

Southern Company subsidiary announces another syngas production milestone at Kemper County energy facility

ATLANTA, Sept. 16, 2016 /PRNewswire/ -- Southern Company subsidiary Mississippi Power today announced it has started producing syngas using the second gasifier at the Kemper County energy facility – continuing progress toward the project's commercial operation.

"The technology being deployed at the Kemper County energy facility is tremendously important and highlights the benefits of 21st century coal as part of the full portfolio of energy resources," said Southern Company Chairman, President and CEO Thomas A. Fanning. "As the world watches the progress at Kemper, today's milestone serves as a testament to our employees and moves the facility closer toward full operation."

Syngas is created when the locally-mined lignite is heated at high temperatures in the plant's gasifiers, converting the coal to gas. The syngas, which is used similarly to natural gas, will produce electricity through the plant's combustion turbines.

"This is another exciting step toward commercial operation of Kemper," said Mississippi Power President and CEO Anthony L. Wilson. "Accomplishing this milestone on the second gasifier is key to the project's completion. We have a tremendous team that is working hard to make the entire Kemper project a clean, safe and reliable energy resource for our customers."

The company announced on July 15 that the project had produced its first syngas, demonstrating the viability of the Transport Integrated Gasification (TRIG™) technology which is being used for the first time at commercial scale at the facility. TRIG™ was developed by Southern Company, KBR and the U.S. Department of Energy (DOE) in Wilsonville, Ala. over the past two decades at the Power Systems Development Facility, a research facility operated in partnership between the DOE and Southern Company.

During the coming weeks, the Kemper team will be focused on proceeding toward operation at sustained capacity levels necessary for completion of the activities for the initial operations and testing of the syngas clean-up systems and the production of electricity using syngas. Ahead of using the syngas as fuel, it will be burned off using the plant's flare stacks.

About Southern Company

Southern Company (NYSE: [SO](#)) is America's premier energy company, with 44,000 megawatts of generating capacity and 1,500 billion cubic feet of combined natural gas consumption and throughput volume serving 9 million electric and gas utility customers through its subsidiaries. The company provides clean, safe, reliable and affordable energy through electric utilities in four states, natural gas distribution utilities in seven states, a competitive generation company serving wholesale customers across America and a nationally recognized provider of customized energy solutions, as well as fiber optics and wireless communications. Southern Company brands are known for excellent customer service, high reliability and affordable prices that are below the national average. Through an industry-leading commitment to innovation, Southern Company and its subsidiaries are inventing America's energy future by developing the full portfolio of energy resources, including carbon-free nuclear, 21st century coal, natural gas, renewables and energy efficiency, and creating new products and services for the benefit of customers. Southern Company has been named by the U.S. Department of Defense and G.I. Jobs magazine as a top military employer, recognized among the Top 50 Companies for Diversity by DiversityInc, listed by Black Enterprise magazine as one of the 40 Best Companies for Diversity and designated a Top Employer for Hispanics by Hispanic Network. The company has earned a National Award of Nuclear Science and History from the National Atomic Museum Foundation for its leadership and commitment to nuclear development and is continually ranked among the top utilities in Fortune's annual *World's Most Admired Electric and Gas Utility* rankings. Visit our website at www.southerncompany.com.

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 expected future milestones related to the completion of construction and start-up of the integrated coal gasification combined cycle project in Kemper County, Mississippi (the Kemper IGCC). Southern Company and Mississippi Power caution 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 Southern Company and Mississippi Power; 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 and Mississippi Power's Annual Reports on Form 10-K for the fiscal year ended December 31, 2015, 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 operating 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 December 2015 rate order, and related legal or regulatory proceedings, Mississippi PSC review of the prudence of Kemper IGCC costs and approval of further permanent rate recovery plans, actions relating to proposed securitization, satisfaction of requirements to utilize 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. Southern Company and Mississippi Power expressly disclaim any obligation to update any forward-looking information.

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