation of Electric Utility Plant). Accumulated depreciation reflects the amount of cash outflows for cost of removal for coal combustion residual (CCR) facilities offset by amounts previously recovered for cost of removal through depreciation rates.

**Alabama Power Company**  
**Rate CNP Factor for Compliance with Governmental Mandates**  
**Cost Year 2025**

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Net Unrecovered Investment True-Up - Environmental**

		Unrecovered Investment <sup>1</sup>	Accumulated Amortization	Accumulated Deferred Income Taxes <sup>2</sup>	Accumulated Cost of Removal (Cost)/Recovery	Net Unrecovered Investment <sup>3</sup>
January	2024	\$ 878,058,285	\$ 214,428,449	\$ 268,217,404	\$ (345,183,083)	\$ 740,595,515
February	2024	889,947,331	218,185,550	270,908,757	(348,135,205)	748,988,229
March	2024	901,842,686	221,942,652	273,630,989	(351,198,971)	757,468,016
April	2024	913,742,456	225,699,754	276,065,127	(353,175,390)	765,152,965
May	2024	925,639,803	229,336,962	278,781,278	(356,428,259)	773,949,822
June	2024	937,536,937	232,974,170	281,743,985	(360,540,267)	783,359,049
July	2024	949,435,447	236,611,378	284,536,125	(364,045,862)	792,333,806
August	2024	961,332,980	240,248,586	287,537,455	(368,098,662)	801,645,601
September	2024	973,230,427	243,885,794	290,342,627	(371,546,447)	810,548,453
October	2024	985,128,461	247,523,003	293,662,640	(373,341,831)	817,284,649
November	2024	997,028,298	251,160,211	296,983,125	(375,169,831)	824,054,793
December	2024	1,008,935,708	254,797,419	300,305,588	(377,472,363)	831,305,064

**Unrecovered Investment - Accumulated Cost of Removal True-Up - Environmental**

		Cost of Removal CCR Facility Closure Cost	Closure Cost CCR Facility Recovery	All Other Cost of Removal - Net (Cost)/Recovery <sup>4</sup>	Accumulated Cost of Removal (Cost)/Recovery
Beginning Balance					\$ (343,400,695)
January	2024	\$ (5,093,934)	\$ 3,574,108	\$ (262,562)	(345,183,083)
February	2024	(6,107,893)	3,574,108	(418,337)	(348,135,205)
March	2024	(5,603,019)	3,574,108	(1,034,855)	(351,198,971)
April	2024	(5,500,397)	3,574,108	(50,130)	(353,175,390)
May	2024	(6,243,496)	3,574,108	(583,481)	(356,428,259)
June	2024	(7,474,094)	3,574,108	(212,022)	(360,540,267)
July	2024	(7,802,439)	3,574,108	722,736	(364,045,862)
August	2024	(8,564,112)	3,574,108	937,204	(368,098,662)
September	2024	(7,809,238)	3,574,108	787,345	(371,546,447)
October	2024	(5,910,721)	3,574,108	541,229	(373,341,831)
November	2024	(5,906,360)	3,574,108	504,252	(375,169,831)
December	2024	(6,414,434)	3,574,108	537,794	(377,472,363)

**Unrecovered Investment - Cost Recovery True-Up - Environmental**

		Cost of Removal Recovery					
		Amortization	Accretion <sup>5</sup>	Net (Accretion) / Amortization	Closure Cost CCR Facility Recovery	All Other Cost of Removal Recovery <sup>6</sup>	Total Cost of Removal Recovery
January	2024	\$ 3,757,102	\$ (9,561,635)	\$ (5,804,533)	\$ 3,574,108	\$ 1,007,671	\$ 4,581,779
February	2024	3,757,102	(9,561,647)	(5,804,545)	3,574,108	1,007,671	4,581,779
March	2024	3,757,102	(9,561,648)	(5,804,546)	3,574,108	1,007,671	4,581,779
April	2024	3,757,102	(9,566,035)	(5,808,933)	3,574,108	1,007,671	4,581,779
May	2024	3,637,208	(9,563,597)	(5,926,389)	3,574,108	1,007,671	4,581,779
June	2024	3,637,208	(9,563,188)	(5,925,980)	3,574,108	1,007,671	4,581,779
July	2024	3,637,208	(9,563,436)	(5,926,228)	3,574,108	1,007,671	4,581,779
August	2024	3,637,208	(9,562,194)	(5,924,986)	3,574,108	1,007,671	4,581,779
September	2024	3,637,208	(9,561,977)	(5,924,769)	3,574,108	1,007,671	4,581,779
October	2024	3,637,208	(9,562,565)	(5,925,357)	3,574,108	1,007,671	4,581,779
November	2024	3,637,208	(9,562,565)	(5,925,357)	3,574,108	1,007,671	4,581,779
December	2024	3,637,208	(9,564,876)	(5,927,668)	3,574,108	1,007,671	4,581,779
		\$ 44,126,072	\$ (114,755,363)	\$ (70,629,291)	\$ 42,889,296	\$ 12,092,053	\$ 54,981,349

<sup>1</sup>Includes the regulatory asset associated with the timing differences for the cost recovery of announced coal unit and equipment retirements discussed in the Notice of Planned Participation (NOPPs), regarding compliance with the ELG rule.

<sup>2</sup>Accumulated Deferred Income Taxes are estimated and not actualized.

<sup>3</sup>In accordance with authorization in APSC Docket No. U-5033 related to unit retirements as a result of the effects of pending Environmental Mandates.

<sup>4</sup>Includes non-CCR ARO and dismantlement cost and recovery.

<sup>5</sup>Represents the difference between the depreciation expense for environmental equipment, calculated utilizing the shorter lives resulting from the announced coal unit and equipment retirements, and the expense calculated using the retirement dates previously established.

<sup>6</sup>Includes non-CCR ARO and dismantlement cost recovery.

Alabama Power Company  
Rate CNP Factor for Compliance with Governmental Mandates  
Cost Year 2025

(Over)/Under Recovery Calculation  
Actual January - September 2024

Projected October - December 2024

**Retail Revenue Requirement Recovery True-Up**

			<b>Retail Revenue Requirement Recovery</b>
January	2024	\$	98,962,431
February	2024		88,730,077
March	2024		74,487,006
April	2024		68,526,160
May	2024		78,278,986
June	2024		94,030,513
July	2024		107,113,372
August	2024		106,810,631
September	2024		102,369,700
October	2024		85,500,193
November	2024		75,977,390
December	2024		86,713,465
		<b>\$</b>	<b><u>1,067,499,924</u></b> (D)

**True-Up Calculation**

Retail Revenue Requirement for Net Investment	\$	392,068,413	(A)
Retail Operation & Maintenance Expense		284,596,826	(B)
Retail Depreciation & Amortization Expense		381,045,029	(C)
2024 Retail Revenue Requirement	\$	<u>1,057,710,268</u>	
2024 Retail Revenue Requirement Recovery		<u>1,067,499,924</u>	(D)
<b>Amount of (over)/under recovery [(A)+(B)+(C)-(D)]</b>	<b>\$</b>	<b><u>(9,789,656)</u></b>	

**ALABAMA POWER COMPANY**  
**Projected Compliance Cost Recovery for 2025**  
**(under currently effective factors)**

(A)	(B)	(C)	(D)
Rate Schedule	Currently Effective CNP (Subpart C) Factor \$/kWh	Forecasted kWh 2025	Cost Recovery using Currently Effective Factor (B) X (C)
ASL	0.022807	25,213,062	575,034
BEVT	0.026149	20,354,547	532,251
BTA	0.023248	470,492,361	10,938,006
BTAL	0.011091	2,086,262,998	23,138,743
CFTU	0.012671	24,535,631	310,891
FCR	0.006326	6,579,710,902	41,623,251
FD	0.027795	17,585,629,230	488,792,564
FDD	0.025187	2,297,751	57,873
XFDE	0.022007	155,579,482	3,423,838
XFDT	0.022405	3,172,817	71,087
FIRTU	0.017885	3,460,146	61,885
FMTU	0.015572	341,065,473	5,311,072
FPL	0.053453	252,608,909	13,502,704
XFSTU	0.020037	113,461,263	2,273,423
XGRTU	0.016696	167,551,301	2,797,437
HLF	0.009833	1,743,723,491	17,146,033
XHLTU	0.016764	16,834,475	282,213
XHMTU	0.020542	32,635,817	670,405
LAF	0.047446	19,373,300	919,186
LFS	0.028779	72,039,117	2,073,214
XLLTU	0.017103	4,131,824	70,667
XLMTU	0.020006	26,108,598	522,329
XLPLE	0.014158	529,188,686	7,492,253
XL PME	0.022931	1,742,227,632	39,951,022
XL PSE	0.032288	1,020,532,981	32,950,969
LPL	0.013218	3,161,215,050	41,784,941
LPLM	0.011588	6,737,591,870	78,075,215
LPM	0.030775	4,556,707,479	140,232,673
LPS	0.056264	387,376,577	21,795,356
XLPTL	0.013240	1,430,776,796	18,943,485
XLPTM	0.024209	53,515,542	1,295,558
XLPTS	0.026003	102,560,567	2,666,882
LTU	0.020716	24,754,684	512,818
MTU	0.011381	347,595,767	3,955,987
ODL	0.009677	165,050,330	1,597,192
OFF	0.017644	11,101,605	195,877
PG	0.036474	6,704,543	244,542
PMTU	0.011965	581,153,951	6,953,507
PTU	0.013882	21,965,547	304,926
XRLTU	0.017794	11,112,303	197,732
XRMTU	0.019548	109,806,250	2,146,493
RTA	0.025043	1,249,235	31,285
RTAE	0.026500	21,444,166	568,270
RTP	0.015543	1,134,080,544	17,627,014
XRTPD	0.012608	51,047	644
SCGTU	0.013193	131,273,644	1,731,893
SCH	0.023671	397,813,721	9,416,649
SLM	0.028151	39,253,243	1,105,018
TS	0.015981	17,138,929	273,897
TSTU	0.015737	4,040,761	63,589
TXTU	0.016712	16,755,564	280,019
XTP	0.029399	646,686	19,012
XWP	0.013659	750,130	10,246
<b>Total</b>		<u>52,511,678,325</u>	<u>\$ 1,047,519,070</u>

ALABAMA POWER COMPANY  
RETAIL COST OF SERVICE  
TWELVE MONTHS ENDED DECEMBER 31, 2023

SCHEDULE 1.00

PAGE 1

SCHEDULE 1.00--SUMMATION OF INVESTMENT AND EXPENSE ALLOCATIONS

LINE (1)	LINE DESCRIPTION (2)	TOTAL ELECTRIC SYSTEM (3)	RESIDENTIAL (4)	NON - RESIDENTIAL (5)	TOTAL DIRECT SERVICE (6)	TOTAL ALL OTHER SERVICE (7)
NET INVESTMENT						
1	ELECTRIC GROSS PLANT	\$35,982,922,340	\$18,012,192,032	\$16,855,403,601	\$34,867,595,632	\$1,115,326,707
2	PROVISION FOR ACCUM DEPR & AMORT	11,617,409,170	5,782,942,479	5,466,085,465	11,249,027,945	368,381,225
3	NET PLANT	\$24,365,513,170	\$12,229,249,552	\$11,389,318,136	\$23,618,567,688	\$746,945,482
ADD:						
4	PLANT HELD FOR FUTURE USE	49,721,405	22,377,220	25,359,227	47,736,447	1,984,958
5	MATERIALS AND SUPPLIES	900,379,432	386,980,120	476,574,785	863,554,906	36,824,526
6	UNAMORTIZED LEASEHOLD IMPROVEMENTS	0	0	0	0	0
7	CONSTRUCTION WORK IN PROGRESS	1,117,122,145	542,360,330	538,990,977	1,081,351,306	35,770,838
8	AVERAGE DAILY BANK BALANCES	99,101,226	37,846,876	56,730,664	94,577,540	4,523,685
9	ELECTRIC PLANT ACQUISITION ADJUSTMENT	273,716,812	116,752,375	144,656,414	261,408,790	12,308,022
10	NUCLEAR FUEL	252,911,158	78,191,666	160,497,433	238,689,099	14,222,059
DEDUCT:						
11	SEGCO/AEC DEPOSIT	26,180,471	8,094,126	16,614,128	24,708,254	1,472,217
12	CUSTOMER ADVANCES FOR CONSTRUCTION	1,199,162	4,040	1,195,122	1,199,162	0
13	CUSTOMER DEPOSITS	105,286,172	44,906,065	60,380,106	105,286,172	0
14	TOTAL NET INVESTMENT	\$26,925,799,542	\$13,360,753,908	\$12,713,938,280	\$26,074,692,188	\$851,107,354
15	PERCENT OF TOTAL ELECTRIC SYSTEM	100.00%	49.62%	47.22%	96.84%	3.16%
16	RETAIL ELECTRIC INVESTMENT FACTOR				96.84%	
EXPENSES						
17	OPERATION AND MAINTENANCE EXPENSES	\$3,316,721,082	\$1,266,659,718	\$1,898,662,601	\$3,165,322,319	\$151,398,764
18	DEPRECIATION AND AMORTIZATION EXPENSE	1,390,263,655	675,685,539	667,867,533	1,343,553,073	46,710,582
19	OTHER AMORTIZATION AND ACCRETION	27,991,571	12,487,564	14,398,839	26,886,403	1,105,167
20	TAXES OTHER THAN INCOME TAXES	436,270,017	206,097,965	224,963,717	431,061,681	5,208,336
21	SALES TO NON-ASSOCIATED COMPANIES	(282,191,020)	(96,258,445)	(170,929,308)	(267,187,753)	(15,003,267)
22	OTHER ELECTRIC REVENUES	(219,107,826)	(114,115,832)	(98,108,237)	(212,224,070)	(6,883,756)
23	TOTAL EXPENSES	\$4,669,947,478	\$1,950,556,508	\$2,536,855,145	\$4,487,411,653	\$182,535,825
24	PERCENT OF TOTAL ELECTRIC SYSTEM	100.00%	41.77%	54.32%	96.09%	3.91%
25	RETAIL EXPENSE ALLOCATION FACTOR				96.09%	
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION						
25	TOTAL AFUDC	\$108,887,873	\$50,050,666	\$54,751,122	\$104,801,788	\$4,086,085
26	PERCENT OF TOTAL ELECTRIC SYSTEM	100.00%	45.97%	50.28%	96.25%	3.75%
27	RETAIL ELECTRIC AFUDC ALLOCATION FACTOR				96.25%	

Appendix 6

Alabama Power Company  
Rate CNP Factor for Compliance with Governmental Mandates  
Cost Year 2025

**Retail Cost of Capital Revenue Requirement Rate for 2023**

**Overall Cost of Capital as of December 31, 2023 - Environmental**

Description - Environmental	Amount of Capital	Weight in Capital Structure	Cost	Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Tax Exempt Debt	\$ 747,987,740	21.3153%	4.1548%	0.8856%	0.0000%	0.8856%
Other Debt	927,410,003	26.4283%	4.1307%	1.0917%	0.0000%	1.0917%
Total Debt	1,675,397,743	47.7436%	4.1415%	1.9773%	0.0000%	1.9773%
Common Equity	1,833,758,315	52.2564%		6.0500%	2.1224%	8.1724%
<b>TOTAL</b>	<b>\$ 3,509,156,058</b>	<b>100.0000%</b>		<b>8.0273%</b>		<b>10.1497%</b>

**Overall Cost of Capital as of December 31, 2023 - Other**

Description - Other	Amount of Capital	Weight in Capital Structure	Cost	Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Total Debt	\$ 209,700,762	47.7436%	4.1307%	1.9721%	0.0000%	1.9721%
Common Equity	229,521,926	52.2564%		6.0500%	2.1224%	8.1724%
	<b>\$ 439,222,688</b>	<b>100.0000%</b>		<b>8.0221%</b>		<b>10.1445%</b>

$$\text{Combined Tax Rate} = \frac{F + S - 2FS}{1 - FS}$$

F = Effective Statutory Federal Income Tax Rate 22.0983%  
S = Effective Statutory State Income Tax Rate 6.2917%

$$\frac{(0.220983 + 0.062917) - 2 * (0.220983 * 0.062917)}{1 - (0.220983 * 0.062917)} = 25.9704\%$$

$$\text{Income Tax Requirement} = \frac{0.259704}{1 - 0.259704} = 35.0811\%$$

**Retail Cost of Capital Revenue Requirement Rate for 2024**

**Overall Cost of Capital as of September 30, 2024 - Environmental**

Description - Environmental	Amount of Capital	Weight in Capital Structure	*Cost	*Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Tax Exempt Debt	\$ 725,492,678	20.7767%	3.4539%	0.7177%	0.0000%	0.7177%
Other Debt	882,058,727	25.2605%	4.0686%	1.0277%	0.0000%	1.0277%
Total Debt	1,607,551,405	46.0372%	3.7912%	1.7454%	0.0000%	1.7454%
Common Equity	1,884,299,512	53.9628%		6.0500%	2.1406%	8.1906%
<b>TOTAL</b>	<b>\$ 3,491,850,917</b>	<b>100.0000%</b>		<b>7.7954%</b>		<b>9.9360%</b>

**Overall Cost of Capital as of September 30, 2024 - Other**

Description - Other	Amount of Capital	Weight in Capital Structure	*Cost	*Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Total Debt	\$ 206,396,512	46.0372%	4.0686%	1.8731%	0.0000%	1.8731%
Common Equity	241,928,716	53.9628%		6.0500%	2.1406%	8.1906%
	<b>\$ 448,325,228</b>	<b>100.0000%</b>		<b>7.9231%</b>		<b>10.0637%</b>

$$\text{Combined Tax Rate} = \frac{F + S - 2FS}{1 - FS}$$

F = Effective Statutory Federal Income Tax Rate 22.1367%  
S = Effective Statutory State Income Tax Rate 6.5000%

$$\frac{(0.221367 + 0.065000) - 2 * (0.221367 * 0.065000)}{1 - (0.221367 * 0.065000)} = 26.1350\%$$

$$\text{Income Tax Requirement} = \frac{0.261350}{1 - 0.261350} = 35.3821\%$$

\*The weighting in the capital structure for Total Debt in Cost Years 2025 and 2024 calculations is the same. However, tax exempt debt and other debt components are different in each calculation. The tax exempt amounts fluctuate as the ratio of average net plant to gross plant changes each year resulting in differences in weighted costs of capital.



**Retail Cost of Capital Revenue Requirement Rate for 2025**

**Overall Cost of Capital as of September 30, 2024 - Environmental**

Description - Environmental	Amount of Capital	Weight in Capital Structure	*Cost	*Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Tax Exempt Debt	\$ 727,050,812	20.6535%	3.4539%	0.7133%	0.0000%	0.7133%
Other Debt	893,566,902	25.3837%	4.0687%	1.0328%	0.0000%	1.0328%
Total Debt	1,620,617,714	46.0372%	3.7929%	1.7461%	0.0000%	1.7461%
Common Equity	1,899,615,253	53.9628%		6.0500%	2.1406%	8.1906%
<b>TOTAL</b>	<b>\$ 3,520,232,967</b>	<b>100.0000%</b>		<b>7.7961%</b>		<b>9.9367%</b>

**Overall Cost of Capital as of September 30, 2024 - Other**

Description - Other	Amount of Capital	Weight in Capital Structure	*Cost	*Weighted Cost	Income Tax Requirement (see below)	Revenue Requirement
Total Debt	\$ 217,373,628	46.0372%	4.0687%	1.8731%	0.0000%	1.8731%
Common Equity	254,795,598	53.9628%		6.0500%	2.1406%	8.1906%
	<b>\$ 472,169,226</b>	<b>100.0000%</b>		<b>7.9231%</b>		<b>10.0637%</b>

$$\text{Combined Tax Rate} = \frac{F + S - 2FS}{1 - FS}$$

F = Effective Statutory Federal Income Tax Rate 22.1367%  
S = Effective Statutory State Income Tax Rate 6.5000%

$$\frac{(0.221367 + 0.065000) - 2 * (0.221367 * 0.065000)}{1 - (0.221367 * 0.065000)} = 26.1350\%$$

$$\text{Income Tax Requirement} = \frac{0.261350}{1 - 0.261350} = 35.3821\%$$

\*The weighting in the capital structure for Total Debt in Cost Years 2025 and 2024 calculations is the same. However, tax exempt debt and other debt components are different in each calculation. The tax exempt amounts fluctuate as the ratio of average net plant to gross plant changes each year resulting in differences in weighted costs of capital.

**Accumulated Depreciation & Amortization - Environmental<sup>1</sup>**

<b>Total Company</b>		<b>Depreciation &amp; Amortization Expense [Appendix 3]</b>	<b>Retirements</b>	<b>Cost of Removal CCR Facility Closure Cost<sup>2</sup></b>	<b>Closure Cost CCR Facility Recovery [Appendix 3]</b>	<b>All Other Cost of Removal/Salvage</b>	<b>Accumulated Depreciation &amp; Amortization<sup>3</sup></b>
Beginning Balance							\$ 1,393,381,586
January	2025	\$ 25,979,048	\$ -	\$ (18,528,842)	\$ 5,972,989	\$ (2,263,694)	\$ 1,404,541,087
February	2025	25,974,562	-	(18,528,842)	5,972,989	(126,193)	1,417,833,603
March	2025	25,974,562	(56,327)	(18,528,842)	5,972,989	(133,694)	1,431,062,291
April	2025	25,975,787	(1,578,504)	(18,528,842)	5,972,989	(141,193)	1,442,762,528
May	2025	26,060,570	(1,826,848)	(18,528,842)	5,972,989	(126,193)	1,454,314,204
June	2025	26,085,231	(552)	(18,528,842)	5,972,989	(393,413)	1,467,449,617
July	2025	26,085,243	(13,349)	(18,528,842)	5,972,989	(126,193)	1,480,839,465
August	2025	26,085,642	(552)	(18,528,842)	5,972,989	(126,194)	1,494,242,508
September	2025	26,085,653	(552)	(18,528,842)	5,972,989	(134,193)	1,507,637,563
October	2025	26,085,665	(32,823)	(18,528,842)	5,972,989	(1,652,317)	1,519,482,235
November	2025	26,088,869	-	(18,528,842)	5,972,989	(463,694)	1,532,551,557
December	2025	26,091,343	(1,171,783)	(18,528,842)	5,972,989	(126,194)	1,544,789,070

<sup>1</sup>Impact of third party offsets are not included

<sup>2</sup>Net of adjustments for certain regulatory assets associated with the timing differences for cost recovery of the announced coal unit and equipment retirements, as discussed in the Notice of Planned Participation (NOPPs) regarding compliance with the ELG rule.

<sup>3</sup>In accordance with APSC Docket No. U-4457, the capitalization of asset retirement costs is excluded from Account 101 (Electric Plant in Service) and the associated depreciation is excluded from Account 108 (Accumulated Provision for Depreciation of Electric Utility Plant). Accumulated depreciation reflects the amount of cash outflows for cost of removal for coal combustion residual (CCR) facilities offset by amounts previously recovered for cost of removal through depreciation rates.

**Net Unrecovered Investment - Environmental**

		Unrecovered Investment <sup>1</sup>	Accumulated Amortization	Accumulated Deferred Income Taxes <sup>2</sup>	Accumulated Cost of Removal (Cost)/Recovery	Net Unrecovered Investment <sup>3</sup>
January	2025	\$ 968,087,998	\$ 205,266,709	\$ 325,243,171	\$ (385,947,781)	\$ 823,525,899
February	2025	980,001,406	208,497,064	325,243,171	(394,494,824)	840,755,995
March	2025	991,914,813	211,727,420	325,243,171	(403,374,353)	858,318,575
April	2025	1,003,828,221	214,957,776	325,243,171	(411,769,012)	875,396,286
May	2025	1,015,741,628	218,188,132	325,243,171	(420,057,578)	892,367,903
June	2025	1,027,655,036	221,418,488	325,243,171	(428,230,883)	909,224,260
July	2025	1,039,568,443	224,648,844	325,243,171	(436,061,819)	925,738,247
August	2025	1,051,481,850	227,879,199	325,243,171	(443,892,755)	942,252,235
September	2025	1,063,395,258	231,109,555	325,243,171	(451,723,691)	958,766,223
October	2025	1,075,308,665	234,339,911	325,243,171	(459,554,627)	975,280,210
November	2025	1,087,223,699	237,570,267	325,243,171	(467,385,563)	991,795,824
December	2025	1,099,140,348	240,800,623	325,243,171	(475,216,500)	1,008,313,054

**Unrecovered Investment - Accumulated Cost of Removal - Environmental**

		Cost of Removal CCR Facility Closure Cost	Closure Cost CCR Facility Recovery	All Other Cost of Removal - Net (Cost) / Recovery <sup>4</sup>	Accumulated Cost of Removal (Cost)/Recovery
Beginning Balance					\$ (377,472,363)
January	2025	\$ (11,800,896)	\$ 3,574,108	\$ (248,630)	\$ (385,947,781)
February	2025	(11,800,896)	3,574,108	(320,255)	(394,494,824)
March	2025	(11,800,896)	3,574,108	(652,741)	(403,374,353)
April	2025	(11,800,896)	3,574,108	(167,871)	(411,769,012)
May	2025	(11,800,896)	3,574,108	(61,778)	(420,057,578)
June	2025	(11,800,896)	3,574,108	53,483	(428,230,883)
July	2025	(11,800,896)	3,574,108	395,852	(436,061,819)
August	2025	(11,800,896)	3,574,108	395,852	(443,892,755)
September	2025	(11,800,896)	3,574,108	395,852	(451,723,691)
October	2025	(11,800,896)	3,574,108	395,852	(459,554,627)
November	2025	(11,800,896)	3,574,108	395,852	(467,385,563)
December	2025	(11,800,896)	3,574,108	395,851	(475,216,500)

**Unrecovered Investment - Cost Recovery - Environmental**

		Cost of Removal Recovery					
		Amortization	Accretion <sup>5</sup>	Net (Accretion) / Amortization	Closure Cost CCR Facility Recovery	All Other Cost of Removal Recovery <sup>6</sup>	Total Cost of Removal Recovery
January	2025	\$ 3,230,356	\$ (9,569,102)	\$ (6,338,746)	\$ 3,574,108	\$ 395,852	\$ 3,969,960
February	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
March	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
April	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
May	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
June	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
July	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
August	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
September	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
October	2025	3,230,356	(9,569,102)	(6,338,746)	3,574,108	395,852	3,969,960
November	2025	3,230,356	(9,570,728)	(6,340,372)	3,574,108	395,852	3,969,960
December	2025	3,230,356	(9,572,344)	(6,341,988)	3,574,108	395,852	3,969,960
		<u>\$ 38,764,272</u>	<u>\$ (114,834,092)</u>	<u>\$ (76,069,820)</u>	<u>\$ 42,889,296</u>	<u>\$ 4,750,224</u>	<u>\$ 47,639,520</u>

<sup>1</sup>Includes the regulatory asset associated with the timing differences for the cost recovery of announced coal unit and equipment retirements discussed in the Notice of Planned Participation (NOPPs), regarding compliance with the ELG rule.

<sup>2</sup>Accumulated Deferred Income Taxes are estimated and not actualized.

<sup>3</sup>In accordance with authorization in APSC Docket No. U-5033 related to unit retirements as a result of the effects of pending Environmental Mandates.

<sup>4</sup>Includes non-CCR ARO and dismantlement cost and recovery.

<sup>5</sup>Represents the difference between the depreciation expense for environmental equipment, calculated utilizing the shorter lives resulting from the announced coal unit and equipment retirements, and the expense calculated using the retirement dates previously established.

<sup>6</sup>Includes non-CCR ARO and dismantlement cost recovery.