2025 GRAM Filing

WP 2-1-4

STF-48-1 In WP 2-1-4 Plant Detail, FERC account 305 – Gas Structures+ Improvements, AGL had added Plant of $68,394 in Dec 2023, Column IT, however, in April 2024, Column UN, the amount got transferred. Please explain in which account this amount has been transferred and why.

RESPONSE

It was discovered that during the preparation of the Company's FERC pages for 2023 that project 11071322 Atlanta RBC Fencing for $68,394 was recorded to FERC 305 Gas Structures + Improvements, but should have been recorded to FERC 390 Structures and Improvements and was transferred in April 2024.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-2 In WP 2-1-4 Plant Details, FERC accounts for 62.10, LNG Tanks, for June 2024 the projection shows an increase of $105,812,120 from $25,050,646 to $130,862,767 and keeps increasing until Dec 2024. Please explain what projects will contribute to these increased Plant Additions.

RESPONSE

These increased Plant Additions are part of the Cherokee LNG Expansion project.

Breaking this increase down into components, $104,313,130 is moved from Construction work in process to plant in service and $1,498,990 is budgeted expenditures for June related to the tank that were also placed in service in June 2024. The table below reflects the budgeted in-service amounts for the months July – December 2024, for this project.

July	$1,316,388
August	$1,015,843
September	$1,092,704
October	$965,509
November	$979,314
December	$976,433

These amounts were reported on Attachment B of the Annual GRAM Filing on the Tabs labeled "2024 (5+7)," and "May 2024 AGL CWIP." Please see Attachments STF-48-2, both public disclosure and trade secret versions.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-3 In WP 2-1-4 Plant Details, FERC account 363.1 Liquefication Equipment, the Dec 2024 (Cell DK 20) projection shows an increase of $32,166,466, from $25,668,236 to $57,834,098. Please explain what projects will contribute to the increase in Liquefication Equipment.

RESPONSE

This increased addition for Liquefaction Equipment is related to the Cherokee LNG expansion. Specifically, the liquefaction component of the expansion (Project #11008561-C).

This increase is comprised of two components. A balance of $6,477,736 of construction work in process as of May 31, 2024, and $25,688,730 of budgeted expenditures from June 2024 through December 2024 related to the liquefaction equipment to be placed in service in December 2024. These amounts were reported on Attachment B of the Annual GRAM Filing on the Tabs labeled "2024 (5+7)" and "May 2024 AGL CWIP."

Please see Attachments STF-48-4 for both public disclosure and trade secret versions. Please note that the Construction Work in Process ("CWIP") amounts for liquefaction and vaporization were transposed. The amount for liquefaction should have been $45,698,649.26, and the amount for vaporization should have been $6,477,736. This will be corrected in the updated GRAM filing in both the CWIP balances and plant in service balances. Overall, the May 2024 CWIP and December 31, 2024, plant in service balances did not change for the LNG project, and this correction is simply a reclassification between FERC plant account balances for the LNG project did not change. Please refer to Attachment STF-48-4(a) Trade Secret rows 16 and 17, which is the May 2024 AGL CWIP tab included in Attachment B of the Annual GRAM Filing.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-4 In WP 2-1-4 Plant Details, FERC account 363.2 Vaporizing Equipment, the Sep 2025 projection shows an increase of $86,698,293 from $54,467,279 to $141,165,572. Please explain what projects will contribute to the increase in Vaporizing Equipment.

RESPONSE

This addition is related to the Cherokee LNG expansion. Specifically, the vaporization component of the expansion (Project #11008561-C). This increase is comprised of two components: (1) a balance of $45,698,649 of CWIP as of May 31, 2024, and (2) $40,699,644 of budgeted expenditures from June 2024 through December 2024, related to the vaporization equipment to be placed in service in December 2024. These amounts were reported on Attachment B of the Annual GRAM Filing on the Tabs labeled "2024 (5+7)" and "May 2024 AGL CWIP."

Please see Attachments STF-48-4 for both public disclosure and trade secret versions. Please note that the CWIP amounts for liquefaction and vaporization were transposed. The amount for liquefaction should have been $45,698,649.26, and the amount for vaporization should have been $6,477,736. This will be corrected in the updated Annual GRAM Filing in both the CWIP balances and plant in service balances. Overall, the May 2024 CWIP and December 31, 2024 plant in service balances did not change for the LNG project, and this correction is simply a reclassification between FERC plant account balances for the LNG project did not change. Please refer to Attachment STF-48-4(a) Trade Secret rows 16 and 17, which is the May 2024 AGL CWIP tab included in Attachment B of the Annual GRAM Filing.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-5 In WP 2-1-4 Plant, FERC account 363.5 Other Equipment Storage, the July 2024 projection shows an increase of $48,355,300 from $36,700,303 to $85,052,607. Please explain what projects contributed to an increase in Other Equipment Storage.

RESPONSE

This increase is related to the Cherokee LNG Plant Expansion project number 11008561-B.

Breaking this increase down into components, $47,388,946.72 is moved from Construction Work in Process and $966,353 is budgeted expenditures for June and July related to the equipment to be placed in service. These amounts were reported on Attachment B of the Annual GRAM Filing on the Tabs labeled "2024 (5 + 7)" and "May 2024 AGL CWIP." Please see Attachments STF-48-5 for both public disclosure and trade secret versions.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-6 In WP 2-1-4 Plant Details, FERC account 367 Mains, please provide details of projects below:

a. Please explain why the Jun 2023 project amount of $(2,257,740,.80) is negative (cell IN 32) in HTY (Historic Test Year).

b. Please provide the project details related to a total of $30,694,956.76 (cell IO 32), for July 2023. Explain which projects have contributed to the increase in the Mains account in HTY.

c. Please provide the project details related to a total of $17,134,459.33 (cell IR 32), for Oct 2023. Explain which projects have contributed to the increase in the Mains account.

d. Please provide the project details related to a total of $22,192,080.13 (cell IT 32), for Dec 2023. Explain which projects have contributed to the increase in the Mains account.

e. Please provide the details of the project related to a total of $46,164,755.42 (cell IW 32), for Mar 2024. Explain which projects have contributed to the increase in the Mains account.

f. Please provide details of the project addition from June to Dec 2024 (cell IZ 32-JF 32). Explain which projects have contributed to the increase in the Mains account.

g. Please provide details of the forecasted $16,498,406 amount in Feb 2025 (cell JI 32). Explain what projects will contribute to the increase in the Mains account.

h. Please provide details of the forecasted $74,420,983.45 amount in Dec 2025 (cell JR 32). Explain what projects will contribute to the increase in Mains.

i. Please provide details of the forecasted $25,280,253 amount in Mar 2026 (cell DZ 32). Explain what projects will contribute to the increase in Mains.

j. Please provide details of the forecasted $100,718,567.57 amount in Dec 2026 (cell KD 32). Explain what projects will contribute to the increase in Mains.

k. Please provide details of the forecasted $154,749,463.35 amount in Dec 2027 (cell KP 32). Explain what projects will contribute to the increase in Mains.

l. Please provide details of the Transfers/Adjustments amount of $22,522,025 in July 2023 (cell UE 32). Explain what projects will contribute to the Transfers/Adjustments.

m. Please provide details of the Transfers/Adjustments amount of $25,251,719 in Jan 2025 (cell UW 32). Explain what projects will contribute to the Transfers/Adjustments.

RESPONSE

a. Project IVP-Bass Junction Station 2 was placed in service (used and useful) using FERC account 367.1, but when unitized (final evaluation by Engineering after all charges received), the asset was recorded to FERC account 376.10. Please refer to Attachment STF-48-6 (a) for the detail of ($2,257,740.80).

b. Please refer to Attachment STF 48-6 (b) for the transmission main projects for FERC account 367, July 2023, for $30,694,956.76.

c. Please refer to Attachment STF 48-6 (c) for the transmission main projects for FERC account 367, October 2023, for $17,134,459.33.

d. Please refer to Attachment STF 48-6 (d) for the transmission main projects for FERC account 367, December 2023, for $22,190,080.13.

e. Please refer to Attachment STF 48-6 (e) for the transmission main projects for FERC account 367, March 2024, for $46,164,755.42.

f. Please see Trade Secret Attachment STF 48-6 (f). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tabs "2024 (5+7)" and "May 2024 AGL CWIP Summary" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $14,778,019, and the CWIP amount is $3,473,462, for a total of $18,251,481 for June 2024. Please see the below table for the forecasted in-service amounts and CWIP for July – December 2024.

Month	Forecast	CWIP	Total In-Service
July	$16,197,869		$16,197,869
August	$15,166,134		$15,166,134
September	$13,361,598		$13,361,598
October	$11,383,061		$11,383,061
November	$10,462,723		$10,462,723
December	$8,227,709	$4,250,035	$12,477,743

g. Please see Trade Secret Attachment STF 48-6 (g). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tabs "2025" and "May 2024 AGL CWIP Summary" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $2,495,735, and the CWIP amount is $14,002,672, for a total of $16,498,406 for March 2025. Cell reference JI32 is March 2025.

h. Please see Trade Secret Attachment STF 48-6 (h). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tabs "2025" and "May 2024 AGL CWIP Summary" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $56,325,643, and the CWIP amount is $18,095,341, for a total of $74,420,953 for December 2025.

i. Please see Trade Secret Attachment STF 48-6 (i). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $25,280,253 for March 2026.

j. Please see Trade Secret Attachment STF 48-6 (j). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $100,718,568 for December 2026.

k. Please see Trade Secret Attachment STF 48-6 (k). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing.

It comes from Tab "2025" and isolates the specific projects related to FERC Account 367. On the Attachment filed with this data request, the total in service amount based on the forecast is $148,608,927, and the CWIP amount is $6,140,537, for a total of $154,749,463 for December 2027.

l. Please refer to Attachment STF-48-6 (l) for the projects that will contribute to the transfers/adjustments of $22,522,025 in July 2023. The reduction in WP 2-1-4 is for the SRR assets placed in service for July 2023.

m. This adjustment is for SRR plant in service that is shifting from the SRR Mechanism to GRAM base rates. Please refer to Supplemental Attachment SRR Acct Model - SRR Adj WP for the December 2024 ending transmission balance of $25,251,719 that is shifting from SRR to base rates.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-7 In WP 2-1-4 Plant Details, FERC account 376 Mains, please provide details of the projects below:

a. Please provide the details of the project related to a total of $20,358,734.33 (cell IN 37), for June 2023. Which projects have contributed to the increase in the Mains account in the HTY?

b. Please provide the details of the project related to a total of $23,501,273.52 (cell IQ 37), for Sep 2023. Which projects have contributed to the increase in the Mains account in the HTY?

c. Please provide the details of the project related to a total of $12,080,636.17 (cell IR 37), for Oct 2023. Which projects have contributed to the increase in the Mains account?

d. Please provide the details of the project related to a total of $18,796,035.64 (cell IS 37), for Nov 2023. Which projects have contributed to the increase in the Mains account?

e. Please provide the details of the project related to a total of $24,260,429.98 (cell IT 37), for Dec 2023. Which projects have contributed to the increase in the Mains account?

f. Please provide the details of the project related from Jan 2024 to May 2024 (cell IU 37 to IY 37) in the Historic Test Year ("HTY"). Which projects have contributed to the increase in the Mains account?

g. Please provide the details of the project related from June 2024 to Dec 2024 (cell IZ 37 to JF 37) and explain which projects will contribute to the increase in the Mains account.

h. Please provide details of the forecasted $13,038,952 amount in Dec 2025 (cell JR 37). Explain what projects will contribute to the increase in the Mains account.

i. Please provide details of the forecasted $14,955,634 amount in Dec 2026 (cell KD 37). Explain what projects will contribute to the increase in the Mains account.

j. Please provide details of the forecasted $13,770,046 amount in Dec 2027 (cell KP 37). Explain what projects will contribute to the increase in the Mains account.

k. Please provide details of the Transfers/Adjustments $40,346,098 amount in Jan 2025 (cell UW 37). Explain what projects will contribute to the Transfers/Adjustments.

RESPONSE

a. Please refer to Attachment STF 48-7 (a) for the distribution main projects for FERC account 376, June 2023, for $20,358,734.33.

b. Please refer to Attachment STF 48-7 (b) for the distribution main projects for FERC account 376, September 2023, for $23,501,273.52.

c. Please refer to Attachment STF 48-7 (c) for the distribution main projects for FERC account 376, October 2023, for $12,080,636.17.

d. Please refer to Attachment STF 48-7 (d) for the distribution main projects for FERC account 376, November 2023, for $18,796,035.64.

e. Please refer to Attachment STF 48-7 (e) for the distribution main projects for FERC account 376, December 2023, for $24,260,429.98.

f. Please refer to Attachment STF 48-7 (f) Pivot for the distribution main projects for FERC account 376, January – May 2024, for $62,454,639.84 by month.

g. Please see Trade Secret Attachment STF 48-7 (g). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2024 (5+7)" and isolates the specific projects related to FERC Account 376. The below table summarizes the monthly increase in the Mains account.

June	$13,532,966
July	$14,432,185
August	$12,124,927
September	$11,351,113

October	$10,526,865
November	$9,764,588
December	$8,840,135

h. Please see Trade Secret Attachment STF 48-7(h). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 376. On the Attachment filed with this data request, the total in service amount based on the forecast is $13,038,952 for December 2025.

i. Please see Trade Secret Attachment STF 48-7(i). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 376. On the Attachment filed with this data request, the total in service amount based on the forecast is $14,955,634 for December 2026.

j. Please see Trade Secret Attachment STF 48-7(j). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 376. On the Attachment filed with this data request, the total in service amount based on the forecast is $13,770,046 for December 2027.

k. Please refer to the SRR model included as a supplemental attachment with this filing. The amount represents the balance of the Distribution Mains in the estimated 2024 column of the revenue requirement calculation tab.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-8 In WP 2-1-4 Plant Details, FERC account 380 - Services, – Please provide details of projects below:

a. Please provide the details of the project related to a total of $11,161,177.44 (cell IK 41), for Mar 2023. Which projects have contributed to the increase in the Services account in the HTY?

b. Please provide the details of the project related to a total of $10,419,501.25 (cell IN 41), for June 2023. Which projects have contributed to the increase in the Services account in the HTY?

RESPONSE

a. Please refer to Attachment STF 48-8 Tab (a) for the services projects for FERC account 380, March 2023, for $11,161,177.44

b. Please refer to Attachment STF 48-8 Tab (b) for the services projects for FERC account 380, June 2023, for $10,419,501.25.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-9 In WP 2-1-4 Plant Details, FERC account 381 Meters, – Please provide details of projects below:

a. Please provide details of the forecasted $13,624,319.25 amount in Dec 2025 (cell JR 42). Explain what projects will contribute to the increase in Meters.

b. Please provide details of the forecasted $13,933,475.05 amount in Dec 2026 (cell KD 42). Explain what projects will contribute to the increase in Meters.

c. Please provide details of the forecasted $15,526,999 amount in Dec 2027 (cell KD 42). Explain what projects will contribute to the increase in Meters.

RESPONSE

Please see Trade Secret Attachment STF-48-9 Tabs (a), (b), and (c) for the details of FERC account 381 Meters projects and respective dates and amounts.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-10 In WP 2-1-4 Plant Details, FERC account 390G - Structures and improvements, – Please provide details of projects below:

a. Please provide the details of the project related to a total of $75,659,284 (cell CY 51), for Dec 2023. Explain which projects have contributed to the increase in the Structures and improvements in an HTY.

b. Please provide details of the forecasted $3,897,854 amount in Dec 2025 (cell JR 51). Explain what projects will contribute to the increase in Structures and improvements.

c. Please provide details of the Transfers/Adjustments amount of $11,151,868 in Dec 2023 (cell UJ 51). Explain what projects will contribute to the Transfers/Adjustments.

RESPONSE

a. Please refer to Attachment STF 48-10 (a) for the structures and improvements projects for FERC account 390G, December 2023 that contribute to December's 2023 ending balance of $75,659,284. December 2023 beginning balance of $64,377, 268.72 was increased with additions of $130,146.35 and transfers in of $11,151,868.47 for total December 2023 ending balance of $75,659,283.54.

b. Please see Trade Secret Attachment STF 48-10(b). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 390G. On the Attachment filed with this data request, the total in service amount based on the forecast is $3,897,854 for December 2025.

c. Please refer to Attachment STF 48-10 (c) for the structures and improvements projects for FERC account 390G, December 2023, that contributed to the transfers/adjustments of $11,151,868. The transfer was to move the assets to the correct FERC account of 390 from FERC 391.01 Office Furn & Equip.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-11 In WP 2-1-4 Plant Details FERC account G391.00, please provide the details of the project related to a total of $12,322,506.50 (cell IT 52), for Dec 2023. Which projects have contributed to the increase in office furniture and equipment?

RESPONSE

Please refer to Attachment STF 48-11 for the office furniture and equipment project details for FERC account G391.00, December 2023, for $12,322,506.50.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-12 In WP 2-1-4 Plant Details, For FERC account G391.2, OFE-Ent-10YR

a. Please provide the details of the project related to a total of $34,321,827.14 (cell JC 56), for Sep 2024. Explain what projects will contribute to the increase in projects.

b. Please provide the details of the project related to a total of $28,388,861.85 (cell JK 56), for May 2025. Explain what projects will contribute to the increase in projects.

c. Please provide the details of the project related to a total of $9,517,808.67 (cell KP 56), for Dec 2027. Explain what projects will contribute to the increase in projects.

RESPONSE

a. Please see Trade Secret Attachment STF 48-12 Tab (a). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "May 2024 ASC CWIP" (column I, row 4) and isolates the specific projects related to FERC Account 391.2. On the Attachment filed with this data request, the total in service amount based on the forecast is $34,321,827.14 for September 2024. The amount is the Company's CWIP portion of the Enterprise Asset Management System that is direct assigned from ASC.

b. Please see Trade Secret Attachment STF 48-12 Tab (b). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "May 2024 ASC CWIP" (column I, row 6) and isolates the specific projects related to FERC Account 391.2. On the Attachment filed with this data request, the total in service amount based on the forecast is $28,388,861.85 for May 2025. The amount is the Company's CWIP portion of the Enterprise Asset Management System that is direct assigned from ASC.

c. Please see Trade Secret Attachment STF 48-12 Tab (c). This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 391.2. On the Attachment filed with this data request, the total in service amount based on the forecast is $9,517,809 for December 2027.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

Supplemental Attachment -ASC Direct Assigned Assets

STF-48-13 FERC account 391.12 OFE - Servers – Hardware, please provide the details of the project related to a total of $6,234,260 (cell I 8), for Dec 2024. Explain what items will contribute to the increase in Server Hardware.

RESPONSE

Please see Trade Secret Attachment STF 48-13. This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2024 (5+7)" and isolates the specific projects related to FERC Account 391.12. On the Attachment filed with this data request, the total in service amount based on the forecast is $6,234,260 for December 2024.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-14 FERC account 391.20 OFE - Enterprise - 10YR, please provide the details of the project related to a total of $6,084,915 (cell S 8), for Oct 2025. Explain what items will contribute to the increase in OFE - Enterprise.

RESPONSE

Please see Trade Secret Attachment STF 48-14. This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 391.2. On the Attachment filed with this data request, the total in service amount based on the forecast is $6,084,915 for October 2025.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-15 ERC account 391.20 OFE - Enterprise - 10YR, please provide the project details related to a total of $9,517,809 (cell AS 8), for Dec 2027. Explain what items will contribute to the increase in OFE - Enterprise.

RESPONSE

Please see Trade Secret Attachment STF 48-15. This data was previously filed in Trade Secret Attachment B of the Annual GRAM Filing. It comes from Tab "2025" and isolates the specific projects related to FERC Account 391.2. On the Attachment filed with this data request, the total in service amount based on the forecast is $9,517,809 for December 2027.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

WP 2-3 & Schedule-3

STF-48-16 In WP 2-3 Column-N, AGL created a new column called "Adj for ECON-1 AFUDC," as provided in **Table-1** below. CellsN12 and N13, AGL has AFUDC dollar amounts where there is no CWIP in Cells F12 and F13. Does AGL agree to remove the dollar amounts in Cells N12 and N13?

Table-1: WP 2-3 Columns A - O

Line No.	Month	CWIP	Adj for Cherokee LNG	Adj for SRR	Econ - 1	Add CAPEX	Less Additions	GRAM Only CWIP	Total AGL AFUDC	Adj for Cherokee LNG CWIP	Adj for SRR CWIP	Adj for Econ 1 AFUDC	GRAM Only AFUDC
		Construction Work in Progress (CWIP) & AFUDC											
	(a)	(b)	(c)	(d)		(f)	(g)	(h)	(i)	(j)	(k)		(l)
1	Jul-23	535,016,499	(126,168,833)	(87,891,191)				320,956,475					
2	Aug-23	564,481,355	(131,724,120)	(93,133,397)				339,623,838	2,259,383	(572,149)	(507,506)		1,179,728
3	Sep-23	542,520,254	(133,085,308)	(101,794,340)				307,640,606	2,146,210	(618,411)	(569,952)		957,848
4	Oct-23	542,088,208	(141,995,708)	(106,473,788)				293,618,712	2,350,445	(646,782)	(609,430)		1,094,232
5	Nov-23	537,226,368	(151,129,435)	(109,902,618)				276,194,315	2,356,088	(675,279)	(633,681)		1,047,128
6	Dec-23	544,143,819	(168,238,760)	(118,361,597)				257,543,461	2,248,754	(734,629)	(652,611)		861,514
7	Jan-24	543,837,164	(173,763,623)	(118,779,115)	-			251,294,426	2,463,979	(828,343)	(689,668)		945,968
8	Feb-24	549,212,400	(179,290,997)	(120,855,541)	(10,414)			249,055,448	2,503,663	(878,167)	(704,380)	(3)	921,113
9	Mar-24	527,384,668	(185,636,362)	(118,358,938)	(57,538)			223,331,831	2,655,165	(927,332)	(1,032,157)	(97)	695,580
10	Apr-24	551,301,075	(194,035,218)	(120,098,555)	(369,015)			236,798,287	2,174,565	(957,987)	(699,319)	(988)	516,271
11	May-24	564,406,440	(203,789,232)	(122,630,979)	(737,453)			237,248,776	2,596,442	(1,006,650)	(721,740)	(2,992)	865,061
12	Jun-24	237,248,776	-	-	-	44,942,752	47,330,926	234,860,603	2,144,261	(501,367)	(697,807)	(2,992)	942,095
13	Jul-24	234,860,603	-	-	-	46,118,407	44,036,785	236,942,225	2,119,430	(340,301)	(721,212)	(2,992)	1,054,925
14	13 Month Average	$ 497,979,048						$ 266,546,846	$ 28,018,387	$ (8,687,396)	$ (8,239,461)	$ (10,066)	$ 11,081,464

RESPONSE

The adjustment is necessary through July as the GRAM update will include CWIP balances through July and because the AFUDC that is included in both the initial GRAM filing and GRAM update include AFUDC amounts associated with the ECON-1 projects.

Please note that AFUDC for the Historic Test Year ("HTY") (Aug 2023-July 2024) is shown in the income statement on tab Historical (Income). AFUDC is reflected in WP 2-3 in order to determine an AFUDC rate based on historical amounts that can then be applied to the CWIP forecast producing a forecasted AFUDC amount for the twelve months ending in 2025.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-17 WP 2-3 Column-G Lines 1 - 13: AGL added a new column in the 2025 GRAM not used in prior GRAMs called "Add Capex." AGL should confirm that this column needs to be removed since the Staff didn't agree to have it added.

RESPONSE

In the Company's initial filing of GRAM, the HTY includes actual data through May and forecasted amounts for June and July. To forecast CWIP balances, the Company includes the beginning balance plus capital expenditures, less additions (projects placed into service), resulting in an ending balance. Forecasted activity in Column-G Lines 12 and 13 are removed in the GRAM refile/update as actual ending balances for June and July, as shown.

Please note that the processes described above for the initial GRAM filing and GRAM update are consistent with the Company's previous GRAM filings.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-18 WP 2-3 Column-H Lines 1 - 13: AGL added a new column in the 2025 GRAM not used in prior GRAMs called "Less Capex." AGL should confirm that this column needs to be removed since the Staff didn't agree to have it added.

RESPONSE

Please see the Company's response to STF-48-17.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-19 In the 2024 GRAM filing in Schedule-3 Line-11 G26 & WP 2-3 L78 AGL provided a AFUDC calculation with the following method.

Old Method
In WP 2-3 related to past GRAMs to calculate the Schedule-3 AFUDC for the FTY, AGL would first calculate an AFUDC Rate:

HTY GRAM Only CWIP 13-month Average / HTY GRAM Only AFUDC 13-month total = AFUDC Rate

Then AGL would calculate a FTY CWIP 12-month average, January - December.

Then AGL would multiply the AFUDC Rate by the FTY CWIP 13-month average. This result would be the Schedule -3 AFUDC on Line-11. AGL has changed this process without discussing with the Staff. Please see **Table-2** below, 2024 GRAM WP 2-3.

Table-2: 2024 GRAM WP 2-3

Line No.	Month	GRAM Only CWIP	Total AGL AFUDC	Adj for Cherokee LNG CWIP	Adj for SRR CWIP	GRAM Only AFUDC	12ME AFUDC Rate for July 31, 2022
	(a)	(h)	(i)	(j)	(k)	(l)	(M)
1	Jul-22	245,648,270					
2	Aug-22	245,805,973	1,494,931	(249,749)	(302,460)	942,722	
3	Sep-22	263,310,038	1,499,644	(284,827)	(315,448)	899,369	
4	Oct-22	279,373,510	1,618,875	(351,136)	(347,616)	920,123	
5	Nov-22	278,860,143	1,825,993	(396,294)	(386,653)	1,043,046	
6	Dec-22	264,776,482	1,782,213	(411,356)	(353,726)	1,017,131	
7	Jan-23	273,822,033	1,830,073	(421,550)	(352,371)	1,056,152	
8	Feb-23	273,176,863	1,777,547	(444,900)	(295,842)	1,036,806	
9	Mar-23	280,422,943	1,959,608	(477,662)	(429,908)	1,052,038	
10	Apr-23	284,105,096	2,089,009	(509,819)	(480,809)	1,098,381	
11	May-23	296,965,743	2,175,106	(523,051)	(520,478)	1,131,576	
12	Jun-23	311,483,281	2,435,526	(527,470)	(578,724)	1,329,332	
13	Jul-23	320,956,476	2,241,189	(535,736)	(528,746)	1,176,708	
14	13 Month Average	$ 278,362,066	$ 22,729,713			$ 12,703,384	4.56%
15	Jul-23	$ 320,956,476					
16	Aug-23	383,007,392					
17	Sep-23	383,093,710					
18	Oct-23	385,768,732					

TW: Tony Wackerly: Total July - July, not an average.

TW: Tony Wackerly: Total July - July, not an average.

TW: Tony Wackerly: AFUDC 13-month total divided by CWIP 13-month average = AFUDC Rate

In the 2025 GRAM filing WP 2-3, see **Table-3** below, AGL began using a new AFUDC methodology in the following:

New Method - AFUDC Calculation

i. In the 2025 GRAM, the AFUDC AGL added in Column-K Lines 15 – 56, the "AFUDC Rate."

ii. Then AGL added a new "AFUDC" header for Lines 15 – 56. In Cell O46, AGL calculated a 12-month average for the FTY CWIP in Column I Rows 35 – 46.

iii. Then AGL used the AFUDC Rate taken from Cell Q24 and multiplied it by this new 12-month FTY average to arrive at $11,850,841.28.

iv. Then AGL transferred the FTY 12-month average AFUDC $11,850,841.28 to WP 2-3 Cell L74.

v. Then in WP 2-3 Cell O74, AGL calculated the Schedule-3 Line-11 FTY dollar amounts. The calculation consisted of AGL transferring the WP 2-5 AV44 AGSC AFUDC, $606,815, to WP 2-3, during the WP 2-3 Cell O74 $11,850,841.28 to a negative number and subtracting the $606,815. This created the WP 2-3 Cell O74 ($12,457,656.12).

vi. The (12,451,656.12) was transferred to Schedule-3 Cell G26. The 2026- and 2027-dollar amounts use a similar method.

Table-3: 2025 GRAM WP 2-3

	A	B	F	G	H	I	J	K	L
27						GRAM Only			
28		Month	Econ - 1	Add CAPEX	Less Additions	CWIP		AFUDC Rate	AFUDC
29	15	Jul-24				$ 236,942,225			
30	16	Aug-24		42,605,165	42,622,244	306,865,778		4.16%	1,063,140.86
31	17	Sep-24		41,155,502	74,308,035	273,713,246		4.16%	948,283.44
32	18	Oct-24		36,724,703	34,602,452	275,835,497		4.16%	955,636.01
33	19	Nov-24		37,617,723	35,473,044	277,980,175		4.16%	963,066.28
34	20	Dec-24		33,882,728	50,635,512	261,227,391		4.16%	905,026.02
35	21	Jan-25		22,153,714	15,296,529	268,084,577		4.16%	928,782.84
36	22	Feb-25		23,645,410	16,291,761	275,438,226		4.16%	954,259.66
37	23	Mar-25		30,070,380	38,612,051	266,896,554		4.16%	924,666.92
38	24	Apr-25		31,547,775	20,852,798	277,591,531		4.16%	961,719.82
39	25	May-25		34,951,256	51,444,429	261,098,358		4.16%	904,578.98
40	26	Jun-25		38,045,771	26,215,206	272,928,924		4.16%	945,566.15
41	27	Jul-25		37,436,992	23,289,779	287,076,136		4.16%	994,579.37
42	28	Aug-25		39,562,705	24,251,642	302,387,200		4.16%	1,047,624.76
43	29	Sep-25		40,771,100	27,150,282	316,008,018		4.16%	1,094,814.28
44	30	Oct-25		36,119,319	27,660,456	324,466,881		4.16%	1,124,120.13
45	31	Nov-25		28,154,440	18,120,832	334,500,489		4.16%	1,158,881.71
46	32	Dec-25		26,587,398	126,929,038	234,158,849		4.16%	811,246.67
47	33	Jan-26		36,569,965	26,261,907	244,466,908		4.16%	846,959.08
48	34	Feb-26		36,569,965	22,851,459	258,185,414		4.16%	894,487.05
49	35	Mar-26		36,569,965	48,313,549	246,441,830		4.16%	853,801.23
50	36	Apr-26		36,569,965	22,851,459	260,160,336		4.16%	901,329.19
51	37	May-26		36,569,965	22,851,459	273,878,843		4.16%	948,857.15

12 month aver	285,052,978.61
	4.16%
	11,850,841.28

AFUDC		
11,850,841.28	$606,814.85	(12,457,656.12)
11,854,503.11		
12,800,111.30		

Since AGL didn't consult with the Staff on this change in AFUDC methodology, as required in Tariff Section 26, does AGL agree to use the same methodology as used in prior GRAM filings?

RESPONSE

The Company will determine AFUDC in the same manner as prior GRAM filings.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

WP 5

STF-48-20 Related to Column-H Deferred Expense Adjustments Line-114 Dist Other Expenses in Cell H120, the HTY dollar amount is missing the HTY dollar amount from WP 5-4-1 R11, ($1,322,010). Why is this dollar amount missing?

RESPONSE

The removal of the HTY GRAM deferral expense for Dist-Other Expenses in WP 5 O&M, cell H120, will be included in the Company's GRAM update filing. Consistent with the Company's previous GRAM filings, HTY amounts are subject to change based upon actualization of June and July data included in the GRAM update filing.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-21 In Column-P Fixed Comp and Column-Q Variable Comp in Line-15 A&G Salaries, why has Fixed Comp increased by 257.12% and Variable Comp increased by $63.08% from the HTY?

RESPONSE

The Company input the total forecasted amounts for fixed compensation and variable compensation in Line-15 A&G Salaries. See Attachment STF-48-21 for a detailed breakout of forecasted fixed and variable compensation by FERC account.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-22 Regarding Row-23, Line-17, Office Supplies and Expense Account, please answer the following:

a. In Column-S GRAM Deferrals, this isn't a deferral, but a FTY projection based on budgeted dollars in WP 5-4-1. Please explain why Outside Services need an increase of $1.7 million in Office Supplies?

b. In Cell L23, what caused AGL to need $15.4 million in office supplies?

RESPONSE

a. See WP 5-4-1 for the FTY average expense of $1.79 million and the HTY amount of $1.62 million, the incremental increase is approximately $177,000. The increase in the FTY as compared to the HTY is primarily due to increases in the cost of public awareness compliance notifications. These amounts are costs incurred by outside vendors and were included in the outside services deferral accounts under Peoplesoft. An adjustment will be made in the GRAM update filing for the removal of the HTY amount. Consistent with the Company's previous GRAM filings, HTY amounts are subject to change based upon actualization of June and July data included in the GRAM update filing.

b. The office supplies account captures expenses related to uniforms, printing, postage, dues, security, safety products, facility management, customer communications, training, printer software and maintenance, and utilities.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

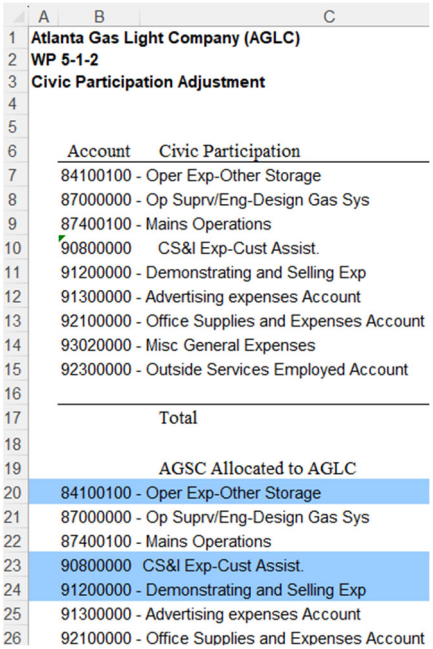
STF-48-23 In Column-U Row-6, AGL calls this column Total 2024 O&M. Does AGL agree that this should be called Total Estimated 2025 O&M?

RESPONSE

Yes. The Company agrees that Column-U Row 6 should be called Total Estimated 2025 O&M.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-24 In WP 5-1-2, AGL calls this worksheet Civic Participation. The accounts listed are related to storage, selling expense, advertising, office supplies, and other items. Please explain how these accounts constitute Civic Participation.



	A	B	C
1	**Atlanta Gas Light Company (AGLC)**		
2	**WP 5-1-2**		
3	**Civic Participation Adjustment**		
4			
5			
6		Account	Civic Participation
7		84100100	- Oper Exp-Other Storage
8		87000000	- Op Suprv/Eng-Design Gas Sys
9		87400100	- Mains Operations
10		90800000	CS&I Exp-Cust Assist.
11		91200000	- Demonstrating and Selling Exp
12		91300000	- Advertising expenses Account
13		92100000	- Office Supplies and Expenses Account
14		93020000	- Misc General Expenses
15		92300000	- Outside Services Employed Account
16			
17			Total
18			
19			AGSC Allocated to AGLC
20		84100100	- Oper Exp-Other Storage
21		87000000	- Op Suprv/Eng-Design Gas Sys
22		87400100	- Mains Operations
23		90800000	CS&I Exp-Cust Assist.
24		91200000	- Demonstrating and Selling Exp
25		91300000	- Advertising expenses Account
26		92100000	- Office Supplies and Expenses Account

RESPONSE

Civic participation costs are identified based on the accounting field resource type; they are not identified by account. O&M activity that includes resource type of donations or sponsorships are for civic participation and accordingly removed through a rate making adjustment. As such, civic participation costs may be identified across various FERC accounts.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-25 Does the Traditional 2025-2027 GRAM model include the full $29 million error?

RESPONSE

No, the Traditional 2025 through 2027 GRAM filing reflects the Company's total revenue requirement for each year and is calculated in accordance with the Company's Commission-approved GRAM Tariff.

In the Company's 2025-2034 i-CDP filing in Docket No. 43820, the Company filed both an estimated annual revenue requirement for 2025 through 2027, as required by the i-CDP Minimum Filing Requirements, as well as a levelized rate option for these years. The Company's levelized rate option included an error resulting in a levelized revenue requirement that did not fully reflect the Company's projected total revenue requirement for 2025 through 2027. This error was part of the i-CDP filing and was not associated with an estimate generated from the GRAM model. Please note that the estimated annual revenue requirements (traditional GRAM) provided in the i-CDP for 2025 through 2027 did not include the error that was included in the levelized rate option.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-26 Does the Alternative Rate GRAM model for 2025-2027 include the full $29 million error?

RESPONSE

The 2025 GRAM Filing does not include the $29 million error that was discovered in the materials provided by the Company to Staff late in the i-CDP Docket process as part of negotiating the Stipulation in that docket. The Alternative Rate GRAM model reflects the Company's levelized revenue requirement for years 2025 through 2027. The levelized revenue requirement was determined based on a deferral of costs in 2025 and recovery of deferred costs in 2027 in order to produce a levelized rate impact over the three-year period. The Alternative Rate GRAM model also includes certain changes in assumptions in the determination of the revenue requirements as noted in the Company's 2025 GRAM Petition.

Noted changes in the 2025 GRAM Petition that are included in the determination of the Alternative Rate GRAM revenue requirements:

> *The Forward Looking Test Year revenue requirements have been calculated in accordance with the Company's Commission-approved GRAM Tariff, with the exception of the following changes in assumptions: (1) PRP recovery occurs in 2027 rather than 2025; (2) Georgia State tax rate change benefits are returned over two years; (3) the GRAM inflation factor, as initially determined based on the Tariff, excludes 2022 as it provided higher than current inflation expectations.*

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-27 In AGL's July 31, 2024 petition for the 2025 GRAM, AGL stated the following on page 6:

> The Proposed Resolution provides a framework that the Company believes could be the basis for a stipulated resolution to this 2025 Annual GRAM Filing, and also resolve the major issues for GRAMs in 2026 and 2027. The rate increases under this Proposed Resolution would generate approximately $23.2 million less revenue than the Alternative Rate GRAM described above.

Does the paragraph on page 6 above related to the Proposed Resolution GRAM model for 2025-2027, state that AGL will only recover $5.8 million of the $29 million error for 2025-2027?

RESPONSE

No. As discussed in the Company's response to STF-48-25, the error in the 2025 through 2027 revenue requirements occurred in the levelized rate option presented in the 2025-2034 i-CDP filing. The Proposed Resolution GRAM Model for 2025 through 2027 includes the Company's total revenue requirement for each year with certain assumption changes as noted in the Company's 2025 GRAM Petition.

Noted assumption changes in the 2025 GRAM Petition that are included in the determination of the Proposed Resolution GRAM revenue requirements:

> *In order to arrive at the Proposed Resolution, the Company used the following filing assumptions: (1) PRP recovery would occur within the 2025-2027 timeframe, rather than 2025; (2) Georgia State tax rate change benefits would be returned over two years; (3) the GRAM inflation factor, as initially determined based on the Tariff, would exclude 2022 as it provided higher than current inflation expectations.*

From the total revenue requirements shown on Schedule 11a of the Proposed Resolution GRAM, the Company has reduced the revenue requirements by $6.7 million in 2026 and $16.5 million in 2027, totaling $23.2 million. The current projection of the $23.2 million revenue requirement adjustments and the assumption changes noted above were necessary such that the Company's proposed monthly rate impacts for the average residential customer, with a 1.3 DDDC, under GRAM (excluding DOT, ECON-1, SRR) is $2.99 in each year, 2025 through 2027, as shown in row 21 in WP 4-3 Residential Impact.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas

STF-48-28 Further, in the AGL July 31, 2024 petition for the 2025 GRAM, AGL stated the following on page 6:

> This proposal illustrates a scenario in which the Company would agree to set the incremental rate increases for the GRAM portion of the all-in rates at $2.99 in 2025, $2.99 in 2026, and $2.99 in 2027. These rates could be adjusted through the annual GRAM process without filing an amendment to the Order in this case as a result of changes in taxes, interest on debt, and other additional costs that are out of the Company's reasonable control, as to be negotiated in such a stipulated resolution. Otherwise, these rates are not to be exceeded without filing an amendment that demonstrates an increase in O&M costs attributable to unforeseen or extraordinary circumstances. This commitment could provide customers more rate stability over the next three years.

Please answer the following:

a. For the proposed rates, 2025-2027, is AGL stating that the rates will change in 2026 and 2027 due to taxes, interest on debt, and other costs without filing an amendment?

b. Likewise, AGL stated it could file for an amendment based on increases in O&M. Under what authority can AGL file amendments based on increases in O&M?

c. Does AGL agree that the paragraph above ensures that the $2.99 rate will not be levelized and will increase in 2026 and 2027?

RESPONSE

a. The Company is not stating that the rate will change. The Company is merely stating that it is possible that the rate could change due to taxes, interest on debt, and other additional costs that are out of the Company's reasonable control and the filing of an amendment would not be required. The Petition also recognizes the rate and any exceptions to the rate will be as negotiated in a stipulated resolution. AGL and Staff have not yet reached a stipulated resolution in this matter.

b. The Company can file a petition for an amendment, and it is within the Commission's discretion to grant, deny, or modify the requested amendment.

c. Please see response to a and b above, additionally as stated in the reference paragraph, for the average residential customer with a 1.3 DDDC under GRAM (excluding DOT, ECON-1, SRR), the rate increase in each year will be $2.99. Please see Attachment A(2), WP 4-3 Residential Impact row 21, which shows the cumulative impacts to the average residential customer. As discussed on page 6 of the 2025 GRAM petition, the proposed GRAM rate increases of $2.99

per year are subject to change as a result of changes in taxes, interest on debt, and other additional costs that are out of the Company's reasonable control. Additionally, GRAM rates may be updated for changes in O&M through the filing of an amendment subject to Commission approval.

Respondent: Gary Tucker
Director, Reg Account & Rev Rec
Southern Company Gas