SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the "Agreement") is made and entered into as of this 13th day of September, 2016 (the "Effective Date"), by and between **Southern Company Services, Inc.**, a corporation organized under the laws of the state of Alabama ("Service Provider") and **Southern Company Holdings, Inc.**, a corporation organized under the laws of state of Delaware ("Company").

BACKGROUND:

WHEREAS, Service Provider is a direct subsidiary of The Southern Company ("Southern") and Company is a direct subsidiary of Southern, and, together with Southern's operating subsidiaries ("Client Operating Companies"), other subsidiaries and Southern, form the Southern electric system;

WHEREAS, Service Provider is a centralized service company organized, staffed, and equipped to render to Client Operating Companies, Southern, and the Company (collectively, the "Companies") services as herein provided; and

WHEREAS, Company desires for Service Provider, as a centralized service company, to provide certain services to Company and its subsidiaries, and Service Provider is willing to provide such services, all subject to and in accordance with the terms and conditions contained herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Service Provider hereby agree as follows:

TERMS AND CONDITIONS:

1. Services.

1.1 During the term of this Agreement, Service Provider agrees that it will provide to Company and Company's subsidiaries such services as are listed on Exhibit A, and as otherwise may be agreed from time to time (each a "Service" and collectively, the "Services"). Exhibit A may be amended from time to time upon written notice from Company to Service Provider to include additional services, unless Service Provider elects not to include such services in Exhibit A.

1.2 Company hereby appoints Service Provider to act as its agent in the performance of the Services. Such authorization shall include, but not be limited to, the right and authority for Service Provider to perform, negotiate, execute, and administer agreements on Company's behalf as such agreements relate to the Services.

1.3 Company will use reasonable efforts in performing assistance and support for Service Provider as Service Provider performs its obligations under this Agreement.

1.4 Service Provider will, as and to the extent reasonably required for Company, keep itself and its personnel available and competent to render to Company the Services on the same basis as such services are provided to the other Client Operating Companies.

2. Compensation of Service Provider.

2.1 As compensation for Services rendered by Service Provider pursuant to this Agreement, Company hereby agrees to pay to Service Provider the cost of such Services, computed in accordance with accounting standards applicable to Client Operating Companies and Service Provider or as otherwise provided by applicable law. Bills will be rendered for the amount of such cost on or before the 10th day of the succeeding month and will be payable on or before the 20th day of such month.

2.2 Cost of Services to be paid by Company will include direct charges and Company's pro rata share of certain of Service Provider's costs, determined as set forth below:

(a) To the extent that the costs incurred by Service Provider in connection with Services rendered by it to Company or Company's subsidiaries can be identified and related to a particular transaction, direct charges will be made by Service Provider to Company.

(b) Such costs incurred by Service Provider in connection with rendering Services to Company or Company's subsidiaries as cannot be identified and related to a particular transaction will be charged to Company in a fair and equitable manner in accordance with Service Provider's then effective applicable methods of allocation.

3. Work Orders.

3.1 The Services will be performed in accordance with work orders or written requests issued or made by or on behalf of Company or its subsidiaries and accepted by Service Provider and all Services will be assigned an applicable work order number to enable specific work to be properly allocated by project or other appropriate basis. Work orders will be as specific as practicable in defining the Services requested to be performed.

3.2 Company will have the right from time to time to amend, alter or rescind any work order, provided that (a) any such amendment or alteration which results in a material change in the scope of the work to be performed or equipment to be provided is agreed to by Service Provider, (b) the costs for the Services covered by the work order will include any expense incurred by Service Provider as a direct result of such amendment, alteration, or rescission of the work order, and (c) no amendment, alteration or rescission of a work order will release Company from liability for all costs already incurred or contracted for by Service

Provider pursuant to the work order, regardless of whether the work associated with such costs has been completed.

4. Provision of Personnel.

4.1 Where specifically requested by Company, Service Provider may, in its sole discretion, loan its employees to Company. In that event, such loaned employees will be under the sole supervision and control of Company for such period or periods of time as are necessary to complete the work to be performed by such employees. Such employees may be withdrawn by Service Provider from tasks assigned by Company only with the consent of Company, which consent will not be unreasonably withheld in the event of a demonstrable emergency requiring the use of such employees in another capacity for Service Provider.

4.2 Company will be responsible for the actions and activities of all Service Provider employees while engaged in the performance of the work to the same degree as though such persons were employees of Company.

4.3 Notwithstanding Section 4.2, Service Provider, during periods when employees are loaned to Company, will continue to provide to such employees those same payroll, pension, savings, tax withholding, unemployment, bookkeeping, and other personnel support services then being utilized by Service Provider in connection with compensating and benefiting such employees.

5. [INTENTIONALLY OMITTED]

6. Term and Termination.

6.1 This Agreement is effective for an initial term of one year commencing on the Effective Date and, unless terminated as provided herein, will be extended automatically for an indefinite term.

6.2 Either Service Provider or Company may terminate this Agreement at any time for its convenience without charge or liability by giving one year prior written notice of termination to the other party.

6.3 Notwithstanding anything to the contrary elsewhere in this Agreement, each party, by and upon written notice to the other, may terminate this Agreement or suspend its further performance without terminating this Agreement if the other party:

(a) terminates or suspends doing business;

(b) becomes subject to any bankruptcy or insolvency proceeding under federal or state law (unless removed or dismissed within 60 days from the filing thereof), becomes insolvent, becomes subject to direct control of a trustee, receiver or similar authority, or makes an assignment for the benefit of creditors; or

(c) commits a material breach of or fails to perform any obligation under this Agreement and has not cured such breach or failure (or, if the breach or failure is such that the cure would take a longer period, commenced to cure and proceeded diligently therewith) within 30 days of receiving written notice from the terminating party specifying such breach or failure.

7. Limited Warranty.

7.1 Service Provider warrants that all Services performed by Service Provider under this Agreement will be performed in a professional and workmanlike manner in accordance with all applicable laws, rules, and regulations.

7.2 EXCEPT AS EXPRESSLY PROVIDED IN SECTION 7.1, SERVICE PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES OF ANY KIND, NATURE OR DESCRIPTION, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SERVICE PROVIDER HEREBY DISCLAIMS THE SAME.

7.3 Company's sole and exclusive remedy and Service Provider's entire liability for breach of the warranty set forth in Section 7.1 or for any other defect or nonconformance in the Services shall be to request, within the twelve month period following completion of the particular defective or nonconforming Service, correction or reperformance of such Service. If Company makes such a request, then Service Provider will use commercially reasonable efforts to promptly correct or reperform without charge any Service found actually to be defective or nonconforming.

8. Indemnification and Limitation of Liability.

8.1 Company agrees to indemnify, defend, and hold harmless Service Provider and its employees, officers, directors, partners, representatives or any such entity, from and against any and all third-party claims, damages, losses, liability, causes of action, judgments, costs, and expenses (including, without limitation, reasonable attorney's fees) asserted against or suffered by Service Provider arising out of or related to the performance of Services under this Agreement, except to the extent that such damages are caused directly or indirectly by the gross negligence or willful misconduct of Service Provider.

8.2 Service Provider agrees to indemnify, defend, and hold harmless Company and its employees, officers, directors, partners, representatives or any such entity, from and against any and all third-party claims, damages, losses, liability, causes of action, judgments, costs, and expenses (including, without limitation, reasonable attorney's fees) asserted or suffered by Company resulting from Service Provider's gross negligence or willful misconduct in the performance of Services under this Agreement.

8.3 EXCEPT FOR ANY AMOUNTS FOR SERVICES THAT ARE DUE AND PAYABLE UNDER THIS AGREEMENT, SERVICE PROVIDER AND COMPANY'S

MAXIMUM AGGREGATE LIABILITY UNDER THIS AGREEMENT OR OTHERWISE RELATED TO THE PERFORMANCE OF ANY SERVICE WILL BE THE AMOUNT PAID FOR SUCH SERVICE DURING THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE TIME WHEN SUCH CLAIM WAS MADE.

8.4 In no event will either party be liable to the other for any incidental, consequential, punitive, or other special damages incurred by such party in connection with the provision of any Service hereunder.

8.5 The limitation of liability provisions contained in this Section 8 will not apply to either party's indemnification obligations under this Agreement.

8.6 The provisions of this Section 8 will survive any termination or expiration of this Agreement.

9. Notices. All notices permitted or required to be given under this Agreement will be in writing and will be deemed duly given upon personal delivery, by overnight courier or by electronic transmission to the address set forth below or to such other address as the receiving party may have designated by 10 days prior written notice given in accordance with this provision.

If to Service Provider:

Southern Company Services, Inc.
30 Ivan Allen Jr. Blvd., NW
Atlanta, Georgia 30308
Attn: Treasurer
Bin: SC1406

If to Company:

Southern Company Holdings, Inc.
30 Ivan Allen Jr. Blvd., NW
Atlanta, Georgia 30308
Attn: Treasurer
Bin: SC1501

10. Force Majeure. No party will be liable for any default or delay in the performance of any of its obligations hereunder (other than payment for services rendered) if such default or delay is caused, directly or indirectly, by conditions beyond the reasonable control of such party, including without limitation any fire, flood, earthquake, the elements, or other such occurrences; labor disputes, strikes or lockouts; wars (declared or undeclared),

rebellions or revolutions in any country; riots or civil disorder; accidents or unavoidable casualties; interruptions of transportation or communications facilities or delays in transit or communication; supply shortages; or laws, rulings, regulations, decisions or requirements, whether valid, invalid, formal or informal, of any government, tribunal or governmental agency, board or official; provided, however, that during the period the party's performance is excused because of the foregoing, such party continues to diligently overcome such cause.

11. Miscellaneous.

11.1 This Agreement constitutes the entire agreement between the parties and supersedes and cancels any prior agreements, representations, warranties, or communications, whether oral or written, between the parties relating to the transactions contemplated hereby or the subject matter herein. Except where expressly provided herein, neither this Agreement nor any provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an agreement in writing signed by the party against whom or which the enforcement of such change, waiver, discharge or termination is sought.

11.2 Neither this Agreement nor the rights or obligations of either party hereunder are assignable (including, without limitation, by operation of law) in whole or in part without the prior written consent of the other. Notwithstanding the foregoing, Service Provider may delegate or subcontract its rights and obligations under this Agreement to any of its affiliates or to any other third party; provided, that such delegation or subcontracting will not relieve Service Provider from any of its obligations under this Agreement. This Agreement will be binding on and inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns.

11.3 If any provision or portion of any provision of this Agreement not essential to the commercial purpose of this Agreement is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, it is the intention of the parties that the remaining provisions or portions thereof will constitute their agreement with respect to the subject matter hereof, and all such remaining provisions or portions thereof will remain in full force and effect.

11.4 Any failure on the part of either party to comply with any of its obligations, agreements or conditions hereunder may be waived by any other party to whom such compliance is owed. No waiver of any provision of this Agreement will be deemed, or will constitute, a waiver of any other provision, whether or not similar, nor will any waiver constitute a continuing waiver.

11.5 This Agreement will be governed by and construed in accordance with the laws of the state of Georgia.

11.6 This Agreement is made solely and specifically between and for the benefit of the parties to this Agreement, and their respective successors and permitted assigns, subject to the express provisions of this Agreement relating to such entities, and no other person, individual, corporation or entity, whatsoever, will have any rights, interests, or claims hereunder

or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

11.7 Upon the reasonable request of the other party, each party hereto agrees to take any and all actions, including, without limitation, the execution of certificates, documents or instruments, necessary or appropriate to give effect to the terms and conditions set forth in this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

SOUTHERN COMPANY SERVICES, INC.
("**Service Provider**")

By: _____
Mark S. Lantrip
Chairman of the Board, President and Chief Executive Officer

SOUTHERN COMPANY HOLDINGS, INC.
("**Company**")

By: _____
Christine M. Thom
Vice President and Chief Financial Officer

EXHIBIT A

DESCRIPTION OF SERVICES

The Services to be provided by Service Provider hereunder include one or more of the following:

A. General Executive and Advisory Services. Advise and assist the manager and employees and agents of Company and its subsidiaries in connection with various phases of its business and operations, including particularly but not exclusively, those phases that involve coordination of planning or operation between Company and other entities. Assist Company in development of strategic alliances with third party companies to facilitate future Company business for licensing of Company's intellectual property consistent with Company's business goals and objectives.

B. Purchasing. Render purchasing and group purchasing services to Company, coordinate group purchasing, and supply expediting services. All requests for bids will be made by and purchases confirmed in the name of Company (or its affiliate or customer, if requested by Company).

C. Accounting and Statistical. Perform for Company and its subsidiaries all such bookkeeping, accounting, and auditing services and install such internal accounting and auditing procedures as are required by Company and its subsidiaries to maintain its respective books and records properly and account for and safeguard its operations and properties; advise and assist Company and its subsidiaries in connection with the installation of accounting systems and similar problems, requirements of regulatory bodies with respect to accounting, studies of accounting procedures and practices to improve efficiency, book entries resulting from unusual financial transactions, internal audits, employment of independent auditors, preparation and analyses of financial and operating reports and other statistical matters relating to Company and its subsidiaries or their respective customers, preparation of annual reports to stockholders, regulatory commissions insurance companies and others, standardization of accounting and statistical forms in the interest of economy, and other accounting and statistical matters.

D. Finance and Treasury. Advise and assist Company and its subsidiaries on financing matters, including short and long range financial planning, project financing, determination of types and times of sales of securities, negotiation and structuring of financing arrangements and the provision of credit from banks, and all treasury matters, including banking and investment of surplus funds.

E. Taxes. Advise and assist Company and its subsidiaries in connection with tax matters, including preparation of federal, state or foreign income and other tax returns and of protests, claims and briefs where necessary, tax accruals, and other matters in connection with any applicable taxes, governmental fees or assessments.

F. Insurance and Pensions. Advise and assist Company and its subsidiaries in connection with insurance, bonding and pension matters, including contacts with insurers, trustees

and actuaries and the placing of blanket and group policies covering Company and its subsidiaries and/or other Companies, and other insurance and bonding problems as required.

G. Corporate. Advise and assist Company and its subsidiaries in connection with corporate affairs, including assistance and suggestions in connection with the preparation of petitions and applications for the issuance of securities, contracts for the sale or underwriting of securities, preparation of schedules of steps required in connection with major financial and other corporate matters and the consummation thereof, and the preparation of various documents required in connection therewith; maintenance of minutes of directors' and stockholders' meetings and other proceedings and of other related corporate records; and also arrangements for stockholders' meetings, including notices, proxies and records thereof, and for other types of meetings relating to its securities.

H. Budgeting. Advise and assist Company and its subsidiaries in matters involving the preparation and development of construction and operating budgets, cash and cost forecasts, and budgetary controls.

I. Business Promotion and Public Relations. Advise and assist Company and its subsidiaries in the development of marketing and sales programs, in the preparation and use of advertising and sales materials, and in the determination and carrying out of promotional programs.

J. Employee Services. Furnish Company and its subsidiaries with advisory and administrative services and programs in connection with employee and employee relations matters, including matters relative to employees loaned under the Agreement, payroll, recruitment, employee placement, training, compensation, safety, labor relations and health, welfare and employee benefits.

K. Systems and Procedures. Advise and assist Company and its subsidiaries in the formation of good operating practices and methods of procedure, the standardization of forms, the purchase, rental and use of mechanical and electronic data processing, computing and communications equipment, in conducting economic research and planning and in the development of special economic studies.

L. Access to and Use of Facilities. Subject to those availability, make available to Company and/or its customers access to, use of, or rights in all facilities, products, processes, techniques, computer hardware and software, technical information, training aids and properties, intellectual property, vehicles, equipment, machines and other property, whether owned, leased or licensed by, or otherwise to, Service Provider.

M. Training. Assist Company in training personnel of Company, and develop and make available training procedures, materials and facilities, and provide instructors.

N. Credit Support Services. Render credit support services to Company and its subsidiaries in connection with cash collateral, letters of credit, and financial guarantees.

O. General. Make services available in the areas of construction planning and supervision, design, management programs, quality assurance, licensing matters, research and development, and communications systems and procedures.

P. Engineering and Technical Services - Provide engineering and technical services to the Company and its subsidiaries.

Q. Other Services. Render advice and assistance in connection with such other matters as Company may request and Service Provider may be able to perform with respect to Company's business and operations.