

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

IN RE:)	
)	Docket No. 9574-U
SOUTHSTAR ENERGY SERVICES LLC)	Consolidated with
d/b/a GEORGIA NATURAL GAS;)	Docket No. 39971
APPLICATION FOR A NATURAL GAS)	
MARKETER CERTIFICATE OF AUTHORITY)	

**SOUTHSTAR ENERGY SERVICES LLC'S INFORMATIONAL FILING
REGARDING CHANGE IN OWNERSHIP AT THE ENTITY LEVEL**

On December 17, 2015 SouthStar Energy Services LLC d/b/a Georgia Natural Gas ("GNG") filed its Amended Application seeking Commission authorization for Georgia Natural Gas Company's acquisition of the remaining membership interest of Piedmont Energy Company. Georgia Natural Gas Company and Piedmont Energy Company are the two members of GNG. On February 18, 2016 Piedmont Natural Gas Company, Inc., the parent company of Piedmont Energy Company, and AGL Resources Inc., the parent company of Georgia Natural Gas Company, announced that Georgia Natural Gas Company and Piedmont Energy Company had executed a Term Sheet setting forth the terms and conditions of the transaction. A copy of the Form 8-K filed by each parent company is attached hereto as Exhibit "A".

As set forth in the Amended Application, the transaction will be consummated following the consummation of Duke Energy

Corporation's acquisition of Piedmont Natural Gas Company, Inc.,
which is anticipated to close by the end of 2016.

Respectfully submitted this 18th day of February, 2016.



Robert B. Remar
Georgia State Bar No. 600575
Joshua P. Gunnemann
Georgia State Bar No. 152250

ROGERS & HARDIN LLP
2700 International Tower
Peachtree Center
229 Peachtree Street, N.E.
Atlanta, GA 30303-1601
Telephone: 404-420-4631
Facsimile: 404-230-0966

*Attorneys for SouthStar Energy
Services LLC d/b/a Georgia Natural
Gas*

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the within and foregoing INFORMATIONAL FILING REGARDING CHANGE IN OWNERSHIP AT THE ENTITY LEVEL upon the following by United States mail:

Reece McAllister
Executive Secretary
Georgia Public Service
Commission
244 Washington St., S.W.
Atlanta, GA 30334

Nancy Tyer
Georgia Public Service
Commission
244 Washington Street, S.W.
Atlanta, Georgia 30334

David Weaver
Director Regulatory Affairs
Atlanta, Gas Light Co.
Resources Ten
Peachtree Place, 18th Floor
Atlanta, GA 30309

Robert S. Highsmith, Esq.
Cody S. Wigington, Esq.
Holland & Knight LLP
1180 West Peachtree Street
Suite 1800
Atlanta, Georgia 30309

Mark D. Caudill
AGL Resources, Inc.
3290 Commons Gate Bend
Berkley Lake, GA 30092-4946

Joseph Monroe
SouthStar Energy Services LLC
817 W. Peachtree St., N.W.
Suite 1000
Atlanta, GA 30308

Robert S. Highsmith, Jr., Esq.
Holland & Knight
1180 West Peachtree Street
Suite 1800 NW
Atlanta, GA 30309

Brett Newsom
SCANNA Energy Marketing, Inc.
3311 Peachtree Rd., Suite 2150
Atlanta, GA 30362

Shannon Pierce
Director Regulatory Affairs
Atlanta Gas Light Company
10 Peachtree Place
Atlanta, GA 30309

William Bradley Carver, Esq.
Hall Booth Smith, P.C.
191 Peachtree Street, N.E.
Suite 2900
Atlanta, GA 30303

Lane Kollen
Vice President
J. Kennedy & Associates
570 Colonial Park Drive
Suite 305
Roswell, GA 30075

Jim Clarkson
Resource Supply Management
1370 Walcora Dr.
Sumter, SC 29150

Kevin Greene, Esq.
Brando F. Marzo, Esq.
Troutman Sanders
600 Peachtree St., N.E.
Suite 5200
Atlanta, GA 30308

Harold T. Judd
244 N. Main Street
Concord, NH 03301

Jeffrey Pollock
J. Pollock Inc.
12647 Olive Blvd.
Suite 585
St. Louis, MO 63141

Robert B. Baker, Esq.
Freeman Mathis & Gary, LLP
100 Galleria Parkway
Suite 1600
Atlanta, GA 30339-5949

Brad Nelson
Infinite Energy, Inc.
7001 SW 24th Avenue
Gainesville, FL 32607

Charles B. Jones, III
G. L. Bowen, III
Georgia Association of
Manufacturers
The Hurt Building
50 Hurt Plaza, Suite 985
Atlanta, GA 30303

Michael T. Davis
President
FireSide Natural Gas, LLC
2655 Dallas Highway
Suite 250
Marietta, GA 30064

Randall D. Quintrell
Randall D. Quintrell, P.C.
999 Peachtree St., N.E.
23rd Floor
Atlanta, GA 30309

Liz Coyle
Executive Director
Georgia Watch
55 Marietta Street
Suite 903
Atlanta, GA 30303

Daniel N. Hart
True Natural Gas
807 Collinsworth Road
Palmetto, GA 30268

Charles Harak, Esq.
National Consumer Law Center
7 Winthrop Square
Boston, MA 02110

D. Mark Baxter, Esq.
Thomas T. McClendon, Esq.
Stone & Baxter LLP
577 Mulberry Street, Suite 800
Macon, GA 31201

This 18th day of February, 2016.



Robert B. Remar

EXHIBIT A

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SEC Filings

8-K

AGL RESOURCES INC filed this Form 8-K on 02/18/2016

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): February 18, 2016

AGL RESOURCES INC.

(Exact name of registrant as specified in its charter)

Georgia(State or other jurisdiction of
incorporation)**1-14174**

(Commission File No.)

58-2210952

(I.R.S. Employer Identification No.)

Ten Peachtree Place NE Atlanta, Georgia 30309
(Address and zip code of principal executive offices)

404-584-4000

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 8.01 - Other Events.

On February 12, 2016, Georgia Natural Gas Company ("GNGC"), a subsidiary of AGL Resources Inc. (the "Company"), and Piedmont Energy Company ("Piedmont") entered into a Letter Agreement pursuant to which GNGC has agreed to pay to Piedmont \$160 million as the fair market value for Piedmont's entire ownership interest in SouthStar Energy Services LLC ("SouthStar"). SouthStar, an affiliate of the Company, is one of the largest retail natural gas marketers in the U.S. and markets natural gas to residential, commercial and industrial customers, primarily in Georgia, Illinois and Ohio.

GNGC's purchase of Piedmont's ownership interest in SouthStar is being made pursuant to Section 12.5 of the Second Amended and Restated Limited Liability Company Agreement of SouthStar, dated September 6, 2013, and is subject to the consummation of Piedmont's change in control. On October 24, 2015, Piedmont Natural Gas Company, Inc., the parent company of Piedmont, entered into an Agreement and Plan of Merger with Duke Energy Corporation.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AGL RESOURCES INC.

(Registrant)

Date: February 18, 2016

/s/ Elizabeth W. Reese

Elizabeth W. Reese

Executive Vice President and Chief Financial Officer

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SEC Filings

8-K

PIEDMONT NATURAL GAS CO INC filed this Form 8-K on 02/18/2016

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

February 12, 2016

Piedmont Natural Gas Company, Inc.

(Exact name of registrant as specified in its charter)

North Carolina

1-6196

56-0556998

(State or other jurisdiction
of incorporation)(Commission
File Number)(I.R.S. Employer
Identification No.)4720 Piedmont Row Drive, Charlotte,
North Carolina

28210

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

704-364-3120

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Top of the Form**Item 1.01 Entry into a Material Definitive Agreement.**

As Piedmont Natural Gas Company, Inc. (Piedmont) has previously disclosed, Georgia Natural Gas Company (GNGC) exercised its option under the Second Amended and Restated Limited Liability Company Agreement of SouthStar Energy Services LLC (SouthStar) between Piedmont Energy Company, a wholly-owned subsidiary of Piedmont (PEC) and GNGC dated as of September 1, 2013 (LLC Agreement) to purchase PEC's entire 15% interest in SouthStar for Market Value, subject to the consummation of the transactions contemplated under the Agreement and Plan of Merger among Piedmont, Duke Energy Corporation and Forest Subsidiary, Inc. dated as of October 24, 2015 (Merger Agreement).

On February 12, 2016, PEC and GNGC executed a letter agreement pursuant to which they agreed to be bound by the terms set forth in the accompanying term sheet concerning GNGC's proposed purchase of PEC's interest in SouthStar (the Purchase). Pursuant to the letter agreement, GNGC agrees to pay \$160 million cash for PEC's 15% interest in SouthStar, subject to the consummation of the merger under the Merger Agreement. Among other things, the letter agreement provides for non-solicitation of certain SouthStar employees by PEC, its parent company and their affiliates for a specified time following the Purchase, PEC's release of its option under the LLC Agreement to purchase the C&I Customer retail business, and a non-compete by PEC, its parent company and their affiliates in the Retail Territory (as defined in the letter agreement) for a specified time following the Purchase. The letter agreement provides that the parties shall execute a definitive agreement memorializing the Purchase, which shall be subject to, among other things, the satisfaction of customary closing conditions and obtaining regulatory approvals or consents necessary to consummate the Purchase, including without limitation approval by the Georgia Public Service Commission.

Capitalized terms used herein but not otherwise defined herein shall have the meaning(s) ascribed to them in the LLC Agreement. The foregoing summary of the letter agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the letter agreement, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

10.1 Letter Agreement between Georgia Natural Gas Company and Piedmont Energy Company dated February 12, 2016

Top of the Form**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Piedmont Natural Gas Company, Inc.

February 18, 2016

By: Karl W. Newlin

Name: Karl W. Newlin

Title: Senior Vice President and Chief Financial
Officer

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Exhibit Index

Exhibit No.	Description
10.1	Letter Agreement between Georgia Natural Gas Company and Piedmont Energy Company dated February 12, 2016 Georgia Natural Gas Company 817 West Peachtree St. NW Atlanta, Georgia 30308

CONFIDENTIAL

February 12, 2016

Via fax:
(704) 731-4097

Via overnight delivery:
Piedmont Energy Company
4720 Piedmont Row Drive
Charlotte, North Carolina 28210
Attn: Karl W. Newlin, Senior Vice President and Chief Financial Officer

Re: Letter Agreement

Dear Karl:

This letter sets forth our mutual agreement to the matters set forth in the attached Term Sheet. By this letter we both confirm that we have agreed to the matters set forth in the Term Sheet as described therein and agree to be bound thereby. Please acknowledge your agreement by countersigning where indicated below.

Sincerely yours,

GEORGIA NATURAL GAS COMPANY

By: /s/ Andrew W. Evans
Andrew W. Evans
President and COO

Acknowledged and Agreed:

PIEDMONT ENERGY COMPANY

By: /s/ Karl W. Newlin
Name: Karl W. Newlin
Title: Senior Vice President

**Term Sheet Between
Georgia Natural Gas Company
And
Piedmont Energy Company**

**Regarding GNGC's Proposed Purchase of Piedmont's Interest in
SouthStar Energy Services LLC**

1. Parties	Georgia Natural Gas Company, a Georgia corporation ("GNGC") and Piedmont Energy Company, a North Carolina corporation ("Piedmont").
2. Reason for Agreement	<p>Pursuant to that Second Amended and Restated Limited Liability Company Agreement of SouthStar Energy Services LLC ("SouthStar") dated as of September 1, 2013 (the "LLC Agreement"), GNGC has elected under Section 12.5(a)(2) to purchase from Piedmont its 15% interest in SouthStar (the "Transaction").</p> <p>In accordance with Section 12.5(c) of the LLC Agreement, Closing of the Transaction is expressly subject to consummation of Piedmont's Change in Control.</p> <p>Capitalized terms used herein but not otherwise defined herein shall have the meaning(s) ascribed to them in the LLC Agreement.</p>
3. Valuation	<p>GNGC will pay Piedmont \$160 million dollars in cash as the Market Value for Piedmont's Company Interest at the closing of the Transaction (the "Closing"). The Parties acknowledge that they have resolved their initial disagreement regarding the Market Value of Piedmont's Company Interest to be transferred pursuant to the Transaction, and that it will not be necessary for either Party to initiate the Dispute Resolution Procedures provided in Article XVI of the LLC Agreement with respect to the Transaction.</p>
4. Distribution of Company Income	<p>Concurrently with receiving \$160 million dollars in cash for its Company Interest at Closing, SouthStar will distribute to Piedmont its share of unpaid and/or accrued Company Income and any other amounts due and owing to Piedmont through the date of Closing as indicated in the financial statements prepared by SouthStar in connection with the Closing (see line item 6 below). No other amounts shall be paid or distributed to Piedmont at Closing.</p>
5. LLC Agreement Otherwise In Effect	<p>Except as directly addressed by this Term Sheet and any subsequent agreement memorializing its terms, the LLC Agreement shall continue to govern the relationship of the Parties in SouthStar, including, without limitation, Section 9.4 "Capital Accounts, Allocations, and Distributions Attributable to Transferred Interest", Section 12.5 (c) "Changes in Control", and Section 12.7 "Transition Costs."</p>
6. Financial Statements Pertaining to the Transaction	<p>SouthStar shall prepare and deliver to Piedmont and GNGC unaudited preliminary financial Statements for the period from January 1, 2016 through the most recent calendar month end preceding the Closing to assist with the proper implementation of the relevant portions of the LLC Agreement (and as described in this Term Sheet) to the Transaction, including the Distribution of Company Income described above.</p> <p>The Parties agree that SouthStar shall cause the final 2016 stub period (January 1 through the Closing date) financial statements to be audited as soon as reasonably practicable after Closing and to reconcile, and if</p>

	necessary "true up," the distribution of Company Income to Piedmont.
7. Non-Solicitation of Employees	Piedmont agrees, and at Closing will cause its parent company to agree that neither they nor any of their affiliates will solicit for employment any of those individuals employed by SouthStar as listed on Exhibit A to this Term Sheet (the "Covered SSE Employees") for a period of thirty (30) months following Closing date, provided that, this shall not prevent Piedmont or its affiliates from (i) employing any SouthStar employee whose employment was terminated by SouthStar prior to commencement of employment discussions between Piedmont and such employee, and (ii) placing any public advertisements or conducting any other form of general solicitation for employment that is not targeted at any of the Covered SSE Employees.
8. Release of Piedmont Option Under Section 7.4 of the LLC Agreement	At Closing, Piedmont shall irrevocably and completely release and abandon its option to Purchase C&I Customer retail business as defined in Section 7.4 of the LLC Agreement and Piedmont shall not exercise its option under Section 7.4 prior to Closing.
9. Non-Compete	At Closing, Piedmont will agree and will cause its parent company to agree that neither they nor any of their affiliates will compete with SouthStar for Target Customers in the Retail Territory for a period of thirty (30) months following the Closing date. With respect to the Transaction and the Closing, "Target Customer(s)" shall have the same meaning as that set forth in Article I of the LLC Agreement; and the definition of "Retail Territory" in Article I of the LLC Agreement shall be revised to mean (i) the entire States of Georgia and Illinois, and (ii) in the State of Ohio, such part (s) of Ohio wherein, as of the Closing date, reside Target Customers of Vectren Energy, Dominion East Ohio, and Columbia Gas – Ohio. Notwithstanding the foregoing, and as provided in Section 7.1(b) of the LLC Agreement, the Transaction and Closing shall not preclude Piedmont or any of its present or future affiliates from engaging in the purchase, transportation, supply, sale, marketing, storage and/or infrastructure development of liquefied natural gas, compressed natural gas and/or natural gas vehicle facilities and/or filling stations. Provided further, and notwithstanding Section 7.1(d) of the LLC Agreement, Piedmont and its present and future affiliates shall not be precluded from acquiring a Person or entity that has as an ancillary (but not primary) part of its business operations engaged in the purchase, transportation and sale of natural gas on a non-regulated basis for Target Customers located in the Retail Territory.
10. Communications Program	The parties will agree on the language of any press release or other public communication about this Agreement or the Closing of this Transaction. The Parties acknowledge that each of their parent companies may file a Current Report on Form 8-K and/or make other necessary disclosures to the SEC regarding this Transaction and that such filings and/or disclosures

require no prior approval from the other Party.

11. Regulatory Consents/Approvals Piedmont agrees to cooperate with GNGC and SouthStar in obtaining all regulatory approvals or consents necessary to consummate the Transaction, including without limitation approval by the Georgia Public Service Commission.
-

12. Agreement;
Governing Law As required by the LLC Agreement, the Parties will memorialize the Transaction, including:
(i) any agreed upon matters expressly set forth in this Term Sheet,
(ii) Piedmont providing GNGC at Closing a representation and warranty as to good and clear title to the interest being transferred, and (iii) a mutual release by each Party in favor of the other, substantially in the form of the Conveyance and Assignment Agreement attached to the LLC Agreement as Exhibit H.
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Governing law shall be Delaware.

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