



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

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January 31, 2025

Mr. Walter L. Thomas, Jr, Secretary  
Alabama Public Service Commission  
RSA Union Building  
100 North Union Street, Suite 950  
Montgomery, Alabama 36104



Re: Filing of Rate CNP, Subpart B Purchase Factors, Calculations  
and Information for Purchase Factor Year 2025-2026  
Docket Nos. 18117 and 18416

Dear Mr. Thomas:

In accordance with the provisions of Rate CNP, Subpart B, we are submitting the factors, calculations and related information associated with the Company's certificated power purchase arrangements, applicable to billings for the Purchase Factor Year of April 1, 2025 through March 31, 2026.

Although entitled under Rate CNP, Subpart B to recover the entire revenue requirement associated with this power purchase arrangements, the Company has considered, at the request of the Commission acting through its Staff, whether the current CNP Purchase Factors could remain in effect for the upcoming cost year (*i.e.*, April 1, 2025 through March 31, 2026), subject to the entry of an appropriate consent order. The Company has determined that the current CNP Purchase Factors can be left in place for the upcoming cost year, 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 CNP Purchase Factors for application beginning April 1, 2025.

If further information is needed, please contact Mr. Alex McCrary, who is the designated Company individual under Rule 10 of the Special Rules Governing Operation of Rates RSE and CNP. The Company is available to meet with the Commission or its Staff to discuss the enclosed materials.

Sincerely,

Moses Feagin  
Executive Vice President,  
Chief Financial Officer and Treasurer

Enclosures

Alabama Public Service Commission  
January 31, 2025  
Page 2 of 2

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

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

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 Purchase Factor for Certificated Power Purchase Arrangements**  
**April 1, 2025 - March 31, 2026**

(1) Estimated cost of certificated power purchase arrangement: Mobile Energy, LLC (Docket No. 32953).

\$ 11,778,934 [See Appendix 1]

(2) Item (1) multiplied by the retail electric service expense factor (96.09%) from the most recent cost of service study (Jurisdictional Allocation Study) filed with the Commission on April 30, 2024 [See Appendix 2].

\$ 11,318,378

(3) The projected amount of (over-recovery)/under-recovery balance as of March 31, 2025.

\$ 80,914,500 [See Appendix 3]

(4) The retail revenue requirement for certificated power purchase arrangements for the period April 1, 2025 through March 31, 2026.

\$ 92,232,878 [Item (2) plus Item (3)]

(5) The projected cost recovery for the period April 1, 2025 through March 31, 2026 under currently effective factors.

\$ 27,828,363 [See Appendix 4]

(6) The projected unrecovered retail revenue requirement for certificated power purchase arrangements for the period April 1, 2025 through March 31, 2026.

\$ 64,404,515 [Item (4) less Item (5) above]

(7) Per the transmittal letter, the CNP Purchase Factors are anticipated to remain in effect for the period April 1, 2025 through March 31, 2026.

**Alabama Power Company  
Rate CNP Purchase Factor for Certificated Power Purchase Arrangements  
April 1, 2025 - March 31, 2026**

**Summary of Initial and Replacement CNP Purchase Factors**

	<u>Initial Purchase Factor</u>	<u>Replacement Purchase Factor</u>
April 2003 - June 2003	\$0.000000	
July 2003 - March 2004		\$0.001506
April 2004 - June 2004	\$0.001500	
July 2004 - March 2005		\$0.001960
April 2005 - March 2006	\$0.001623	
April 2006 - March 2010	\$0.001960	
April 2010 - March 2011	\$0.000638	
April 2011 - March 2018	\$0.000541	
April 2018 - March 2026*	See Appendix 4	<i>Proposed</i>

\* The development of these factors is in accordance with Rate CNP, Subpart B, and the March 9, 2017 order in Docket Nos. 18117 and 18416.

**Alabama Power Company**  
**April 1, 2025 - March 31, 2026**

**Rate CNP Purchase Factor for Certificated Power Purchase Arrangements**  
**Summary of Estimated PPA Cost for Existing Capacity**

		<b>Purchased Capacity (Kilowatts)*</b>	<b>Estimated PPA Expense</b>	<b>Third Party Offsets</b>	<b>Total Company</b>
<b>April</b>	<b>2025</b>	211,655	\$ 619,608	\$ 32,839	\$ 586,769
<b>May</b>	<b>2025</b>	211,655	619,608	32,839	586,769
<b>June</b>	<b>2025</b>	211,655	619,608	32,839	586,769
<b>July</b>	<b>2025</b>	211,655	1,228,422	65,107	1,163,315
<b>August</b>	<b>2025</b>	211,655	1,228,422	65,107	1,163,315
<b>September</b>	<b>2025</b>	211,655	619,608	32,839	586,769
<b>October</b>	<b>2025</b>	211,655	608,814	32,267	576,547
<b>November</b>	<b>2025</b>	211,655	630,402	33,411	596,991
<b>December</b>	<b>2025</b>	211,655	1,625,090	86,130	1,538,960
<b>January</b>	<b>2026</b>	211,655	3,363,778	178,280	3,185,498
<b>February</b>	<b>2026</b>	211,655	631,893	33,490	598,403
<b>March</b>	<b>2026</b>	211,655	642,903	34,074	608,829
			<u>\$ 12,438,156</u>	<u>\$ 659,222</u>	<u>\$ 11,778,934</u>

**Estimated PPA expense from April 1, 2025 through March 31, 2026**

**\$ 11,778,934**

\*Adjusted to reflect third party arrangement.

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)
<b>NET INVESTMENT</b>						
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	56,730,684	94,577,540	4,523,685
9	ELECTRIC PLANT ACQUISITION ADJUSTMENT	273,716,812	116,732,375	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	\$12,713,936,280	\$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%	
<b>EXPENSES</b>						
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	206,037,965	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%	
<b>ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION</b>						
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%	

**Alabama Power Company**  
**Rate CNP Purchase Factor for Certificated Power Purchase Arrangements**  
**April 1, 2025 - March 31, 2026**

Summary of (Over)/Under Recovery of PPA Expense as of March 31, 2025

<b>General Ledger Balance as of December 31, 2023</b>		<b>\$ 102,628,656</b>																								
		<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>Actual 2024 Retail Expense Recovery</u></td> <td style="text-align: center;"><u>Actual 2024 PPA Expense</u></td> </tr> </table>	<u>Actual 2024 Retail Expense Recovery</u>	<u>Actual 2024 PPA Expense</u>																						
<u>Actual 2024 Retail Expense Recovery</u>	<u>Actual 2024 PPA Expense</u>																									
<b>January</b>	<b>2024</b>	\$ 2,616,517																								
<b>February</b>	<b>2024</b>	2,347,040																								
<b>March</b>	<b>2024</b>	1,974,613																								
<b>April</b>	<b>2024</b>	1,812,514																								
<b>May</b>	<b>2024</b>	2,072,039																								
<b>June</b>	<b>2024</b>	2,484,346																								
<b>July</b>	<b>2024</b>	2,833,886																								
<b>August</b>	<b>2024</b>	2,835,382																								
<b>September</b>	<b>2024</b>	2,709,033																								
<b>October</b>	<b>2024</b>	2,231,796																								
<b>November</b>	<b>2024</b>	1,858,770																								
<b>December</b>	<b>2024</b>	2,219,414																								
<b>Total</b>		<u>\$ 27,995,350 (A)</u>																								
		<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>\$ 3,125,277</u></td> <td style="text-align: center;"><u>\$ 986,546</u></td> <td style="text-align: center;"><u>227,424</u></td> <td style="text-align: center;"><u>227,755</u></td> <td style="text-align: center;"><u>121,005</u></td> <td style="text-align: center;"><u>272,044</u></td> <td style="text-align: center;"><u>1,737,669</u></td> <td style="text-align: center;"><u>2,431</u></td> <td style="text-align: center;"><u>651,626</u></td> <td style="text-align: center;"><u>217,209</u></td> <td style="text-align: center;"><u>238,302</u></td> <td style="text-align: center;"><u>1,450,957</u></td> </tr> <tr> <td style="text-align: center;"><u>\$ 9,258,245 (B)</u></td> <td colspan="11"></td> </tr> </table>	<u>\$ 3,125,277</u>	<u>\$ 986,546</u>	<u>227,424</u>	<u>227,755</u>	<u>121,005</u>	<u>272,044</u>	<u>1,737,669</u>	<u>2,431</u>	<u>651,626</u>	<u>217,209</u>	<u>238,302</u>	<u>1,450,957</u>	<u>\$ 9,258,245 (B)</u>											
<u>\$ 3,125,277</u>	<u>\$ 986,546</u>	<u>227,424</u>	<u>227,755</u>	<u>121,005</u>	<u>272,044</u>	<u>1,737,669</u>	<u>2,431</u>	<u>651,626</u>	<u>217,209</u>	<u>238,302</u>	<u>1,450,957</u>															
<u>\$ 9,258,245 (B)</u>																										
		<u>(18,737,105) [(B) - (A)]</u>																								

**General Ledger Balance as of December 31, 2024** **\$ 83,891,551**

		<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>Projected 2025 Retail Expense Recovery</u></td> <td style="text-align: center;"><u>Projected 2025 PPA Expense</u></td> </tr> </table>	<u>Projected 2025 Retail Expense Recovery</u>	<u>Projected 2025 PPA Expense</u>				
<u>Projected 2025 Retail Expense Recovery</u>	<u>Projected 2025 PPA Expense</u>							
<b>January</b>	<b>2025</b>	\$ 2,556,729						
<b>February</b>	<b>2025</b>	2,413,271						
<b>March</b>	<b>2025</b>	2,155,792						
		<u>\$ 7,125,792 (A)</u>						
		<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>\$ 3,001,444</u></td> <td style="text-align: center;"><u>583,471</u></td> <td style="text-align: center;"><u>563,826</u></td> </tr> <tr> <td style="text-align: center;"><u>\$ 4,148,741 (B)</u></td> <td colspan="2"></td> </tr> </table>	<u>\$ 3,001,444</u>	<u>583,471</u>	<u>563,826</u>	<u>\$ 4,148,741 (B)</u>		
<u>\$ 3,001,444</u>	<u>583,471</u>	<u>563,826</u>						
<u>\$ 4,148,741 (B)</u>								
		<u>(2,977,051) [(B) - (A)]</u>						

**Projected General Ledger Balance as of March 31, 2025** **\$ 80,914,500**

**ALABAMA POWER COMPANY**  
**Projected PPA Cost Recovery for April 2025 - March 2026**  
**(under currently effective factors)**

(A)	(B)	(C)	(D)
Rate Schedule	Currently Effective CNP (Subpart B) Factor \$/kWh	Forecasted kWh April '25 - March '26	Cost Recovery using Currently Effective Factor (B) X (C)
ASL	0.000608	25,099,446	15,260
BEVT	0.000897	21,720,132	19,483
BTA	0.000447	473,081,510	211,467
BTAL	0.000292	2,128,975,134	621,661
CCI	0.000181	308,461,386	55,832
CFTU	0.000349	24,522,268	8,558
DCL	0.000152	164,511,300	25,006
FCR	0.000152	817,968,851	124,331
FD	0.000740	17,563,060,956	12,996,665
FDD	0.000740	2,495,966	1,847
XFDE	0.000585	152,674,896	89,315
XFDT	0.000577	3,115,794	1,798
FIRTU	0.000610	3,457,963	2,109
FMTU	0.000423	348,893,592	147,582
FPL	0.001395	249,314,458	347,794
XFSTU	0.000520	109,766,237	57,078
XGRTU	0.000440	166,388,249	73,211
HLF	0.000291	1,770,969,001	515,352
XHLTU	0.000432	15,948,132	6,890
XHMTU	0.000545	32,199,096	17,549
IE	0.000152	103,988,600	15,806
LAF	0.001263	19,375,292	24,471
LFS	0.000772	71,595,497	55,272
XLLTU	0.000495	3,569,624	1,767
XLMTU	0.000523	25,667,777	13,424
XLPLE	0.000355	513,131,916	182,162
XLPME	0.000616	1,711,879,477	1,054,518
XLPSE	0.000853	988,675,163	843,340
LPL	0.000357	3,169,798,518	1,131,618
LPLM	0.000310	6,810,633,064	2,111,296
LPM	0.000818	4,598,816,327	3,761,832
LPS	0.001437	384,733,774	552,862
XLPTL	0.000359	1,424,089,713	511,248
XLPTM	0.000651	52,998,199	34,502
XLPTS	0.000704	101,314,093	71,325
LSS	0.000181	4,345,660,543	786,565
LTU	0.000497	24,864,507	12,358
MCC	0.000152	520,000,000	79,040
MTU	0.000294	347,130,880	102,056
ODL	0.000300	169,844,462	50,953
OFF	0.000446	10,922,329	4,871
PG	0.000812	6,712,786	5,451
PMTU	0.000342	584,987,903	200,066
PTU	0.000396	21,027,941	8,327
XRLTU	0.000437	10,660,186	4,659
XRMTU	0.000497	107,192,131	53,274
RTA	0.000737	1,233,127	909
RTAE	0.000695	21,842,760	15,181
RTP	0.000265	1,127,393,944	298,759
XRTPD	0.000173	51,068	9
SCGTU	0.000366	130,958,473	47,931
SCH	0.000646	394,564,036	254,888
SE	0.000120	-	0
SLM	0.000788	37,916,710	29,878
TOUI	0.000248	611,314,225	151,606
TS	0.000511	17,140,195	8,759
TSTU	0.000352	4,089,338	1,439
TXTU	0.000382	16,718,496	6,386
XTP	0.000593	645,187	383
XWP	0.000514	747,995	384
<b>Total</b>		<b>52,876,510,623</b>	<b>\$ 27,828,363</b>