
JPMORGAN CHASE BANK, N.A.
(A National Association)

*As Successor Trustee under
Alabama Power Company's Indenture,
Dated as of January 1, 1942*

TO

ALABAMA POWER COMPANY
(An Alabama Corporation)

*Satisfaction and Discharge of Indenture,
Release and Deed of Reconveyance*

Dated as of May 16, 2006

**Discharging Alabama Power Company's Indenture
Dated as of January 1, 1942**

This Instrument was Prepared By:
Monica W. Sargent
Balch & Bingham LLP
1901 Sixth Avenue North, Suite 2600
Birmingham, Alabama 35203

**SATISFACTION AND DISCHARGE OF INDENTURE,
RELEASE AND DEED OF RECONVEYANCE**

THIS DOCUMENT, dated as of the 16th day of May, 2006 (hereinafter referred to as "Satisfaction of Indenture"), relates to that certain Indenture, dated as of January 1, 1942, as heretofore amended and supplemented (the "Indenture"), from Alabama Power Company, an Alabama corporation, whose address is 600 North 18th Street, Birmingham, AL 35291 (hereinafter referred to as the "Company"), to Chemical Bank & Trust Company;

WHEREAS, Chemical Bank & Trust Company merged with Corn Exchange Bank & Trust Company, the name of which became Chemical Corn Exchange Bank, and The New York Trust Company merged into Chemical Corn Exchange Bank, the name of which became Chemical Bank New York Trust Company at the time of said merger, and said Chemical Bank New York Trust Company merged into Chemical Bank on February 17, 1969 and said Chemical Bank merged with The Chase Manhattan Bank, National Association, on July 15, 1996, and the name became The Chase Manhattan Bank, The Chase Manhattan Bank merged with Morgan Guaranty Trust Company of New York on November 10, 2001, and the name became JPMorgan Chase Bank, and JPMorgan Chase Bank became a national association on November 13, 2004, and the name became JPMorgan Chase Bank, N.A., whose address is 4 New York Plaza, New York, New York 10004 (hereinafter referred to as "Trustee");

WHEREAS, the Indenture (including all indentures supplemental thereto) was recorded in the official records of the States of Alabama and Georgia and various counties within said states in which this Satisfaction of Indenture is to be recorded, and was filed as a financing statement in accordance with the Uniform Commercial Code of each of said states;

WHEREAS, the Company executed, delivered, recorded and filed numerous indentures supplemental to the Indenture;

WHEREAS, all indebtedness secured by the Indenture and all proper charges of the Trustee thereunder have been paid and there are no bonds Outstanding under the Indenture;

WHEREAS, none of the defaults defined in Section 11.01 of the Indenture has occurred and is continuing; and

WHEREAS, pursuant to Section 13.01 of the Indenture and a Resolution of the Company's Board of Directors, the Company has requested the Trustee to cancel and discharge the Lien of the Indenture and all indentures supplemental thereto, and to execute and deliver to the Company this Satisfaction of Indenture in order to reconvey and transfer to the Company the property of the Company which is subject to the lien of the Indenture (whether created by the Indenture, including without limitation the lien created by the after-acquired property clauses of the Indenture, or by subsequent conveyance, delivery or pledge to the Trustee under the Indenture or otherwise) (the "Mortgaged and Pledged Property") and to acknowledge that the Lien of the Indenture has been cancelled, discharged and satisfied.

NOW, THEREFORE, THIS SATISFACTION OF INDENTURE WITNESSETH:

ARTICLE I

Satisfaction and Discharge

The Trustee hereby acknowledges and agrees that Chemical Bank & Trust Company merged with Corn Exchange Bank & Trust Company, the name of which became Chemical Corn Exchange Bank, and The New York Trust Company merged into Chemical Corn Exchange Bank, the name of which became Chemical Bank New York Trust Company at the time of said merger, and said Chemical Bank New York Trust Company merged into Chemical Bank on February 17, 1969 and said Chemical Bank merged with The Chase Manhattan Bank, National Association, on July 15, 1996, and the name became The Chase Manhattan Bank, The Chase Manhattan Bank merged with Morgan Guaranty Trust Company of New York on November 10, 2001, and the name became JPMorgan Chase Bank, a New York banking corporation, and JPMorgan Chase Bank became a national association on November 13, 2004, and its name became JPMorgan Chase Bank, N.A. and the Trustee is the successor trustee under the Indenture and has the power and authority under the Indenture to execute and deliver this Satisfaction of Indenture. The Trustee, pursuant to the provisions of Section 13.01 of the Indenture, hereby acknowledges that the Company's obligations under the Indenture have been satisfied and hereby cancels and discharges the Indenture and the Lien thereof. The Trustee hereby authorizes and directs the Secretary of State of the State of Alabama and the clerks of the Offices of the Judge of Probate of Alabama wherein the Indenture or any supplemental indenture is recorded to cancel the Indenture and all supplemental indentures thereto as provided by law. The Trustee hereby authorizes and directs the officials in the State of Georgia in the offices wherein the Indenture or any supplemental indenture is recorded to cancel the Indenture and all supplemental indentures as provided by law.

ARTICLE II

Deed of Reconveyance

The Trustee, for valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, hereby reconveys, quitclaims, releases, reassigns, retransfers and sets over unto the Company, and its successors and assigns forever, and releases and forever discharges from the Lien of the Indenture, all of the Trustee's right, title and interest in and to the Mortgaged and Pledged Property, being all property, real, personal and mixed, held by the Trustee pursuant to the Indenture or subject to the Lien thereof, of any kind or nature and wheresoever situated, including the properties described in the Indenture and all indentures supplemental thereof, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all premises, property, franchises and rights of every kind and description, real, personal and mixed, tangible and intangible, all lands, easement improvements, timber, fixtures, goods, equipment, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, water rights, and all other rights or means for appropriating, conveying, storing and supplying water, all rights of way and roads, all plants for the generation of electricity by steam, water and/or other power, all power houses, gas plants, street lighting systems, standards

and other equipment incidental thereto, telephone, radio, television and air conditioning systems and equipment incidental thereto, water works, water systems, steam heat, water and hot water plants, systems and equipment, buildings and other structures, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants, systems and equipment, all offices, buildings and other structures and the contents thereof and the equipment therefor, all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, hot water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, bridges, tracks, tools, implements, apparatus, furniture and chattels, all other franchises, consents or permits, all street and interurban railways, buses and bus properties, all cars, automobiles, trucks, motor cars, buses, vehicles, rolling stock and tracks, all supplies, merchandise, furniture, chattels; all municipal, county and other franchises, all lines or conduits for the transmission or distribution of electric current, gas, steam heat, water or hot water for any purpose, including without limitation towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith, all real estate, lands, leases, leaseholds, water rights, heat, light, gas, electric, communications, water, ice, refrigeration and other properties, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to public or private property, real or personal, or the occupancy of such property, and all right, title and interest of the Trustee (in its capacity as trustee under the Indenture) in and to all property of any kind or nature wheresoever situated;

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, of the Trustee in and to the aforesaid property and franchises and every part and parcel thereof;

TO HAVE AND TO HOLD all such real, personal and mixed properties that are herein reconveyed, quitclaimed, released, reassigned, retransferred and set over by the Trustee as aforesaid, unto the Company and its successors and assigns forever, free and clear of all claims under and by virtue of the Indenture;

PROVIDED, HOWEVER, that this reconveyance, reassignment and retransfer shall be without covenants, warranties of title or seisin, or of any other nature whatsoever, either express or implied in law or in equity; and shall be without recourse against the Trustee in any event or any contingency, and shall be without prejudice to the rights of the Trustee under Article XVI of the Indenture, which rights shall survive satisfaction and discharge of the Indenture.

ARTICLE III

Regarding the Resignation of the Trustee

Having acknowledged satisfaction and discharge of the Indenture, and having reconveyed the Mortgaged and Pledged Property to the Company, JPMorgan Chase Bank, N.A. hereby

resigns as Trustee under the Indenture, such resignation to take effect as of the date hereof and to be without prejudice to said rights under said Article XVI of the Indenture.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01 The terms defined in the Indenture and used herein shall, for all purposes of this Satisfaction of Indenture, have the meanings specified in the Indenture.

SECTION 4.02 The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Satisfaction of Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely.

SECTION 4.03 This Satisfaction of Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

ARTICLE V

Reference to Recording Data

The Indenture was recorded on the dates, in the offices and at the locations, among others, set forth in Exhibit 1 attached hereto and by this reference made a part hereof. Exhibit 1 is not intended to be, and shall not be deemed to be, an exhaustive listing and is not intended to, and shall not be deemed to, limit in any manner the effect of this Satisfaction of Indenture, and this Satisfaction of Indenture shall apply to the Indenture and all indentures supplemental thereto, wherever and whenever recorded, and whether or not listed on Exhibit 1.

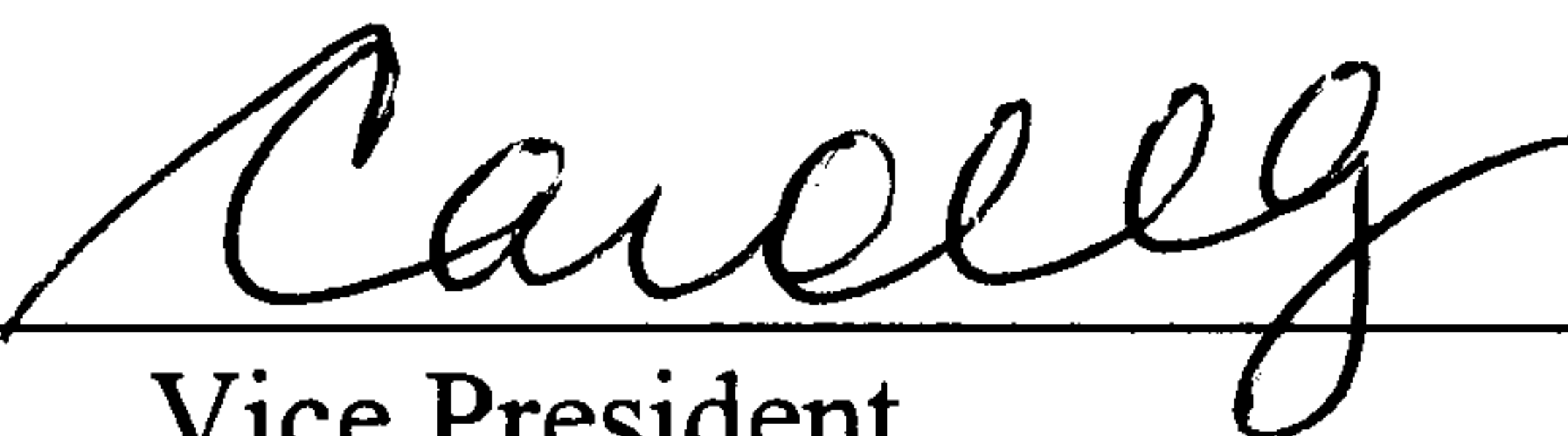


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Shelby Cnty Judge of Probate, AL
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IN WITNESS WHEREOF, JPMorgan Chase Bank, N.A. has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or one of its Assistant Vice Presidents, and its corporate seal to be attested to by one of its Trust Officers, all as of the day and year first above written.

[SEAL]

JPMORGAN CHASE BANK, N.A.
as Trustee

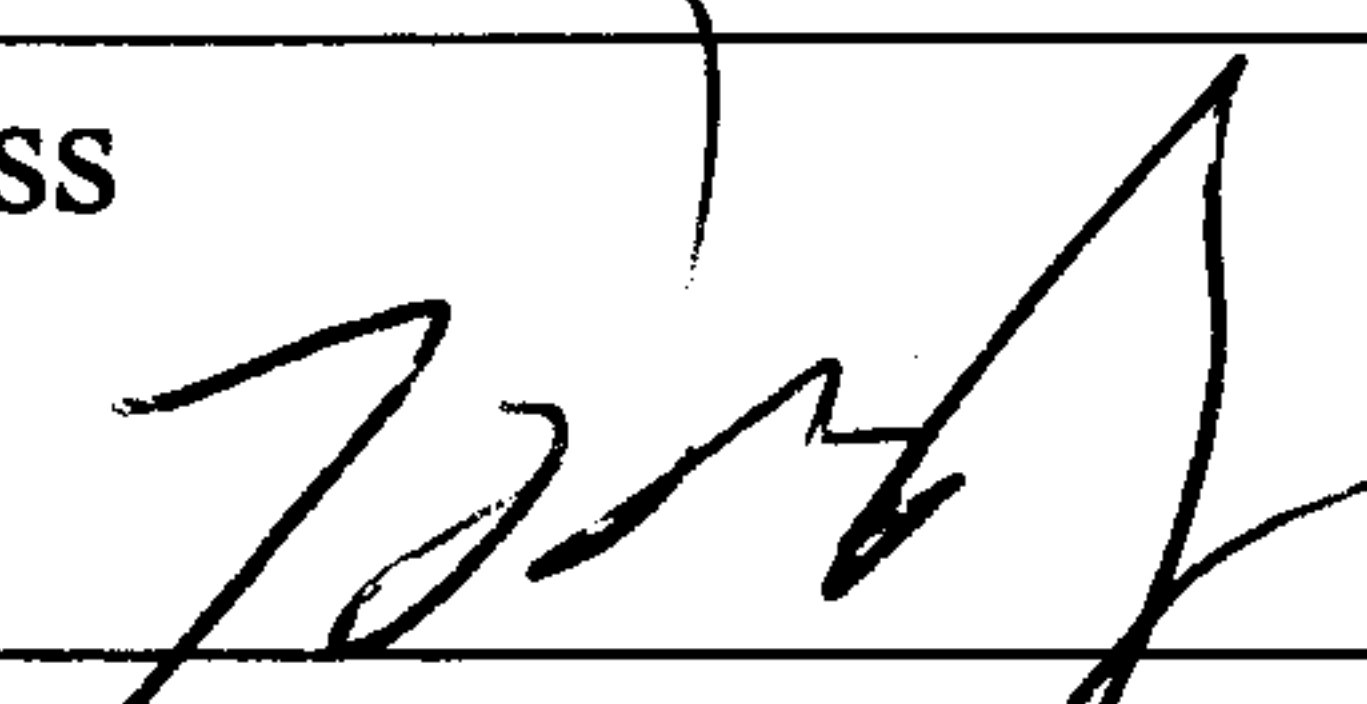
By: 
Vice President

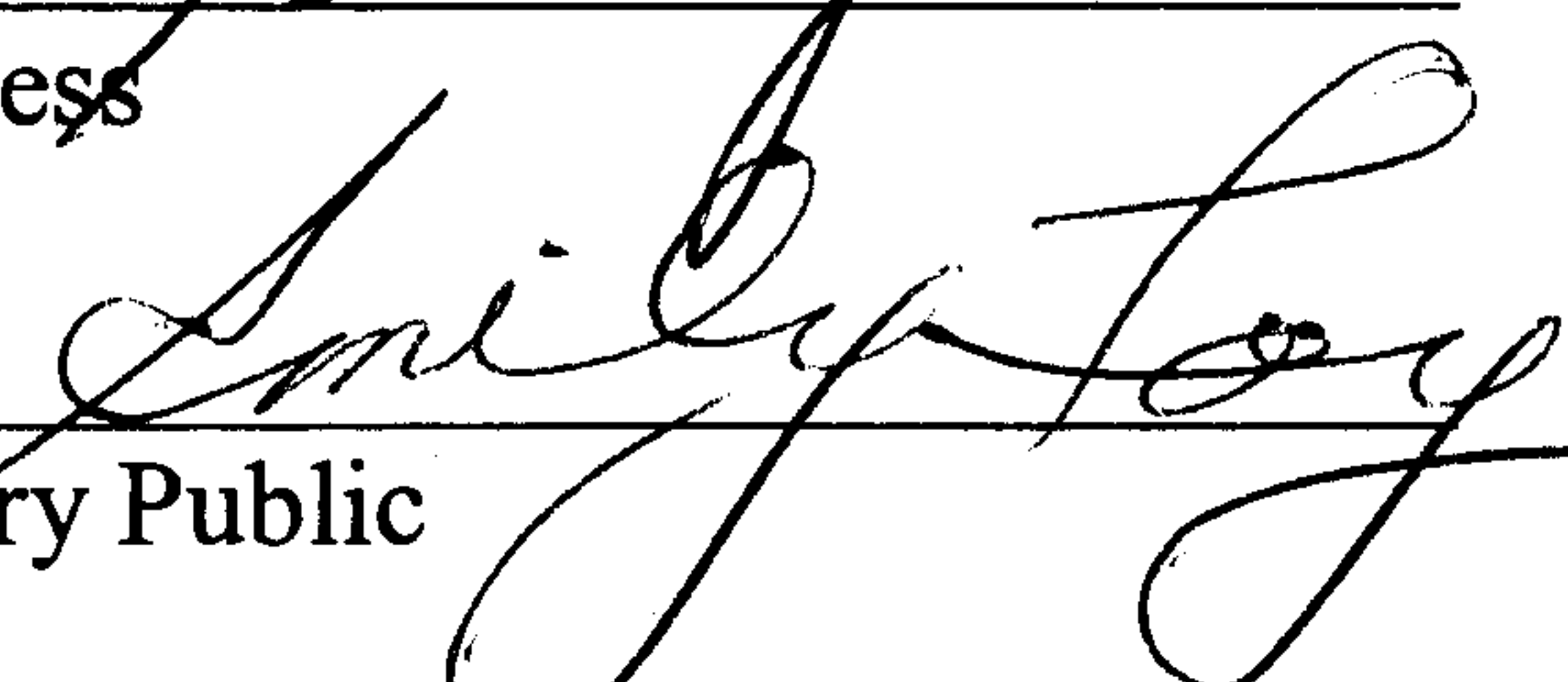
Attest:


Trust Officer

Signed, sealed and delivered in the presence of:


Witness


Witness


Notary Public

My Commission Expires:

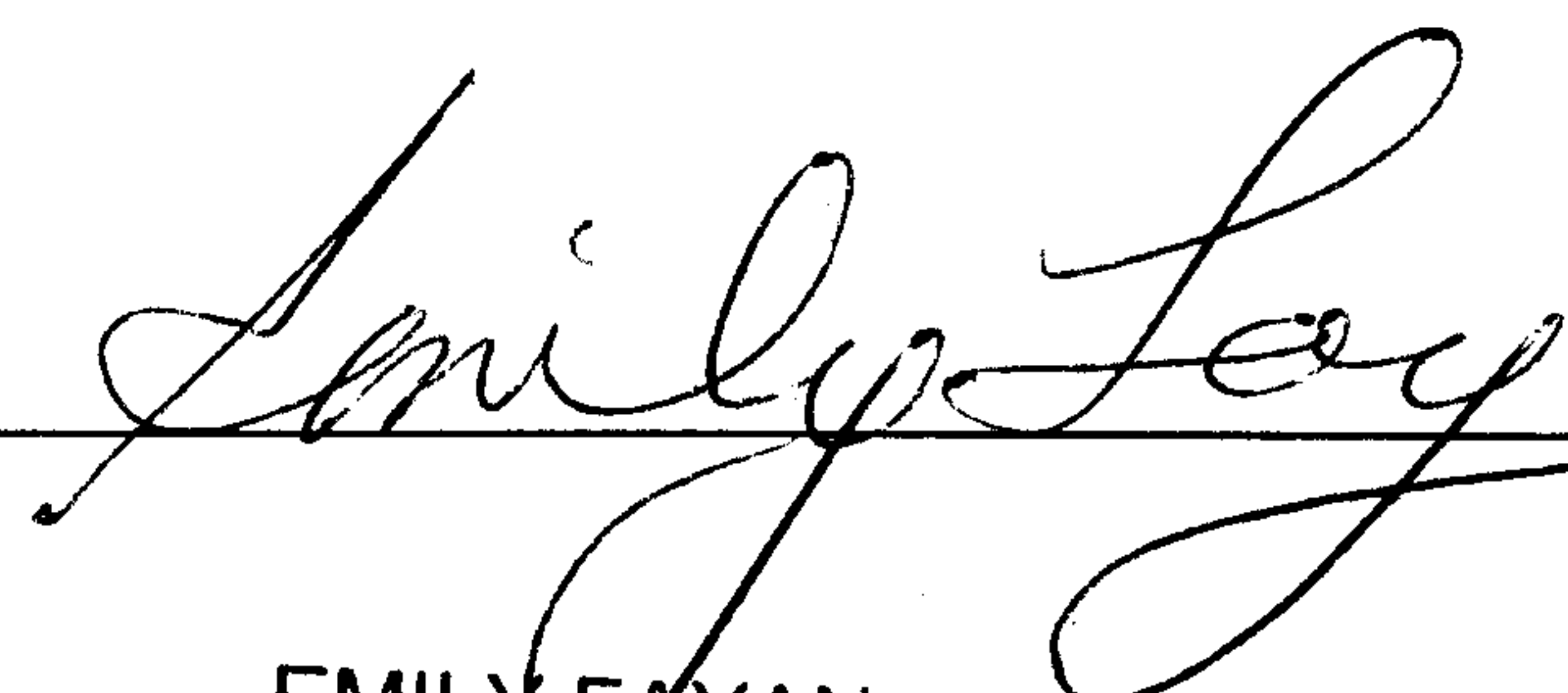
Notarial Seal

EMILY FAYAN
Notary Public, State of New York
No. 01FA4737006
Qualified in Kings County
Certificate Filed in New York County
Commission Expires Dec. 31, 2009

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.

I, Emily Fayon, a Notary Public in and for said County, in said State, hereby certify that Carol Ng and Rosa Ciaccia whose names as a Vice President and Trust Officer, respectfully, of JPMorgan Chase Bank, N.A., a national association, are signed to the foregoing conveyance and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they as such officers and with full authority, executed the same voluntarily for and as the act of JPMorgan Chase Bank, N.A.

Given under my hand this 16th day of May, 2006.



[SEAL]

EMILY FAYAN
Notary Public, State of New York
No. 01FA4737006
Qualified in Kings County
Certificate Filed in New York County
Commission Expires Dec. 31, 2009



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Shelby Cnty Judge of Probate, AL
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Exhibit 1

List of Recording Information

UCC-1 Financing Statement B 02-0237304 FS filed with the Secretary of State of the State of Alabama on April 17, 2002

<u>Name of County</u>	<u>Date Filed for Record</u>	<u>Mortgage Record</u>	
		<u>Volume</u>	<u>Page</u>
ALABAMA			
(Recorded in the Office of Judge of Probate)			
Autauga	January 26, 1942	174	1 et seq.
Baldwin	January 27, 1942	94	1 et seq.
Barbour	January 27, 1942	151	5 et seq.
Bibb	January 26, 1942	76	1 et seq.
Blount	January 26, 1942	189	1 et seq.
Bullock	January 27, 1942	197	181 et. seq.
Butler	January 27, 1942	98	1 et seq.
Calhoun	January 27, 1942	442	601 et seq.
Chambers	January 28, 1942	204	1 et seq.
Cherokee	January 27, 1942	144	1 et seq.
Chilton	January 26, 1942	318	1 et seq.
Choctaw	January 27, 1942	146	1 et seq.
Clarke	January 28, 1942	298	1 et seq.
Clay	January 27, 1942	114	1 et seq.
Cleburne	January 27, 1942	92	1 et seq.
Coffee			
Elba Division	January 27, 1942	8-A	39 et seq.
Enterprise Division	January 27, 1942	R-92	1 et seq.
Colbert	January 26, 1942	193	391 et seq.
Conecuh	January 26, 1942	264	1 et seq.
Coosa	January 28, 1942	166	1 et seq.
Covington	January 26, 1942	304	1 et seq.
Crenshaw	January 27, 1942	188	200 et seq.
Cullman	January 26, 1942	399	1 et seq.
Dale	January 27, 1942	162	1 et seq.
Dallas	January 28, 1942	345	61 et seq.
DeKalb	January 26, 1942	264	1 et seq.
Elmore	January 26, 1942	222	1 et seq.
Escambia	January 26, 1942	134	1 et seq.
Etowah	January 27, 1942	283	1 et seq.
Fayette	January 27, 1942	141	1 et seq.
Franklin	January 27, 1942	200	1 et seq.
Geneva	January 27, 1942	282	1 et seq.
Greene	January 26, 1942	170	1 et seq.
Hale	January 26, 1942	174	1 et seq.
Henry	January 27, 1942	226	1 et seq.
Houston	January 27, 1942	259	1 et seq.
Jackson	August 29, 1991	91	10215 et seq.
Jefferson			
Birmingham Division	January 29, 1942	3303	1 et seq.

<u>Name of County</u>	<u>Date Filed for Record</u>	<u>Mortgage Record</u>	
		<u>Volume</u>	<u>Page</u>
Bessemer Division	January 29, 1942	286	205 et seq.
Lamar	January 27, 1942	187	405 et seq.
Lee	January 28, 1942	261	1 et seq.
Lowndes	January 26, 1942	9-Z	1 et seq.
Macon	January 27, 1942	207	117 et seq.
Marengo	January 27, 1942	307	111 et seq.
Marion	January 27, 1942	169	1 et seq.
Marshall	January 26, 1942	164	1 et seq.
Mobile	January 28, 1942	181	72 et seq.
Monroe	January 26, 1942	192	1 et seq.
Montgomery	January 27, 1942	559	1 et seq.
Morgan	January 26, 1942	412	1 et seq.
Perry	January 26, 1942	325	1 et seq.
Pickens	January 27, 1942	204	301 et seq.
Pike	July 6, 1964	298	1 et seq.
Randolph	January 27, 1942	119	1 et seq.
Russell	January 28, 1942	33	1 et seq.
St. Clair			
Ashville Division	January 28, 1942	110	199 et seq.
Pell City Division	January 28, 1942	50	300 et seq.
Shelby	January 26, 1942	190	601 et seq.
Sumter	January 26, 1942	152	1 et seq.
Talladega	January 27, 1942	267	1 et seq.
Tallapoosa	January 28, 1942	263	1 et seq.
Tuscaloosa	January 28, 1942	463	1 et seq.
Walker	January 24, 1942	434	1 et seq.
Washington	January 27, 1942	35	1 et seq.
Wilcox	January 26, 1942	53	369 et seq.
Winston	January 28, 1942	141	1 et seq.

GEORGIA

(Recorded in the Office of Clerk of Superior Court)

Chattooga	July 17, 1972	137	1 et seq.
Early	April 27, 1970	96	1 et seq.
Floyd	April 1, 1960	339	427 et seq.

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