

Kemper combined cycle power plant achieves first year of operation

Plant has generated enough electricity to meet one-third of customers' needs



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GULFPORT, Miss., Oct. 22, 2015 /PRNewswire/ -- Mississippi Power announced today that during its first year of operation the Kemper County energy facility's combined cycle power plant has generated enough power to meet one-third of Mississippi Power customers' electricity needs.

The power plant began generating electricity for customers in August 2014. Kemper has generated more than 3.5 billion kilowatt hours, enough electricity to power the energy needs of 250,000 homes for a year.

"Not only is the plant generating power for our customers, but it is doing it in a highly-efficient way," said Mississippi Power CEO Ed Holland. "This is further proof that building Kemper was, and continues to be, the right decision for our customers."

Kemper is employing a method of power generation called combined cycle to produce power. The combined cycle power plant combines two gas-powered turbines with a steam turbine to make up to 50 percent more electricity from the fuel it consumes, greatly improving efficiency.

Kemper's plant operations are four times better than the national average. This is based on Kemper's Equivalent Forced Outage Rate (EFOR), which is the industry standard used to gauge a power plant's reliability.

"When the Mississippi Public Service Commission approved this facility back in 2010, they certified a need for additional capacity to serve our customers with reliable power in the coming decades," Holland said. "Kemper's combined cycle is a great step in meeting that need."

Mississippi Power, a subsidiary of Southern Company (NYSE: [SO](#)), produces safe, reliable and environmentally responsible energy for more than 186,000 customers in 23 southeast Mississippi counties. Mississippi Power has been recognized throughout the utility industry for excellence in storm restoration and recovery efforts and as a leader in safety. Visit our websites at mississippipower.com and mississippipowernews.com, like us on [Facebook](#), follow us on [Twitter](#), [LinkedIn](#), [Google+](#) and [YouTube](#).

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this release is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information

includes, among other things, statements concerning the benefits of the integrated coal gasification combined cycle project in Kemper County, Mississippi (the "Kemper IGCC"). Mississippi Power cautions that there are certain 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 Mississippi Power; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Mississippi Power's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: changes in tax and other laws and regulations to which Mississippi Power is subject as well as changes in application of existing laws and regulations; the ability to control costs and avoid cost overruns during the development and construction of facilities, which include the development and construction of generating facilities with designs that have not been finalized or previously constructed, including changes in labor costs and productivity, adverse weather conditions, shortages and inconsistent quality of equipment, materials, and labor, contractor or supplier delay, non-performance under construction or other agreements, operational readiness, including specialized operator training and required site safety programs, unforeseen engineering or design problems, start-up activities (including major equipment failure and system integration), and/or operational performance (including additional costs to satisfy any operational parameters ultimately adopted by the Mississippi Public Service Commission ("PSC")); 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; actions related to cost recovery for the Kemper IGCC, including the ultimate impact of the 2015 decision of the Mississippi Supreme Court, the Mississippi PSC's August 2015 interim rate order, and related legal or regulatory proceedings, Mississippi PSC review of the prudence of Kemper IGCC costs and approval of permanent rate recovery plans, actions relating to proposed securitization, the ability to utilize bonus depreciation, which currently requires that assets be placed in service in 2015, satisfaction of requirements to utilize investment tax credits and grants, and the ultimate impact of the termination of the proposed sale of an interest in the Kemper IGCC to South Mississippi Electric Power Association; and the ability of counterparties of Mississippi Power to make payments as and when due and to perform as required. Mississippi Power expressly disclaims any obligation to update any forward-looking information.

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