

ALABAMA POWER CO  
Form FWP  
April 09, 2015

Filed Pursuant to Rule 433  
Registration No. 333-194227  
April 9, 2015

**PRICING TERM SHEET**

(To Preliminary Prospectus Supplement dated April 9, 2015)

|                                |                                                                                                                                                                                                                                                                                            |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer:                        | Alabama Power Company                                                                                                                                                                                                                                                                      |
| Format:                        | SEC Registered                                                                                                                                                                                                                                                                             |
| Security:                      | Series 2015B 2.800% Senior Notes due April 1, 2025                                                                                                                                                                                                                                         |
| Expected Ratings:*             | A1(Stable)/A (Negative)/A+ (Stable) (Moody's/Standard & Poor's/Fitch)                                                                                                                                                                                                                      |
| Trade Date:                    | April 9, 2015                                                                                                                                                                                                                                                                              |
| Expected Settlement Date:      | April 14, 2015 (T+3)                                                                                                                                                                                                                                                                       |
| Size:                          | \$250,000,000                                                                                                                                                                                                                                                                              |
| Maturity Date:                 | April 1, 2025                                                                                                                                                                                                                                                                              |
| Interest Payment Dates:        | April 1 and October 1 of each year, beginning October 1, 2015                                                                                                                                                                                                                              |
| Coupon:                        | 2.800%                                                                                                                                                                                                                                                                                     |
| Initial Public Offering Price: | 99.888%                                                                                                                                                                                                                                                                                    |
| Benchmark Treasury:            | 2.000% due February 15, 2025                                                                                                                                                                                                                                                               |
| Benchmark Treasury Yield:      | 1.963%                                                                                                                                                                                                                                                                                     |
| Spread to Benchmark Treasury:  | +85 basis points                                                                                                                                                                                                                                                                           |
| Re-Offer Yield:                | 2.813%                                                                                                                                                                                                                                                                                     |
| Optional Redemption:           |                                                                                                                                                                                                                                                                                            |
| Make-Whole Call:               | Prior to January 1, 2025 at T+15 basis points                                                                                                                                                                                                                                              |
| Par Call:                      | On or after January 1, 2025 at 100%                                                                                                                                                                                                                                                        |
| CUSIP/ISIN:                    | 010392FN3/US010392FN37                                                                                                                                                                                                                                                                     |
|                                | Citigroup Global Markets Inc.                                                                                                                                                                                                                                                              |
| Joint Book-Running Managers:   | J.P. Morgan Securities LLC                                                                                                                                                                                                                                                                 |
|                                | Scotia Capital (USA) Inc.                                                                                                                                                                                                                                                                  |
|                                | Wells Fargo Securities, LLC                                                                                                                                                                                                                                                                |
|                                | BB&T Capital Markets, a division of BB&T Securities, LLC                                                                                                                                                                                                                                   |
|                                | Commerz Markets LLC                                                                                                                                                                                                                                                                        |
| Co-Managers:                   | Regions Securities LLC                                                                                                                                                                                                                                                                     |
|                                | Mischler Financial Group, Inc.                                                                                                                                                                                                                                                             |
|                                | Samuel A. Ramirez & Company, Inc.                                                                                                                                                                                                                                                          |
| Concurrent Offering:           | \$175,000,000 additional amount of Alabama Power Company's Series 2015A<br>3.750% Senior Notes due March 1, 2045, expected to be issued on April 14,<br>2015. The closing of the offering of the Series 2015B Senior Notes is not<br>contingent on the closing of the concurrent offering. |

\*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, Citigroup Global Markets Inc. toll free at 1-800-831-9146, J.P. Morgan Securities LLC collect at 1-212-834-4533, Scotia Capital (USA) Inc. toll free at 1-800-372-3930 or Wells Fargo Securities, LLC toll free at 1-800-645-3751.