Southern Company

Southern Companies' 2026 Annual Cluster Study Stakeholder Meeting

November 13, 2025
December 4, 2025
January 13, 2026

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Welcome

THANK YOU FOR ATTENDING!!

This meeting will be recorded and will be posted for later viewing.

Microphones and the Chat feature have been disabled for the duration of the meeting.

Questions should be typed in the Q&A feature. If time permits, questions may be answered at the end of the meeting.

DISCLAIMER: The material contained in this presentation is subject to change.

Cluster Study Process

Overview

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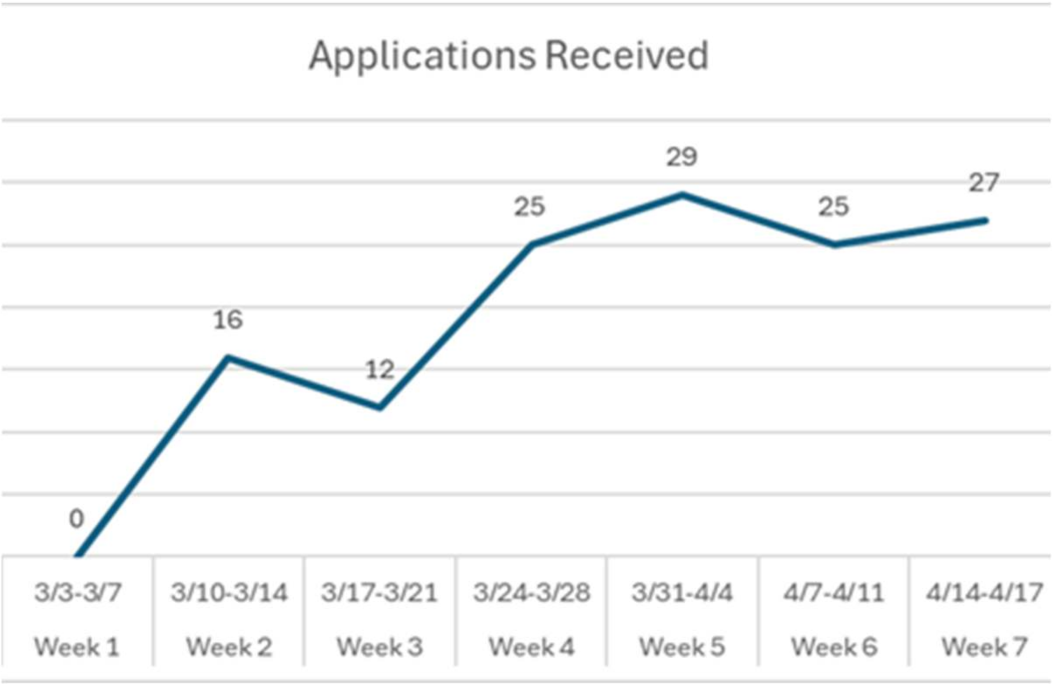
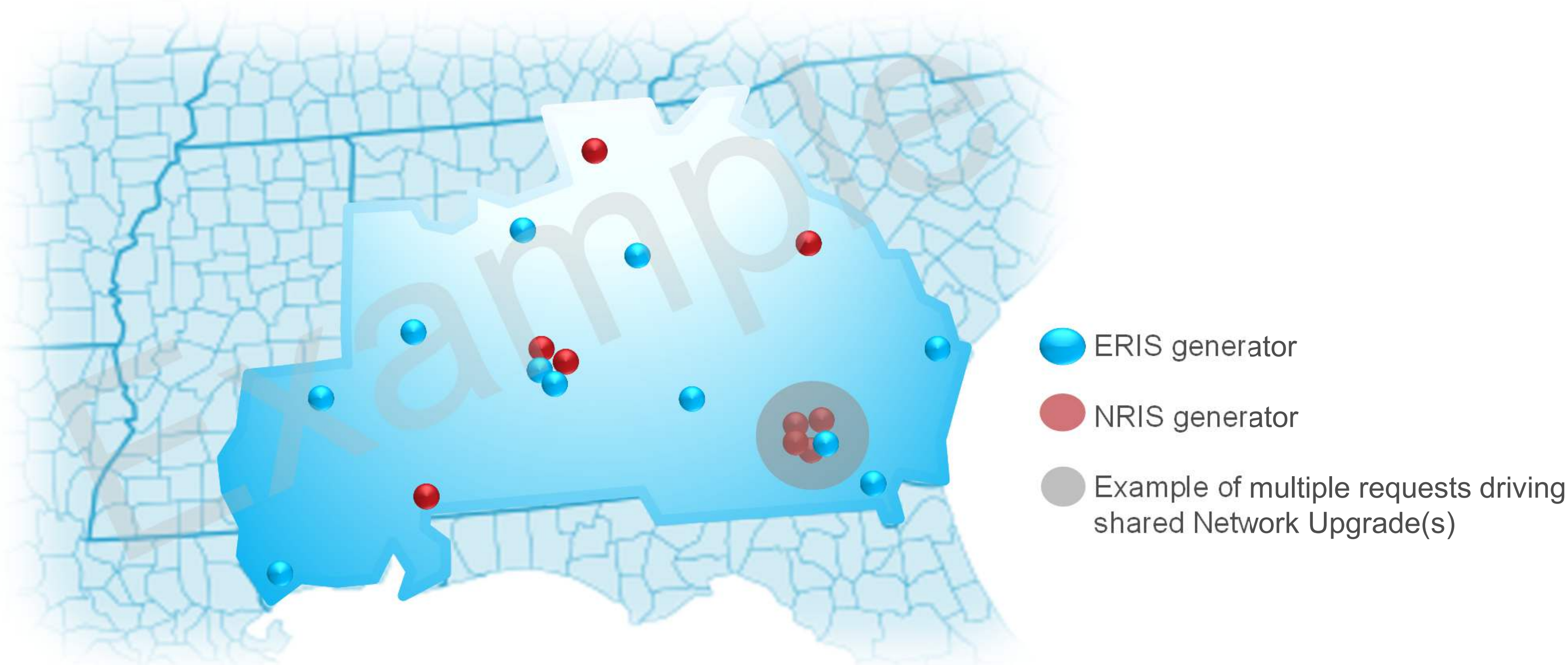
2025 Annual Cluster Study Metrics

- 134 total applications processed
- 104 applications given queue positions
- Majority of requests submitted during the last weeks of the Cluster Request Window



2026 Annual Cluster Study

- Requests studied together in groupings rather than one by one in a serial order
- All requests in the cluster are considered equal in queue priority regardless of when an interconnection queue position was assigned



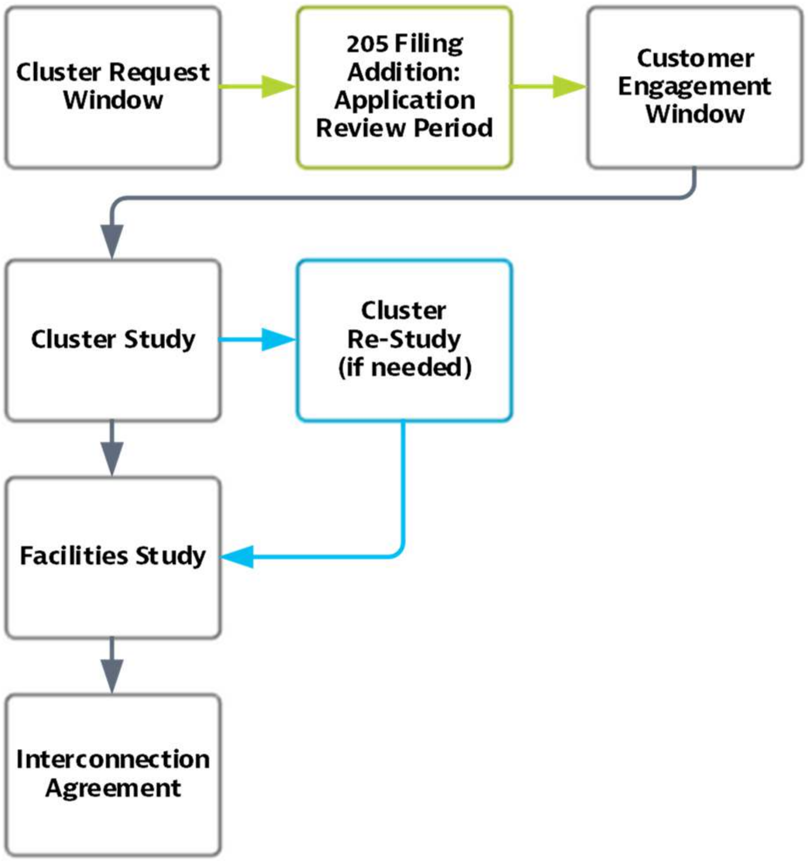
ERIS & NRIS Reminders

Interconnection Service $\neq$ Delivery Service

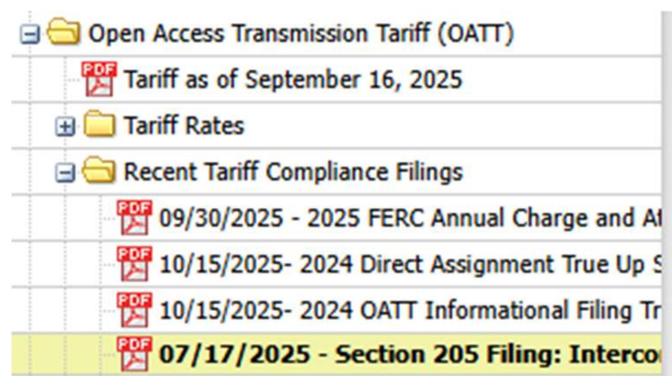
Interconnection Service	Delivery Service	
ERIS	Not Included	Procured Separately
NRIS	Not Included	Procured Separately

- Because of regional differences, ERIS is sufficient in Southern Companies' footprint.
- Neither ERIS nor NRIS is associated with curtailment. Curtailment is a function of Delivery Service.
- 100% of the Interconnection Requests in the 2025 Annual Cluster Study selected ERIS as the Interconnection Service type.

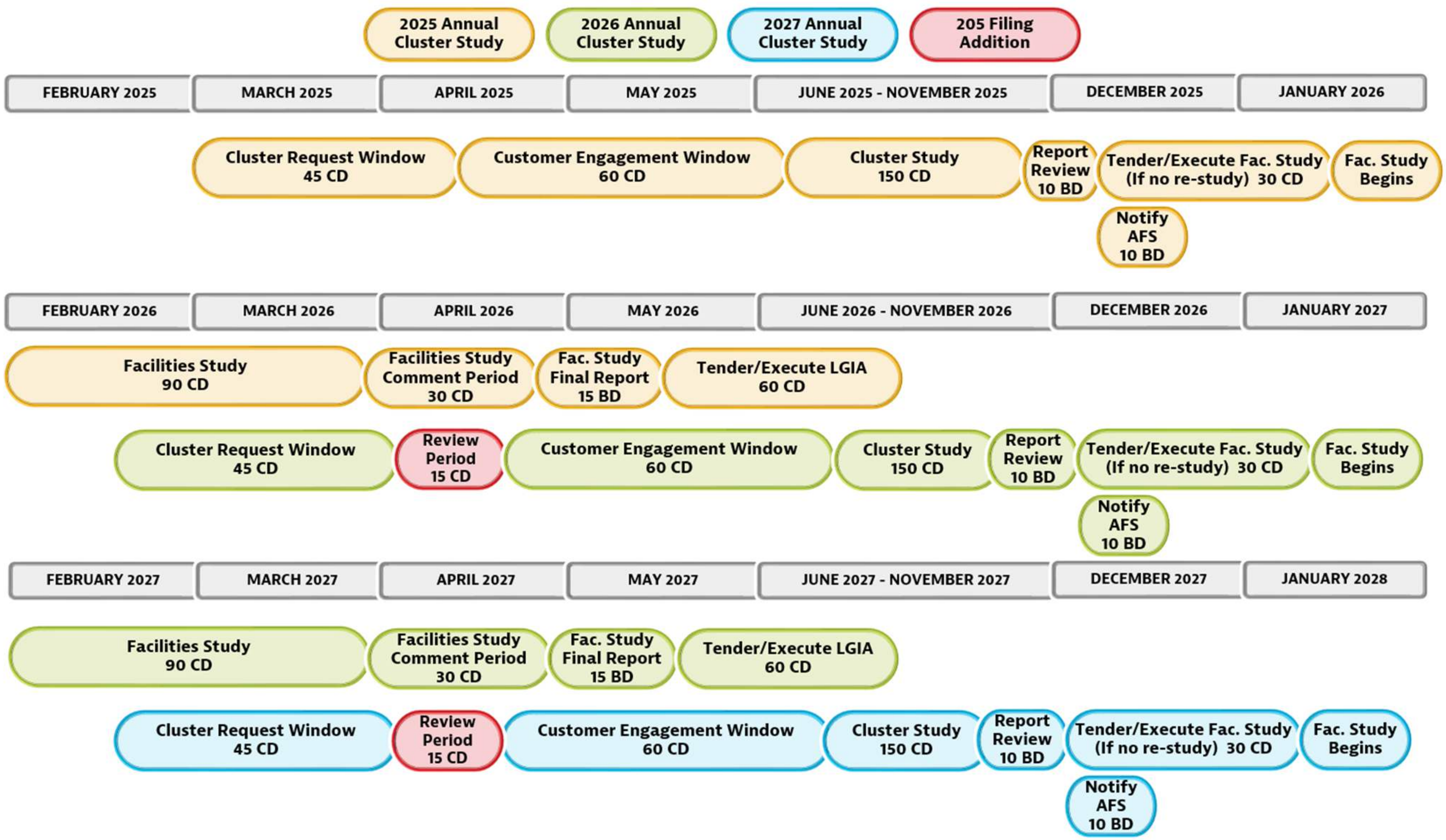
Annual Cluster Study Implementation



- The **added "Application Review Period"** allows Southern Companies to review customer applications that were submitted toward the end of the Cluster Request Window.
- During the **added "Application Review Period,"** Southern Companies will not accept any new applications, nor will any deficiencies be allowed to be cured.
- Docket ER25-2884 II.1 "Cluster Study Timing Changes"



Annual Cluster Study Timeline



Important Dates – 2026 Annual Cluster Study

Milestone	Timeframe	Dates
Cluster Request Window (Application Window)	45 CD	**February 17, 2026 – April 3, 2026**
Review of Applications submitted toward the end of the Cluster Request Window (Application Window) – **NO APPLICATIONS CAN BE SUBMITTED DURING THIS WINDOW**	15 CD	April 4, 2026 – April 20, 2026
Customer Engagement Window: • Scoping Meetings • Tender & Execute Cluster Study Agreements	60 CD	April 21, 2026 – June 22, 2026
Cluster Study	150 CD	June 23, 2026 – November 20, 2026
Cluster Study Report Review	Within 10 BD of Study Completion	By December 8, 2026
Notification of Potential Affected Systems	Within 10 BD of Study Completion	By December 8, 2026
Customer to Confirm Moving Forward to Facilities Study	5 BD after Report Review	By December 15, 2026 **(assuming no re-study)**
Tender Facilities Study Agreement	5 BD after Report Review	By December 15, 2026 **(assuming no re-study)**
Execute Facilities Study Agreement	30 CD	By January 14, 2027 **(assuming no re-study)**
Facilities Study**	90 CD	January 15, 2027 – April 15, 2027 **(assuming no re-study)**

Initiating a Valid Interconnection Request

Overview

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Components of a Valid Interconnection Request

Complete Application

Site Control

Deposits & Fees

- Application Fee
- Study Deposit
- Commercial Readiness Deposit

Generating Facility Capability (MW)

Point of Interconnection (POI)

Interconnection Service Type Indicated (ERIS/NRIS)

*Reference OATT Section 3.4.2

New Application Portal

Southern Company will utilize a new application portal for the upcoming 2026 Annual Cluster Study.

The new application portal will replace SIMPL for Southern Companies' application platform for the 2026 Annual Cluster Study.

Access to Platform:

- If you have submitted an Interconnection Request application to Southern Company between 2023-2025, a member of your team will receive guidance via email as to how to register you and your team.
- If you have not submitted an Interconnection Request application to Southern Company, please email tscspinter@southernco.com with your name, email, and company.
- Access to new application portal will be managed through Southern Companies' Cool Compliance platform; more details will be shared later pertaining to this information.

There will be a library of training videos and user guides forthcoming.

Site Control Requirements

Stage	Generating Facility	IC's Interconnection Facilities	TPIF and Substation NU
Initial Application [LGIP Section 3.4.2(iii)] ***AND*** Cluster Restudy [LGIP Section 7.5(1)(a)]	**No Regulatory limitation**: ▪ At least 90%[1,2] **Regulatory Limitation**: ▪ Signed affidavit of Regulatory Limitations ▪ Sufficient Documentation of Regulatory Limitations ▪ $10,000/MW deposit in lieu of Site Control (Min: $500k; Max: $2M)	-	-
Interconnection Facilities Study [LGIP Section 8.1(2)]	100%[1,2]	-	-
LGIA Execution	100%[1,2]	100%	100%

[1] Must demonstrate that it is taking identifiable steps to secure the necessary regulatory approvals before execution of the Cluster Study Agreement

[2] Must demonstrate one-hundred percent (100%) Site Control within one-hundred eighty (180) Calendar Days of the effective date of the LGIA. If not demonstrated, the LGIA will be terminated.

Site Control Requirements (Cont'd)

Facility Type	Min. Accepted Site per MW[1,2]
Solar-Powered Generating Facility	6 Acres/MW
Storage Generating Facility	40 – 60 MWh/Acre
Conventional Generating Facility	40 Acres
Hybrid Facilities (non-co-located)	IC customer must demonstrate minimum accepted site for each fuel type
Wind-Powered Generating Facility	30 Acres/MW

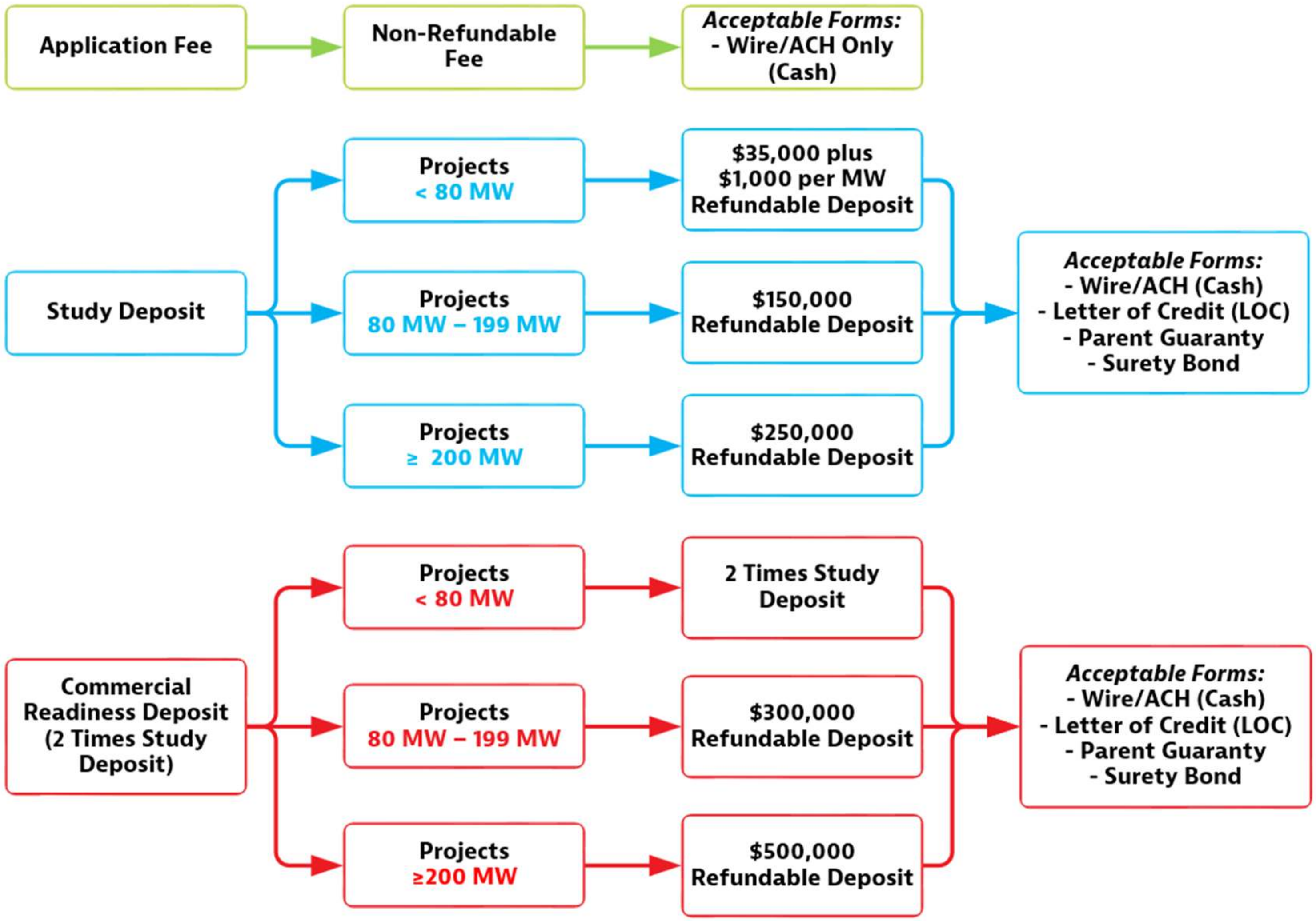
[1] Without detailed layout. If a detailed layout is provided, it must be stamped by a PE licensed in the state(s) where the Generating Facility will be built and connect to the Transmission System, and it will be reviewed specifically for acreage requirements.
[2] Location and project constraints (e.g., wetlands) may require additional flexibility.

Site Control Requirements (Cont'd)

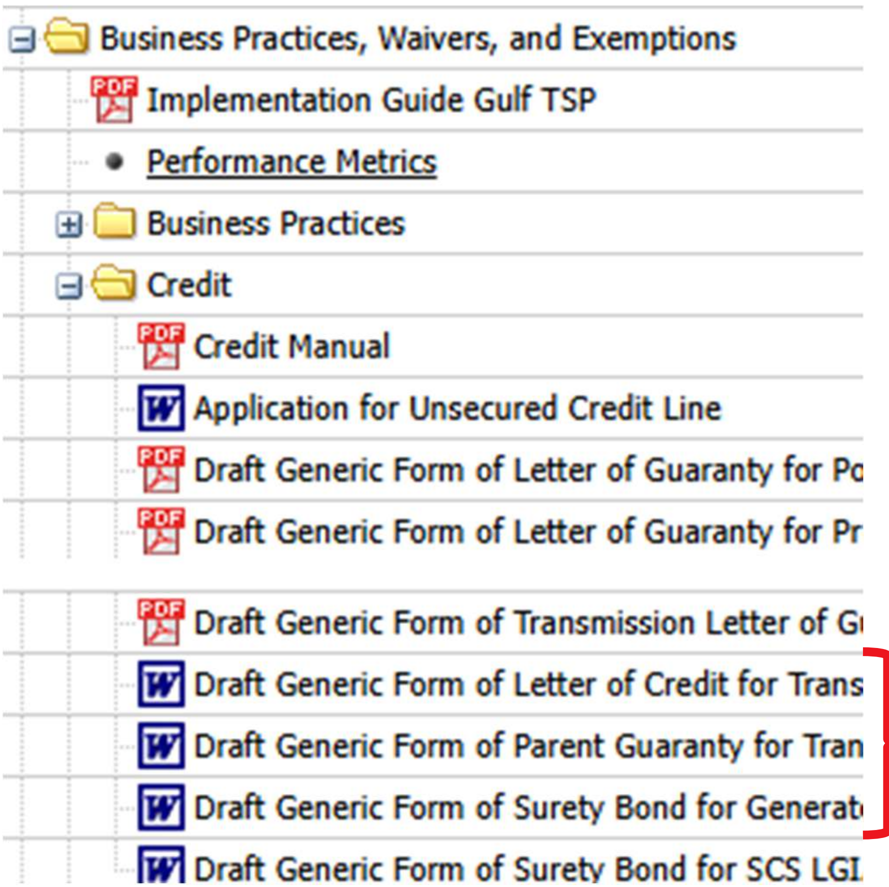
Facility Type	Minimum Acceptable Site Control[2]
Interconnection Customer's Interconnection Facilities	Appropriate mileage to connect the Interconnection Customer's substation to Southern Companies' Interconnecting Substation
Transmission Provider's Interconnection Facilities	New Interconnecting Substation with access road ownership (APC)/permanent easement (GPC and MPC)
Single Breaker (46 kV or 115 kV)	Approximately 2 acres
115 kV Ring Bus	Approximately 6 acres
230 kV Ring Bus	Approximately 7 acres
500 kV Ring Bus	Approximately 60 acres

[1] Reference Southern Companies' Generator Interconnection Business Practices on Southern Companies' OASIS.
[2] Location and project constraints, as well as the availability of a detailed site layout, may require flexibility at the sole discretion of the Transmission Provider.

Application Deposits & Fees



Draft Securities



- Word document templates (.doc) are currently posted on our OATI OASIS page.
- 30 days BEFORE Final Securities are submitted, REDLINED Word documents (.doc) MUST be submitted to Southern Company for review.

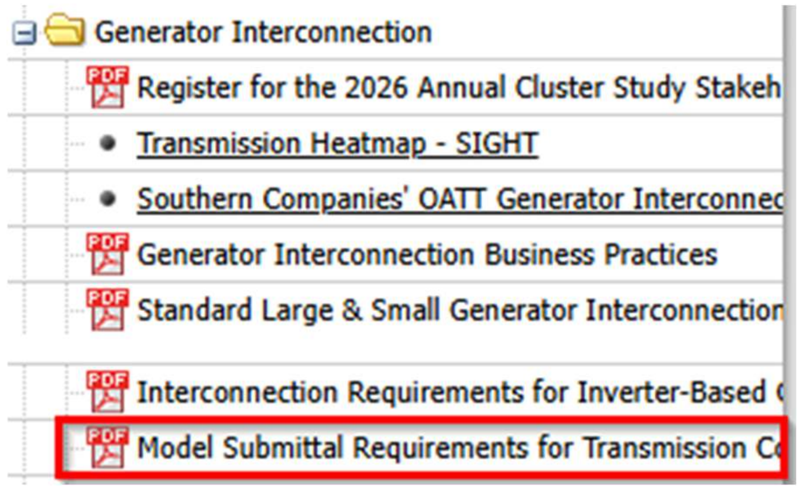
Actual Study Cost Allocations by IC

Study Phase	Pro Rata[1]	Per Capita[2]	Serial Process Actual Study Costs
Cluster Study	50%	50%	-
Interconnection Facilities Study	-	-	100%

[1] Pro rata based on requested megawatts included in the Cluster
[2] Per capita based on number of Interconnection Requests in the Cluster

Technical Requirements

- Electrical Data that includes Generating Facility Capacity (MW)
- Single Line Diagram (SLD) with PE Stamp
- IBR Submittal Requirements:
  - Posted to OASIS under Generator Interconnection folder
  - PSS®E Standard Library Model including all required files and documentations that comply with model requirements listed in section 3.
  - PSS®E User Defined Model including all required files and documentations that comply with model requirements listed in section 3.
  - PSCAD™ Model including all required files and documentations that comply with model requirements listed in section 3
  - One (1) Model Performance attestation report summarizing the simulation results listed in section 4 performed using all three (3) of the following:
    - PSS®E Standard library models
    - PSS®E user-defined model
    - PSCAD™ Model
  - Completed model checklist listed in section 5.1



Invalid/Deficient Applications and Queue Position Assignments

Overview

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Common Items Constituting Request Deficiencies

Incomplete Application Details (e.g., missing fields or entries in application, single line diagram (SLD) missing PE stamp)

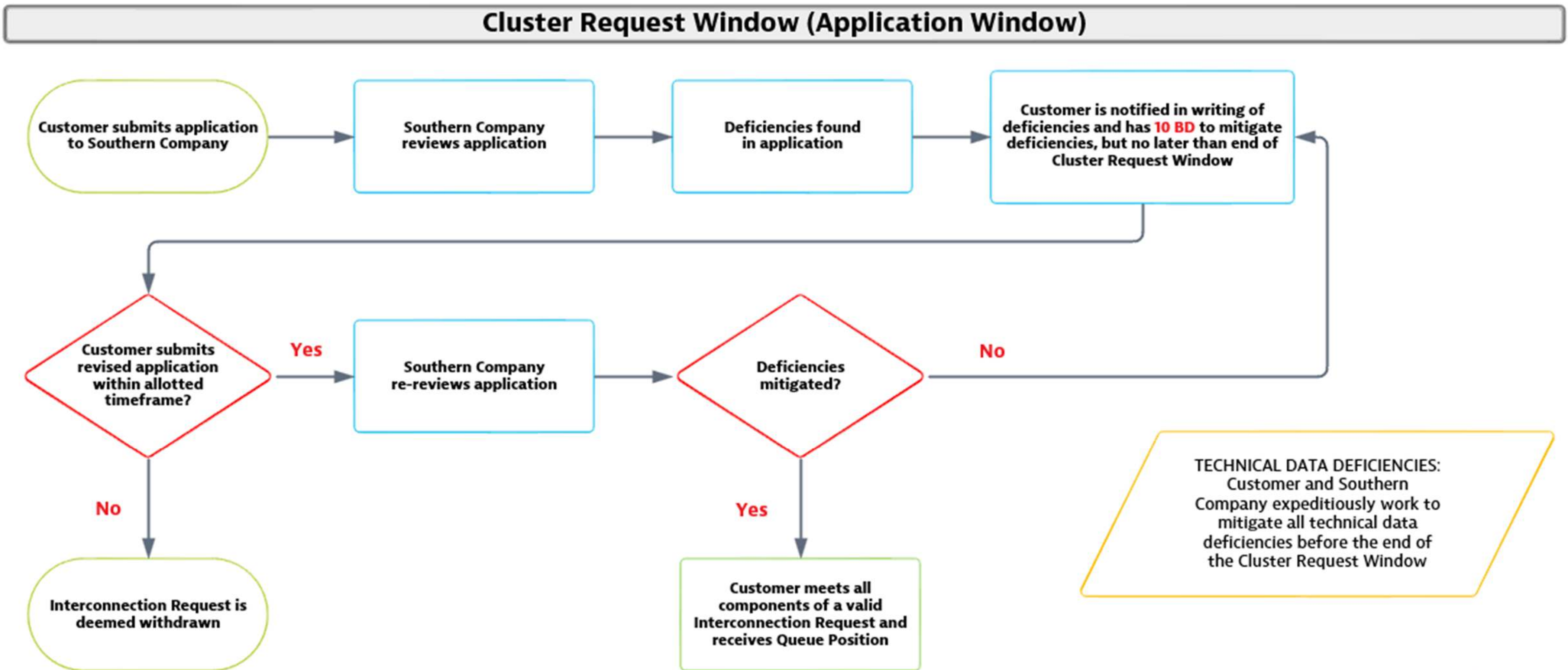
Fees and Deposits (e.g., Letter of Credit/Surety Bond/Parent Guaranty redline versions) not submitted and/or incorrect amounts provided in final version.

Site Control documentation does not meet the 90% requirement

Deficient Technical Data such as number of inverters differ from SLD/number listed in application, collector system model rating lower than the MVA capability, etc.

IBR Model Submittal Package Deficiencies including missing or inaccurate models, supporting model documentation, model performance attestation report, model checklist (section 5.1), etc.

Application Deficiencies Flow



Withdrawal Penalties

Withdrawal Penalties (WP)

Phase	Study Deposit	RD to Enter Phase[1]	WP after Entry
Cluster Study[2]	• 21 - 79 MW = $35,000 plus $1,000/MW • 80 - 199 MW= $150,000 • 200 MW+ = $250,000	2 times Study Deposit	Greater of: - Study Deposit - 2 times allocated actual study costs
Cluster Restudy	No Additional $$	Addt'l deposit to bring total to 5% of Network Upgrade Costs	Greater of: - Study Deposit - 5% of Network Upgrade Costs
Facilities Study	No Additional $$	Addt'l deposit to bring total to 10% of Network Upgrade Costs	Greater of: - Study Deposit - 10% of Network Upgrade Costs
LGIA Execution	No Additional $$	Addt'l deposit to bring total to 20% of Network Upgrade Costs	Greater of: - Study Deposit - 20% of Network Upgrade Costs

[1] Fully refundable upon achieving Commercial Operation
[2] Additional non-refundable application fee

Distribution of Withdrawal Penalties (WPs)

- Withdrawal Penalty funds held in a Cluster and amount(s) posted ***quarterly*** on OASIS until ALL requests have either:
  - Withdrawn
  - Executed LGIA
  - Requested to file unexecuted LGIA
- Applied in following order (in same cluster for requests not withdrawn):

Fund studies/ Restudies
(not to exceed actual costs)

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Reduction of ***net increases*** in Network Upgrade cost assignment[1]

=

Refund remaining WP funds back to withdrawn request(s)

[1] For LGIAs with shared Network Upgrade obligation with the withdrawn request(s).

Heat Map, Alternative Transmission Technologies, & Network Upgrades and Cost Allocation

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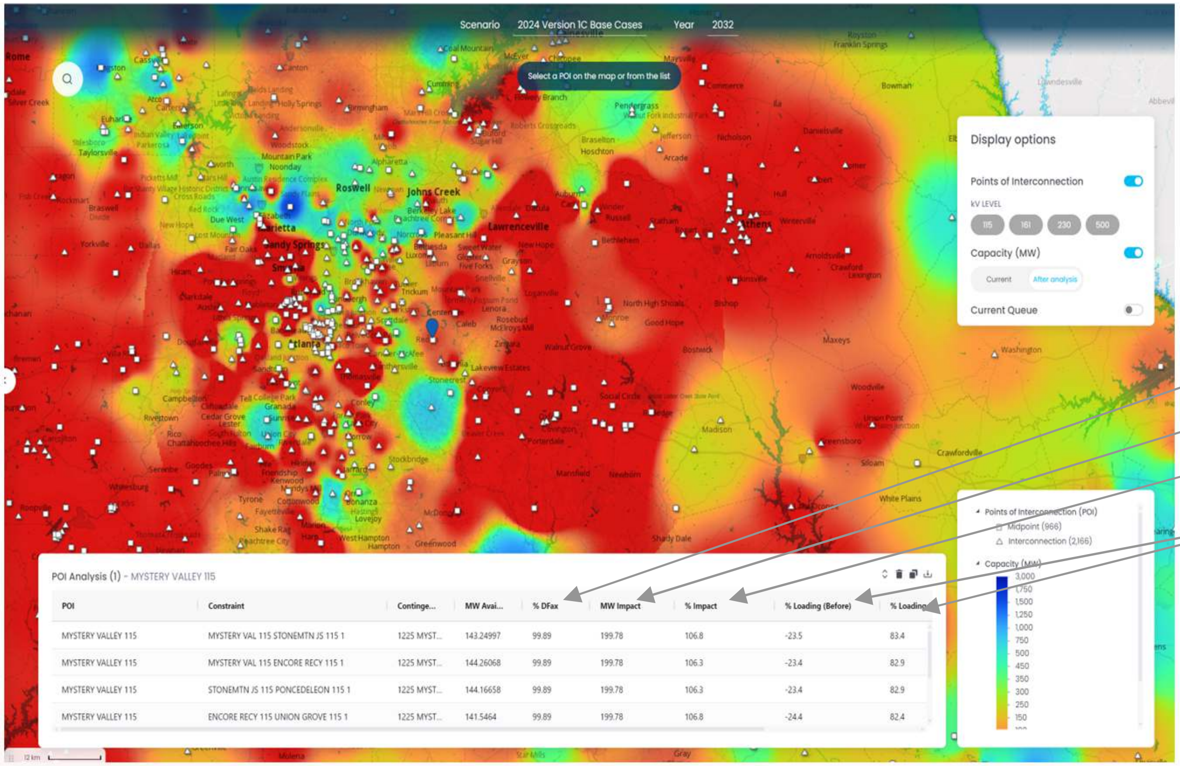
Southern Company Interactive Generation Hosting Tool (SIGHT)

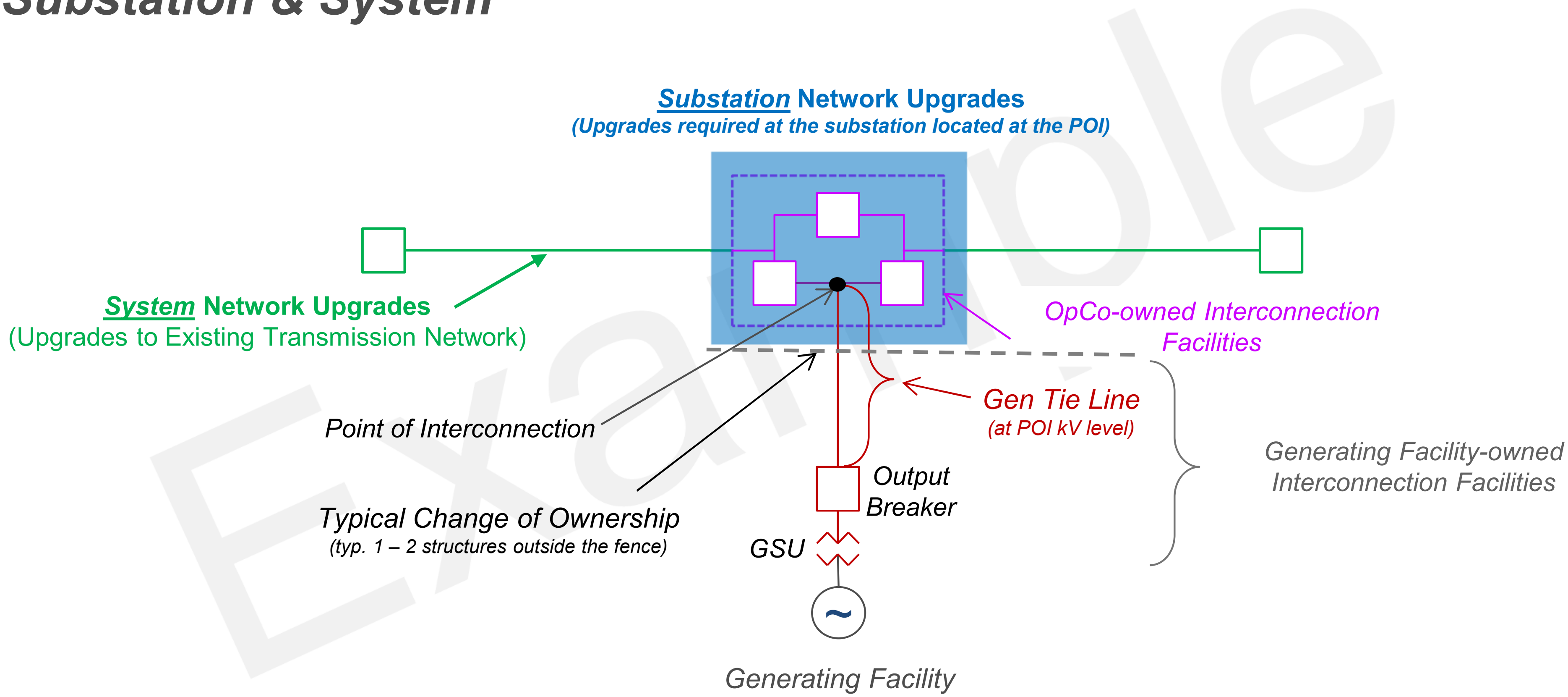


DISCLAIMER: The heatmap illustration above is an example and should not be interpreted as a current representation of Southern Companies' Transmission System.

- Public Interconnection Information (Interactive Tool/heatmap)
- **Identify potentially viable sites** where incremental capacity may exist without existing transmission system **constraints**
- Provide interactive capabilities to determine the following about a proposed Generating Facility at a particular Point of Interconnection on a **N-1 basis**:
  - ❑ **Distribution factor (DFAX)**
  - ❑ **MW impact** (proposed project MW and DFAX)
  - ❑ **Percentage impact** on each impacted transmission facility (proposed project MW and facility rating)
  - ❑ **Percentage of power flow** on each impacted transmission facility **before** and **after** injection of proposed Generating Facility
- Updated within 30 CD of completion of Cluster Study or Cluster Restudy
- Link posted publicly to OASIS March 5, 2025.
- Southern Company Interactive Generation Hosting Tool (SIGHT) - POI Analysis

Network Upgrade Definition Changes

Substation & System



Allocation of Network Upgrade Costs

SoCo required to describe a cost allocation methodology for each facility identified as a Network Upgrade in its OATT Att. J.

Substation Network Upgrades

Per Capita Allocated

Cost divided per Generating Facility interconnecting at the same substation (includes all switching stations)

Generating Facility	Cost Allocation
1	1/3 NU Cost
2	1/3 NU Cost
3	1/3 NU Cost

Example

System Network Upgrades

Proportional Impact Allocated

Impact of each individual Generating Facility in the Cluster Study driving the need for a specific upgrade(s)

Type of Upgrade	Proportional Impact Methodology
Transmission Lines and Transformers	Distribution Factor Analysis (DFAX)
Voltage Support-related	Contribution to the voltage violation determined by voltage impact analysis
Existing Breakers and Grounding Due to Short Circuit	Short circuit current contribution of each request
Stability-related Upgrades	Stability contribution per request

Closing Remarks/Q&A

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Frequently asked questions from 2025 Stakeholder Meeting

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Closing Remarks

Thank you for attending!

We will leave the meeting running for a few minutes following the discussion; please feel free to add any further questions in the Q&A.