

Southern Company Services, Inc.
Post Office Box 2625
Birmingham, Alabama 35202
Tel 205.992.6011



**OVERNIGHT MAIL
RETURN RECEIPT REQUESTED**

February 25, 1998

U.S. Environmental Protection Agency
Acid Rain Program (6204J)
Attn: Annual Reconciliation
501 3rd Street, N.W.
Washington, DC 20001
Phone: 202-233-9170

Dear Acid Rain Contact:

The enclosed package contains all of the Annual Reconciliation (End-of-Year Compliance) Forms for the Southern Electric system for the 1997 compliance year. Specifically, this package includes the following:

1. 17 Phase I Annual Compliance Certification Reports – one for each Phase I affected plant and including every Phase I unit at the plant (Gadsden, Gaston, Arkwright, Bowen, Branch, Hammond, McDonough, Mitchell, Scherer, Wansley, Yates, Crist, Scholz, Daniel, Watson, Kraft, and McIntosh).
2. 22 Allowance Deduction forms for the following unit accounts : Gadsden 1-2, Gaston 1-5, Hammond 4, Wansley 1-2, Crist 4-7, Scholz 1-2, Watson 4-5, Kraft 1-3, and McIntosh 1).
3. One Dispatch System Data Report for the Southern Electric System.
4. One Sulfur-Free Generator Apportionment Certification (with attachments) for the group of sulfur-free generators identified as "Southern Electric System Sulfur-Free Generation".
5. 47 Utilization Accounting forms – one for each Phase I affected unit (Gadsden 1-2, Gaston 1-5, Arkwright 1-4, Bowen 1-4, Branch 1-4, Hammond 1-4, McDonough 1-2, Mitchell 3, Wansley 1-2, Yates 1-7, Crist 4-7, Scholz 1-2, Watson 4-5, Kraft 1-3, and McIntosh 1).
6. A summary of expected allowance deductions for those units which do not have an Allowance Deduction form submitted.
7. Self Certification and Final Results for Yates 1 (ATS 00072800Y1BR) to satisfy Step 5 on the AC3 form for control units.

The designated representative (DR) or alternate DR has signed the appropriate forms according to their unit responsibility.

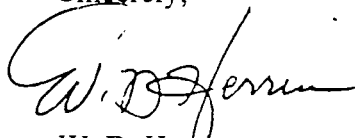
February 25, 1998

Page 2

The Southern Electric system is submitting one Sulfur-Free Generator Apportionment Certification for the group of sulfur-free generators identified as "Southern Electric System Sulfur-Free Generation". These sulfur-free generators are all within the Southern Electric system dispatch system and were listed in the reduced utilization plans of our Phase I affected units. Additionally, we have included the list of all Phase I units shifting generation to the group of sulfur-free generators as Attachment B to form SF rather than using multiple copies of the form (as noted in the instructions).

Copies of these forms will be transmitted to each state agency by the respective operating company. If you have any questions about the information on these forms, please contact your normal operating company contact or Mr. Scott Clayton at Southern Company Services 205-257-7337.

Sincerely,

A handwritten signature in black ink, appearing to read "W. D. Heron". The signature is fluid and cursive, with a large initial "W" and a long, sweeping underline.

W. D. Heron
Clean Air Compliance
Research and Environmental Affairs

Enclosure

February 25, 1998
Page 3

cc: w/attachments Environmental Protection Agency – Region IV
Brian L. Beals

Alabama Power Company
Anthony Marino

Georgia Power Company
Bill Evans

Gulf Power Company
Dwain Waters

Mississippi Power Company
Brad Bradford
Pat Hedden

Savannah Electric and Power
Lamar Keller
Lee Lively

Southern Company Services
Ken Boyd
Scott Clayton