



W. Ron Hinson
Comptroller and Chief Accounting Officer
The Southern Company
241 Ralph McGill Blvd, NE
Atlanta, Georgia 30308-3374

July 31, 2008

Mr. Florence E. Harmon
Acting Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609

Re: File No. S7-11-08

Dear Mr. Harmon:

The Southern Company (“Southern Company” or “Southern”) is pleased to have the opportunity to offer comments in response to the proposed rule---*Interactive Data to Improve Financial Reporting*---released by the Securities and Exchange Commission (“SEC” or “Commission”) under File Number S7-11-08 and published in the Federal Register on June 10, 2008.

Atlanta-based Southern Company is the premier energy company serving the Southeast, one of America’s fastest-growing regions. Southern Company serves nearly 4.4 million customers in four states and is a leading U.S. producer of electricity with more than 42,000 megawatts of generating capacity. In addition to its traditional operating companies---Alabama Power Company, Georgia Power Company, Gulf Power Company and Mississippi Power Company---Southern Company owns a growing competitive generation company, Southern Power Company, as well as fiber optics and wireless communications businesses. Southern Company brands are known for excellent customer service, high reliability and retail electric prices that are significantly below the national average. Southern Company has been listed the top ranking U.S. electric service provider in customer satisfaction for nine consecutive years by the American Customer Satisfaction Index. There are six registered SEC reporting companies within the Southern Company system.

Generally, Southern Company is supportive of the Commission’s initiative to improve financial reporting through the interactive data format using eXtensible Business Reporting Language (“XBRL”). However, Southern Company believes that the Commission’s proposed schedule for requiring companies to furnish information in interactive data format should be extended beyond the current proposal. Southern recommends the following: continuation of a grace period for XBRL formatted filing; required XBRL reporting should be phased-in starting with the first

quarter Form 10-Q in 2009; following the phase-in period, Southern recommends that the Commission allow XBRL data submission to be filed four days following the original filing; and Southern requests more complete development of taxonomies and more guidance by the Commission on the use of taxonomy extensions. Southern offers more specific comments to the Commission's proposal for interactive data reporting in the following paragraphs.

SEC Request for Comment

Should we adopt rules that require each filer's financial statements to be provided in interactive data format? If we do so, should we include a phase-in period or temporary exception for detailed tagging of the financial statement footnotes? Should schedules to the financial statements be tagged? What are the principal factors that should be considered in making these decisions? Is it useful to users of financial information to continue to have, in addition to interactive data, duplicate, human-readable financial statements in ASCII or HTML format?

Should the proposed rules eliminate the requirement that the financial information to be submitted in traditional format, in addition to interactive format? Should cautionary language from the voluntary program be eliminated or modified and, if not, why not?

Southern's Comment

We support the Commission's XBRL reporting initiative and believe the Commission should adopt rules requiring each filer's financial statements to be provided in interactive data format. However, we believe the Commission should modify its proposed rule to require the initial furnishing of XBRL tagging of financial statements beginning with the first quarter 2009 Form 10-Q filing. Additionally, we recommend a phase-in period for XBRL tagging of the financial statement footnotes for large accelerated filers, such as Southern, with block tagging of footnotes beginning with the second quarter Form 10-Q in 2009 and detail tagging of footnotes beginning with the first quarter Form 10-Q in 2010. We believe this will allow sufficient time to ensure the proper allocation of resources and development of infrastructure and allow more time for industries, such as electric utility companies, to ensure XBRL tagging accuracy and consistency. It is our belief that users of financial information will still need access to human-readable financial statements in traditional format in addition to interactive data.

SEC Request for Comment

Do commenters agree that compared to reports using ASCII and HTML, interactive data would require less manually-transferred data? If so, do commenters believe that the proposed rules would result in less human error and therefore contribute to reduced costs?

Southern's Comment

We agree that interactive data would require less manually-transferred data for the community of financial statement users such as investment analysts. However, efforts associated with providing financial data in XBRL format increases the preparation and filing costs to the registrant and introduces the opportunity for potential human error in the tagging process.

SEC Request for Comment

Is the proposed schedule for implementation of interactive data tagging appropriate? Should we delay the first required interactive data submissions until the second half of 2009 or later? What benefits would there be to advancing or delaying implementation of the proposed rules? How much lead time do large accelerated filers need to familiarize themselves with

interactive data and the process of mapping financial statements using the list of tags for U.S. financial statement reporting or IFRS financial reporting?

Should we permit interactive data information to be provided later than the related filing for the first year, rather than just the first filing? Should we provide a grace period for the first filing as to which the issuer is required to tag financial statement information in detail? Is a grace period not needed?

Southern's Comment

As previously stated, we believe the Commission's schedule for implementation of interactive data tagging is aggressive. The Commission should delay the first required interactive data submissions by modifying its proposed rule to require the initial furnishing of XBRL tagging of financial statements beginning with the first quarter 2009 Form 10-Q filings. Additionally, we recommend a phase-in period for XBRL tagging of the financial statement footnotes for large accelerated filers, such as Southern, with block tagging of footnotes beginning with the second quarter Form 10-Q in 2009 and detail tagging of footnotes beginning with the first quarter Form 10-Q in 2010. We believe this will allow sufficient time to ensure the proper allocation of resources and development of infrastructure and allow more time for industries, such as electric utility companies, to ensure XBRL tagging accuracy and consistency.

SEC Request for Comment

Should the initial submission required by the proposed rules be a periodic report? If so, should it be a Form 10-Q for domestic issuers? Would this be an easier report for companies to prepare, or would it be best for companies to begin providing interactive data with respect to the fiscal year end financial statements?

Southern's Comment

We believe the initial submission of XBRL financial statement tagging should be a Form 10-Q instead of a Form 10-K. The Form 10-Q is less burdensome to prepare than the Form 10-K and thus would require less time and effort to prepare in XBRL format. An additional consideration is that furnishing the Form 10-Q in interactive data format would provide the opportunity for companies to become more familiar through "practice" with the XBRL tagging process before the initial filing of the more complicated Form 10-K.

SEC Request for Comment

Are the proposed four levels of detail appropriate for footnote tagging? What alternative footnote disclosure items or criteria do commenters recommend we establish for tagging footnotes? Why would those be more appropriate than what we propose?

Southern's Comment

With consideration to our previous recommendation concerning the phased-in approach for detailed tagging of footnotes, we support the four levels of detail for footnote tagging. However, if the primary intent served by detail tagging of footnotes is comparability among companies, we suggest the Commission should require detailed tagging of footnotes only to the extent a standardized tag already exists in the taxonomies rather than requiring companies to add numerous company-specific detailed taxonomy extensions. When the rule takes full effect under the current proposal, we estimate that Southern Company and its five subsidiary registrants would be required to tag approximately 6,800 data elements on the Form 10-K, many of which are company-specific items requiring taxonomy extensions.

SEC Request for Comment

Should we require all four levels for footnotes in the first year instead of using the phase-in approach for the more detailed tagging? Should detailed tagging of a filer's footnotes and schedules not be required until more than one year after its initial interactive data submission, for example, in year three or four?

Southern's Comment

We support a phase-in approach for footnotes and urge the Commission not to require all four levels of detailed tagging in the first year. As previously stated, we believe that detailed tagging of footnotes should be delayed and begin no sooner than the first quarter Form 10-Q filing in 2010.

SEC Request for Comment

Is the most detailed level of tagging too prescriptive, or is it too broad? Would it help to achieve comparability among filers? Would it impose an unnecessary burden on filers in preparing their XBRL data compared to the potential benefit to consumers of data? What problems or obstacles may be encountered in applying the proposed requirement?

Would the most detailed level of tagging result in the creation of a high number of company-specific extensions? If so, would the additional effort needed to create new extensions diminish once a filer has tagged at this level of detail? Should the tagging requirement instead be only to require detailed tagging to the extent a standard tag already exists in the standard list of tags?

Southern's Comment

We believe the most detailed level of tagging could result in the creation of a high number of company-specific extensions, primarily because of certain information contained in the footnotes that is company-specific and not necessarily industry-wide or common to other companies or industries. The additional effort needed to create new extensions would probably diminish after the initial level of detailed tagging has occurred, but, because of the nature of certain footnote disclosures, we anticipate that there will be continued requirements for new extensions. In our opinion, the Commission should require detailed tagging of footnotes only to the extent a standard tag already exists for purposes of comparability.

SEC Request for Comment

What additional costs and burden would there be with detailed tagging of the financial statement footnotes and financial statement schedules as opposed to "block tagging"?

Southern's Comment

The effort involved in detail tagging of every number, including percentages, units of measurement such as kilowatt hour sales or kilowatt hours generated, number of customers, monetary value, etc., could become very burdensome to companies as opposed to "block tagging." We believe that, if prepared internally, detailed tagging would result in more staff time devoted to the XBRL tagging effort as opposed to "block tagging" and, if prepared externally, detail tagging would most likely result in higher fees paid to outside third parties such as financial printers.

SEC Request for Comment

Would investors and other users of tagged data benefit from the tagging of individual amounts (i.e., monetary values, percentages, and numbers) and narrative disclosures within each footnote together with blocked text?

Southern's Comment

In our opinion, investors and other users would not gain much benefit from tagging individual amounts, percentages and numbers in the footnotes because of the high volume of data that are specific to the filer and not comparable, or common, to other companies.

SEC Request for Comment

Should the proposed rules require interactive data submissions for a filer's financial information provided under Form 8-K and 6-K, such as earnings releases or interim financial information? If so, what level of tagging detail would be appropriate, and would a reasonable grace period from the date of the Form 8-K or 6-K to the deadline for interactive data (e.g., one, three, or five days) address concerns that filers require additional time to provide interactive data for such financial information? Does financial information provided under Form 8-K or 6-K, such as earnings releases, present additional burdens compared to other forms that would warrant excluding them from the proposed rules?

Southern's Comment

We do not believe that the proposed rules should require interactive submissions for financial information provided under Form 8-K, such as earnings releases or interim financial information. Such a requirement would place an additional burden upon filers and, in most instances, would result in duplicative effort as the Form 10-Q or Form 10-K is filed in XBRL format. However, if interactive data submissions are required by the Commission to be submitted for financial information in Form 8-K filings, we believe that a grace period of up to four or five days would be appropriate.

SEC Request for Comment

If we were to require or permit interactive data for executive compensation, should the interactive data be filed with the proxy statement, which often contains the executive compensation disclosure, or as an amendment to the Form 10-K, which often incorporates the executive compensation disclosure by reference? Would it diminish significantly the value to investors if interactive data for executive compensation were not required to be submitted until, for example, 30 or 45 days after it was required to be submitted in traditional format? If there were such a 30- or 45-day delay in the requirement, would it be advisable to permit the delayed submission to be made in an exhibit to a Form 8-K or to an amendment on Form 10-K?

Southern's Comment

In the case of Southern Company, some of our registrants submit their executive compensation with the Form 10-K while others incorporate this information in a proxy or information statement filed after the Form 10-K. Depending upon the way in which the executive compensation information is to be filed with the SEC, it is the preference of Southern Company that, during the first year of such requirement, a 30-day grace period be incorporated into the rules. In addition, it would be our preference that the interactive data be furnished via an exhibit to a Form 8-K.

SEC Request for Comment

Should we permit interactive data information to be provided later than the related filing for the first year, rather than just the first filing? Should we provide a grace period for the first filing as to which the issuer is required to tag financial data statement footnotes in detail? Is a grace period not needed?

Southern's Comment

We strongly urge the Commission to provide a grace period for interactive data submissions for at least the first year. We also believe that a grace period should be allowed for at least the first year in which detailed tagging of footnotes is required to be filed.

SEC Request for Comment

If we require Web site posting of interactive data, should we require, as proposed, that each filer provide the interactive data on its corporate Web site on the same day as the filing, instead of the same time?

Southern's Comment

We suggest that if the Commission requires Web site posting of interactive data, the requirement should be for the filer to provide the Web site posting no later than the day after the interactive data filing occurs.

SEC Request for Comment

Should interactive data be subject to liability if a filer does not tag its financial information in a manner consistent with the standards approved by the Commission, irrespective of the filer's good faith effort? If the answer is yes, what should the filer's liability be for such errors, and should liability attach even if the mistake is inadvertent? What if the error is the result of negligent tagging practices, but there was no affirmative intent to mislead?

Southern's Comment

We believe that interactive data should not be subject to liability if a filer does not tag its financial information in a manner consistent with the standards approved by the Commission, except for those instances whereby it is proven that there was an affirmative intent to mislead.

SEC Request for Comment

Should any or all interactive data be encompassed within the scope of officer certifications? Is there any reason to treat interactive data differently from traditional format data in this respect?

Southern's Comment

We are supportive of the Commission's proposal to exclude interactive data from the scope of officer certifications.

SEC Request for Comment

Should we require the involvement of auditors, consultants, or other third parties in the tagging of data? If assurance should be required, what should be its scope, and should any such requirement be phased in?

Southern's Comment

In our opinion, the Commission should not require the involvement of auditors, consultants or other third parties in the review of tagged interactive data because the additional expense to be borne by the filer is not a cost-effective or efficient use of the company's time and resources. The interactive data tagging process consists of the function of "bar coding" financial data that is derived directly from the financial statements produced for the filer's regular Form 10-Q or Form 10-K filing which have undergone extensive internal review due to internal procedures, Sarbanes-Oxley internal controls and officer certifications and are either audited or reviewed by the company's external auditor prior to filing.

SEC Request for Comment

Is our focus on comparability appropriate? Instead of stressing ease of financial statement comparability, should our rules permit greater use of customized data tags?

Southern's Comment

We believe the Commission's focus on comparability is appropriate.

In summary, Southern Company appreciates and supports the Commission's initiative to improve financial reporting through interactive data format and respectfully submits the comments above in an effort to communicate our recommendations regarding the proposed rule.

If you wish to discuss our comments, please contact me at 404-506-6641 or Jan Hodnett at 404-506-6709.

Very truly yours,



/s/ W. Ron Hinson
W. Ron Hinson
Comptroller and Chief Accounting Officer