

ALABAMA POWER CO  
Form FWP  
May 18, 2011

Filed Pursuant to Rule 433  
Registration No. 333-172528  
May 18, 2011

## PRICING TERM SHEET

(To Preliminary Prospectus Supplement dated May 18, 2011)

|                                |  |
|--------------------------------|--|
| Issuer:                        | Alabama Power Company  |
| Security:                      | Series 2011B 3.950% Senior Notes due June 1, 2021  |
| Expected Ratings:*             | A2/A/A+ (Moody's/Standard & Poor's/Fitch)  |
| Size:                          | \$200,000,000  |
| Initial Public Offering Price: | 99.786%  |
| Maturity Date:                 | June 1, 2021   |
| Treasury Benchmark:            | 3.125% due May 15, 2021  |
| US Treasury Yield:             | 3.156%   |
| Spread to Treasury:            | +82 basis points   |
| Re-offer Yield:                | 3.976%   |
| Coupon:                        | 3.950%   |
| Make-Whole Call:               | T+12.5 basis points  |
| Interest Payment Dates:        | June 1 and December 1 of each year, beginning<br>December 1, 2011  |
| Denominations:                 | \$1,000 and any integral multiple thereof  |
| CUSIP:                         | 010392 FE3   |
| Trade Date:                    | May 18, 2011   |
| Expected Settlement Date:      | May 24, 2011 (T+4)   |
| Joint Book-Running Managers:   | BNY Mellon Capital Markets, LLC<br>Goldman, Sachs & Co.<br>J.P. Morgan Securities LLC<br>Scotia Capital (USA) Inc. |
| Co-Manager:                    | Morgan Keegan & Company, Inc.  |

\*Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Alabama Power Company collect at 1-205-257-2714, BNY Mellon Capital Markets, LLC toll free at 1-800-269-6864, Goldman, Sachs & Co. toll free at 1-866-471-2526, J.P. Morgan Securities LLC collect at 1-212-834-4533 or Scotia Capital (USA) Inc. toll free at 1-800-372-3930.