

1906 - 1956

# Alabama Power Company

G O L D E N   A N N I V E R S A R Y  
D E C E M B E R   4 .   1 9 5 6

## FOREWORD

**A**LABAMA Power Company was organized December 4, 1906. It therefore seemed appropriate to commemorate the Company's Fiftieth or Golden Anniversary by presenting some of the principal events in the life of the Company to the people of Alabama by television.

This booklet gives accounts of significant historical events some of which were presented to Alabama television audiences on December 4, 1956 from 6 to 7 p.m.

The story of the Fiftieth Anniversary of the Company would not be complete without reference to the proceedings of the Gadsden Chamber of Commerce luncheon on "Alabama Power Company Day," December 4, 1946. On this occasion a large group of citizens of Gadsden and elsewhere met at Gadsden to take note of the Fortieth Anniversary of the founding of the Company.

The Mayor of Gadsden, the late devoted and patriotic Herbert J. Meighan, was among others who spoke, saying in part:

"We are proud to call attention to the fact that this was the birthplace of the Alabama Power Company forty years ago today."

Others who spoke on that occasion included the late Oliver R. Hood, distinguished lawyer of Gadsden, who with Captain Lay and his son, Earl, organized the Company. Three of the sons of Captain Lay were present.

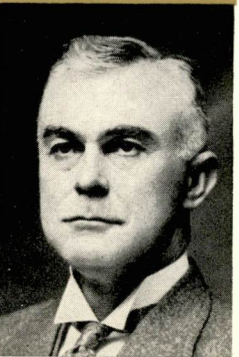


Captain Lay as he appeared some years after the incorporation of Alabama Power Company.



Earl, one of Captain Lay's sons, who with his father and Oliver R. Hood, was one of the three incorporators of Alabama Power Company half a century ago.

Oliver R. Hood at about the time of incorporation of Alabama Power Company, December 4, 1906.



## History Was Waiting

**N**O BELLS rang out when our\* Company was born fifty years ago nor did any headlines blaze. The papers had told of the San Francisco earthquake in April of that year and of a little remembered but deadly quake on Formosa the day before. But nowhere was there an account of the organization of an Alabama Power Company in Gadsden on December 4th by William Patrick Lay, with his son, Earl, and his attorney, Oliver R. Hood, as co-incorporators.

"Captain Lay talked about the name that we would give it," Mr. Hood told the story later. "He said we ought to call it Alabama Power Company. And so we prepared the papers and named it Alabama Power Company, and about three o'clock in the afternoon, I walked into the office of the Judge of Probate of Etowah County and filed the charter of Alabama Power Company. And that was the beginning, gentlemen, of the greatest single effort for the development of Alabama. Captain Lay's dream came true."\*\*\*

Three months later, on March 4, 1907, Alabama Power Company was authorized by special act of Congress to construct a dam and power plant at the site which had been selected for Lock 12, on the Coosa River, and later developed and named Lay Dam in honor of Captain Lay.

That was all. But history was around us; it seemed poised and waiting for its most historic half-century.

There were automobiles and airplanes, but they were novelties. An Oldsmobile advertisement of the period related:

"This graceful and practical automobile will do the work of six horses at an average cost of \$35 a year (10,000) miles. Board alone for one horse costs \$180 a year, so the economy is very evident."

The horseless carriage was "guaranteed to go 100 miles in 24 hours, if good care is taken of it"; and when Theodore Roosevelt was brave enough to ride in an automobile, he was followed by a carriage.

Orville and Wilbur Wright had flown the first heavier than air machine at Kittyhawk in December,

\*Compiler's Note: The accomplishments of Alabama Power Co. are the result of the efforts and skills of many persons. The plural first person pronoun is therefore used frequently in this brochure.

\*\*The record of the Probate office shows that the charter was filed at 3:00 P.M., December 4, 1906.

1903, but the significance didn't seem to be appreciated. When they wired Dayton the news and added that they would "be home for Christmas," the Dayton papers published only the social note that the Wright brothers "would spend Christmas at home."

You could buy from Sears, Roebuck and Company a "chic and up to date style turban" hat for 99¢. But the more expensive ones cost \$2.48.

But great history lay ahead. The fifty years of the Alabama Power Company which we celebrate this year—1956—were to bring more history than any other equal span in the whole history of mankind: Three wars—World War I, World War II, and the Korean conflict; three inventions that would transform all living—the automobile, the airplane, radio and television; and the discovery of how to accomplish atomic fission. Electricity was involved in all. There were three economic and social revolutions—the Russian, the Chinese, and the revolution that was to take place in the Southern States of America, which our new company was destined to reflect, serve and inspire through all the years.

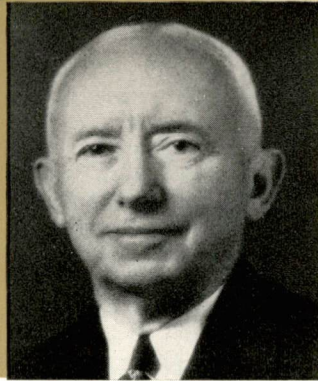
## The Music of Many Waters

**W**ITH 1912 came the music of many waters. Captain Lay's long dream and endeavor materialized in new capital and men, and a reorganized Alabama Power Company which acquired developed and undeveloped properties on Alabama's rivers and laid down a 20-year plan that would encompass a then enormous total of 600,000 horsepower of generating capacity. From Massachusetts, by way of the wide world, had come James Mitchell, with capital, experience, contacts and a habit of economic adventure. It is not completely clear just why or from whom came the invitation to Mitchell to come to Alabama that fateful November of 1911. A group of Montgomery citizens, headed by James S. Pinckard, Jack Thorington and Henry C. Jones had broadcast their hopes and ambitions for power development on the Tallapoosa River at Cherokee Bluffs.

Other and more detailed stories exist of just what happened, but we content ourselves at present by saying that the real beginning of our imaginative efforts was at Cherokee Bluffs on the Tallapoosa River.



James Mitchell



His successor,  
Thomas W. Martin

The owning Company in 1907 had taken the name of Birmingham, Montgomery and Gulf Power Company,—the first hint of a statewide power system that would mean much to Alabama; thus showing the far-reaching imagination of the Montgomery group. It would be several decades, however, before their dreams would become real.

When James Mitchell and his group took over the Coosa River sites as well as Cherokee Bluffs, the plan was developed to coordinate the proposed plants on the Coosa with a large storage reservoir plant to be built at Cherokee Bluffs, and with steam plants in the Alabama coal fields.

This concept guided the Mitchell group from the beginning; but it was soon realized that legal and physical problems would prevent the early development at Cherokee Bluffs; and then it was that attention was turned to the Coosa River, due to the foresight of Captain Lay in organizing Alabama Power

Company and in obtaining the Act of Congress of March 4, 1907.

The first step necessary to obtain capital for hydroelectric developments in Alabama on the scale indicated was the enactment of laws by the Legislature which would protect the public and the investor. No state law authorized a hydro electric power dam to be built on a navigable stream and federal statutes forbade construction of a dam without the consent of Congress.

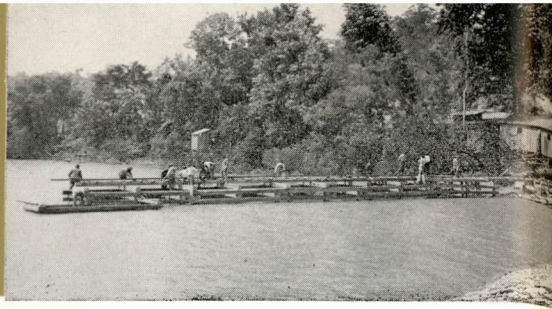
The attorneys for the Montgomery group, Massey Wilson and Thomas W. Martin, had prepared the way years before by helping in the enactment of laws by the legislature of Alabama which would invite the necessary capital and grant the consent of the State to the construction of dams on navigable streams. These laws also emphasized the important service they could render to the people of Alabama, and had much to do with the decision of James Mitchell to begin power development in Alabama.

Thus, the Act of Congress of March 4, 1907 assumed great historic public importance. It was then that there came about the fortuitous meeting which was to set all things in motion and prove again what a place destiny and the individual have in the mightiest marches of time. Captain Lay got in touch with James Mitchell soon after he came to Alabama in 1911; Mitchell having agreed with the owners on the

"I now commit to you the good name and destiny of Alabama Power Company. May it be developed for the service of Alabama," were the words of William Patrick Lay as he transferred ownership of the little company to James Mitchell, representative of the new owners.



Just a partially completed coffer dam at Lock 12 and a site at which Congress had authorized dam to be built was all Alabama Power Company owned when James Mitchell and associates acquired interests of the Lay group.



purchase of the Cherokee Bluffs site, he then worked out a plan to take over the Coosa River sites, including Lock 12 which Congress had authorized Alabama Power Company to develop.

## The Size That Fits

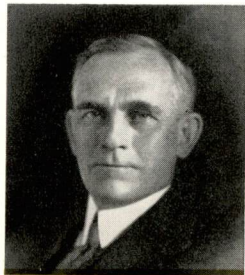
**I**N 1912 when Captain Lay turned over the Company to James Mitchell and his associates, he said to Mr. Mitchell, in Thomas W. Martin's law office in Montgomery—"I now commit to you the good name and destiny of the Alabama Power Company. May it be developed for the service of Alabama."

That scene of decades ago was recalled later by those present. We have the expression of James Mitchell as if in answer to Captain Lay:

"A new Alabama and a new South, no longer proud but poor, but a South coming into its own rightful place, a South that would retain all the finest traditions of its glorious past but which, through that mysterious force flowing silently through the thousands of miles of transmission lines, like life-blood to the human body, would grow richer and stronger industrially, and because of this would in turn grow stronger agriculturally. And the chain lengthens. Not only would the ordinary creature comforts follow in the wake of electricity, but better educational facilities, better roads, and better homes. To make money is all right. To build any industry is fine. To build an industry that saves mankind from toil that it can well be spared, that reduces the labor and drudgery of woman and so provides leisure for education and culture, truly is a much finer thing."

And as the actual life of the Company thus began, this philosophy was destined to turn the mere name of a Company into a living institution far greater than any individual connected with it.

Those present as Captain Lay turned over his company to the Mitchell group May 1, 1912 included James Mitchell, Captain W. P. Lay, Eugene A. Yates,



Extremely helpful over many years in carrying on the complex relationships with companies in London, Montreal and Alabama was William J. Henderson of Montreal, Canada.

Oscar G. Thurlow, William E. Mitchell, Reuben A. Mitchell, A. C. Polk, Wiley Alford and Thomas W. Martin. Several of them were destined to have long and important connection with the Company. A twenty-year plan was drawn up to develop 600,000 horsepower at a cost in excess of one hundred million dollars.

What a dream, when coal was selling for 90¢ a ton at Birmingham! It was a dream that was destined to come true. In less than the twenty years the Company had installations producing more than the 600,000 horsepower planned. Today it has more than two million horsepower in operation or under construction.

It took faith in Alabama and the future, great foresight, and a high type of courage, to undertake such a program and carry it to completion. The history of Alabama has many romantic passages, but with the arrival of this man from Massachusetts, who until a year before had never put his foot on Alabama soil, began a story whose quickly changing aspects and unexpected ramifications could hardly be expected to follow the launching of a mere business enterprise. Here was romance in high degree of this new citizen of Alabama.

Power that had been going to waste through the centuries was to be harnessed and utilized.

Navigation was to be improved, opening new avenues of transportation to a region involving several states.

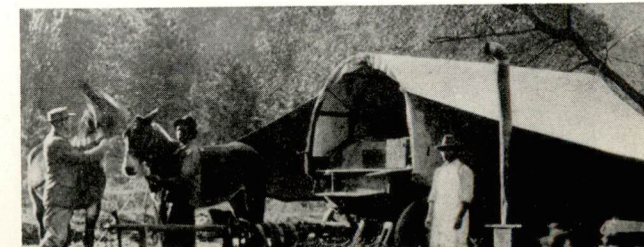
Industrial development was to be hastened.

Agriculture was to be stimulated, not only by bringing electricity to rural areas, but by bringing in new population with purchasing power for diversified farm products.

All this was based on confidence in the people of Alabama and the potentialities of its resources and faith in the beginning that capital could be obtained from English investors who never before had given a thought to investing millions in one of the old cotton states of America.

Those who were present at the inception then proceeded to organize the various departments of a company-to-be. They were to bring into their work

Surveyor's wagon with tent fly over table. This doubled as field office and dining room (1915 or earlier).





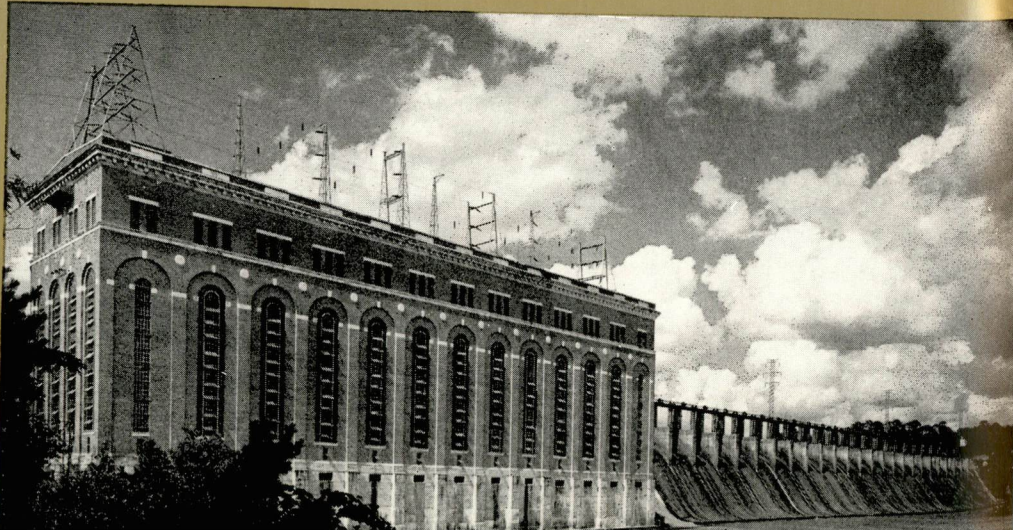
Eugene A. Yates as he appeared at about the time he became chief engineer

men who had the like vision. In the years to follow the organization was built around many of these; and appreciation of their work was indicated by the naming of structures for them such as: Yates and Thurlow Dams on the Tallapoosa River for E. A. Yates and O. G. Thurlow; Jordan Dam for the mother of Reuben A. and Sidney Z. Mitchell; and Mitchell Dam for James Mitchell; and Martin Dam for Thomas W. Martin.

Eugene A. Yates was to have an important and significant part in the development of the Company and the integrated Southern Company system. Appointed chief engineer in 1912, he organized the engineering and construction forces for designing and building the Lock 12 project and completing the first steam plant at Gadsden.

In the first quarter of 1914, the turbines at Lock 12 were generating power. This plant, later named Lay Dam, has presently installed capacity of 110,000 horsepower. Transmission lines were in service in 1914 between the two plants and a number of cities and towns, including Birmingham. These achievements, little short of magic in our non-professional estimates, gave renewed confidence in the whole enterprise. Even without regard to his later achievements, when the magnitude of this program and the difficulties of the times are considered, the work of Eugene Yates stands in monumental testimony to a great engineer and those he brought to the Company as his engineering assistants.

Lay Dam, the first large power development in Alabama. In the Company's proposed further development of the Coosa River, height and capacity of this dam will be increased. This dam, as well as others on the Coosa River, is designed to permit installation of navigation locks.



Captain William Patrick Lay, shortly before his death in 1940, at all that remains of an early hydroelectric plant in which he was interested on Big Wills Creek near Gadsden.

We were always short of funds in those early, hectic and uncertain days. The condition became acute when World War I cut off the supply of capital from abroad,—for it was only abroad that sufficient willingness to take a chance on the future of Alabama had been found at first to supply investment funds. How this crisis was met with domestic funds belongs in a longer story.\* The Company survived principally because of the trust and confidence of others in its leading spirits. Often the only real security in the money marts was their character and integrity.

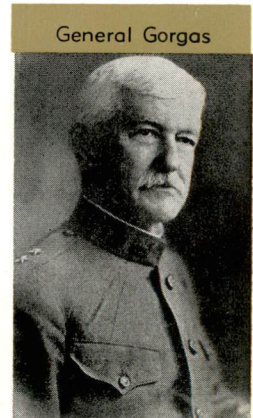
Alabama Power Company was destined to grow in size. Business units, whether concerned with electric power or with industry, must be large enough to support the scale of activity they are required to serve, the capital they need to invest and the maximum economies and efficiencies they are called upon to achieve. Our Company has tried to keep pace with the remarkable increase in the demands for electric service resulting from technological growth and improved standards of living in the area we serve.

The idea is a size that fits, not a blown-up one, not a mushroom one, not one that exploits—but one that gives service its utmost effect.

### Mosquito Cases

A serious problem was brought on in 1914 by a multitude of law suits known as the "mosquito suits" filed soon after the completion of the development at

\*Set forth in our "Story of Electricity in Alabama Since the Turn of the Century" 1900-1952. Birmingham Publishing Co. 1952.



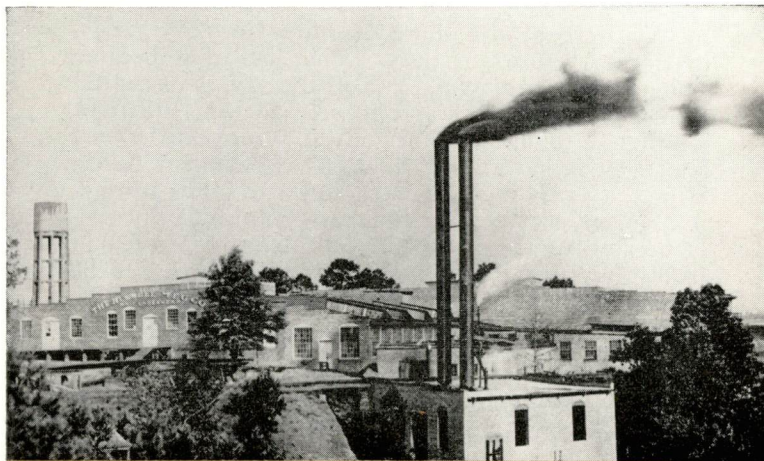
General Gorgas

Lock 12. The principal witness in the first trial was native Alabamian Doctor William Crawford Gorgas,\* famed for his studies and discovery of the means with which to combat and extinguish yellow fever and malaria. In simple, understandable language, Doctor Gorgas pointed out at the trial of the first case at Columbiana, Alabama, on February 11, 1915, that only a certain type of mosquito carried the malaria germ; that this type of mosquito was breed-

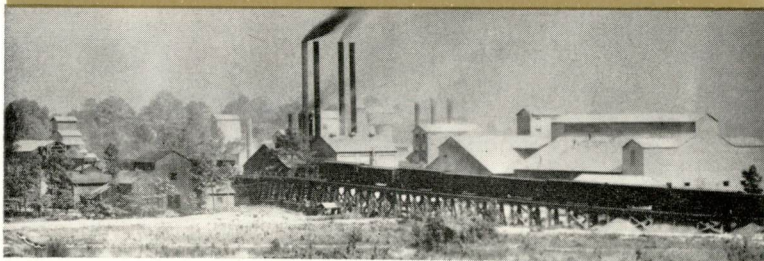
\*Doctor Gorgas, native of Alabama, seemed destined to deal with yellow fever and malaria, and it was to the conquest of these twin scourges of the Western hemisphere that he devoted his life.

In 1947 a Committee was organized to present the achievements of Doctor Gorgas to New York University Hall of Fame for Great Americans. In this Mr. Martin took the leadership. The Committee was formed with Dr. Oliver C. Carmichael as chairman, and others in different parts of America joined the group. The election was held in 1950 and five were elected, Doctor Gorgas receiving the highest vote. Others elected were: Woodrow Wilson, Susan B. Anthony, Alexander Graham Bell, Theodore Roosevelt, and Josiah Willard Gibbs.

The ceremony was held and the bust of Doctor Gorgas formally presented to the New York University Hall of Fame on May 24, 1951. The full story of the activities of the Committee was assembled in a volume which is found in the various libraries throughout the State, including that of the Company.



Among the early customers were Benjamin Russell's Industries Light & Power Company, whose mills even then were Alexander City's foremost industry, and Standard Portland Cement Company, Leeds, Alabama. Both pictures were taken during Alabama Power Company's first year of operation.



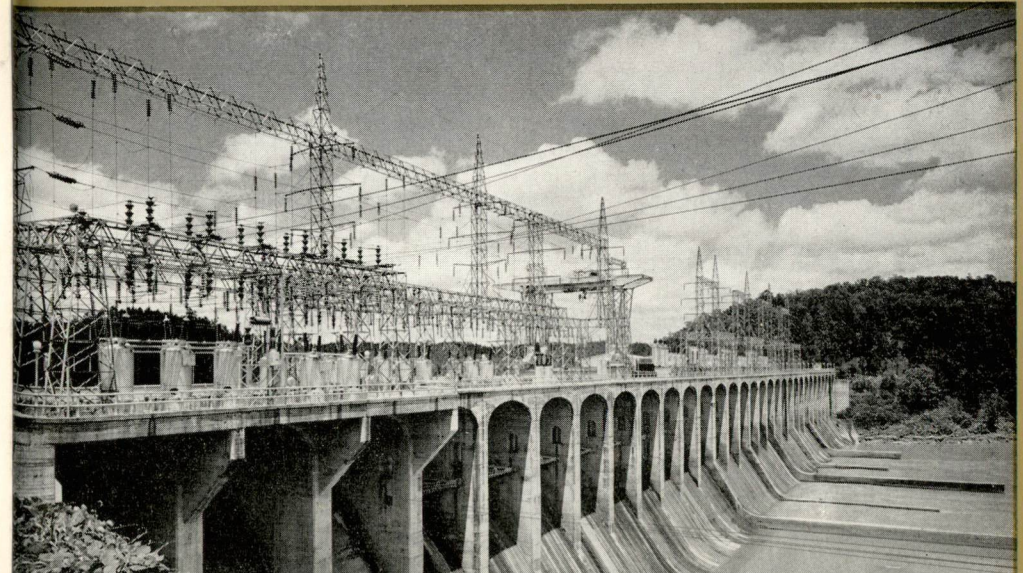
ing in vessels and stagnant pools very close to the homes of the plaintiffs and not in the newly formed reservoir. The jury concluded that malaria was not the result of the reservoir, but from conditions about the farm homes of the complainants. All of the 1,100 suits were later dismissed as being completely unfounded.

### *A Public Trust*

There is an indicated size and there is also an indicated public trust—a trust doubled for an electric power industry because it employs coal as well as the fall of water.

The incorporators of the Alabama Power Company were made aware of the questions of size and of public trust from the beginning. Immediately after incorporation in 1906 it was necessary to secure both state and federal permission to build the first dam on the Coosa River at Lock 12. And coincidentally, as pointed out in our "Story of Electricity in Alabama," there was similar effort of the other groups on this and two other rivers—the Tallapoosa and the Tennessee—in the very names of these three Alabama streams was a music of falling waters. But diversity of ownership and of planned development on the three suggested an insufficiency of size, an inadequacy of capital, and such physical difficulties as the fact that

Mitchell Dam, on the Coosa River near Verbena, is named after James Mitchell. The lake it forms is one of the excellent recreational areas in Alabama.



differing ownerships restricted dams to heights that would not cause backwaters to encroach on dam sites of other owners upstream.

The confidence of Captain Lay in his bold idea of electric power was shown by the provision of his charter that—

*“The duration of the Company shall be perpetual.”*

And how significant; for now fifty years have passed; and the Company is making commitments in many areas of its work, including developments on the Coosa and Warrior Rivers, under licenses which, when issued, will extend into the next century.

The age of fifty does not necessarily mean an old enterprise. We have what we think is a proud record of contribution to growth and progress for the good of Alabama. The traditions of the past, the ethics and high performance of the many men who have participated in our enterprise have become a strong force in their influence on those of us who, for a brief span, have the responsibility for carrying the enterprise forward. And, as the Company has developed and grown, its policy-making decisions have been delegated to an ever-increasing number of people, and its business conduct has, we believe, reflected the public interest as it has existed from time to time.

No one could have foreseen fifty years ago that the Company would be called on to render its extensive service of the present day. It seems almost axiomatic that those who have directed the Company over the half century have felt that it could not prosper unless the state prospered.

Its managers for the time being have become torchbearers, accepting the responsibility passed on to them by their predecessors and endeavoring to pass on to their successors a healthy and dynamic entity.

There perhaps is little merit in merely having lived to become 50 years old. However, in the case of a business which for its continued existence must depend on public good will and many diverse skills and talents of the older employees and the younger ones who join its ranks, its Golden Anniversary may be noteworthy.

Construction projects in the early days of Alabama Power Company meant a pioneering life for the men working on them.



What has been happening for the last fifty years has been a gradual replacement of the individual within the company by the group. Captain Lay realized that one man does not make a company. This was a natural, even an inevitable development as the demand grew for ever greater amounts of power.

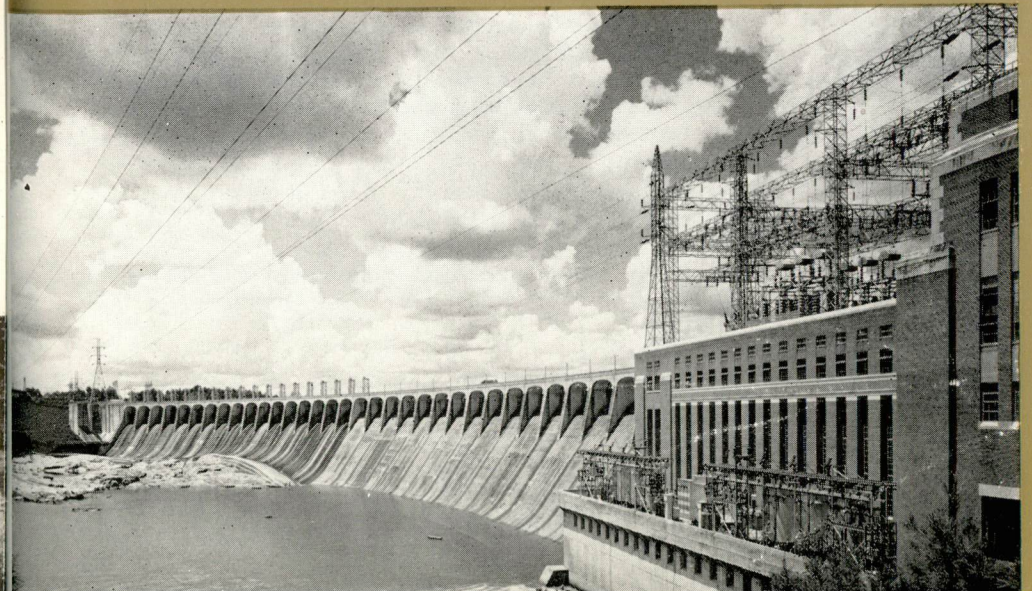
## River Development

### *The Mighty Coosa*

The Coosa Valley, destined under James Mitchell's leadership to be the genesis of hydro-electric development in the Southeast, must have presented an alluring appeal to his trained eye when he first beheld it. Its spells had seized DeSoto over three hundred and fifty years before, and the great adventurer striking it at its northern extremity after wandering through Florida and Georgia, was so impressed with its natural beauties and evidences of wealth that he followed it until it merged into the coastal plain in south Alabama.

Pioneers coming into the Southeast whose routes led them to its confines rarely prospected further but were content to remain and make permanent homes. The Indians who had selected it from all the vast

Jordan Dam, also on the Coosa River, downstream from Mitchell Dam, is an imposing structure. Jordan Lake also offers good fishing, boating and cottage sites.





domain from Canada to Mexico as the most delightful place to build their wigwams, loved it with a devotion that enabled them to hold a larger portion of it from English, French and Spanish aggression and only yield to the Americans when continual aggression culminated in the victories of Andrew Jackson in 1814.

Senator John T. Morgan, perhaps the most far-seeing statesman of his generation and the prophet of an industrial Alabama, speaking at Gadsden in 1899, described it as follows:

"The valley I propose to consider may be properly called the valley of the Coosa River, for all the purposes of commerce along that water course. Its beauty is simply indescribable in any phrases that I could employ. Its fertile fields and its magnificent forests, its many water springs, and its swift flowing streams . . . enrich this region with an available wealth of natural resources that is without a rival in any other country."

This great valley is enriched by the noble river from which it is named. As is the case with so many Indian names, there is some uncertainty and difference of opinion as to its real origin and meaning.

The Indian word "Coosa" is said by some to mean "reed brake," by others, "rippling." For our Company and its services "rippling" is the right name for the great stream which runs 282 miles southwestward from Rome, Georgia, through the upper eastern half of Alabama to join the Tallapoosa a few miles above Montgomery and make the Alabama. To the ripple, flow and fall of the Coosa our longest and greatest attention has been given since 1907 when President Theodore Roosevelt signed the bill permitting the erection of a dam at Lock 12 and the construction of what is now Lay Dam was begun.

Chief Engineer Eugene A. Yates appointed Oscar Thurlow designing engineer for the Lock 12 (Lay) development. Mr. Thurlow had an important part in the engineering work on all the other hydro projects. He was named chief engineer in 1916 and continued in that position until 1930, remaining as consulting engineer until his death in 1956.

F. C. Weiss joined the group in 1913 and became a close associate of Mr. Thurlow and succeeded him as chief engineer.

The development of the Coosa had been studied by the Corps of Engineers, U. S. Army, for many



Oscar Gowen Thurlow

years prior to and after the formation of Alabama Power Company in 1906. The first survey was authorized by Congress in 1870. The first production of electric power came in 1914 when Lay Dam was completed.

#### *Complete Development Envisioned*

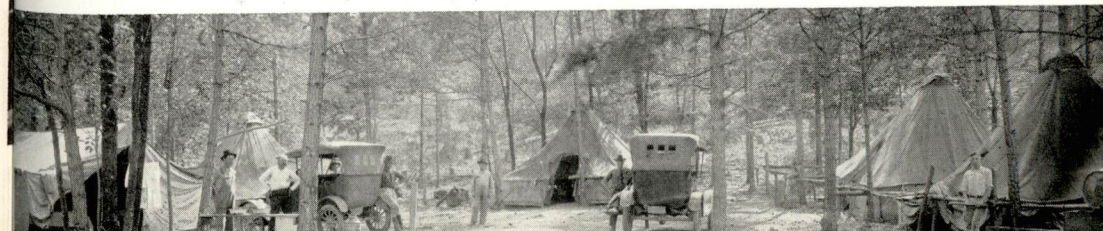
From the very beginning we had envisioned the complete development of the Coosa River. By 1929 the Company had completed three structures—Lay, Mitchell and Jordan Dams—all embodying the ideas of power generation and navigation facilities.

The Rivers and Harbors Act of Congress of March 2, 1945, however, provided for a comprehensive development by the federal government of the water resources of the Coosa-Alabama River. In effect, it withdrew authority from the Federal Power Commission to grant any further license to develop on these rivers. Plans for government development were made by the Corps of Engineers, U. S. Army. But in the early 1950's when Congress had failed to appropriate any funds, the Company asked Congress to restore the licensing jurisdiction of the Power Commission. This was done by an Act approved June 28, 1954. In the meantime, on November 12, 1953, the Company had filed with the Power Commission an application for a preliminary permit to complete its own development of the Coosa River.

The Company asked authority to construct new dams and generating facilities at an initial cost of over \$100,000,000 and to make additions to its Lay Dam and power plant on the river.

These new facilities will be designed for an ultimate capacity of approximately 421,700 kilowatts and will generate nearly one billion, three hundred million kilowatt hours in the average year when fully coordinated with the existing Coosa plants. Completion of the entire project is expected to take ap-

The construction tent camp—typical in the early days of the century—is rare. Today construction crew members working on power plant and transmission line projects live in homes, motels and hotels, readily accessible to the job via automobile and good roads.



proximately ten years from the beginning of construction to start as soon as possible after the necessary authority is given. There will be eight dams between Rome and Wetumpka, consisting of four new dams of the Power Company; the three existing Power Company dams and an existing government Mayo's Bar navigation dam near Rome.

The new dams will provide hundreds of miles of lakes and shoreline for fishing and other outdoor recreation, as well as home sites on the lake fronts. Stabilization of river levels will make the area more inviting to industries requiring substantial amounts of water. In addition, the new dams, with the three existing dams, will provide a water way of sufficient depth to permit navigation from Rome to the Gulf of Mexico at Mobile, when locks are installed.

The Federal Power Commission issued a preliminary permit for the project on July 27, 1954. Then on December 2, 1955 the Company filed with the Commission an application for a license. On the same date it filed with Alabama Public Service Commission an application for a certificate of convenience and necessity which was issued February 16, 1956. When the license is issued by the Federal Power Commission, the Company will proceed with actual construction of the first dam.

The board of directors on September 21, 1956, resolved to name the power house and dam to be constructed on the Coosa River, near Leesburg, for

"Special" sightseeing trains with "observation cars" as shown were run to the sites at which the early dams were being built by Alabama Power Company on the Coosa River. Visitors to the completed dams are still frequent, but now they arrive at what were largely inaccessible locations via personal auto over paved highways.



F. C. Weiss, vice president in charge of engineering and construction, on Alabama Power Company's 50th Anniversary, December 4, 1956. The Company's proposed dam at the site near Leesburg on the Coosa River is to be named after him.

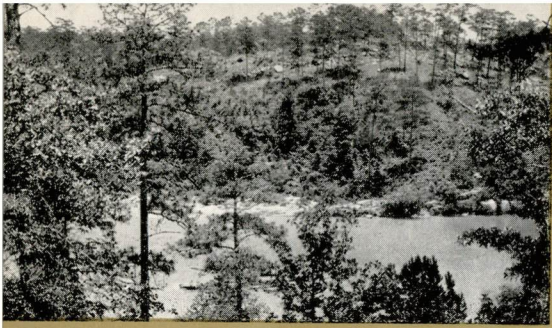
Fernand C. Weiss, in recognition of his engineering and administrative ability.

### *The Tallapoosa*

Of the great rivers of Alabama which our Company has chained for "lightnings that live in falling water", sentiment runs with the Tallapoosa 220 miles from its source in western Georgia to a point 22 miles north of Montgomery where it joins the Coosa to form the Alabama. The great dam at Cherokee Bluffs which James Mitchell dreamed would be the first enterprise of the reorganized Company in 1912 was destined not to be completed and bear Mr. Martin's name until 1927. Nearby is the historic bend named Horseshoe, scene of the bloody and significant victory of Andrew Jackson over the Creeks there in 1814. A committee of Southerners secured passage through the Congress in 1956 of a bill making the battle site a national memorial park.

The fact that so many things conspired to delay the building of the dam at Cherokee Bluffs enhanced its identification with our history. It was completed December 31, 1926 in a splendor of concrete 2000 feet

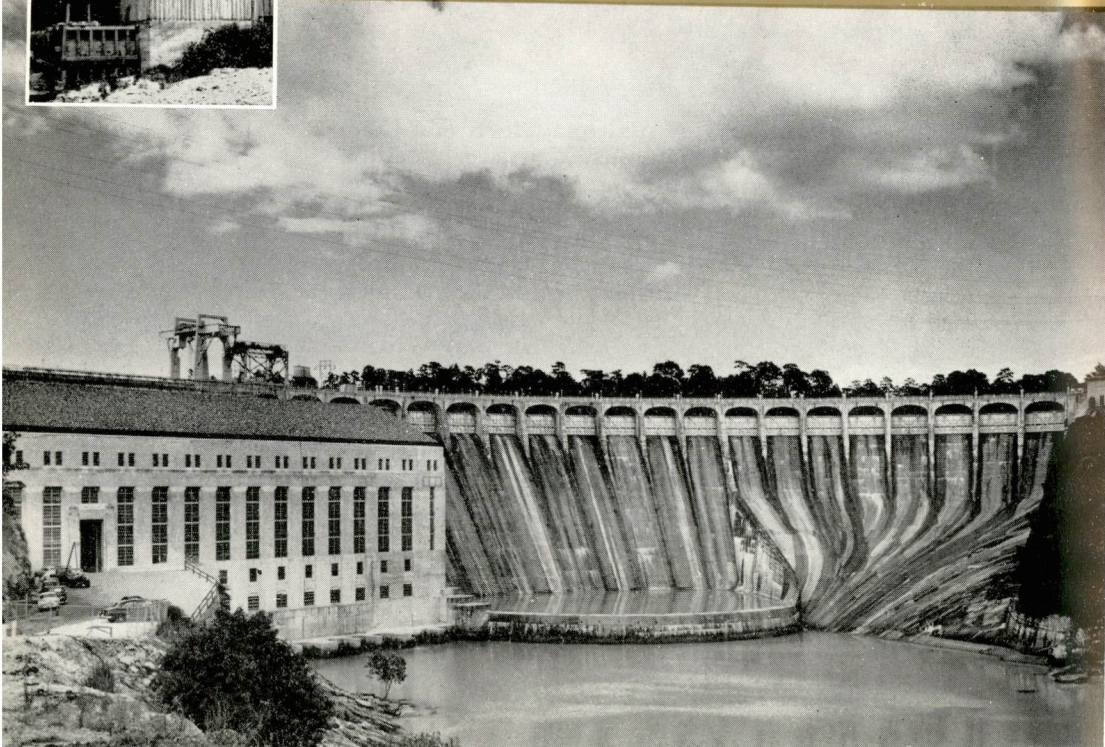
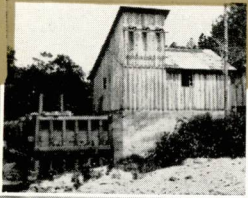




Cherokee Bluffs before the construction of Martin Dam

long and 168 feet high, destined to a total capacity of 213,000 horsepower, and impounding what was at the time one of the largest artificial reservoirs—Martin Lake—in the world. It impounds, when full about 72 billion cubic feet of water over 40,000 acres with a shoreline of 700 miles. Describing the difficulties

Below: Martin Dam on the Tallapoosa River. Inset at left is a picture of an early Alabama hydroelectric plant. If shown in proportion to the size of Martin Dam, the picture of it would be less than half an inch wide. The powerhouse at Martin Dam is nearly 302 feet long, dam and powerhouse are about 2,000 feet long. The old plant pictured is estimated to have been only about 25 feet wide, or about 40 feet with the flume extension. Its generating capacity was perhaps only a couple of hundred horsepower. The capacity of Martin Dam is 213,000 horsepower. The early plant shown was not located at the site of Martin Dam, but on a creek elsewhere in Alabama early in the century. It is shown to indicate partially the great advances in the art of power production.



In this picture, L. M. Smith, president, is seen placing in the lapel of Mr. Martin's coat a diamond-studded service emblem indicating his 45th anniversary with Alabama Power Company, which he joined early in December, 1911, as general counsel. Mr. Martin has seen the Company grow from an idea to an organization with nearly 5,300 employees supplying electric service directly to 583,000 customers and indirectly to 100,000 more in a service area comprising 44,500 square miles. In the picture with Mr. Martin are friends and officers with long service with the Company. Left to right, A. E. Quinn, comptroller; William Logan Martin, counsel; Charles P. Jackson, secretary; E. C. Easter and R. L. Harris, vice presidents; H. Neely Henry, executive vice president; J. C. Blakey, counsel; Walter Bouldin, executive vice president; Mr. Smith, H. J. Scholz, president, Southern Services, Inc.; Dr. J. M. Gallalee, engineering consultant, Southern Services, Inc.; E. I. Hatch and Milton Fies, vice presidents; C. M. Kilian, advertising manager; M. E. Wiggins, treasurer.

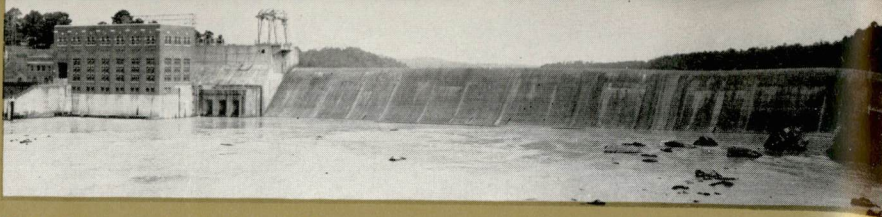
The portrait on the wall is of James Mitchell, whose significant part in the early days of the Company is recounted in this booklet.

encountered, this appears in our "Story of Electricity in Alabama"—

"In addition to the engineering work, a mountain of legal work was necessary. Lands within the reservoir had to be acquired, abstracts prepared, titles examined. An area of more than 60 square miles which was to be covered by the lake had to be cleared of all trees, houses and debris. The grade and bridge of the Central of Georgia Railway had to be raised. Before the reservoir was filled, it was necessary to move twelve cemeteries to higher ground, and before each grave was moved, it was necessary to locate and obtain the permission of surviving relatives."

Two other dams downstream from Martin are named after others of the power pioneers—E. A. Yates and O. G. Thurlow.

It is easy to speak of the lightnings in falling waters, to admire the animated line of fall where a great dam has appeared and to love the placidities and recreations of the reservoir lake in the rear. But it



Yates Dam, on the Tallapoosa River, is operated automatically by remote control.

was not easy to create the spectacle at Martin Dam or at any other of the hydroelectric plants of our company. The labor, genius, patience, industry and dream of many individual men are reflected in each of them. To those who as engineers designed and built them, and to the salesmen who sold the ever-increasing amounts of power to industries and others must go great credit.

### *The Warrior*

When a novelist of the thirties located his story on the Warrior River in northwest Alabama and called it "A River Goes With Heaven" the idyllic aspect rather than the economically dynamic concerned him. But in the 1950's improvement of the waterway to the Gulf on the Warrior-Tombigbee and plans inaugurated by our company in "partnership" with the federal government in a new philosophy have recalled the novelist's title in terms of navigation, electric power, recreation and copious industrial water for ever growing thirsty Birmingham nearby.

On July 27, 1954, the Company filed an application with the Federal Power Commission for a preliminary permit for proposed developments on the Warrior River. The permit was issued December 27, 1954. The project contemplates a dam and power house on the Sipsey Fork of the Warrior River and

Thurlow Dam, at Tallassee, is one of the more picturesque in appearance. The low dam it displaced was a source of mechanical power for a number of years before the present generating plant was built.



the installation of electric generating facilities at the existing navigation dam of the U. S. Government at Lock 17 on that river, now known as the John Hollis Bankhead Dam. The navigation of the Warrior River will forever be a living monument to the vision and the statesmanship of Senator Bankhead. On August 3, 1956, an application was filed with Alabama Public Service Commission for a certificate of convenience and necessity and with the Federal Power Commission for a license for the Warrior project. By resolution of the Board of Directors of the Company on September 21, 1956 it is to be called the Lewis M. Smith Dam in honor of the president of the Company, and in recognition of his leadership and outstanding service as engineer and executive, which has so markedly contributed to the development and achievements of this Company.

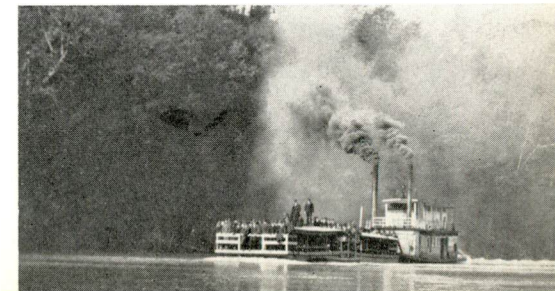
The dam, approximately 300 feet high, will be at a site known as Upper New Hope where the Sipsey Fork of the Warrior River divides Walker and Cullman Counties. Approval of the Alabama Public Service Commission has been given. Actual construction will begin as soon as possible after the granting of a license by the Federal Power Commission.

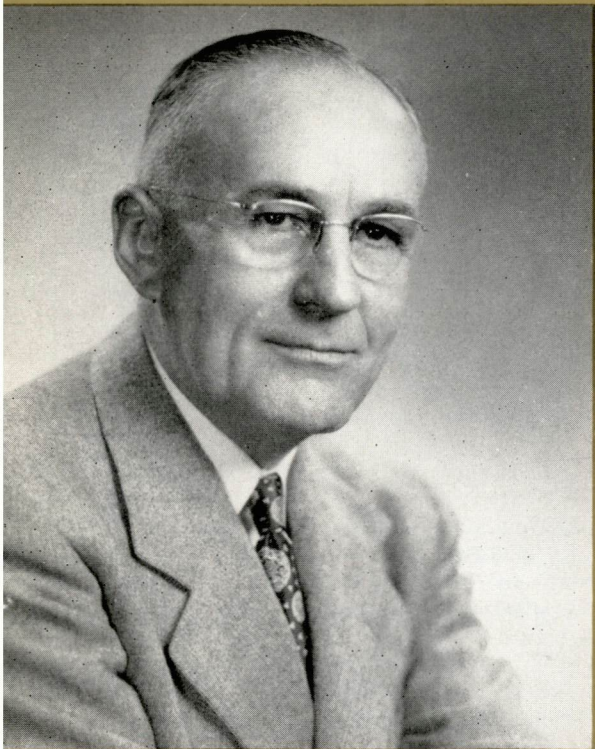
The lake to be created by the Upper New Hope (Smith) Dam will have an area of about 21,000 acres. It will mean still another Alabama locale for fishing and other outdoor recreation and will provide a shoreline of hundreds of miles for home sites for those who desire a lake front. No less important will be the reduction in downstream flood hazards from the flow of the Sipsey Fork.

The plans call for an ultimate installation of 275,000 horsepower. The construction work will provide many new jobs lasting over a period of several years.

The proposed minimum water releases from the Smith Dam and United States Lock and Dam No. 17 will be ample for the requirements of navigation to Mobile and river traffic should flourish as a result. These releases will be helpful to Birmingham and cities along the river and will also create a condition attractive to industries needing substantial supplies of water in their operations.

An early excursion boat on the Warrior River where the Company has large steam generating plants in operation and under construction, and will build, upon receipt of necessary license, hydroelectric facilities.





L. M. Smith, president of Alabama Power Company on its 50th Anniversary, December 4, 1956. The Company's proposed dam and power house on the Warrior River near New Hope is to be named after him.

The programs of the Company will create many jobs for young men of many talents; engineers, lawyers, accountants, scientists and many others. We will use the talents of the young men of our state so far as they are available, and hope for the continued cooperation of the colleges of our state in this program which is of such great public interest.

## Family Life

ALABAMA Power Company was financed at the beginning by James Mitchell's Alabama Traction, Light and Power Company, Ltd., a Canadian holding company, which marketed its securities in England. In this way large sums were secured and

used in the development of Lock 12 (Lay Dam) and other electrical facilities. During World War I, as a result of economic and financial conditions in Europe, many of these securities passed into the hands of American investors.

In these circumstances it seemed proper that ownership of the common stock of Alabama Power Company should rest in an American holding company. President Martin was authorized by the directors to go to England in July, 1924, to discuss with the principal common stockholders the matter of transferring ownership of the enterprise to an American holding company. The English investors had always shown a liberal attitude toward the Alabama development and when the matter was presented to them they expressed complete willingness to accept the change of holding companies.

### *Southeastern Power & Light Company*

Accordingly, Southeastern Power & Light Company was organized under the laws of Maine on September 2, 1924, with Mr. Martin as president, and in due course the properties and assets of the Canadian company were transferred to this new Company.

Southeastern Power & Light Company thus purchased the assets and assumed the obligations of Alabama Traction, Light & Power Company, Ltd., including the common stock of Alabama Power Co.

Throughout most of its history, the Alabama Power Company has belonged to families of companies and has taken companies into its own family. In 1912 Captain Lay's original Alabama Power Company, along with his Alabama Power and Electric Company and Wetumpka Power Company, were taken over by the James Mitchell group which had purchased already the Alabama Electric Company and the group with which Thomas W. Martin was associated,—viz; Alabama Interstate Power Company, Birmingham, Montgomery and Gulf Power Company and the Muscle Shoals Hydro-Electric Power Company (owning then the sites of today's TVA Wilson Dam and Wheeler Dam). This family make-up of the new Alabama Power Company in 1912 was increased a few months later by acquisition of the Alabama Power Development Company from Sidney Z. Mitchell of the Electric Bond and Share Company and his brother Reuben. The nature and holdings of these various properties are described in "The Story of Electricity in Alabama."

The Alabama Power Company itself became a

member of a family in 1926 when the Southeastern Power and Light Company, organized in 1924 as a holding company for our common stock, acquired the common stock of the Georgia Power Company, Gulf Power Company, Mississippi Power Company and South Carolina Power Company. It thus became the first vehicle in the South for an integrated electric power system which has served the public to great advantage over the years and enabled our company to market large amounts of surplus electricity. "Without regard to the political and economic disputes over more extensive electric power holding companies which were destined to follow in after years," writes Thomas W. Martin in his book, "it would seem that no one can consider the story of the organization of Southeastern Power and Light without recognizing the plain necessity and common sense of the interconnections and integrations made possible. To have failed in this measure against waste, inefficiency and insufficiency in the use of one of nature's most precious and limited resources would surely have been anything but economic and anything but American."

### ***The Commonwealth & Southern Corporation***

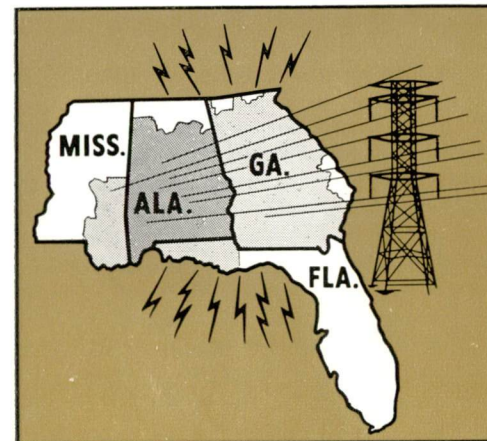
In 1929 we became member of what we now believe to have been too large, scattered and economically illogical a family. That was the era of great "holding companies" throughout the nation. Into a massive company known as The Commonwealth and Southern Corporation there were brought together the Commonwealth Power Corporation, Penn-Ohio Edison Company and the Southeastern Power and Light Company. Thomas W. Martin was made the first president of this Commonwealth & Southern Corporation but resigned after two years, unable, as he put it, "to agree with some of the policies and methods employed and their economic and social implications." In less than 10 years the United States government dissolved that Corporation as not being a logical grouping under a 1935 Act of Congress creating a Securities and Exchange Commission.

Alabama Power Company and others in its group became direct subsidiaries of a new holding company when, on August 1, 1947, the Securities and Exchange Commission approved the mature and happy family in which we were originally joined and are now again joined as The Southern Company. On September 30, 1949, this new company acquired from the dissolved one, the common stocks of Alabama

Power Company, Georgia Power Company, Gulf Power Company and Mississippi Power Company.

The four are today operated as an integrated system. Steam and hydro-electric generating stations and principal load centers are interconnected by high voltage transmission lines, the operation coordinated by a central dispatching agency in Birmingham to produce power as required at the lowest cost consistent with reliability of service. This was the method envisioned, it will be recalled, by our engineers in the Alabama Power Company's first days. Within the area served by The Southern Company are more than 6,000,000 people. The four companies serve directly over 1,000,000 electric customers and indirectly some 450,000. Integrated operation results in savings in operating and fixed charges estimated at more than \$6,000,000 a year.

Into Alabama Power Company family in the course of its existence have come many smaller electric systems from private and municipal owners. They have been interconnected and integrated into the Company's area-wide operations with resultant improvement in service and reduction of rates. Much of this appears in "The Story of Electricity in Alabama." Near the end of 1952 a large privately owned company,—Birmingham Electric Company—was acquired, and the Birmingham area is now served by Alabama Power Company, with benefits to the public, the customers, the employees, and the shareholders. The merger increased our total customers served to more than half a million, making Alabama Power Company one of the principal ones in the nation.



Map shows areas served directly and indirectly by the operating companies of The Southern Company.



A recent picture of E. A. Yates who was one of the early exponents of integration of power supply and transmission as a means toward greater efficiency and lower rates. Mr. Yates, chief engineer of Alabama Power Company in the early years and later its vice president and general manager, is now chairman of the Board of The Southern Company.

### ***Results of Vision***

Every human plan and enterprise looks forward; they are essentially hopeful; it is tomorrow that we have in mind, and business success requires prophetic gifts,—an intelligent capacity to plan ahead. Indeed, the prime requisite of management is vision. But prophetic gifts are rare and difficult to apply. There must be wisdom and ability to foresee with at least some clarity and confidence the needs of tomorrow,—indeed, beyond tomorrow.

And in addition, methods to accomplish these things must be adequate. These had to be created with each step of the growth of the Company; they called for speed in meeting customer needs,—economy and precision in recording and assembling the complete data as to the present status of the region and its possibilities; all so necessary for successfully managing a new enterprise.

A brief glimpse at the advent of James Mitchell into the State shows indeed a prophetic vision as he and his group took over the Company in 1912.

### ***Beginning the Era of Growth***

In 1921 E. A. Yates returned to Birmingham to become vice president and general manager of Alabama Power Company, remaining until 1930 when he resigned to head the engineering and construction work of The Commonwealth & Southern Corporation. When The Southern Company was organized, Mr. Yates became its first president and later chairman of the board.

James Mitchell died in 1920, but not before his philosophy began to find expression. He had demonstrated that he and those who were to follow him shared the philosophy of the development of Alabama Power Company "for the service of Alabama." All were great salesmen in an era that called for salesmanship of the highest order. He was succeeded by Thomas W. Martin who in 1949 became chairman of the board.

During the 1920 decade, the benefits of an interconnected and integrated electric power system were put into practice. The merits were so great that when the widely acclaimed "British grid" system was inaugurated in the early thirties, it was patterned after what had been pioneered in Alabama and adjoining states nearly a decade earlier, and which had been foreseen within a few years after the formation of Alabama Power Company early in the century.

A number of generating plants feeding into an integrated system has resulted in dependable service, availability of power commensurate with requirements and lower rates.\*

It was logical to integrate the operations of all generating plants of the Company—hydro and steam; central load dispatching was essential and became one of the important phases of operation made effective through the coordinating group set up at the Magella substation of the Company near Birmingham. As the system was extended to include operations in adjoining states, so were the techniques of integrated operation expanded.

The expanded system made necessary new methods of joint planning and central load dispatching. This has been perfected year by year so that the four operating companies of The Southern Company have realized very substantial benefits from the integrated operation. Foremost in this highly technical plan was the brilliant work of George H. Middlemiss and later, E. D. Early, expressed in what is now called

\*More fully discussed in relation to Alabama Power system in "Story of Electricity in Alabama."

the "Early Bird," an assembly of devices to further the program of central load dispatching.

Some idea of the effect of the cooperation of many individuals and agencies on the progress made by the Company over the years is indicated by these figures:

	1915	Today
Employees	320	5,300
Total annual payroll	\$312,734	\$27,000,000
Communities served directly	18	620 <sup>1</sup>
Number of customers	5,305	583,000 <sup>2</sup>
Annual territorial sales, Kwh	109,000,000	6,560,000,000
Installed capacity, Kw	67,170	1,540,000*

<sup>1</sup>220 more indirectly  
<sup>2</sup>107,000 more indirectly  
 \*Does not include 390,000 Kw under construction or authorized, and 382,300 Kw proposed river developments awaiting authorization.

The Alabama Power Company was only three persons when it was formed in 1906 with \$5,000 capital. Today it is 16,000 persons—with 5,300 employees, 11,000 shareholders, and a great number of bondholders, whose interests are largely represented in the investments of savings banks and insurance companies. It has nearly \$500,000,000 capital.

## Steam Power

**H**YDRO electric power in Alabama was first produced in volume in 1902 at a site three miles above Tallassee Falls on the Tallapoosa. But electricity from steam was put to first practical use at Anniston, Alabama in 1882 when the Woodstock Iron Company used it for lighting furnace operations and

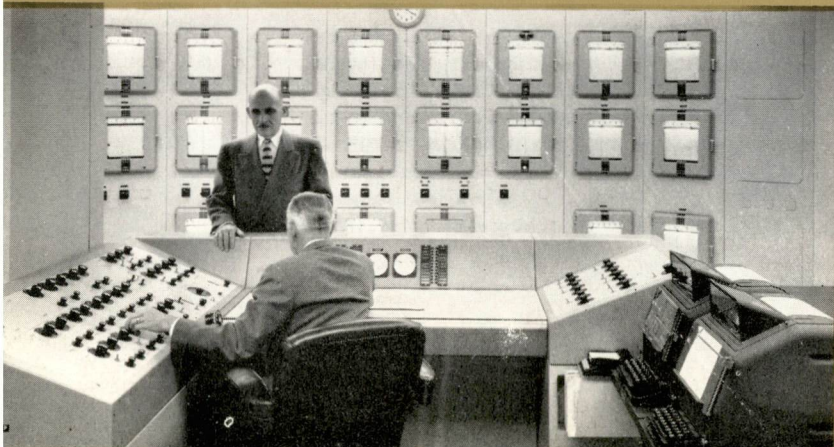
streets of its mill community. A small steam plant was placed in operation in Gadsden in 1913, but it was principally water power that turned the generators until 1917 when our first steam powered plant was completed on the Warrior River. Built as a reserve source, it was called originally the Warrior Reserve Steam Plant, then the Gorgas Steam Plant, for Dr. William Crawford Gorgas. It had become apparent that steam must be relied upon for our sum totals of power requirements as well as for reserves against seasonal or incidental decline in hydroelectric supply. After the Gorgas Plant was begun, unit after unit was added. The additions called for larger supplies of coal. We then launched upon acquisition of coal lands adjoining the steam plant. Today our lands in Walker County near our steam plants contain well over 200 million tons of recoverable coal. The foresight exercised in the building of steam plants and the acquisition of coal lands will stand as one of the far-reaching influences in the growth, development and strength of the Company.

In 1949, a modern 120,000 kilowatt steam generating plant was completed at fast-growing Gadsden.

The coal operations of the Company and the acquisition of coal lands were for many years directed

Gorgas is the largest investor-owned generating center in the Southeast. The combined capacity of the three plants there will be 641,250 kilowatts when an addition under construction in 1956 is completed.

This is the control room in Birmingham, Alabama, from which power generation and transmission over The Southern Company integrated system is directed. E. D. Early of Southern Services, Inc., is seen back of the console of his invention—the "Early Bird"—technically known as the incremental cost computer for delivered power.





by Abner B. Aldridge and more recently by Milton H. Fies. To them must go great credit for successfully carrying out the plans of the management looking toward large steam plant operations supported by ample coal reserves.

### **Mobile Area**

In 1930, Oscar Thurlow and Thomas W. Martin visited the Mobile area and concluded that there was a greater future than was generally foreseen in that area, and that we should acquire land on which a great steam plant could be erected, and which would also be available to encourage large chemical and other industries.

This decision first led to the building of the 120,000 kilowatt Chickasaw Steam Plant, near Mobile, one of the Company's most modern and efficient plants.

The continued growth of the Mobile area made necessary the consideration of a much larger steam plant. This culminated in the groundbreaking for the plant in 1951, and its dedication on September 21, 1956. It seemed appropriate to the directors that the new plant should be named for James M. Barry, former president.\* It also has significance in recognition of the other engineers of the Company whose vision and engineering talent are found in this and many other plants.

The Barry Plant had an initial capacity of 250,000 kilowatts in two units, and is laid out for an ultimate capacity of 1,000,000 kilowatts. A third unit of

\*Mr. Barry now is chairman of the Executive Committee of The Southern Company.



James M. Barry, chairman of the Executive Committee of The Southern Company, and immediate past-president of Alabama Power Company. Barry Steam Plant, near Mobile, is named after him.

225,000 kilowatts capacity is under construction, and will bring the installed capacity to 475,000 kilowatts. Of the transmission lines connecting the Barry Plant with the rest of the system, the one eastward to Pinckard Substation operates at 230,000 volts. This is the highest voltage at which any line in The Southern Company system is operated.

Thus destiny marches on, directing the whole area of Alabama and the South now toward advances unprecedented in variety and degree, with electric power ever more indispensable to the advance. Today, with great strategic raw materials—forests, oil, gas and salt—to vastly supplement greatly expanded activities in naval stores, lumber, ship-building and sea trade, Mobile is one of the outstanding spots in the economy of America.

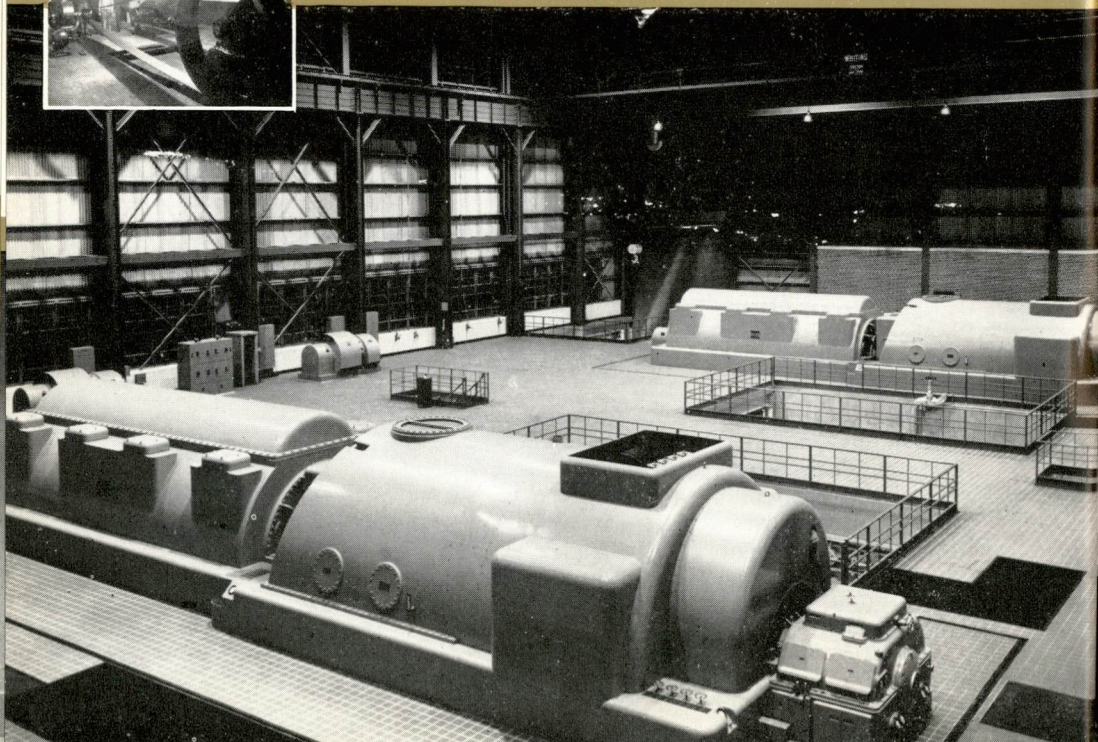
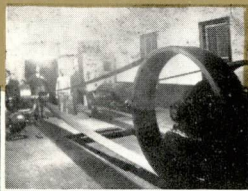
Chickasaw Steam Plant, near Mobile, an important source of power for this fast-growing area





Barry Steam Plant, near Mobile, one of the most modern in the South

The old steam generating unit shown in the inset at left is typical of the early steam generating plants. This one, with a flywheel nearly 7 feet in diameter, had a "tremendous" generating capacity of 125 horsepower. Just one of the generating units at Barry Steam plant, pictured below, has a capacity of 125,000 kilowatts—more than thirteen hundred times that of the early unit pictured. Barry Steam Plant has two generating units of 125,000 kilowatts each. A third, with a capacity of 225,000 kilowatts, has been authorized and is under construction.



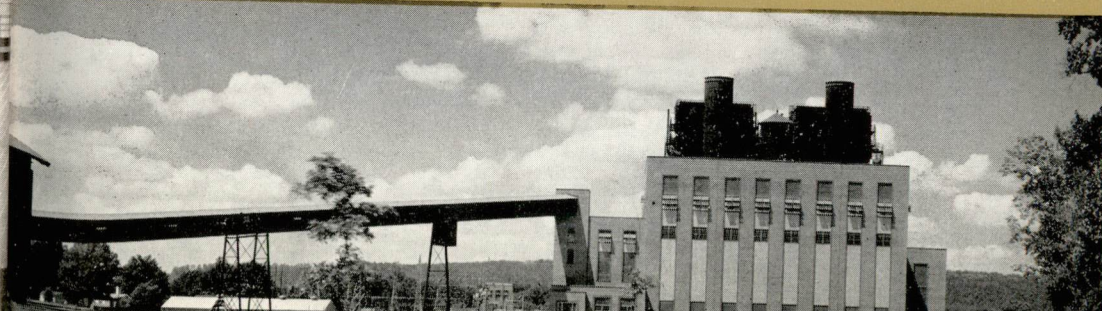
## Atomic Energy

IN SO FAR as the next two decades are concerned, a period during which the present generating facilities may have to be doubled each decade, Alabama Power Company will not neglect its conventional power supply from coal and gas. In their use it enjoys a highly advanced art. Clear opportunities exist to carry it forward to new levels of technological and economical development. The Company must continue to supply adequate power to industry as well as to homes and farms, whether for national defense or peacetime prosperity.

In this effort, the great potential in the use of atomic energy is recognized. Even before passage of the Atomic Energy Act of 1954 first made possible participation by industry in atomic development, the Company was exploring the possibilities of adapting atomic energy to the generation of electric power.

The Alabama Power Company, The Southern Company and affiliated operating companies are associated with thirteen other electric utilities and eight manufacturing companies in a project to design, construct and operate a demonstration atomic energy plant of 100,000 kilowatt capacity being built on property owned by Detroit Edison Company about 30 miles southwest of Detroit. This will be the first large-scale atomic power plant using a breeder-reactor which produces more atomic fuel than it burns. The estimated cost of the reactor portion of the plant is about \$40,000,000. Of this amount, Alabama Power Company proposes to contribute \$800,000 over a period of five years.

Gadsden Steam Plant, in northeast Alabama, supplying the power needs of that and adjoining sections. Power generated feeds into the Company's general transmission system. This plant was dedicated September 16, 1949 to the memory of Captain William P. Lay, Oliver R. Hood and Reuben A. Mitchell.





The model maker's idea of what a fast breeder type atomic power plant will look like. Ruble Thomas, of Southern Services, Inc., is describing its proposed features to H. J. Scholz, President, Southern Services, Inc. and Alabama Power Company Board Chairman Thomas W. Martin.

It is expected that it will be many years before this type of plant will be able to produce power competitive with that from a conventional steam plant located in the Alabama coal fields. On the other hand, the experience in the design, construction and operation of this plant will be invaluable when the time comes to locate atomic power plants on the Alabama Power Company's system.

## Always Uncle Sam

**A**LWAYS, in our fifty years, there has been our Uncle Sam.

We were faced in first infancy with federal law forbidding construction of a dam on any navigable waters without consent of Congress.

We have participated in the long story, still incomplete, of federalism on the Tennessee River, beginning for us with our purchase in 1912 of the Muscle Shoals Hydro-electric Power Company which owned the present sites of the Tennessee Valley Authority's Wilson Dam and Wheeler Dam. In 1916 Congress authorized a war plant for extracting nitrogen from the air and selected Muscle Shoals for development. Our property was turned over to the government for the production of war nitrates by letter of President James Mitchell, February 18, 1918. It contained this significant statement:

"I believe you appreciate that it [the company] should receive consideration in the disposition of any surplus power not required for the needs of the Government."

The Secretary of War, Newton Baker, thanked the Company by letter of February 20, 1918, "for generous and public spirited action."

Wilson Dam was eventually completed there by the government in September, 1925, and it was available as keystone of the Tennessee Valley Authority project launched May 18, 1933. Little, if any, consideration was given to the condition expressed in James Mitchell's letter, though pressed by the Company time and time again, that it should receive consideration in the disposition of the surplus power.

On May 1, 1936, our Wheeler Dam site on the Tennessee also came into federal hands through sale of the site at nominal price to the TVA.

Faced with subsidized government competition, the entire Tennessee Electric Power Company and important parts of the power systems of Alabama Power Company and the Mississippi Power Company in the area were sold to TVA at substantially less than book value.

Those were bad tempered days. But by 1939 when TVA had acquired a market which absorbed its power and the demands of a growing South began calling for capacity production all around, our relations with the federal agency became mutually satisfactory. For

the past 17 years power has been sold or exchanged between TVA and our Southern Company group.

The coming of the Eisenhower administration in 1953 with its philosophy of partnership between government and free enterprise has put us actively and wholeheartedly into cooperation with Uncle Sam in plans for the development of the Warrior and the Coosa Rivers.

\* \* \*

Soon after Hitler's march into Poland and during the "get ready" days before the United States became involved in World War II, the Company was called upon not only to expand its facilities, but to release to military service some of its ablest men who were members of the Reserve Corps. With our country's involvement in the War, the demands for manpower and electric power were tremendously stepped up. It is significant that even before called upon to do so, the Company began expanding its steam generating capacity with an addition to its Chickasaw Steam Plant, near Mobile.

Through the period ending December 31, 1946, 857 of the Company's employees, both men and women, had entered military service. This represented about 25% of its average total number of employees during those years. Other employees had important civilian assignments connected with the war effort. Many of those in military service distinguished themselves to the extent of receiving citations and significant promotions. Many of those in civilian life, both as individuals and representatives of the Company, received certificates attesting their service and outstanding performance "rendered beyond normal responsibility."

As in the case of World War I, a national official commented with respect to the Company's participation in the war effort. He said of it, and other electric utilities, that power supply was "never too little, nor too late." With the advent of the Korean War, many of our employees again were called, and again conducted themselves outstandingly.

An indication of growth in Alabama, even during and since the two recent war periods during which 1,294 employees were given leaves of absence for military service, is the fact that as they returned, none hired as "temporary" replacements were displaced from their employment with the Company.

Alabama Power Company today has approximately 5,300 employees, including 688 at its Gorgas Mine.



THE  
**War Department**  
*expresses its appreciation for patriotic  
service in a position of trust and  
responsibility*  
to

as Post Coordinator of  
Fourth Service Command,  
and assistance to Army

10 April 1946

*P. P. [Signature]*  
Secretary of War

**United States Navy**



For

**Meritorious Service and  
Outstanding Performance**

*Rendered Beyond Normal Responsibility*

*During World War II*

*Extends Appreciation to  
the Management and Employees of*

**Alabama Power Company**

*J. H. Mathews*  
Rear Admiral, CEC, USN  
Superintending Civil Engineer  
Area IV

*B. H. [Signature]*  
Vice Admiral, USN

## The Mysterious Force

THOSE to whom public utilities are suspect overlook the significance of the word "public" in the designation. A public utility has every reason to up-build, to get money into the pockets of its customers and help them advance education, culture and a high standard of living. Whatever else it produces it must seek always to produce well-being at home. It must engage in what we have come to call "the manufacture of customers"—salesmanship at its best. Soon after the end of World War I the Company increased its activities in this "manufacture of customers." We established a department for the purpose, and through it stimulated citizens' groups generally to be active in an idea of diversified agriculture and industry. Years afterwards this original interest of officers of our Company was to result in the organization of an Alabama State Chamber of Commerce in 1937.

### *"Search out and seek wisdom and the reason of things."*

It appeared that we in the South were at a serious disadvantage in respect to the creation of jobs through research, because of deficiency in technological facilities.

The South needed a new form of pioneering, a way by which science and technology could be provided for the smaller industries that could not provide such facilities for themselves. But it demanded some of the same bravery and daring that the founders of the Company showed in its early days. The voice of science had influenced life and progress of other areas of America; it was little heeded in the Southeast. It fell to the lot of some with the Power Company to organize that effort—"to search out and seek wisdom and the reason of things.\*"

The officers of the Company took leading parts in the organization of Alabama Research Institute on October 11, 1941. The name was later changed to Southern Research Institute, and actual work began on October 1, 1944.

In the years that have followed, the Institute has continued to increase in volume of work and in usefulness to both the South and the nation.

A part of the facilities of the Institute has gradually been devoted to cancer research in affiliation with

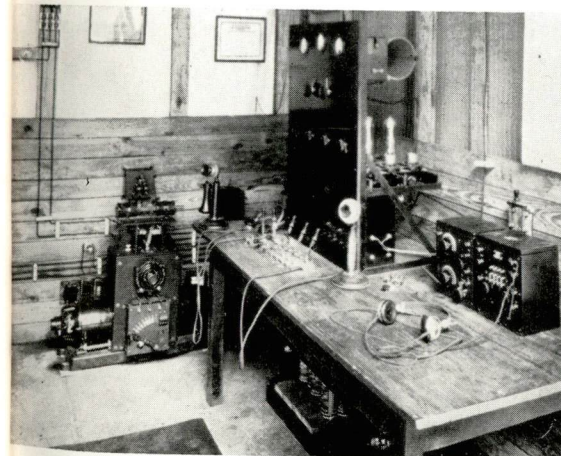
\*Ecc. 7:25

Sloan-Kettering Institute for Cancer Research. Progress has been real in this respect, said the distinguished Dr. Cornelius P. Rhoads, leading American cancer research specialist, on a recent occasion.

The origin and growth of Southern Research Institute are of great significance to the South.

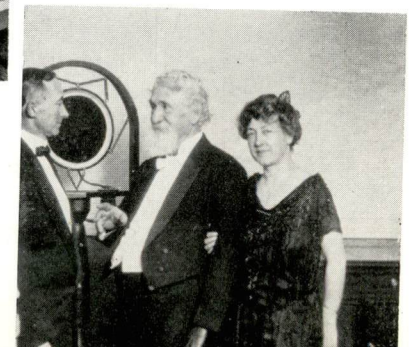
Ours has been the double task of growing with a land and helping it grow. For we are concerned with new industries, new agriculture, wider and better activity of existing industry and agriculture and a general lifting of standards of living and working. All these have to do with that ultimate economic integration which we had called the "manufacture of customers." But there was integration from the other end of the line, too, the inclusion in our activities and interests of a scientific research which would launch us and our customers into new fields, new methods, new knowledge of that infinite number of things Charles Kettering says are waiting to be found. This might be called the manufacture of ideas to do for our customers and things for our customers to do. In this philosophy we participated deeply in the founding and growth of Southern Research Institute.\*

\*The History of Southern Research Institute by John Temple Graves was published December 1955. A copy is available in most libraries.



Thomas W. Martin, left, with Dr. and Mrs. Hudson Maxim at the "studio" of Alabama's first radio station WSY in 1923. Started by Alabama Power Company, it later was given Alabama Polytechnic Institute, when it became Station WAPI.

This "modern" radio transmitting room (about 1923) will interest the radio and television engineer of 1956 and the future. That it worked may seem something akin to a miracle.

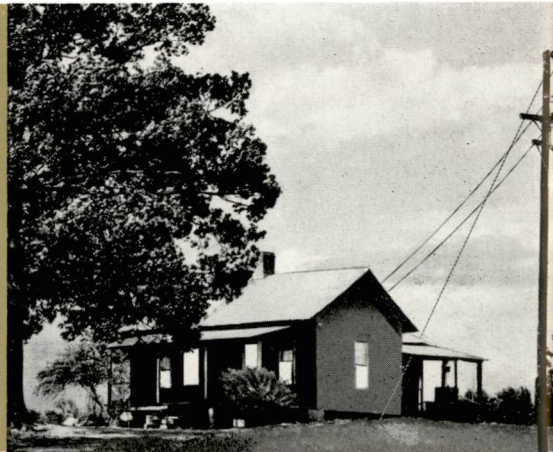


## By the Side of the Road

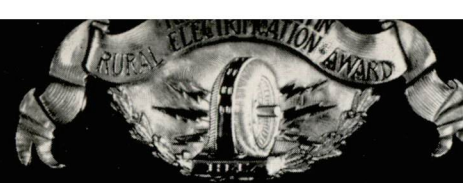
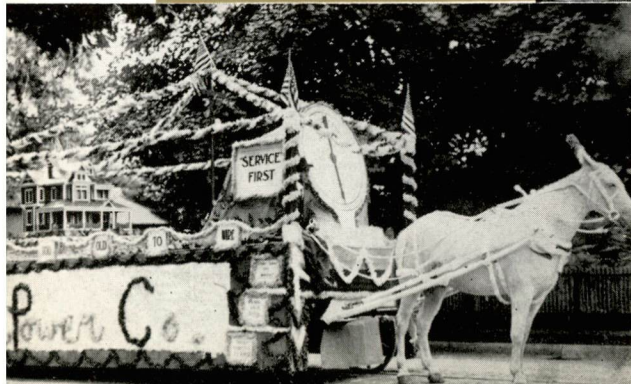
For "manufacturing" customers the farm people of Alabama were an immense and obvious source, whose development could bring more improvement in living and working conditions than any other. Our Company addressed itself early in life to rural electrification and has persisted in that interest. Arrangements for participation were worked out with Alabama Polytechnic Institute as a part of the Company's rural electrification program. By 1930, when the Lay Dam was dedicated, President Martin declared that "rural service has become one of this Company's chief aims. Those who direct these activities," he said, paraphrasing Sam Foss, "look forward to the time when this Company lives by the side of the road to every home in Alabama, a friend to be called and used."\*

\*"Let me live in my house by the side of the road  
And be a friend to man!"—Sam Walter Foss

One of the first rural homes receiving electric service. It is quite different from the home on the opposite page which in July, 1956, became the Company's 150,000th rural customer.



In those early days mule-drawn floats, with the mule as well as the float decorated, were used to advertise the desirability of bare, drop cord "modern" electric lights.



PRESENTED TO  
ALABAMA POWER COMPANY  
BIRMINGHAM, ALABAMA  
IN RECOGNITION OF ITS INVALUABLE  
CONTRIBUTION TO THE RURAL LIFE  
OF THE TERRITORY SERVED BY IT  
THROUGH PROVIDING ELECTRIC  
SERVICE FOR STIMULATING THE  
IMPROVEMENT OF THE ECONOMIC AND  
CULTURAL ADVANTAGES OF FARM LIFE

The Thomas W. Martin Rural Electrification Award was established in 1932.

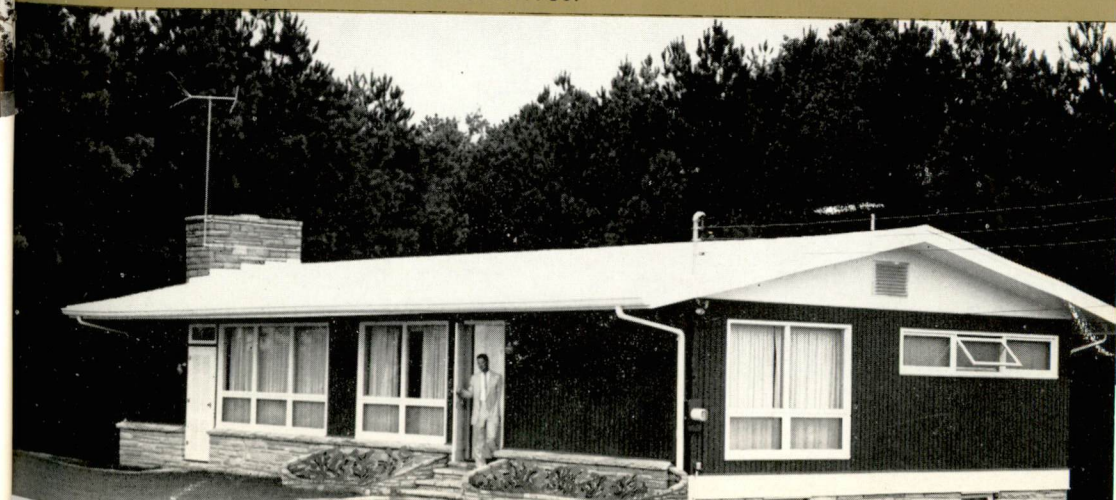
In 1932 Mr. Martin established the Rural Electrification Award. Administered by Edison Electric Institute, it is given annually to the electric utility considered to have contributed most "to the rural life of the territory served by it through providing electric service, and for stimulating the improvement of the economic and cultural advantages of farm life."

*Today electric service is available to 99 percent of the rural residents within the Alabama Power Company's service area.*

## "Manufacture of Customers" Still Essential

The "manufacture of customers" to which we had to devote ourselves in the early days is still a necessity and an indicated service to the South, but due to ever present and intelligent sales efforts customers are no longer so hard to manufacture.

The home of K. L. Jones, Jr., R.F.D., Jasper, Alabama. The Jones family became the Company's 150,000th rural customer in 1956.



## Revision Upward

AMERICA'S growth is compounded annually as we celebrate our 50th birthday. It is estimated that the gross national product will show a gain of forty per cent in the next ten years, rising from 405 billion dollars to 567 billion dollars. That the South, and especially the deep Southeast, will do more than keep pace, is indicated in the comparative present paces and in the predictions of economists and others.

It now appears that many of our Company's ten year forecasts will be realized in eight years instead of ten and we are planning on that basis for two decades ahead.

In the nine years between 1947 and 1956 the number of consumer units—that is, families and other households—in our service area—with more than \$4,000 annual income after taxes has increased from 176,000 to 275,000, or more than half again. By 1966 it is indicated that 430,000 families will be in the group having above \$4,000 a year spendable incomes. And, despite the fact of today's larger families, with more children who are not contributing to the national and family income, disposable income per person in Alabama will this year reach an all-time high of \$1,040. This represents a real increase of 28 per cent or \$226 more per person—over the 1947 average of \$814.

In the past ten years territorial sales of the Alabama Power Company have increased from 3.1 billion kilowatt-hours in 1947 to an estimated 6.5 billion in 1956. The historic growth rate of the electric power industry, doubling every ten years, has accelerated with the rising standard of living. Electricity is a contributor both to better living and better health. The demand for electric power on our system is now expected to double in the next eight years and to quadruple in the next sixteen.

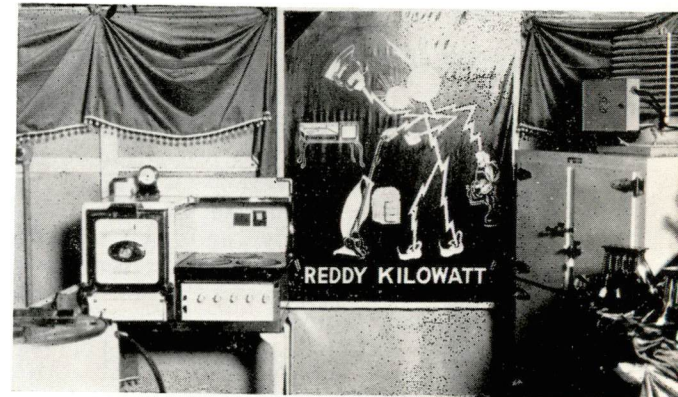
We are revising upward.

On the farm, average annual kilowatt-hour consumption increased from 1,819 kilowatt-hours in 1947, to 2,960 kilowatt-hours in 1956. The average farm in 1966 is expected to be using 6,760 kilowatt-hours annually, an increase of 130 per cent over today.

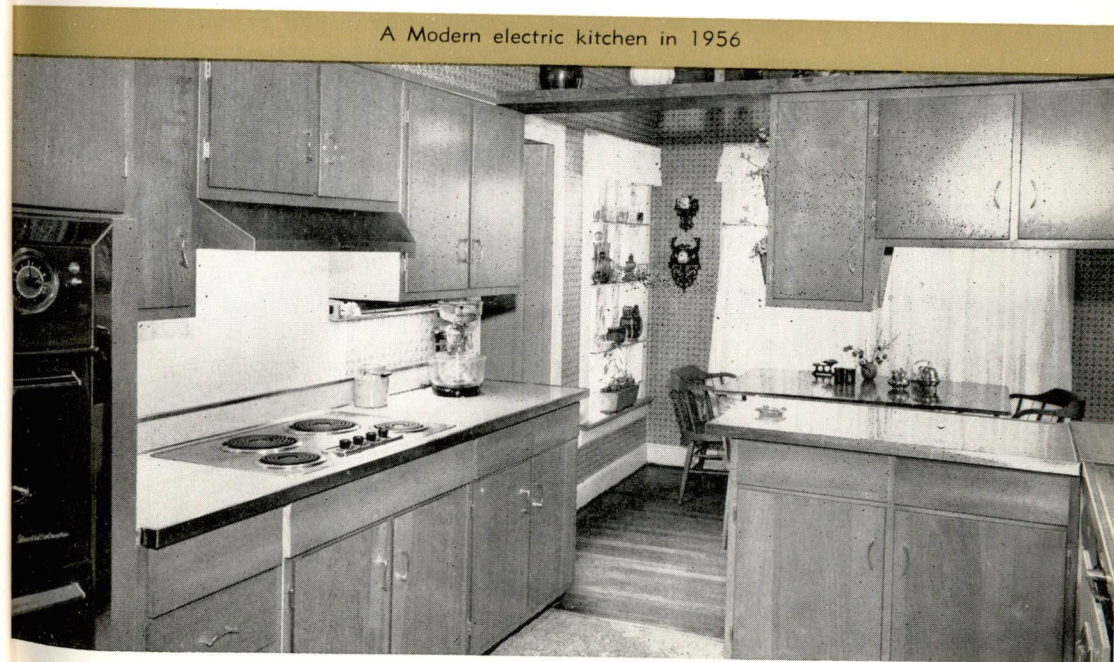
In our urban homes, electrical energy consumption per residence increased from an average of 1,775 kilowatt hours in 1947 to 3,218 kilowatt-hours in 1956. The goal for 1966 is to double the average home use of electricity.

The economic forces responsible for the rising standards of living should continue to operate in the years ahead. The effect of technological developments, increasing production, employment and income in the area of the Company's operation was, and will continue to be, an ever present factor in the Company's growth.

This was "modern" electric kitchen and laundry equipment in the mid-1920's. The figure of Reddy Kilowatt seen in the background, now a nationwide symbol of electric service, was developed by Ashton B. Collins, an Alabama Power Company employee.



A Modern electric kitchen in 1956



Extension of electricity to the farm has made irrigation a growing practice in Alabama.



Always, of course, there is the proviso that these goals of a prosperous future will be achieved only by wise management and vigorous effort and in a business climate where employees and public understand, approve, and firmly support the vast increase in capital requirements needed by industry and utilities.

### *“It Rains in the South”*

With a climate in which industrial operations can be carried on twelve months in the year; with water more and more one of our precious assets, the lack of which is a serious problem in other regions of America, we of the South are fortunate in having both climate and a greater annual rainfall than almost any other region. This water which has run in years past to waste and destruction is being harnessed and conserved now to ever more utility, not only for the production of electric power but for many other industrial processes. A time is coming when our proudest boast may be not of oil, coal, timber, gas, ore, or even cotton, but that “it rains in the South.”

## Alabama's Power

AT Lay Dam and Mitchell, at Martin, Thurlow, Jordan and Yates, at Gadsden's Steam Plants, three Gorgas Steam Plants, at the Barry Steam Plant, at the Chickasaw Plant—a million and a half kilowatts of Alabama Power capacity are today on duty for the multiplying uses of Alabama.

The markets we see for electric service in our area are almost unlimited. Economic forces responsible for the rising standard of living, multiplied more and more by the results of technological research, will double back upon themselves. Better health and education, increased leisure, culture and living and working comfort are themselves stimulants to economy and technology.

And electricity itself, as contrasted with the steam power of other days, makes for the sort of industrial set-ups that expand a people's economy and life. It is a decentralizer. With it you can turn wheels anywhere from anywhere, press a button or twist a knob and bring all things to your home or shop. This means room to breathe and grow and be free and have gardens and golf courses and other recreation facilities. It means room not to be a socialist or believe in class warfare, room not to huddle and integrate as in industrial areas elsewhere. The same electric power industry which is creating the beautiful lakes above power dams in our state also is making opportunities for better incomes, leisure and ideals of living. The lakes are a haven for not only sportsmen, but for those who want to reside on their shores.

In the sixteen-year period since 1940 there has been added nearly three times as much capacity as in the twenty-eight years before. There were 570,500 kilowatts in 1940. With completion of the new Coosa River and Warrior River plants and of planned additions to the Barry and Gorgas Steam Plants, the Company's generating capacity will be 2,336,250 kilowatts. It does not include 500,000 kilowatts that will be available to us from the proposed 1,000,000 kilowatt steam plant of the recently organized Southern Electric Generating Company on the Coosa—a joint operation of our Company with the Georgia Power Company.

The year 1955 saw the largest volume of industrial expansion in any year in the history of the state. The watchword of it all—in state and nation—has been



"confidence." And by that token the rule for Alabama is maintenance of this confidence in degrees that invite outside and local capital to increasing investment both in power developments and in new industrial plants.

Vital, too, is constant study of the nature of power demands. For example, the annual peak load of demand, which has always until lately, come in December, came in August in 1954 and 1955—this largely as a result of the use of air-conditioning and other cooling equipment. Such changes call for fore-thinking to provide as far as is humanly possible the power facilities these swift-moving times entail.

In the beginning communities such as Gadsden, Anniston, Tuscaloosa, Selma and Eufaula had limited electric service; it was available to a greater extent in the larger communities such as Montgomery, Mobile and Birmingham. But as the years have passed and power plants have been built in different parts of the State, transmission lines carry the service to hundreds of communities making each a possible location for industries large or small.

This process of decentralizing industry is important in many ways to the life of the State in providing employment for men and women; and in increasing the tax base from which will flow revenues for schools and other social services.

## The Past Is Prologue

AND thus, we come to this 50th Anniversary year of 1956. Our record is still being written in performance to be judged by the public and by the nearly 600,000 customers of the Company, our security holders, and our employees.

As we contemplate possible events and progress of the next half century, we might well consider these words of William Patrick Lay, spoken in 1929 when Lock 12 became Lay Dam in his honor:

" 'Some work of nobler note may yet be done.'  
The future still beckons with alluring promises and the end of man's achievement in the direction in which we are moving cannot be discerned. As its vista opens before our expectant eyes I leave with you the question of the prophet of old:  
" 'How long shall it be to the end of these wonders?' "

Captain Lay and James Mitchell had the dream of electric service to mankind; and if we will recognize that there is a definite time before an idea can become useful to mankind, *the future is the greatest natural asset we have. You make it of value, depending upon how you think.*

With willing hands and open minds, the future will be greater than the most fantastic story we could write today.

An important part of the published statement of policy of the Company reads:

"We recognize a triple responsibility—to the public, to our employes and to our security holders—and our obligation to try to maintain a just balance among these three groups. The Company and every man and woman in our organization should take a constructive interest in community affairs, contributing of time and effort to worthy civic undertakings and supporting them financially; and we will continue to encourage among our employees a realization that citizenship carries with it duties as well as privileges."

We consider employes as individuals whose well-being and protection are part of our job. One of our first activities in this respect was in the field of safety. The Company became a member of the National Safety Council in the Council's first year and its em-

Women as well as the men were organized into safety teams and competed with each other as well as teams from other industries. In the mid-twenties of the century, this team costume was considered daring.



ployes have three times won the Council's annual award for electric utility companies with more than 2000 employees. In 1955 their record bettered any since the award was inaugurated in 1908. We have believed that the human being is more important than the product. "Even though our service may suffer thereby, or our costs be increased," declares a policy statement enunciated by James M. Barry\* while president of Alabama Power Company, "we want our employes always to take the safe way. There can be no operating condition which justifies their taking the slightest chance in performing their work."

This statement appears on every communication from the Company's Safety Department.

\*Mr. Barry is now chairman of the Executive Committee of The Southern Company.

In 1925 our Company became one of the first in Alabama to launch a group insurance program involving no cost to employes. It has liberal sickness and retirement benefits. Employes also may subscribe for additional group life insurance at a nominal premium.

In 1906 no one could have foreseen the increased uses of electricity and the uplift it would give to the individual in his personal life, as well as to his life as a worker. In every age, there have been new principles just around the corner and that corner is still ahead of us today. The future is bright—of that we may be sure.

We, and those who have preceded us, have been in the midst of creative history for fifty years. It is an unfinished book. Some few are mentioned by name, others known to all of us entered the story; they wrought well in their own time and place, leaving the story for others to complete. All the efforts and works of those who go before are without lasting value and significance except for those who follow.

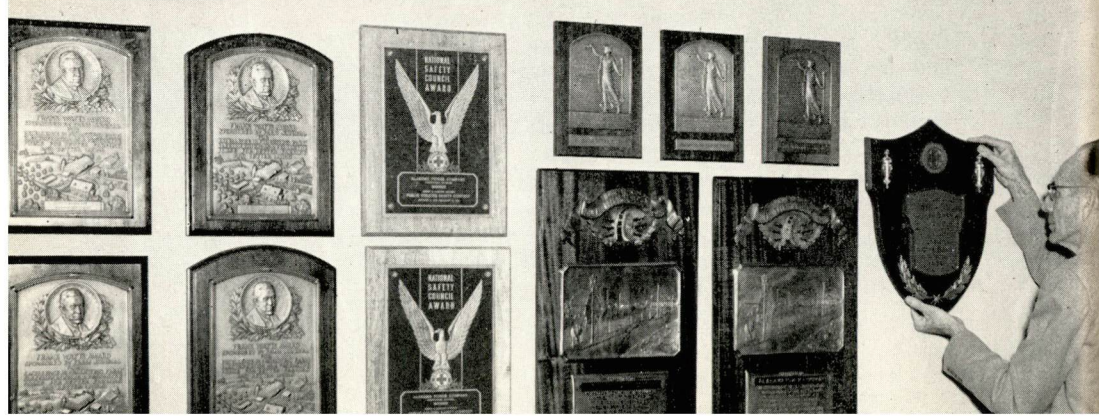
" . . . For a brief space it is granted us," said Havelock Ellis, "if we will, to enlighten the darkness that surrounds our path. As in the ancient torch-race . . . we press forward torch in hand along the course. Soon from behind comes the runner that will outpace us. All our skill lies in giving into his hand the living torch, bright and unflickering, as we ourselves disappear in the darkness."

Such has been our effort; and it is to our co-workers over the years that this anniversary story is dedicated.

If we have written much of history, we should be more interested in the years ahead, for as so often said, that is where we will be spending the rest of our lives, during which we will certainly see other miracles.

The faith and bravery and daring that the founders showed in the early days of the Company have characterized its life. Their continuation is indicated in a recent incident:

Alabama Power Company and its employees have been the recipients of many awards in the fields of rural electrification, safety, home service, advertising and civic betterment. Just a few of them are seen in this picture. The Company's safety manager, J. L. Shores, is mounting a recent award for an outstanding safety record.



When The Southern Company's Operating Forum was held in Atlanta on April 20, 1954, Thomas W. Martin concluded his address with an expression which has come to be a living concept for us all. Pointing the progress made in bringing the South nearer the economic levels of other parts of the country by going ahead at a faster rate than other parts, he declared that,—

***The Last Half of the Twentieth Century  
Belongs to the South!***

The slogan is written in the record of the first half of the century and in the animations at its midpoint. It is in the markets, the raw materials, the labor, the falling and running and boiling waters. It is in the pulse and heart and mind of such men as have made and will be making Alabama Power during the next half century.

In behalf of the directors and officers, past and present, this story is submitted.

*Thos. W. Martin*  
Chairman of the Board

*J. M. Smith*  
President

December, 1956

***Directors and Officers of Alabama Power Company  
on its Golden Anniversary December 4, 1956***

DIRECTORS

- |  |  |
|--|--|
| JAMES M. BARRY, Birmingham<br>Chairman, Executive Committee,<br>The Southern Company             | THOMAS W. MARTIN, Birmingham<br>Chairman of the Board  |
| JOSEPH L. BEDSOLE, Mobile<br>President, Bedsole Investment Co.                                   | WM. LOGAN MARTIN, Birmingham<br>Martin & Blakey  |
| WALTER BOULDIN, Birmingham<br>Executive Vice-President   | FRANK M. MOODY, Tuscaloosa<br>President,<br>The First National Bank of Tuscaloosa              |
| WILLIAM C. BOWMAN, Montgomery<br>Chairman of the Board,<br>The First National Bank of Montgomery | D. H. MORRIS, III, Geneva<br>President, Geneva Cotton Mills                                    |
| L. Y. DEAN, III, Eufaula<br>President, Eufaula Bank & Trust Co.                                  | JOHN C. PERSONS, Birmingham<br>Chairman of the Board,<br>The First National Bank of Birmingham |
| H. NEELY HENRY, Birmingham<br>Executive Vice-President   | WALKER REYNOLDS, Anniston<br>Vice-President, Alabama Pipe Co.                                  |
| ERVIN JACKSON, Birmingham<br>Chairman of the Board,<br>Jefferson Federal Savings & Loan Asso.    | WILLIAM J. RUSHTON, Birmingham<br>President,<br>Protective Life Insurance Co.                  |
| CRAWFORD JOHNSON, JR., Birmingham<br>President, Crawford Johnson & Co., Inc.                     | LEWIS M. SMITH, Birmingham<br>President  |
| EVERETT LAY, Gadsden<br>Lay Brothers, Real Estate & Insurance                                    | WM. HOWARD SMITH, Prattville<br>President, McQueen Smith Farms, Inc.                           |
| EARL M. MCGOWIN, Chapman<br>Vice-President, W. T. Smith Lumber Co.                               | JOHN C. WEBB, JR., Demopolis<br>Webb-Jackson Lumber Co.  |
| J. FINLEY MCRAE, Mobile<br>President,<br>The Merchants National Bank of Mobile                   | FERNAND C. WEISS, Birmingham<br>Vice-President   |
|  | EUGENE A. YATES, New York, N. Y.<br>Chairman of the Board,<br>The Southern Company             |

GENERAL OFFICERS

- |  |                                       |
|--|---------------------------------------|
| THOMAS W. MARTIN, Chm. of the Board      | W. COOPER GREEN ..... Vice-President  |
| LEWIS M. SMITH ..... President           | EDWIN I. HATCH ..... Vice-President   |
| WALTER BOULDIN .... Exec. Vice-President | R. L. HARRIS ..... Vice-President     |
| H. NEELY HENRY .... Exec. Vice-President | FERNAND C. WEISS ..... Vice-President |
| EVERETT C. EASTER ..... Vice-President   | EUGENE A. YATES ..... Vice-President  |
| MILTON H. FIES ..... Vice-President      | M. EDWIN WIGGINS ..... Treasurer      |
|  | CHARLES P. JACKSON ..... Secretary    |

DIVISION VICE-PRESIDENTS

- |                                    |                                 |
|------------------------------------|---------------------------------|
| A. SIDNEY COLEMAN ..... Montgomery | FRANK S. KEELER ..... Mobile    |
| MURRAY T. GREER ..... Eufaula      | OTTO K. SEYFORTH ..... Anniston |
| CHARLES T. HUNTER ..... Birmingham | W. MARVIN WADE ..... Tuscaloosa |

SIGNIFICANT DATES AND EVENTS  
IN THE LIFE OF ALABAMA POWER COMPANY

- 1906**—Alabama Power Company incorporated by Capt. Wm. P. Lay, Oliver M. Hood and Earl Lay.
- 1907**—President Theodore Roosevelt on March 4 approved the act permitting erection of dam across the Coosa River at the place selected for Lock 12, near Clanton, Alabama.
- 1907**—Alabama Legislature passed laws permitting power development on navigable rivers; approved by Governor Braxton Bragg Comer March 6 and March 12.
- 1911**—James Mitchell, with several Alabama citizens who were to be his future associates, visited Cherokee Bluffs site (now Martin Dam) on the Tallapoosa River in November, 1911, and later visited the law office of Thomas W. Martin, Montgomery.
- 1912**—Captain Lay disposed of interests to the James Mitchell group who then reorganized Alabama Power Company, and acquired developed and undeveloped properties from others. A 20-year plan for development of 600,000 horsepower was announced.
- 1912**—Construction of Lock 12 (now Lay Dam) was resumed. Only token work had been done. The first Gadsden Steam Plant, then in construction, was acquired.
- 1913**—Actual electrical operations begun with power generated at Gadsden Steam Plant and at the Jackson Shoals plant on Choccolocco Creek, near Talladega.
- 1913**—The Company began its active interest in the safety of employees and its participation in the National Safety Council.
- 1914**—The development at Lock 12 (now known as Lay Dam) began generating power on March 1, 1914, within the seven years required by the Act of Congress of March 3, 1907.
- 1914**—The "mosquito suits" were filed against the Company.
- 1915**—On February 11, 1915, verdict of the jury in the trial of one of the "mosquito suits" was for the Company; all suits were later dismissed.
- 1917**—The Company's first steam plant at Gorgas was completed. Decision was reached to acquire coal lands in vicinity, forming the basis of later expansion of mining operations by the Company.
- 1918**—Second unit built at Gorgas by U. S. Government on foundation built by the Company.
- 1918**—Alabama Power Company sold its site at Muscle Shoals on the Tennessee River to the U. S. Government for \$1.00. Wilson Dam later built on this site became the first dam of the TVA system.
- 1919**—James Mitchell was stricken with paralysis.
- 1919**—A meeting was called at New York by Thomas W. Martin and Frederick Darlington where representatives of Southern power companies considered interconnection and possible integration of their facilities. Eugene A. Yates (who was to spend his entire career in the development of power as an engineer and executive) presented plans for a study to be helpful in bringing this about.
- 1920**—James Mitchell died at age 54; Thomas W. Martin succeeded him as president.

- 1920**—First step was taken in the interconnection and regional integration of power facilities between Alabama Power Company and Georgia Railway, Light & Power Company; this was the beginning of complete integration with other companies, following the plan suggested in the report of E. A. Yates.
- 1920**—Organized industrial development work began.
- 1920**—First rural distribution line was built by the Company in Madison County.
- 1921**—An industrial development division was organized.
- 1921**—License granted by Federal Power Commission to build Mitchell Dam.
- 1922**—The Company launched WSY, first radio broadcasting station in Alabama.
- 1922**—First fruits of industrial development work by Company were realized when Pepperell Manufacturing Company announced the decision to establish a plant at Opelika.
- 1923**—Company bought Generating Unit #2 at Gorgas from U. S. Government.
- 1923**—Electrical system at Montgomery was bought.
- 1923**—Mitchell Dam on the Coosa River was completed.
- 1923**—"Carrier current" telephony became practical. This is a method by which telephone conversations are transmitted over the Company's high voltage lines along with power.
- 1923**—License was granted to construct Martin Dam on Tallapoosa River.
- 1923**—Agreement which made possible the further development of Tallapoosa River was concluded with Mt. Vernon-Woodberry Mills at Tallassee Falls.
- 1924**—Alabama Power Company began to supply funds necessary for a research project by Alabama Polytechnic Institute to determine how electricity could be used profitably on the farm. The Alabama Committee on the Relation of Electricity to Agriculture was formed.
- 1924**—Thomas W. Martin visited England to arrange for ownership by an American holding company of the common stock of Alabama Power, then British owned.
- 1924**—The third generating unit at Gorgas was completed.
- 1925**—The interconnection of separate power systems was accelerated.
- 1925**—General headquarters at Birmingham moved into new office building.
- 1925**—License was granted to construct Jordan Dam on Coosa River.
- 1926**—Plans for dovetailing the operations with utilities in adjoining states were put into effect.
- 1926**—Martin Dam on the Tallapoosa River was completed.
- 1927**—Alabama Power Company became a "statewide" company with the merger of operations in the Southeast and Mobile areas.
- 1928**—Yates Dam on the Tallapoosa River, near Tallassee, was completed.
- 1928**—"Reddy Kilowatt," now a worldwide symbol for electric service supplied by investor-owned power companies, was developed by A. B. Collins, commercial manager of Alabama Power Company.
- 1929**—Jordan Dam, near Wetumpka, on the Coosa River was completed. The fourth generating unit at Gorgas began operation.
- 1930**—Thurlow Dam at Tallassee was completed.

- 1930**—The unit substation was developed jointly by Alabama Power Company and Westinghouse Electric Corporation.
- 1932**—Thomas W. Martin Rural Electrification Award was established by Mr. Martin to stimulate rural electrification nation-wide.
- 1933**—The Company established a method of rates to stimulate widespread use of electricity in the home. This was adopted in principle by many other companies in the U. S.
- 1934**—The Company sponsored a meeting in Birmingham to stimulate use of Southern pine for the manufacture of newsprint.
- 1936**—The Company sold to TVA the site of Wheeler Dam and certain utility properties in northern Alabama.
- 1937**—Alabama Power Company took leading part with others in the formation of the Alabama State Chamber of Commerce.
- 1938**—Industrial Relations (later Employee Relations) Department formed.
- 1938**—A million pine seedlings were planted on Company lands as part of its reforestation and land management program.
- 1940**—The Company's remaining properties in North Alabama were sold to TVA and its distributing agencies.
- 1941**—It acquired the mining properties of Southeastern Fuel Company at Gorgas, and began developing them into what has become one of the most efficient mining operations in the nation.
- 1941**—First unit of Chickasaw plant was completed.
- 1941**—Company officials inspired organization of Alabama Research Institute; name later was changed to Southern Research Institute, which has become one of the nation's renowned institutions in this field.
- 1942**—Refinancing of Company's bonds was completed at an annual saving in fixed expense of nearly 1 1/2 million dollars.
- 1942**—The use of electronic machines for calculating and addressing electric service bills was begun.
- 1943**—The second unit at Chickasaw Steam Plant was installed.
- 1943**—Postwar planning committee was appointed to study power needs to meet expected growth of area served.
- 1944**—Steam generating unit #5 was completed at Gorgas.
- 1944**—Talladega County War Plants Conversion Committee with Thomas W. Martin as chairman was organized. This later led to the formation of Coosa River Newsprint Company and Beaunit Mills, Inc.
- 1944**—A housing department was organized to develop a model community at Gorgas.
- 1944**—A formal retirement plan for older employees was instituted.
- 1945**—World War II ended; industrial development activities of the Company were intensified.
- 1946**—The Company completed refinancing of preferred stock resulting in an annual saving of more than a million dollars.
- 1946**—Gadsden Chamber of Commerce honored the Company on its 40th Anniversary.
- 1947**—First experiment in the United States in the underground gasification of coal was begun on Company's coal lands at Gorgas. This was a joint undertaking of U. S. Bureau of Mines and the Company.
- 1947**—Alabama Power Company became one of the four operating companies of The Southern Company in Alabama, Georgia, Florida and Mississippi.

- 1947**—The Company's participation in the sponsorship of a research project on the heat pump led to its later decision actively to promote the sale of this device which heats in winter without fuel, cools in summer and provides year 'round air conditioning.
- 1947**—Two-way radio telephones were installed on the Company's service trucks to make possible quicker response to trouble calls.
- 1947**—Thomas W. Martin, then president, was named one of the nation's 50 foremost business leaders by Forbes Magazine of Business.
- 1949**—Aerial patrol of transmission lines was begun.
- 1949**—The Company's new Gadsden Steam Plant went into operation.
- 1949**—Fourth generating unit was installed at Mitchell Dam.
- 1950**—A major addition to the Company's General Office Building was begun. This was the first all electric-welded multi-story building in Birmingham.
- 1950**—The 125,000th rural customer began receiving electric power from the Company's lines.
- 1950**—The Company began its participation in a national advertising program with other operating companies of The Southern Company group to inform the nation of natural, economic, social, recreational and other resources of the South.
- 1950**—It took part in the production of the film "Power of the South" which was warmly received wherever shown.
- 1950**—Total steam generation began regularly to exceed hydro generation.
- 1951**—The sixth generating unit at Gorgas and the third at Chickasaw went into operation.
- 1951**—The Alabama Legislature passed a joint resolution commending the Company's president, Thomas W. Martin, for his "constant, untiring and unselfish work in the fields of industry, education, research and history, for the benefit of the people of Alabama and the South."
- 1951**—Ground was broken for Barry Steam Plant near Mobile.
- 1952**—Birmingham Electric Company was merged with Alabama Power Company; number of the Company's customers passed the half million mark.
- 1952**—The fourth generating unit was installed at Martin Dam.
- 1952**—The seventh steam generating unit was completed at Gorgas.
- 1952**—Employees of the Company's construction department were the first in the nation ever to receive the Edison Electric Institute Award for one million man-hours worked without a disabling injury accident by construction employees. The Company as a whole and groups of operating employees within it had before, and have since, established the million-man-hour record a number of times.
- 1952**—Financial writers and executives visited the Company's service area and other points in the South and announced confidence in future growth.
- 1952**—New major coal supply assured to supplement Company's output by opening of Alabama By-Product Company's Maxine Mine.
- 1953**—Electronic accounting procedures were put into effect.
- 1953**—Application was filed with Federal Power Commission for preliminary permit for additional developments on Coosa River.
- 1953**—The annual meeting of the stockholders of The Southern Company, with an attendance of approximately 700, was held in a large tent at Martin Dam.

- 1954**—Barry Steam Plant, near Mobile, was completed, with two generating units of 125,000 kilowatts each.
- 1954**—Application was filed with Federal Power Commission for preliminary permit for hydro developments on Warrior River.
- 1955**—Construction of 8th and 9th generating units was under way at Gorgas.
- 1955**—The first 230,000 volt transmission line in The Southern Company group, between Barry Steam Plant and Pinckard Substation, was placed in operation.
- 1955**—Alabama Power Company became one of a group of companies to undertake construction of an atomic reactor for use in connection with power production by Power Reactor Development Company.
- 1955**—Applications were filed with Alabama Public Service Commission and the Federal Power Commission for authority to build on the Coosa River four new dams and increase the height and capacity of existing Lay Dam. The completion of the project will bring into reality the early dreams of Captain Wm. P. Lay and others.
- 1955**—Employees established the best safety record in the Company's history and for the third time received the National Safety Council national award for electric companies in its class.
- 1955**—The fourth reunion of Company oldtimers—employees with 25 or more years of service—was held, with 864 active or retired employees eligible. The Company had 5,213 employees at the end of the year.
- 1955**—The number of heat pumps in use in Alabama approached 1,000.
- 1955**—Announcements were made of the greatest volume of industrial expansion in history of Alabama.
- 1955**—For the seventh time the Company received a national award in recognition of its activities in rural development.
- 1955**—It offered to make available land for establishment of Horseshoe Bend National Military Park.
- 1956**—Agreed to participate in construction of 500,000 kilowatt plant in Cahaba coal fields (Southern Electric Generating Co.).
- 1956**—As one of the participants in The Southern Company national advertising program the Company shared in the award to that Company, by the 7th District Advertising Federation of America, for having done the most through advertising to promote greater understanding and development of the South.
- 1956**—An addition was authorized to nearly double the capacity of Barry Steam Plant (from 250,000 kilowatts to 475,000 kilowatts).
- 1956**—Generating capacity of Company in plants in operation and proposed was 2,336,250 kilowatts, including proposed Coosa River and Warrior River plants.
- 1956**—The Company asked for authority to construct New Hope Dam on Warrior River and to install generating facilities at Lock 17 (John Hollis Bankhead Dam).
- 1956**—The 150,000th rural customer was connected to its lines.
- 1956**—On December 4, 1956, the Fiftieth Anniversary of the founding of the Company, it was serving 583,000 customers in industry, in commerce, in the home, in the city and on the farm.