

SOUTHERN CO  
Form 424B5  
January 11, 2007

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Filed Pursuant to Rule 424(b)(5)  
 Registration Nos. 333-138503  
 333-138503-01  
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This Prospectus Supplement and the accompanying Prospectus relate to an effective registration statement under the Securities Act of 1933, as amended, but are not complete and may be changed. This Prospectus Supplement and the accompanying Prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated January 11, 2007

**PRELIMINARY PROSPECTUS SUPPLEMENT**

(To Prospectus dated January 11, 2007)

**\$500,000,000**

**Series 2007A % Senior Notes  
 due January 15, 2012**

This is a public offering by The Southern Company of \$500,000,000 of Series 2007A % Senior Notes due January 15, 2012. Interest on the Series 2007A Senior Notes is payable semiannually in arrears on January 15 and July 15 of each year, beginning July 15, 2007.

The Southern Company may redeem the Series 2007A Senior Notes, in whole or in part, at any time and from time to time, at a make-whole redemption price as described under the caption Description of the Series 2007A Senior Notes Optional Redemption.

The Series 2007A Senior Notes are unsecured and unsubordinated and rank equally with all of The Southern Company's other unsecured and unsubordinated indebtedness from time to time outstanding and will be effectively subordinated to all secured indebtedness of The Southern Company.

See *RISK FACTORS* beginning on page S-3 for a description of certain risks associated with investing in the Series 2007A Senior Notes.

	Per Series 2007A Senior Note	Total
Public Offering Price (1)	%	\$
Underwriting Discount	%	\$
Proceeds, before expenses, to The Southern Company	%	\$

(1) Plus accrued interest, if any, from the date of original issuance of the Series 2007A Senior Notes, which is expected to be January , 2007.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this Prospectus Supplement or the accompanying Prospectus. Any representation to the contrary is a criminal offense.

The Series 2007A Senior Notes should be delivered on or about January , 2007 through the book-entry facilities of The Depository Trust Company.

*Joint Book-Running Managers*

**Barclays Capital**

**Lehman Brothers**

*Co-Managers*

**Morgan Keegan & Company, Inc.**

**SunTrust Robinson Humphrey**

**The Williams Capital Group, L.P.**

January , 2007

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In making your investment decision, you should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus and any written communication from The Southern Company or the underwriters specifying the final terms of the offering. We have not, and the underwriters have not, authorized anyone to provide you with any other information. If you receive any unauthorized information, you must not rely on it.

We are offering to sell the Series 2007A Senior Notes only in places where sales are permitted.

You should not assume that the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus is accurate as of any date other than its respective date.

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**Table of Contents****RISK FACTORS**

Investing in the Series 2007A Senior Notes involves risk. Please see the risk factors in The Southern Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, along with the disclosure related to risk factors contained in The Southern Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006, which are all incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. The risks and uncertainties not presently known to The Southern Company or that The Southern Company currently deems immaterial may also impair its business operations, its financial results and the value of the Series 2007A Senior Notes.

**THE COMPANY**

The Southern Company (the Company) was incorporated under the laws of Delaware on November 9, 1945. The Company is domesticated under the laws of Georgia and is qualified to do business as a foreign corporation under the laws of Alabama. The principal executive offices of the Company are located at 30 Ivan Allen Jr. Boulevard, N.W., Atlanta, Georgia 30308, and the telephone number is (404) 506-5000.

**SELECTED FINANCIAL INFORMATION**

The following selected financial information for the years ended December 31, 2001 through December 31, 2005 has been derived from the Company's audited financial statements and related notes and the unaudited selected financial data, incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. The following selected financial information for the nine months ended September 30, 2006 has been derived from the Company's unaudited financial statements and related notes, incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. The information set forth below is qualified in its entirety by reference to and, therefore, should be read together with management's discussion and analysis of results of operations and financial condition, the financial statements and related notes and other financial information incorporated by reference in this Prospectus Supplement and the accompanying Prospectus.

	<b>2001</b>	<b>Year Ended December 31,</b>			<b>2005</b>	<b>Nine Months Ended September 30, 2006(1)</b>
		<b>2002</b>	<b>2003</b>	<b>2004</b>		
		<b>(Millions, except ratios)</b>				
Operating Revenues	\$ 10,155	\$ 10,447	\$ 11,018	\$ 11,729	\$ 13,554	\$ 11,204
Earnings from Continuing Operations Before Income Taxes	1,678	1,841	2,101	2,114	2,186	2,120
Earnings from Continuing Operations	1,120	1,315	1,483	1,529	1,591	1,386
Net Income	1,262	1,318	1,474	1,532	1,591	1,385
Ratio of Earnings to Fixed Charges(2)	3.12	3.57	3.88	3.86	3.65	4.03

	<b>Capitalization</b>		
	<b>As of September 30, 2006</b>		
	<b>Actual</b>	<b>As Adjusted(3)</b>	
	<b>(Millions, except percentages)</b>		
Common Stockholders Equity	\$ 11,286	\$ 11,286	44.2%
Preferred and Preference Stock of Subsidiaries	597	747	2.9
Senior Notes	8,060	9,020	35.3
Long-term Debt Payable to Affiliated Trusts	1,893	1,562	6.1
Other Long-term Debt	2,930	2,930	11.5
Total, excluding amounts due within one year	\$ 24,766	\$ 25,545	100.0%

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- (1) Due to seasonal variations in the demand for energy, operating results for the nine months ended September 30, 2006 do not necessarily indicate operating results for the entire year.
- (2) This ratio is computed as follows: (i) Earnings have been calculated by adding to Earnings from Continuing Operations Before Income Taxes Interest expense, net of amounts capitalized, Interest expense to affiliate trusts, Distributions on mandatorily redeemable preferred securities and the debt portion of allowance for funds used during construction; and (ii) Fixed Charges consist of Interest expense, net of amounts capitalized, Interest expense to affiliate trusts, Preferred and preference dividends of subsidiaries, Distributions on mandatorily redeemable preferred securities and the debt portion of allowance for funds used during construction. In computing this ratio, Preferred and preference dividends of subsidiaries represent the before tax earnings necessary to pay such dividends, computed at the effective tax rates for the applicable periods.
- (3) Reflects (i) the issuance in November 2006 by Southern Power Company of \$200,000,000 aggregate principal amount of Series E 6.375% Senior Notes due November 15, 2036; (ii) the issuance in December 2006 by Alabama Power Company of 6,000,000 Shares (\$150,000,000 aggregate stated value) of 5.625% Series Preference Stock, Non-Cumulative, Par Value \$1 per Share; (iii) the issuance in December 2006 by Georgia Power Company of \$150,000,000 aggregate principal amount of Series 2006A 5.65% Senior Insured Quarterly Notes due December 15, 2040; (iv) the issuance in December 2006 by Gulf Power Company of \$110,000,000 aggregate principal amount of Series M 5.300% Senior Notes due December 1, 2016; (v) the redemption in December 2006 by Gulf Power Company of \$30,000,000 aggregate principal amount of Series D 7.375% Junior Subordinated Notes due September 30, 2041 and the related 7.375% Trust Preferred Securities of Gulf Power Capital Trust III (as well as \$928,000 of such Series D Junior Subordinated Notes related to Gulf Power Company's ownership of the Common Securities of Gulf Power Capital Trust III); (vi) the defeasance in December 2006 by Southern Company Capital Funding, Inc. ( Capital Funding ) of \$222,393,000 aggregate principal amount of Series A 8.19% Junior Subordinated Notes due February 1, 2037 and the related 8.19% Trust Preferred Securities of Southern Company Capital Trust I (as well as \$10,052,000 of such Series A Junior Subordinated Notes related to Capital Funding's ownership of the Common Securities of Southern Company Capital Trust I); (vii) the defeasance in December 2006 by Capital Funding of \$66,136,000 aggregate principal amount of Series B 8.14% Junior Subordinated Notes due February 15, 2027 and the related 8.14% Trust Preferred Securities of Southern Company Capital Trust II (as well as \$2,320,000 of such Series B Junior Subordinated Notes related to Capital Funding's ownership of the Common Securities of Southern Capital Trust II); and (viii) the proposed issuance of the Series 2007A Senior Notes offered hereby.

**USE OF PROCEEDS**

The proceeds from the sale of the Series 2007A Senior Notes will be used by the Company to repay a portion of its outstanding short-term indebtedness, which aggregated approximately \$799,000,000 as of January 9, 2007, a portion of which was incurred to defease the outstanding principal amount of Capital Funding's Series A 8.19% Junior Subordinated Notes due February 1, 2037 and the outstanding principal amount of Capital Funding's Series B 8.14% Junior Subordinated Notes due February 15, 2027, and for other general corporate purposes.



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**DESCRIPTION OF THE SERIES 2007A SENIOR NOTES**

Set forth below is a description of the specific terms of the Series 2007A % Senior Notes due January 15, 2012 (the Series 2007A Senior Notes ). This description supplements, and should be read together with, the description of the general terms and provisions of the senior notes set forth in the accompanying Prospectus under the caption

Description of the Senior Notes. The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the description in the accompanying Prospectus and the Senior Note Indenture (the Senior Note Indenture ) to be entered into between the Company and Wells Fargo Bank, National Association, as trustee (the Senior Note Indenture Trustee ).

**General**

The Series 2007A Senior Notes will be issued as a series of senior notes under the Senior Note Indenture. The Series 2007A Senior Notes will be initially issued in the aggregate principal amount of \$500,000,000. The Company may, without the consent of the holders of the Series 2007A Senior Notes, issue additional notes having the same ranking and interest rate, maturity and other terms as the Series 2007A Senior Notes, except for the public offering price and issue date and the initial interest accrual date and initial Interest Payment Date (as defined below), if applicable. Any additional notes having such similar terms, together with the Series 2007A Senior Notes, will constitute a single series of senior notes under the Senior Note Indenture.

The entire principal amount of the Series 2007A Senior Notes will mature and become due and payable, together with any accrued and unpaid interest thereon, on January 15, 2012. The Series 2007A Senior Notes are not subject to any sinking fund provision. The Series 2007A Senior Notes are available for purchase in denominations of \$1,000 and any integral multiple thereof.

**Interest**

Each Series 2007A Senior Note will bear interest at the rate of % per year (the Securities Rate ) from the date of original issuance, payable semiannually in arrears on January 15 and July 15 of each year (each, an Interest Payment Date ) to the person in whose name such Series 2007A Senior Note is registered at the close of business on the fifteenth calendar day prior to such Interest Payment Date (whether or not a Business Day). The initial Interest Payment Date is July 15, 2007. The amount of interest payable will be computed on the basis of a 360-day year of twelve 30-day months. In the event that any date on which interest is payable on the Series 2007A Senior Notes is not a Business Day, then payment of the interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), with the same force and effect as if made on such date. Business Day means a day other than (i) a Saturday or Sunday, (ii) a day on which banks in New York, New York are authorized or obligated by law or executive order to remain closed or (iii) a day on which the Senior Note Indenture Trustee s corporate trust office is closed for business.

**Ranking**

The Series 2007A Senior Notes will be direct, unsecured and unsubordinated obligations of the Company and will rank equally with all other unsecured and unsubordinated obligations of the Company. Since the Company is a holding company, the right of the Company and, hence, the right of creditors of the Company (including holders of the Series 2007A Senior Notes) to participate in any distribution of the assets of any subsidiary of the Company, whether upon liquidation, reorganization or otherwise, is subject to prior claims of creditors of each subsidiary. The Series 2007A Senior Notes will be effectively subordinated to all secured debt of the Company. The Company had no

secured debt outstanding at September 30, 2006. The Senior Note Indenture contains no restrictions on the amount of additional indebtedness that may be incurred by the Company.

**Optional Redemption**

The Series 2007A Senior Notes will be subject to redemption at the option of the Company in whole or in part at any time and from time to time upon not less than 30 nor more than 60 days notice. The Company shall have the

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right to redeem the Series 2007A Senior Notes in whole or in part at a redemption price (the Redemption Price ) equal to the greater of:

(i) 100% of the principal amount of the Series 2007A Senior Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Series 2007A Senior Notes being redeemed discounted (for purposes of determining present value) to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Treasury Yield (as defined below) plus basis points, plus, in each case, accrued interest thereon to the date of redemption.

Treasury Yield means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Series 2007A Senior Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Series 2007A Senior Notes.

Comparable Treasury Price means, with respect to any redemption date, (i) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations or (ii) if the Company obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

Independent Investment Banker means an independent investment banking institution of national standing appointed by the Company and reasonably acceptable to the Senior Note Indenture Trustee.

Reference Treasury Dealer means a primary U.S. Government securities dealer in New York City appointed by the Company and reasonably acceptable to the Senior Note Indenture Trustee.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount and quoted in writing to the Company by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day in New York City preceding such redemption date).

If notice of redemption is given as aforesaid, the Series 2007A Senior Notes so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price together with any accrued and unpaid interest thereon, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Series 2007A Senior Notes shall cease to bear interest. If any Series 2007A Senior Note called for redemption shall not be paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the Securities Rate. See Description of the Senior Notes Events of Default in the accompanying Prospectus.

Subject to the foregoing and to applicable law (including, without limitation, United States federal securities laws), the Company or its affiliates may, at any time and from time to time, purchase outstanding Series 2007A Senior Notes by tender, in the open market or by private agreement.

**Book-Entry Only Issuance The Depository Trust Company**

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The Depository Trust Company ( DTC ) will act as the initial securities depository for the Series 2007A Senior Notes. The Series 2007A Senior Notes will be issued only as fully registered securities registered in the name of Cede & Co., DTC s partnership nominee, or such other name as may be requested by an authorized representative of DTC. One or more fully registered global Series 2007A Senior Notes certificates will be issued, representing in

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the aggregate the total principal amount of the Series 2007A Senior Notes, and will be deposited with the Senior Note Indenture Trustee on behalf of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the 1934 Act). DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC's participants ( Direct Participants ) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ( DTCC ). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ( Indirect Participants ). DTC has Standard & Poor's, a division of The McGraw Hill Companies, Inc., highest rating: AAA. The DTC rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Series 2007A Senior Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2007A Senior Notes on DTC's records. The ownership interest of each actual purchaser of Series 2007A Senior Notes ( Beneficial Owner ) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners purchased Series 2007A Senior Notes. Transfers of ownership interests in the Series 2007A Senior Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2007A Senior Notes, except in the event that use of the book-entry system for the Series 2007A Senior Notes is discontinued.

To facilitate subsequent transfers, all Series 2007A Senior Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2007A Senior Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any changes in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2007A Senior Notes. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2007A Senior Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2007A Senior Notes are being redeemed, DTC's practice is to determine by lot the amount of interest of each Direct Participant in such Series 2007A Senior Notes to be redeemed.

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Although voting with respect to the Series 2007A Senior Notes is limited, in those cases where a vote is required, neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2007A Senior Notes unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Company as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2007A Senior Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Series 2007A Senior Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Company or the Senior Note Indenture Trustee on the relevant payment date in accordance with their respective holdings shown on DTC's records. Payments by Direct or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the account of customers registered in street name, and will be the responsibility of such Direct or Indirect Participant and not of DTC or the Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Company, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Except as provided herein, a Beneficial Owner of a global Series 2007A Senior Note will not be entitled to receive physical delivery of Series 2007A Senior Notes. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Series 2007A Senior Notes. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of securities in definitive form. Such laws may impair the ability to transfer beneficial interests in a global Series 2007A Senior Note.

DTC may discontinue providing its services as securities depository with respect to the Series 2007A Senior Notes at any time by giving reasonable notice to the Company. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2007A Senior Notes certificates will be required to be printed and delivered to the holders of record. Additionally, the Company may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) with respect to the Series 2007A Senior Notes. The Company understands, however, that under current industry practices, DTC would notify its Direct and Indirect Participants of the Company's decision, but will only withdraw beneficial interests from a global Series 2007A Senior Note at the request of each Direct or Indirect Participant. In that event, certificates for the Series 2007A Senior Notes will be printed and delivered to the applicable Direct or Indirect Participant.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Company believes to be reliable, but the Company takes no responsibility for the accuracy thereof. The Company has no responsibility for the performance by DTC or its Direct or Indirect Participants of their respective obligations as described herein or under the rules and procedures governing their respective operations.

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Subject to the terms and conditions of an underwriting agreement (the Underwriting Agreement), the Company has agreed to sell to each of the underwriters named below (the Underwriters) and each of the Underwriters has severally agreed to purchase from the Company the principal amount of the Series 2007A Senior Notes set forth opposite its name below:

<b>Underwriters</b>	<b>Principal Amount of Series 2007A Senior Notes</b>
Barclays Capital Inc.	\$
Lehman Brothers Inc.	
Morgan Keegan & Company, Inc.	
SunTrust Capital Markets, Inc.	
The Williams Capital Group, L.P.	
<b>Total</b>	<b>\$ 500,000,000</b>

In the Underwriting Agreement, the Underwriters have agreed, subject to the terms and conditions set forth therein, to purchase all of the Series 2007A Senior Notes offered hereby, if any of the Series 2007A Senior Notes are purchased.

The Underwriters propose to offer the Series 2007A Senior Notes directly to the public at the public offering price set forth on the cover page of this Prospectus Supplement and may offer them to certain securities dealers at such price less a concession not in excess of % of the principal amount per Series 2007A Senior Note. The Underwriters may allow, and such dealers may reallow, a concession not in excess of % of the principal amount per Series 2007A Senior Note to certain brokers and dealers. After the initial public offering, the offering price and other selling terms may from time to time be varied by the Underwriters.

The Series 2007A Senior Notes are a new issue of securities with no established trading market. The Series 2007A Senior Notes will not be listed on any securities exchange or on any automated dealer quotation system. The Underwriters may make a market in the Series 2007A Senior Notes after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the Series 2007A Senior Notes or that an active public market for the Series 2007A Senior Notes will develop. If an active public trading market for the Series 2007A Senior Notes does not develop, the market price and liquidity of the Series 2007A Senior Notes may be adversely affected.

The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

The Company's expenses associated with the offer and sale of the Series 2007A Senior Notes are estimated to be \$485,000.

The Company has agreed with the Underwriters, that during the period of 15 days from the date of the Underwriting Agreement, it will not sell, offer to sell, grant any option for the sale of, or otherwise dispose of any Series 2007A



Senior Notes, any security convertible into, exchangeable into or exercisable for the Series 2007A Senior Notes or any debt securities substantially similar to the Series 2007A Senior Notes (except for the Series 2007A Senior Notes issued pursuant to the Underwriting Agreement), without the prior written consent of Barclays Capital Inc. and Lehman Brothers Inc. This agreement does not apply to issuances of commercial paper or other debt securities with scheduled maturities of less than one year.

In order to facilitate the offering of the Series 2007A Senior Notes, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Series 2007A Senior Notes. Specifically, the Underwriters may over-allot in connection with the offering, creating short positions in the Series 2007A Senior Notes for their own account. In addition, to cover over-allotments or to stabilize the price of the Series 2007A Senior Notes, the Underwriters may bid for, and purchase, Series 2007A Senior Notes in the open market. The

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Underwriters may reclaim selling concessions allowed to an Underwriter or dealer for distributing Series 2007A Senior Notes in the offering, if the Underwriters repurchase previously distributed Series 2007A Senior Notes in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the Series 2007A Senior Notes above independent market levels. The Underwriters are not required to engage in these activities, and may end any of these activities at any time without notice.

In general, purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases. The imposition of a penalty bid might also have an effect on the price of a security to the extent that it were to discourage resales of the security.

Neither the Company nor any Underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Series 2007A Senior Notes. In addition, neither the Company nor any Underwriter makes any representation that the Underwriters will engage in such transactions or that such transactions once commenced will not be discontinued without notice.

It is expected that delivery of the Series 2007A Senior Notes will be made, against payment for the Series 2007A Senior Notes, on or about January , 2007, which will be the business day following the pricing of the Series 2007A Senior Notes. Under Rule 15c6-1 under the 1934 Act, purchases or sales of securities in the secondary market generally are required to settle within three business days (T+3), unless the parties to any such transactions expressly agree otherwise. Accordingly, purchasers of the Series 2007A Senior Notes who wish to trade the Series 2007A Senior Notes on the date of this Prospectus Supplement or the next succeeding business day(s) will be required, because the Series 2007A Senior Notes initially will settle within business days (T+ ), to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Series 2007A Senior Notes who wish to trade on the date of this Prospectus Supplement or the next succeeding business day(s) should consult their own legal advisors.

Certain of the Underwriters and their affiliates have engaged and may in the future engage in transactions with, and, from time to time, have performed and may perform investment banking and/or commercial banking services for, the Company and its affiliates in the ordinary course of business, for which they have received and will receive customary compensation.

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**PROSPECTUS**

**The Southern Company  
Common Stock  
Senior Notes  
Junior Subordinated Notes**

**Southern Company Capital Trust VII  
Southern Company Capital Trust VIII  
Trust Preferred Securities  
Fully And Unconditionally Guaranteed, As Described Herein, By  
The Southern Company**

We will provide the specific terms of these securities in supplements to this Prospectus. You should read this Prospectus and the applicable Prospectus Supplement carefully before you invest.

**See Risk Factors on page 2 for information on certain risks related to the purchase of these securities.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

January 11, 2007

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**ABOUT THIS PROSPECTUS**

This Prospectus is part of a registration statement filed with the Securities and Exchange Commission (the Commission ) using a shelf registration process under the Securities Act of 1933, as amended (the 1933 Act ). Under the shelf process, The Southern Company (the Company ) may sell, in one or more transactions,

common stock (the Common Stock )

senior notes (the Senior Notes )

junior subordinated notes (the Junior Subordinated Notes )

and Southern Company Capital Trust VII and Southern Company Capital Trust VIII (individually, a Trust and collectively, the Trusts ) may sell

trust preferred securities or capital securities (the Preferred Securities )

in one or more offerings. The Preferred Securities will be guaranteed by the Company, to the extent described in this Prospectus. This Prospectus provides a general description of those securities. Each time the Company or a Trust sells securities, the Company and/or a Trust will provide a prospectus supplement that will contain specific information about the terms of that offering ( Prospectus Supplement ). The Prospectus Supplement may also add, update or change information contained in this Prospectus. You should read this Prospectus and the applicable Prospectus Supplement together with additional information under the heading Available Information.

**RISK FACTORS**

Investing in the Company s securities involves risk. Please see the risk factors described in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2005, along with the disclosures related to risk factors contained in the Company s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006, which are all incorporated by reference in this Prospectus. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this Prospectus. The risks and uncertainties described are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair its business operations, its financial results and the value of its securities.

**AVAILABLE INFORMATION**

The Company and the Trusts have filed with the Commission a combined registration statement on Form S-3 (the Registration Statement, which term encompasses any amendments of and exhibits to the Registration Statement) under the 1933 Act. As permitted by the rules and regulations of the Commission, this Prospectus does not contain all of the information set forth in the Registration Statement and the exhibits and schedules to the Registration Statement, to which reference is made.

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the 1934 Act ), and in accordance with the 1934 Act files reports, proxy statements and other information with the Commission. Such reports, proxy statements and other information can be inspected and copied at the Public Reference Room of the Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-800-SEC-0330. The

Commission maintains a Web site that contains reports, proxy and information statements and other information regarding registrants including the Company that file electronically at <http://www.sec.gov>. In addition, reports and other material concerning the Company can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005, on which exchange the common stock of the Company is listed.

No separate financial statements of any Trust are included in this Prospectus. The Company considers that such statements would not be material to holders of the Preferred Securities because each Trust has no independent operations and exists for the sole purpose of investing the proceeds of the sale of its Trust Securities (as defined below) in Junior Subordinated Notes.

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**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

The following documents have been filed with the Commission pursuant to the 1934 Act and are incorporated in this Prospectus by reference and made a part of this Prospectus:

- (a) the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2005;
- (b) the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006; and
- (c) the Company's Current Reports on Form 8-K dated January 4, 2006, February 20, 2006, March 16, 2006, March 17, 2006, June 15, 2006, June 27, 2006, October 17, 2006, October 18, 2006, October 27, 2006 and November 16, 2006.

All documents filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the 1934 Act subsequent to the date of this Prospectus and prior to the termination of this offering shall be deemed to be incorporated in this Prospectus by reference and made a part of this Prospectus from the date of filing of such documents; provided, however, that the Company is not incorporating any information furnished under Items 2.02 or 7.01 of any Current Report on Form 8-K unless specifically stated otherwise. Any statement contained in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

**The Company will provide without charge to each person to whom this Prospectus is delivered, on the written or oral request of any such person, a copy of any or all documents incorporated in this Prospectus by reference (other than the exhibits to such documents unless such exhibits are specifically incorporated by reference). Such requests should be directed to Patricia L. Roberts, Assistant Secretary, The Southern Company, 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308, telephone (404) 506-5000.**

**THE SOUTHERN COMPANY**

The Company was incorporated under the laws of Delaware on November 9, 1945. The Company is domesticated under the laws of Georgia and is qualified to do business as a foreign corporation under the laws of Alabama. The principal executive offices of the Company are located at 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308, and the telephone number is (404) 506-5000.

The Company owns all the outstanding common stock of Alabama Power Company ( Alabama Power ), Georgia Power Company ( Georgia Power ), Gulf Power Company and Mississippi Power Company, each of which is an operating public utility company. The retail operating companies supply electric service in the states of Alabama, Georgia, Florida and Mississippi. Effective July 1, 2006, Savannah Electric and Power Company, which was an operating public utility company and a wholly-owned subsidiary of the Company, was merged with and into Georgia Power. In addition, the Company owns all of the common stock of Southern Power Company ( Southern Power ), which is also an operating public utility company. Southern Power constructs, owns and manages the Company's competitive generation assets and sells electricity at market-based rates in the wholesale market.

The Company also owns all the outstanding common stock or membership interests of Southern Communications Services, Inc. ( SouthernLINC Wireless ), Southern Nuclear Operating Company, Inc. ( Southern Nuclear ), Southern

Company Services, Inc. ( SCS ), Southern Telecom, Inc. ( Southern Telecom ), Southern Company Holdings, Inc. ( Southern Holdings ) and other direct and indirect subsidiaries. SouthernLINC Wireless provides digital wireless communications services to the retail operating companies and also markets these services to the public within the Southeast. Southern Nuclear provides services to Alabama Power s and Georgia Power s nuclear plants. SCS is the system service company providing, at cost, specialized services to the Company and its subsidiary companies. Southern Telecom provides wholesale fiber optic solutions to telecommunication providers in the Southeast. Southern Holdings is an intermediate holding subsidiary for the Company s investments in synthetic fuels and leveraged leases and various other energy-related businesses.

Alabama Power and Georgia Power each own 50% of the outstanding common stock of Southern Electric Generating Company ( SEGCO ). SEGCO is an operating public utility company that owns electric generating units. Alabama Power and Georgia Power are each entitled to one-half of SEGCO s capacity and energy.

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**CERTAIN RATIOS**