

# Baker Institute/Baker Botts Virtual Energy Summit

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# Cautionary Note Regarding Forward-Looking Statements



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, GHG reduction goals, including expected timing of achievement, costs related to carbon, expected renewable generation growth, development of technology, sources and costs of fuels, and expected generation mix. Southern Company cautions 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; 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 Annual Report on Form 10-K for the year ended December 31, 2019, 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; the extent and timing of costs and legal requirements related to coal combustion residuals; current and future litigation or regulatory investigations, proceedings, or inquiries; variations in demand for electricity and natural gas; available sources and costs of natural gas and other fuels; the ability to complete necessary or desirable pipeline expansion or infrastructure projects, limits on pipeline capacity, 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 Units 3 and 4; the ability to overcome or mitigate the current challenges at Plant Vogtle Units 3 and 4 that could impact the cost and schedule for the project; legal proceedings and regulatory approvals and actions related to construction projects, such as Plant Vogtle Units 3 and 4 and pipeline projects; under certain specified circumstances, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Units 3 and 4 not to proceed with construction and the ability of other Vogtle owners to tender a portion of their ownership interests to Georgia Power following certain construction cost increases; the ability to construct facilities in accordance with the requirements of permits and licenses (including satisfaction of 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; 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; the inherent risks involved in operating and constructing nuclear generating facilities; advances in technology; the inherent risks involved in transporting and storing natural gas; 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 potential effects of the continued outbreak of the novel coronavirus (COVID-19), including disruptions to supply chains, reduced labor availability or productivity and reduced economic activity, which could have a variety of adverse impacts, including reduced demand for energy and a negative impact on the ability to develop, construct and operate facilities; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events or other similar occurrences; and 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. Southern Company expressly disclaims any obligation to update any forward-looking information.

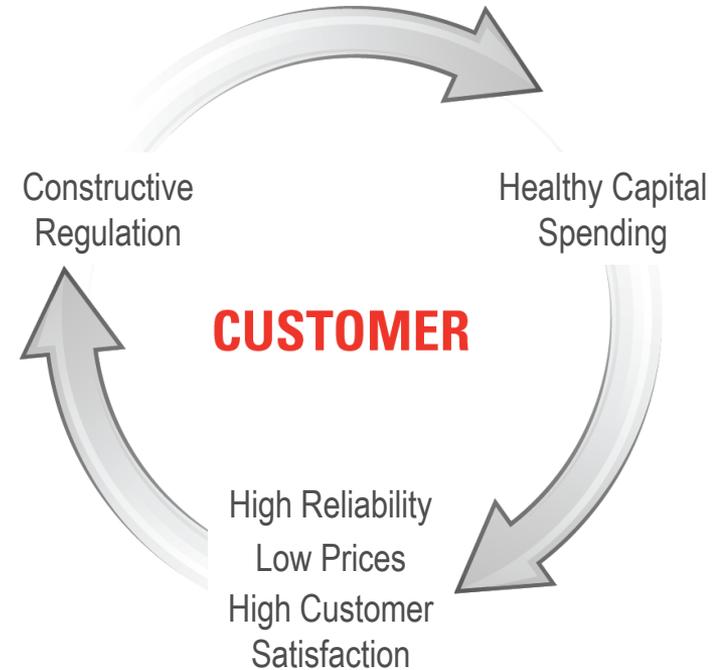
# Customers are at the center of all we do



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Maintain alignment of customer objectives, long-term investment decisions and carbon-reduction goals.

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# Southern Company's business strategy



Continuing development and deployment of a **diverse portfolio** of energy resources to achieve a net zero future

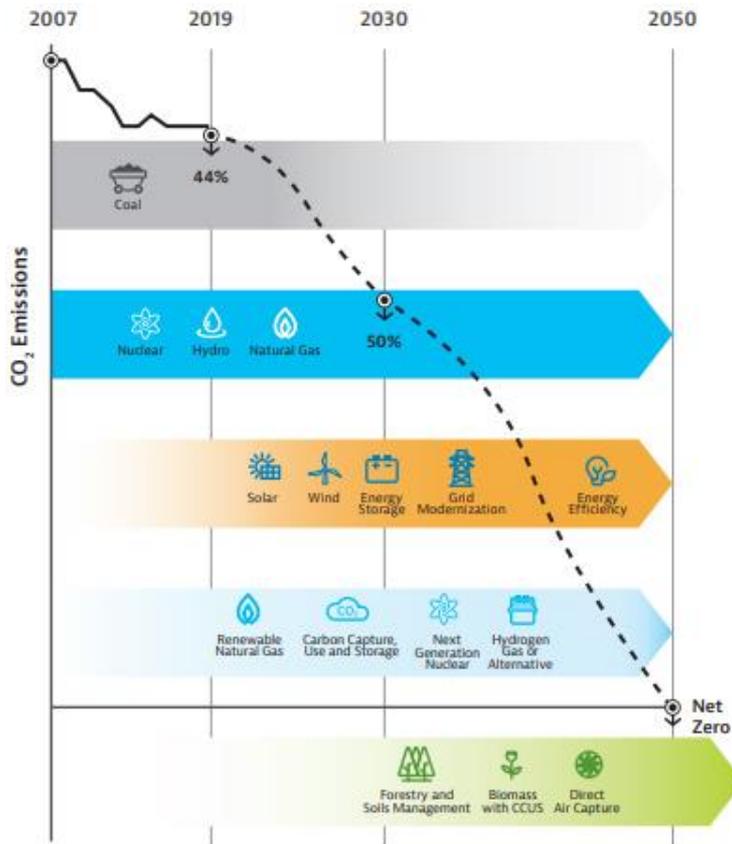
Continuing **robust R&D** to develop and deploy carbon-free and carbon-negative technologies

Shaping a national **energy policy** that ensures states' ability to plan and deploy a diverse set of low-carbon resources

# Making progress toward our decarbonization goals



# A path to net zero



## Coal

While coal has been key to supplying affordable energy to our customers, we are embracing an orderly transition of our coal fleet.

## Foundational

Nuclear, hydro and natural gas are foundational baseload and flexible components of an orderly transition.

## Expanding

We are expanding our deployment of renewables and energy storage, modernizing the electricity grid and enhancing energy efficiency programs.

## Emerging

Emerging technologies, such as carbon capture, use and storage (CCUS), renewable natural gas, next generation nuclear and hydrogen, will be key to achieving our emission reduction goals.

## Negative Carbon Concepts

Negative carbon concepts, such as natural solutions, biomass energy with CCUS and direct air capture, must emerge and become cost-effective to achieve net zero carbon emissions.



- Beneficial electrification
- Next-generation renewables and energy storage
- Resilient, fully integrated energy delivery grids
- Cost-effective carbon capture, use and storage (CCUS) technologies, including direct air capture
- Hydrogen and alternative energy carriers
- Advanced nuclear power generation
- Industry collaboration to advance low-carbon optionality



Our carbon emissions strategy aligns with our long-term business strategy.

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We are committed to being a leader in developing environmental solutions and technologies.

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Our future will build on our significant progress to date:

- ✓ Diversified portfolio
- ✓ Robust industry-leading R&D
- ✓ Shaping national energy policy



Southern  
Company