



PROSPECTUS

The Southern Company

Southern Investment Plan

The Southern Company (“Southern Company” or “Company”) is pleased to offer the Southern Investment Plan (“Plan”), a direct stock purchase plan designed to provide investors with a convenient method to purchase shares of Southern Company common stock and reinvest cash dividends in the purchase of additional shares.

This prospectus is prepared and distributed by Southern Company, the issuer of the securities offered. This prospectus relates to 4,004,733 shares of common stock previously registered and is part of a Registration Statement covering an additional 20,000,000 shares of Southern Company’s common stock, \$5 par value, registered for purchase under the Plan.

Shares of common stock will be purchased under the Plan, at the option of the Company, from original issue/treasury shares or shares purchased on the open market. If purchased from the Company, the price per share will be equal to the average of high and low market prices for the shares of the Company’s common stock shares traded on the New York Stock Exchange on the relevant investment date. For shares purchased on the open market, the price per share will be the weighted average price (excluding broker commissions and related fees) of all shares acquired during an investment period by a registered broker-dealer acting as an independent agent.

The Company will receive proceeds from the purchase of common stock pursuant to the Plan only to the extent that such purchases are made directly from the Company and not from open market purchases. Proceeds received by the Company, if any, will be used for general corporate purposes.

Southern Company common stock is listed on the New York Stock Exchange under the symbol “SO”.

See “Risk Factors” on page 2 for certain risks to consider before participating in the Plan or before purchasing shares of Southern Company common stock.

To the extent required by applicable law in any jurisdiction, shares of common stock offered under the Plan to persons not presently shareholders of record of common stock are offered only through a registered broker-dealer in such jurisdiction.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The principal executive offices of the Company are located at 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308, telephone 404/506-5000.

You should read this prospectus carefully and retain it for future reference.

The date of this prospectus is November 8, 2006.

TABLE OF CONTENTS
Southern Investment Plan

	<u>Page</u>
Prospectus Summary	1
Risk Factors	2
Southern Company Overview	2
Administration	3
Eligibility	4
Enrollment	4
Dividends	5
Optional Cash Payments	6
Purchase of Common Stock	7
Plan Shares	9
Sale of Plan Shares	10
Reports to Participants	12
Termination of Plan Participation	12
Costs and Expenses	12
Other Information	13
Interpretation of the Plan	14
Federal Income Tax Consequences	14
Use of Proceeds	14
Legal Matters	15
Experts	15
Where You Can Find More Information	15
Appendix A — Fee Schedule	A-1

This prospectus is not an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any state or country where the offer or sale is not permitted.

Southern Company has not authorized any person to give you any information that is different from, or in addition to, that contained in this prospectus or in any information that we incorporate by reference into this prospectus. If anyone gives you any such information, you should not rely it.

Southern Company does not imply by the delivery of this prospectus or the sale of any shares of Southern Company common stock hereunder that there has been no change in the affairs of Southern Company since the date of this prospectus or that the information in this prospectus is correct as of any time subsequent to the date of this prospectus.

SOUTHERN INVESTMENT PLAN PROSPECTUS SUMMARY

Enrollment: The Plan has a direct purchase feature that enables persons not presently owning Southern Company common stock to apply for enrollment by submitting an enrollment form and a cash investment of at least \$250 (\$25 for employees) for the purchase of common stock. There is a \$10 new account fee for non-shareholders and non-employees. Registered shareholders may apply for enrollment in the Plan by submitting the appropriate enrollment form. If shares of common stock are held in a brokerage account, investors may participate directly by registering some or all of these shares in the investor's name or by making arrangements with the broker, bank or other intermediary to participate on the investor's behalf.

Dividends: Participants in the Plan ("Participants") have the option of receiving or reinvesting the dividends on all shares. Dividends received can be electronically deposited to a bank account. Accounts will be credited with dividends on all whole and fractional shares.

Optional Investments: Participants can invest additional funds through optional cash payments ("Optional Cash Payments") of at least \$25 per single investment up to a maximum total amount of \$300,000 per calendar year. Optional investments can be made occasionally or at regular intervals. In addition to sending in checks, Participants can also make monthly Optional Cash Payments via electronic withdrawals (direct debit) from their bank accounts. Shares will be purchased with cash payments twice a month.

Direct Registration Shares: Direct registration enables an investor to be registered directly on the books of the Company without the need for physical certificates. Direct registration shares can be enrolled in the Plan. The Direct Registration System ("DRS") is managed by The Depository Trust Clearing Corporation ("DTCC") and enables its participants to electronically move securities between street-name ownership and the books of the Company.

Certificates: Stock certificates can be deposited into an account as Plan shares if the account is enrolled in the Plan.

Sale of Plan Shares: Only Plan shares may be sold through the Plan, subject to certain restrictions and limitations. A brokerage and service fee (currently \$0.06 per share) and any required tax withholdings and regulatory fees will be deducted from the proceeds of the sale. Sales requests are aggregated and generally processed within five business days of receipt of the sales request. A check for the proceeds will be made payable to the registered account owner(s) and mailed via First Class mail three business days after the sale when the trade settles.

Transfer of Shares: Participants may direct the transfer of all or a portion of their Plan shares, subject to standard transfer rules and requirements.

Plan Participation: Participants may change the terms of their participation in the Plan, except as described in this prospectus, by providing written instructions to SCS Stockholder Services.

Account Statement: Following the end of each calendar quarter, Participants will be sent a quarterly statement of account that will reflect the shares in the account and provide a record of dividends reinvested and/or paid, shares purchased with optional investments, Plan shares sold or transferred and quarter-ending account value.

Fees: Participants are not charged fees for the purchase of shares through the Plan. A one-time new account fee of \$10 is deducted from the initial cash payment provided with each Participant's enrollment form ("Initial Cash Payment"). Currently, a fee/commission of \$0.06 per share is deducted from the proceeds of any sale of Plan shares.

Use of Proceeds: To the extent that shares for the Plan are purchased from the Company, the funds will be used for general corporate purposes.

RISK FACTORS

Investing in Southern Company's common stock involves risk. Please see the risk factors described in Item 1A. of Southern Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, along with the disclosures related to risk factors contained in the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006, which are all incorporated by reference in this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this prospectus. The risks and uncertainties described are not the only ones facing Southern Company. Additional risks and uncertainties not presently known to Southern Company or that Southern Company deems immaterial may also impair its business operations, its financial results and the value of its securities.

SOUTHERN COMPANY OVERVIEW

Southern Company (NYSE: SO) was incorporated under the laws of Delaware on November 9, 1945. Southern Company is domesticated under the laws of Georgia and is qualified to do business as a foreign corporation under the laws of Alabama. The principal executive offices of Southern Company are located at 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308, and the telephone number is (404) 506-5000.

Southern Company owns all of the outstanding common stock of Alabama Power Company ("Alabama Power"), Georgia Power Company ("Georgia Power"), Gulf Power Company and Mississippi Power Company, each of which is an operating public utility company. The retail operating companies supply electric service in the states of Alabama, Georgia, Florida and Mississippi. Effective July 1, 2006, Savannah Electric and Power Company, which was an operating public utility company and a wholly-owned subsidiary of Southern Company, was merged with and into Georgia Power. In addition, Southern Company owns all of the common stock of Southern Power Company ("Southern Power"), which is also an operating public utility company. Southern Power constructs, owns and manages Southern Company's competitive generation assets and sells electricity at market-based rates in the wholesale market.

Southern Company also owns all the outstanding common stock or membership interests of Southern Communications Services, Inc. ("SouthernLINC Wireless"), Southern Nuclear Operating Company, Inc. ("Southern Nuclear"), Southern Company Services, Inc. ("SCS"), Southern Telecom, Inc. ("Southern Telecom"), Southern Company Holdings, Inc. ("Southern Holdings") and other direct and indirect subsidiaries. SouthernLINC Wireless provides digital wireless communications services to the retail operating companies and also markets these services to the public within the Southeast. Southern Nuclear provides services to Alabama Power's and Georgia Power's nuclear plants. SCS is the system service company providing, at cost, specialized services to the Company and its subsidiary companies. Southern Telecom provides wholesale fiber optic solutions to telecommunications providers in the Southeast. Southern Holdings is an intermediate holding subsidiary for Southern Company's investments in synthetic fuels and leveraged leases and various other energy-related businesses.

Southern Company has paid a dividend to its shareholders for 235 consecutive quarters — dating back to 1948. The dividend rate for June 6, 2006 and September 6, 2006 was \$.3875 per share. The dividend rate for March 6, 2006 was \$.3725 per share. See "Dividends" on page 5 for additional information.

Southern Company's common stock has been listed on the New York Stock Exchange ("NYSE") since September 30, 1949.

ADMINISTRATION

1. Who administers the Plan?

The Plan is administered by SCS, through the Company's stock transfer agent, registrar and dividend disbursing agent, SCS Stockholder Services. SCS Stockholder Services acts as agent for Participants and keeps records, sends statements and performs other duties relating to the Plan. If SCS resigns as Administrator, Southern Company would designate a new administrator.

2. How do I contact SCS Stockholder Services?

Mail

SCS Stockholder Services
P. O. Box 54250
Atlanta, Georgia 30308-0250

Phone

Toll-free 800/554-7626
FAX 404/506-0945

Courier

SCS Stockholder Services
30 Ivan Allen Jr. Blvd., N.W.
11th Floor — Bin SC1100
Atlanta, Georgia 30308

E-Mail

stockholders@southerncompany.com

When communicating with SCS Stockholder Services, Participants should provide their account number and a daytime telephone number. Participants may also be required to provide the account taxpayer identification number in order to receive account information. Plan documents and transaction request forms can be downloaded from the Southern Company web site at www.southerncompany.com.

3. In what form are instructions given to SCS Stockholder Services?

Generally, instructions from a Participant to SCS Stockholder Services must be in writing. In the future, SCS Stockholder Services may allow certain instructions to be given in other forms.

4. Is it important that I stay in contact with the SCS Stockholder Services?

Yes. Each state has unclaimed property laws that typically specify that if an account owner does not initiate "active contact" with a plan agent during any three-year period, the property in the account may be deemed "abandoned." For accounts that meet a state's definition of "abandoned," the plan agent is legally required to transfer the property in the account, including shares and dividends, to the state of the account's last known residence. To prevent this from occurring, Participants should immediately notify SCS Stockholder Services of any change of address and respond as directed to mailings requesting they contact SCS Stockholder Services.

5. What happens upon a Participant's death or legal incapacitation?

The Participant's legal representative should notify SCS Stockholder Services as soon as possible for specific information regarding the disposition of the assets.

6. May the Plan be amended, suspended or terminated?

Yes. Southern Company reserves the right to suspend, modify or terminate the Plan at any time. All Participants will receive notice of any such suspension, substantive modification or termination.

7. Who purchases and sells stock for the Plan?

SCS appoints a registered broker-dealer or bank as independent agent to purchase and sell stock on the open market on behalf of the Plan. SCS reserves the right to change the independent agent without notice.

ELIGIBILITY

8. Who is eligible to participate in the Plan?

Any person or legal entity residing in the United States, whether or not a common stock shareholder of record, is eligible to participate in the Plan. Citizens or residents of a country other than the United States, its territories and possessions are eligible to participate if such participation would not violate laws applicable to the Company or the Participant.

ENROLLMENT

9. How does an investor apply for enrollment in the Plan?

- ***New Investors***

New investors may apply by completing all required sections of the New Investor Enrollment Form and sending it to SCS Stockholder Services. The Form can be downloaded from the Company's web site. The Form must be accompanied by an Initial Cash Payment in the form of a check drawn on the payer's own account made payable in U.S. dollars to Southern Company. The minimum amount for an Initial Cash Payment is \$250 and the amount can not exceed \$300,000. A \$10 enrollment fee will be deducted from the Initial Cash Payment. Do not send cash or third party checks.

If the account will be registered in more than one name, all potential Participants must sign the New Investor Enrollment Form. SCS Stockholder Services reserves the right to limit or combine accounts with identical taxpayer identification numbers and/or legal registrations.

- ***Shareholders of Record — Registered***

Shareholders who have a current account but are not enrolled in the Plan may apply by sending a completed Current Shareholder Enrollment Form to SCS Stockholder Services. To request a Form, call SCS Stockholder Services or download the Form from the Company's web site. There is no enrollment fee for shareholders of record.

- ***Employees***

Full or part-time employees of the Company or any of its subsidiaries may apply by returning a completed Employee Enrollment Form and a check drawn on the payer's own account made payable in U.S. dollars to Southern Company for at least \$25. The Form is available from SCS Stockholder Services. There is no new account fee. Accounts established through the employee enrollment process must contain the employee's name in the registration.

- ***Beneficial Owners***

Beneficial owners of common stock whose shares are held in “street-name” brokerage accounts can make arrangements with their brokers to participate on their behalf if such service is offered by the brokers.

10. When will enrollment take effect?

Investors applying for enrollment will become Participants after a properly completed enrollment form has been received and accepted by SCS Stockholder Services.

11. Will interest be paid on Initial Cash Payments held for investment pending the purchase of shares?

No.

DIVIDENDS

12. When are dividends paid?

The dividend record date is the date on which you must be registered as a shareholder in order to receive a declared dividend. Historically, record dates generally have been the first Monday of February, May, August and November. The payment date is the day when the dividend is payable to shareholders of record. Payment dates generally have been the sixth day of March, June, September and December.

Dividends and associated record and payment dates are subject to declaration by the Southern Company Board of Directors. The timing and amount of future dividends will depend on earnings, cash requirements, the financial condition of Southern Company and its subsidiaries, applicable government regulations and other factors deemed relevant by the Southern Company Board of Directors.

13. What is the deadline for designating a dividend option?

When a Participant chooses or changes a dividend option, written instructions must be received by SCS Stockholder Services before a dividend record date to be effective for the related dividend payment date. A Participant may change a dividend option at any time by sending written instructions or a signed transaction form to SCS Stockholder Services.

14. Will interest be paid on dividends held for investment pending the purchase of shares?

No.

15. What are the options for reinvesting or receiving dividends?

Participants have three options regarding how their dividends can be treated under the Plan. Optional Cash Payments can be made under any option.

A. Full Dividend Reinvestment: Reinvest all dividends payable on Southern Company shares including certificated, Plan and DRS shares. Unless otherwise specified, all Plan shares will be treated as Full Dividend Reinvestment.

B. Partial Dividend Reinvestment:

1. Reinvest the dividends on a specified number of whole shares and receive dividends on the remaining shares. Shares specified to reinvest dividends may be made up of a combination of certificated, Plan and DRS shares.

2. Receive dividends on a specified number of whole shares and reinvest dividends on the remaining shares. Shares specified to receive dividends may be made up of a combination of certificated, Plan and DRS shares.

C. Cash Dividends: Receive all dividends payable on Southern Company shares including certificated, Plan and DRS shares.

16. Can I have my cash dividends electronically deposited?

Yes. Participants may request that cash dividends be transmitted to a Participant's pre-designated bank account. No third party accounts can be utilized. The account must be at a financial institution that is a member of the National Automated Clearing House Association. To initiate this service, Participants should send a completed Electronic Dividend Deposit Form along with a voided check or savings deposit slip to SCS Stockholder Services. The Form can be found on a dividend check stub or can be downloaded from the Company's web site. Initial set-up or changes to electronic deposit instructions will be made as soon as practicable.

OPTIONAL CASH PAYMENTS

17. What are the minimum and maximum amounts for Optional Cash Payments?

The minimum Optional Cash Payment is \$25 per payment and the maximum is \$300,000. The total amount of Optional Cash Payments that can be credited to any individual account during a calendar year is \$300,000, which includes the Initial Cash Payment. There is no obligation to make an Optional Cash Payment in any period, and the same amount need not be sent each time.

18. How do I make an Optional Cash Payment?

Participants should send a check drawn on the payer's own account made payable, in U.S. dollars, to Southern Company. The check should be accompanied by the Optional Cash Payment portion of an account statement and mailed to SCS Stockholder Services. If the check representing an Optional Cash Payment does not have the Participant's account number written on it, the check may be returned.

19. Are there deadlines for receipt of Optional Cash Payments?

Yes. Optional Cash Payments must be received at SCS Stockholder Services no later than three business days prior to the 10th and 25th of each month. Payments received after the deadline will be credited to the Participant's account and may not be used to purchase shares until the next investment period.

20. Can I have Optional Cash Payments automatically withdrawn from my bank account?

Yes. You can authorize monthly electronic withdrawals (direct debit) from your account at a financial institution that is a member of the National Automated Clearing House Association. No third party accounts can be utilized. The minimum amount for monthly direct debit is \$25. To initiate this service, Participants

must send a completed Direct Debit Form to SCS Stockholder Services. The Form can be downloaded from the Company's web site.

Funds will be withdrawn from the Participant's account on the last banking day of each month and will be used to purchase common stock during the investment period following the date of such debit. To change any aspect of the instruction, Participants must send a revised Direct Debit /Change Form or written instructions to SCS Stockholder Services. Initial set-up or changes to direct debit instructions will be made as soon as practicable.

21. Will interest be paid on Optional Cash Payments held for investment pending the purchase of shares?

No.

22. Can a cash payment be refunded?

Yes, if shares have not yet been purchased and credited to the account. A written request to refund a cash payment must be received by SCS Stockholder Services no later than three business days prior to the start of an Investment Period (10th and 25th of each month). Refund checks will be issued only after confirmation that the monies representing the payment to be refunded have been received by SCS Stockholder Services. This process will take up to 10 days.

23. How are payments with "insufficient funds" handled?

If SCS Stockholder Services does not receive credit for a cash payment because of insufficient funds or incorrect draft information, SCS Stockholder Services will consider the request for such purchase null and void and will immediately remove from the Participant's account any shares already purchased upon the prior credit of such funds. SCS Stockholder Services is entitled to place a "hold" on the account until an "insufficient funds" fee is received from the Participant or to sell any such shares to satisfy any uncollected amounts. (See Appendix A — Fee Schedule).

In the event the net proceeds of the sale of such shares are insufficient to satisfy the balance of such uncollected amounts, SCS Stockholder Services may sell such additional shares from the Participant's account as are necessary to satisfy the uncollected balance. At SCS Stockholder Services' discretion, the Participant may be prohibited from submitting future Optional Cash Payments.

PURCHASE OF COMMON STOCK

24. What is the source of stock purchased through the Plan?

At the Company's discretion, stock for the Plan will be purchased on the open market or purchased directly from the Company.

25. How is stock purchased on the open market?

SCS Stockholder Services will separately aggregate Participants' dividends for reinvestment and Initial or Optional Cash Payments and notify the independent agent of the amount available for purchase for the relevant Investment Period. The independent agent has sole control over the time and price at which it purchases common stock for the Plan.

26. How is the purchase price determined?

The price per share for shares purchased on the open market will be the weighted average price paid by the independent agent to acquire the shares, excluding broker commissions and related fees.

The price per share for shares purchased from the Company with dividends will be equal to the average of the high and low market prices on the dividend payment date. For shares purchased from the Company with cash payments, the price per share will be equal to the average of the high and low market prices on the 10th or 25th of the month, as applicable. The price for shares purchased from the Company will be calculated based on market prices as reported by the NYSE for composite transactions or other authoritative source reporting NYSE composite transactions.

When shares are purchased from the Company and the stock is not traded on the NYSE on the days specified above, the price for shares purchased with dividends will be equal to the average of the high and low market prices on the trading days immediately preceding and following the dividend payment date. For shares purchased with cash payments, the price will be the average of the high and low market prices on the trading day immediately following the 10th or 25th.

27. Who pays brokerage commissions on share purchases?

The Company will pay the brokerage commission on shares purchased on the open market. These commissions will be considered as additional income to Participants for tax purposes and will be reported on Internal Revenue Service (“IRS”) Form 1099-DIV year-end tax statements. There are no commissions on shares purchased from the Company.

28. When are the Investment Periods for the purchase of shares?

For Dividends

There is one Investment Period per quarter for dividends. If shares are to be purchased on the open market, purchases may begin up to three business days before the dividend payment date and will be completed no later than 30 days after the dividend payment date, except where beginning at an earlier date or completion at a later date is necessary or advisable under applicable federal regulations and securities laws.

For Cash Payments

There are two Investment Periods each month for cash payments which start on the 10th or 25th of each month. If shares are to be purchased on the open market, purchases can begin at the start of the Investment Period or, if the NYSE is closed, the next business day. Purchases will usually be completed before the next Investment Period begins, but no longer than 30 days after receipt of cash payments. However, the independent agent in its sole discretion may extend the purchase period if completion at a later date is necessary or advisable under applicable federal regulations and securities laws.

29. When will purchased shares be credited to my account?

Shares purchased on the open market will be credited to accounts in book-entry form on the date the last purchase of shares has settled.

Shares purchased from the Company with dividends will be credited to accounts in book-entry form on or about the dividend payment date. Shares purchased from the Company with cash payments will be credited to accounts in book-entry form on or about the 10th or 25th of the month.

30. Can I request the purchase of a specific number of shares, a specific purchase price or a specific purchase date?

No. To avail yourself of these options, shares are typically purchased through a broker-dealer.

PLAN SHARES

31. How do I transfer my Plan shares?

A Participant may transfer the ownership of all or a portion of Plan shares by sending SCS Stockholder Services a written transfer request or properly executed “stock power”. Transfer instructions and stock powers can be downloaded from the Company’s web site.

Generally, the signatures of all account owners on a stock power or transfer instruction must be “medallion guaranteed” by a guarantor. Guarantors are commercial banks and NYSE member brokers who participate in the Securities Transfer Agents Medallion Program or other recognized signature guarantee programs.

Shares will be transferred in book-entry form. For transfers to an existing account, the transfer instructions should specify the recipient’s account number. If the transfer results in the establishment of a new account, all transferred shares will automatically be enrolled as Full Dividend Reinvestment. New Plan Participants will be sent Plan information and forms through which they may make elections with regard to Plan options and services, including the reinvestment of dividends.

32. Can Plan shares be pledged or assigned?

No.

33. Can I obtain a stock certificate for my Plan shares?

Yes. At present, Participants can obtain a **single** certificate for any or all of their whole Plan shares by sending a written request to SCS Stockholder Services. A **single** certificate will be issued within two business days of receipt of the written request if no sale of shares is involved. Requests for multiple certificates may entail a service fee.

The issuance of Plan shares in certificate form will not change a Participant’s dividend reinvestment instructions unless otherwise directed. Shares issued from an account in certificate form will be produced in the name(s) in which the account is registered. A certificate for a fraction of a share cannot be issued.

34. Can I “gift” shares to others?

Yes. To “gift” Plan shares requires a legal transfer to or the purchase of shares for another person. No provision is available for delaying confirmation of the transaction to the recipient of either a transfer or purchase. Shares of stock may be provided in three ways:

A. Submit a completed New Investor Enrollment Form with a minimum Initial Cash Payment of \$250 to establish an account in the recipient’s name.

B. Submit an Optional Cash Payment of at least \$25 on behalf of a person who is currently a Participant and provide the Participant’s account number.

C. Transfer shares from an existing Participant’s account to another person.

Shares purchased or transferred will be credited to the recipient’s account in book-entry form. All Plan provisions relating to the establishment of a new account, processing of cash payments and the transfer of shares apply to the above.

35. Can I have my stock certificates deposited in my account as Plan shares?

Yes. Participants may send SCS Stockholder Services their stock certificate(s) and request in writing that they be deposited as Plan shares into their accounts. It is suggested that stock certificates be sent by “registered and insured” mail or by some other safe means as the Participant bears the risk of loss in transit. The certificate(s) should not be endorsed and the package should be insured for two percent of the market value.

A completed Current Shareholder Enrollment Form must also be provided if the account is not already enrolled in the Plan. The Form can be downloaded from the Company’s web site. Deposited shares will be enrolled as Full Dividend Reinvestment unless otherwise instructed.

36. Can DRS shares participate in the Plan?

Yes. If not already enrolled in the Plan, send SCS Stockholder Services an Enrollment Form which is available by calling SCS Stockholder Services or downloading the form from the Company’s web site. If already enrolled, provide instructions to SCS Stockholder Services on whether to reinvest dividends from DRS shares.

SALE OF PLAN SHARES

37. How do I request that my Plan shares be sold?

Participants should send a completed Sell portion of an account statement or a written sales request to SCS Stockholder Services. Any sales request must be signed by all account owners.

38. What are the options for selling Plan shares?

Upon receipt of a written request signed by ALL account owners, SCS Stockholder Services can:

A. Issue a certificate for the whole Plan shares and sell any fractional share;

B. Issue a certificate for a portion of the whole Plan shares and sell all remaining Plan shares;

C. Sell all or a portion of whole Plan shares.

If and when the Company eliminates paper certificates, shares will be issued in DRS form.

39. Can certificate and DRS shares be sold through the Plan?

No. Certificate and DRS shares must first be deposited to a properly enrolled account. To sell Plan shares outside of the Plan, Participants should request a certificate be issued or request a broker to initiate a DRS transaction to deliver the shares.

40. How and when are Plan shares sold?

Sales requests are aggregated and generally processed within five business days of receipt. SCS Stockholder Services forwards sales instructions to the independent agent who will place the order on the open market. The Participant will receive the proceeds of the sale, less any applicable broker commission and related service and regulatory fees (see Appendix A — Fee Schedule).

41. When will I receive a check?

A check for the sale proceeds, made payable to the registered account owner(s), will be mailed First Class by SCS Stockholder Services three business days **after** the sale date when the trade settles.

42. Is there a time when I cannot sell Plan shares?

Yes. Shares will not be sold during the dividend posting period which extends from ex-dividend date, as established by the NYSE, to four business days after dividend record date. Any sales requests received during this period will be held, then processed after the dividend posting period ends.

43. Can I request the sale of my shares at a specific price or on a specific date?

No. To avail yourself of these options, shares are typically sold through a broker-dealer.

44. Can sale proceeds be electronically deposited to a bank account?

No.

45. What is the cost basis of shares sold through the Plan?

The cost basis is generally the original purchase price including commissions and other fees. If you acquired a security other than by purchasing it, the cost basis may be the value at the time you receive it. Participants are advised to consult their own tax or financial advisor with respect to the tax consequences of participation in the Plan (including federal, state, local and other tax laws and U.S. withholding laws).

46. How can the cost basis be determined for shares purchased through the Plan if I don't have all the original purchase information?

Copies of annual account statements are available from SCS Stockholder Services from 1998 forward at no cost. Information from 1988 through 1997 can be obtained from the SCS Stockholder Services for a service fee.

REPORTS TO PARTICIPANTS

47. What reports will I receive as a Participant?

Following the end of each calendar quarter, SCS Stockholder Services will send statements to account owners. These statements will be placed in the mail within five to seven business days after the end of the quarter. The statement will reflect the shares in the account and provide a record of dividends paid and/or reinvested, shares purchased with Initial and Optional Cash Payments, certificates deposited, shares sold or transferred and quarter ending account value. Participants can also view account information online (see Q. 57).

Participants will also receive a year-end statement summarizing Plan activity during the year and IRS Form 1099-DIV showing total dividends paid. If applicable, IRS Form 1099-B will be provided separately representing the proceeds of any stock sale. Each Participant will also receive any communications sent to record holders of common stock, including the Annual Report and Proxy Statement.

Participants should retain all statements. These statements provide cost basis information which is necessary for certain tax calculations. Requests for replacement account activity information may entail a service fee.

TERMINATION OF PLAN PARTICIPATION

48. Can SCS Stockholder Services terminate my participation in the Plan?

Yes. If the Plan share balance in an account is less than 10 shares and there are no certificate or DRS shares in the account, SCS Stockholder Services reserves the right to terminate the account without advance notice. The shares will be sold and a check for the value (based on the then current market price, less applicable broker commissions and service fees) will be sent to the Participant. SCS Stockholder Services reserves the right to waive certain sales fees when terminating participation of accounts. Further, SCS Stockholder Services reserves the right to modify, suspend or terminate participation in the Plan by otherwise eligible persons in order to eliminate practices which are inconsistent with the purpose of the Plan.

COSTS AND EXPENSES

49. Are there any costs to open a new Plan account through which to purchase shares?

Yes. There is a one time fee for eligible investors other than shareholders of record and employees of the Company or any of its subsidiaries (see Appendix A — Fee Schedule).

50. After payment of the one-time fee, are there any costs to participate or purchase stock under the Plan?

No. All costs of administration of the Plan and purchase commissions and fees are paid by the Company.

51. Is there a cost to sell shares through the Plan?

Yes. Participants pay a broker commission/service fee on each share of stock sold through the Plan (see Appendix A — Fee Schedule).

52. Can the Fee Schedule be changed?

Yes. SCS Stockholder Services reserves the right to impose or modify any or all fees in the future. Changes in the Fee Schedule will be announced to Participants approximately 60 days prior to the effective date. Any such change will be deemed to be accepted by Participants who do not terminate participation in the Plan prior to the effective date of the change. Participants should contact SCS Stockholder Services to obtain current fee information.

OTHER INFORMATION

53. What impact will a stock dividend or stock split have?

Any dividends payable in common stock or common stock split shares distributed by the Company on Plan shares will be added to the account in DRS form.

54. How do I vote my Plan shares?

All Plan shares are voted in the same manner as certificate and DRS shares registered in a shareholder of record's name. Participants will receive proxy materials from the Company for each stockholder meeting, including a form of proxy that includes all Plan shares as of the proxy record date. If no instructions are received on a returned and signed form of proxy with respect to any item thereon, all of a Participant's whole and fractional shares will be voted in accordance with the recommendations of the Company's Board of Directors. If the form of proxy is not returned or is returned unsigned, none of the Participant's shares will be voted unless the Participant votes in person or appoints another person as proxy to vote his or her shares.

55. How will my Plan account be impacted if Southern Company has a rights offering?

If the Company has a rights offering, warrants representing the rights on all Plan shares registered in the name of SCS (or its nominee) will be issued to SCS who will sell such rights, credit each Participant's account in proportion to the full and fractional shares held on the record date for such rights and treat the proceeds as an Optional Cash Payment. The proceeds will not be subject to the annual \$300,000 cash maximum. Any Participant who wishes to exercise stock purchase rights on his or her Plan shares must request, prior to the record date for any such rights, that SCS forward to him or her a certificate or DRS statement for full shares. Warrants representing rights on shares held directly by Participants will be mailed directly to them in the same manner as to shareholders not participating in the Plan.

56. What are the responsibilities of the Company and SCS Stockholder Services under the Plan?

The Company and SCS, in administering the Plan, will not be liable for any act performed in good faith or for any good faith omission to act, including, without limitation, any claim of liability arising out of failure to close a Participant's account upon such Participant's death prior to receipt of notice in writing of such death. However, the Company remains liable for violations of the federal securities laws.

57. What information is available about the Plan through the Internet?

Extensive information about the Company and the Plan is available through the Company's web site at <http://www.southerncompany.com>. Within the Investor Relations/SCS Stockholder Services section, you can

download various transaction request forms, review responses to Frequently Asked Questions and obtain on-line access to stockholder account information, including shares and transactions associated with the Plan.

58. Am I protected against losses by participating in the Plan?

No. Participants should recognize that neither the Company nor SCS can assure them of profit or protect them against a loss on the shares purchased or sold under the Plan. See “Risk Factors” on page 2 for additional information.

INTERPRETATION OF THE PLAN

The Company may in its absolute discretion interpret and regulate the Plan as deemed necessary or desirable in connection with the operation of the Plan and direct SCS Stockholder Services with respect to resolving questions or ambiguities concerning the various provisions of the Plan.

FEDERAL INCOME TAX CONSEQUENCES

Participants are advised to consult their own tax or financial advisor with respect to the tax consequences of participation in the Plan (including federal, state, local and other tax laws and U.S. withholding laws).

In general, the dividends paid on common stock are considered taxable income, whether the shares are held in certificate, in DRS or through the Plan and whether the dividends are received in cash or reinvested through the Plan. The information sent to you and reported to the IRS after each year-end will provide the information required to complete your income tax return.

The basis of shares acquired through the reinvestment of dividends will be equal to the value of dividends reinvested. The basis of shares purchased with cash investments will be equal to the amount of such investments.

Upon the sale of either a portion or all shares from the Plan, a Participant may, in general, recognize a capital gain or loss based on the difference between the sales proceeds and the tax basis in the shares sold, including any fractional share. The capital gain or loss will be long-term if the shares were held for more than one year.

For Participants who are subject to U.S. withholding or foreign taxes, the Company will withhold the required taxes from the gross dividends or proceeds from the sale of shares. The dividends or proceeds received by the Participant, or dividends reinvested on behalf of the Participant, will be net of the required taxes. Voluntary tax withholding is not an option.

Participants should retain all statements. These statements provide cost basis information which is necessary for certain tax calculations. Requests for replacement account activity information may entail a service fee.

USE OF PROCEEDS

Southern Company will receive proceeds from purchases of common stock under the Plan only if the purchases are made directly from Southern Company, rather than by the independent agent on the open market. Southern Company will use any such proceeds for general corporate purposes.

LEGAL MATTERS

The validity of the shares of Southern Company common stock being offered through this prospectus is being passed upon by Troutman Sanders LLP, Atlanta, Georgia.

EXPERTS

The consolidated financial statements, the related consolidated financial statement schedule, and management's report on the effectiveness of internal control over financial reporting incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2005, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Southern Company has filed a registration statement on Form S-3 to register with the Securities and Exchange Commission ("SEC") the shares of Southern Company's common stock to be offered for purchase by Participants. This prospectus is part of that registration statement. The registration statement, including the exhibits to the registration statement, contains additional information about Southern Company and its common stock. As allowed by SEC rules, this prospectus does not contain all of the information you can find in the registration statement or the exhibits thereto.

Southern Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and accordingly files annual, quarterly and current reports and other information with the SEC. Such reports, proxy statements and other information can be inspected and copied at the SEC Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 800/SEC-0330. The SEC maintains a web site that contains reports, proxy and information statements and other information regarding registrants including Southern Company that file electronically at <http://www.sec.gov>. The common stock of Southern Company is listed on the NYSE and reports, proxy statements and other information concerning Southern Company can be inspected at 20 Broad Street, New York, New York 10005.

The SEC allows the Company to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring to these documents. The information incorporated by reference is an important part of this prospectus and should be read with the same care. The following documents are incorporated in and made part of this prospectus by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2005.
2. Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006.
3. Current Reports on Form 8-K dated January 4, 2006, February 20, 2006, March 16, 2006, March 17, 2006, June 15, 2006, June 27, 2006, October 17, 2006, October 18, 2006 and October 27, 2006.
4. The description of Southern Company's common stock contained in Registration No. 333-138503 filed under the Securities Act of 1933, as amended.

All documents filed by the Company with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this prospectus and prior to the termination of this offering shall be deemed to be incorporated in this prospectus by reference and made a part of this prospectus from the date of filing of such documents; provided, however, the Company is not incorporating any information furnished under Items 2.02 or 7.01 of any Current Report on Form 8-K unless specifically stated otherwise. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Southern Company hereby undertakes to provide without charge to each person to whom a copy of this prospectus has been delivered, on the written or oral request of any such person, a copy of any or all of the documents referred to herein under the caption “Where You Can Find More Information” which have been or may be incorporated by reference in this prospectus, other than exhibits to such documents unless such exhibits are specifically incorporated by reference. You may request a copy of these filings by writing or calling at the following address or telephone number:

SCS Stockholder Services
P.O. Box 54250
Atlanta, GA 30308-0250
800/554-7626

SOUTHERN INVESTMENT PLAN

Fee Schedule*

<u>Item</u>	<u>Fee/Commission</u>
New Account Fee	\$10.00 — deducted from Initial Cash Payment
Purchase of Shares	No charge
Sale of Shares	\$0.06 per share
Insufficient Funds	
• Check or Direct Debit	\$30 per item
Replacement Documents	
• IRS Form	No charge
• Check	No charge
• Account Statements (1998 to current year)	No charge
• Check copy (2001 to current year)	No charge
Plan Information from 1988 through 1997 Requiring Research	\$30 per account per request
Transaction Information Prior to 1988	Not Available

*Subject to Revision — See Question 52

Contact SCS Stockholder Services at 800/554-7626 to obtain current fee information.

