

CONFIDENTIALITY AGREEMENT

1. The States of Alabama, Florida, and Georgia, the United States, Georgia Power Company, and Alabama Power Company have agreed to engage in discussions in an effort to develop an agreement on water management principles for the ACF Basin.

2. The Parties to this Confidentiality Agreement (or "Agreement") shall include, and this Agreement shall be binding upon, the States of Alabama, Florida, and Georgia, Alabama Power Company, Georgia Power Company and the undersigned Federal agencies, and their officers, directors, agents, employees, contractors, and attorneys (hereinafter, the "Parties").

3. The Parties agree that, to the extent allowed by applicable law, all documents submitted and statements made during the discussions subject to this Confidentiality Agreement shall be kept confidential. All documents submitted shall be stamped "Confidential" to ensure compliance with this Agreement. The confidentiality of a document not created for purposes of the discussions will extend only to the fact that it was submitted to and/or considered in the discussions.

4. No Party shall rely on or introduce in any judicial proceeding as evidence: (a) views expressed or suggestions made by another Party during the discussions; (b) the fact that another Party had or had not indicated a willingness to accept a proposal; or (c) any document created for purposes of the discussions.

5. Nothing in this Confidentiality Agreement shall limit the authority of any Party to release information to any person or waive any claim of privilege with respect to any communications, information, or documents, which do not discuss, refer to, or reveal the substance of these discussions and of which the Party is sole originator.

6. Evidence otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable because of its use in these discussions. Nothing in this Confidentiality Agreement shall be construed to preclude the Parties from using discoverable communications, documents, or other materials in any litigation where otherwise permitted under applicable law. This Confidentiality Agreement shall not be construed to prohibit the disclosure of communications, documents, or other materials already lawfully in the public domain, or communications, documents, or other materials made, created, or existing independent of the Parties' discussions.

7. At the conclusion of each discussion, the States of Alabama, Florida and Georgia, the United States, and Alabama Power Company shall jointly determine whether a release shall be made to the media and, if it is determined

that such a release is warranted, it shall be a joint release of all the Parties. Otherwise, during the course of the discussions, the Parties will make or permit no public disclosure of the discussions, except by express written permission of the other Parties.

8. These discussions are expected to be completed by February 15, 2008. This Confidentiality Agreement shall apply to all discussions between the States of Alabama, Florida, and Georgia, the United States, Georgia Power Company and Alabama Power Company to develop an agreement on water management principles for the ACF Basin from the date that this Agreement is executed until February 15, 2008, on which date this Agreement shall expire unless it is extended by the express written consent of the Parties. The obligation to maintain the confidentiality of documents submitted and statements made during discussions conducted during the term of this Agreement shall survive the termination of the Agreement.

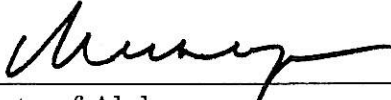
9. No Party shall be bound by anything said or done during the discussions unless a written agreement is reached and executed by all necessary Parties. If an agreement is reached, the agreement shall be reduced to writing, and, when signed and approved by the appropriate authorities for all Parties to that agreement, shall be binding upon all Parties to that agreement.

10. The States of Alabama and Georgia, the United States, Georgia Power Company and Alabama Power Company, as the Parties having interests in the ACT basin, intend to execute a separate Confidentiality Agreement to specifically cover their separate discussions regarding water management principles for the ACT Basin. To the extent that, in conjunction with the discussions regarding the ACF Basin, the parties to the ACT Basin discussions choose to disclose confidential information regarding the ACT Basin to Florida, Florida agrees to maintain the confidentiality of that information subject to the terms and conditions thereof.

11. This Confidentiality Agreement may be executed in counterparts.

12. This Confidentiality Agreement in no way affects or relieves any Party of its responsibility to comply with any federal, state, or local law or regulation.

By signature below, we acknowledge that we have read, understand, and agree to this Confidentiality Agreement.



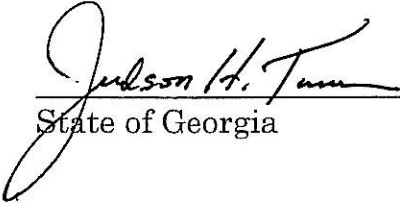
State of Alabama

Date: 1-9-08



State of Florida

Date: 1-9-08



State of Georgia

Date: 1-9-08



Alabama Power Company

Date: 1-9-08



Georgia Power Company

Date: 1/9/08

FOR THE UNITED STATES:

RONALD J. TENPAS, Assistant Attorney General
United States Department of Justice
Environment and Natural Resources Division

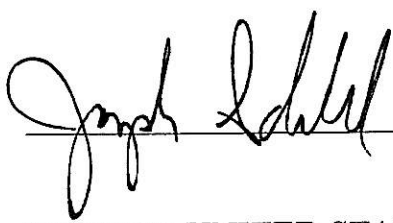
JACK K. HAUGRUD, Chief
RUTH ANN STOREY, Trial Attorney
Natural Resources Section

JEAN E. WILLIAMS, Chief

Date: _____

JAMES A. MAYSONETT, Trial Attorney (D.C. Bar 463856)
Wildlife and Marine Resources Section
Benjamin Franklin Station, P.O. Box 7397
Washington, D.C. 20044-7397
Telephone: (202) 305-0216
Facsimile: (202) 305-0275

FOR THE UNITED STATES ARMY CORPS OF ENGINEERS:

 Joseph L. Ladd BG, USA

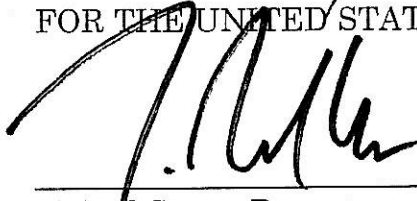
Date: 1-9-08

FOR THE UNITED STATES FISH AND WILDLIFE SERVICE:

 E. D. H. H. H.

Date: 1-9-08

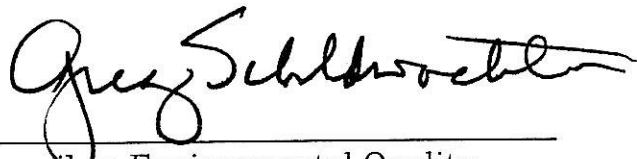
FOR THE UNITED STATES DEPARTMENT OF THE INTERIOR:

 J. Miller

Date: 1/9/08

United States Department of the Interior
1849 C Street, N.W.
Washington, D.C. 20240

FOR THE COUNCIL ON ENVIRONMENTAL QUALITY:

 Greg Schlobocht

Date: 9 Jan 08

Council on Environmental Quality
722 Jackson Place, N.W.
Washington, D.C. 20503