

ALABAMA POWER CO  
Form FWP  
January 30, 2007  
Filed Pursuant to Rule 433

Registration Nos. 333-126348, 333-126348-01, 333-126348-02 and 333-126348-03

January 30, 2007

**PRICING TERM SHEET**

(To Preliminary Prospectus Supplement dated January 30, 2007)

|                           |  |
|---------------------------|--|
| Issuer:                   | Alabama Power Company  |
| Security:                 | Series 2007A Senior Notes                                      |
| Ratings:                  | A2/A/A+ (Moody s/S&P/Fitch)                                    |
| Size:                     | \$200,000,000  |
| Coupon:                   | 5.55%  |
| Public Offering Price:    | 99.660%  |
| Maturity:                 | February 1, 2017   |
| Treasury Benchmark:       | 4.625% due November 15, 2016                                   |
| US Treasury Yield:        | 4.875%   |
| Spread to Treasury:       | 72 basis points  |
| Re-offer Yield:           | 5.595%   |
| Make-Whole Call:          | T + 15 basis points  |
| Interest Payment Dates:   | February 1 and August 1 of each year beginning August 1, 2007  |
| Format:                   | SEC Registered   |
| Transaction Date:         | January 30, 2007   |
| Expected Settlement Date: | February 6, 2007 (T+5)   |
| Joint Lead Managers:      | Citigroup Global Markets Inc.<br>Wachovia Capital Markets, LLC |
| Co-Managers:              | BNY Capital Markets, Inc.<br><br>Scotia Capital (USA) Inc.     |

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 Web site 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 205-257-2714, Citigroup Global Markets Inc. toll-free at 1-877-858-5407 or Wachovia Capital Markets, LLC toll-free at 1-866-289-1262.