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April 6, 2026

Mrs. Sallie Tanner, Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334

VIA ELECTRONIC DELIVERY

Re: **SCANA Energy Marketing LLC's Complaint Against Atlanta Gas Light Company**

Dear Mrs. Tanner:

Enclosed for filing on behalf of SCANA Energy Marketing LLC is its Complaint against Atlanta Gas Light Company seeking relief from imbalance penalties assessed arising out of the December 13, 2025, Operational Flow Order. Please return to us the extra copy showing the date of filing of the extra document. Thank you for your attention to this matter.

Sincerely,

HALL BOOTH SMITH, P.C.

William Bradley Carver, Sr.

Attorney for SCANA Energy Marketing, LLC

WBC/
Attachment

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

SCANA Energy Marketing, LLC, Petitioner, v. Atlanta Gas Light Company, Respondent.	Docket No._____

SCANA ENERGY MARKETING, LLC's COMPLAINT AGAINST ATLANTA GAS LIGHT COMPANY

SCANA Energy Marketing, LLC ("SCANA" or "Petitioner"), by and through undersigned counsel, files this Complaint against Atlanta Gas Light Company ("AGL" or "Respondent") pursuant to the authority of the Georgia Public Service Commission ("Commission") under O.C.G.A. §§ 46-2-20 and 46-4-155 and in accordance with Ga. Comp. R. & Regs. 515-2-1-.04, seeking relief from Operational Flow Order ("OFO") imbalance penalties allocated to SCANA.

INTRODUCTION

This case presents a question of first impression for the Commission: whether OFO penalties should be imposed where a utility controls the conditions of compliance but deprives a marketer of the ability to respond. Under the applicable tariff framework, OFO penalties presuppose a marketer's ability to respond to imbalance conditions. Here, AGL's operational control foreclosed any meaningful opportunity for SCANA to mitigate its imbalance. Although AGL required and confirmed delivery of gas into its system, it failed to implement available operational measures necessary to enable SCANA to respond.

AGL's decisions and omissions that prevented SCANA from mitigating or avoiding penalties include, among other things: (1) failing to designate a pipeline for deliveries into the Atlanta Pool; (2) failing to adequately revise supply requirements to reflect changing system conditions; (3) failing to reduce or reject nominations; (4) failing to communicate operational constraints or available mitigation options; and (5) failing to provide notice to SCANA before the post-cycle nomination deadline.

Notably, AGL was able to take and communicate these measures, but it failed to do so in a way that enabled SCANA to mitigate its imbalance exposure. By contrast, AGL communicated with its asset manager regarding options to address system imbalances but did not provide comparable information to SCANA.

As a result, SCANA was unable to adjust nominations or take meaningful steps to mitigate the imbalance. Therefore, the resulting OFO penalties could not be reasonably avoided. Permitting the penalties to stand shifts the consequences of AGL's operational decisions onto SCANA, rather than placing responsibility with the party whose conduct deprived SCANA of the ability to avoid those penalties. Thus, the Commission should grant relief by ordering AGL to fully reimburse or credit SCANA for the OFO penalties assessed as a result of the event.

PARTIES AND JURISDICTION

1.

SCANA is a natural gas marketer authorized to provide retail natural gas service within the State of Georgia.

2.

SCANA supplies natural gas to customers within the AGL distribution system.

3.

Respondent AGL is a regulated natural gas distribution utility operating within the State of Georgia.

4.

AGL owns and operates the natural gas distribution system that serves retail customers and coordinates gas supply deliveries from interstate pipelines.

5.

The Commission has jurisdiction over this Complaint pursuant to O.C.G.A. § 46-2-20, which authorizes the Commission to regulate the practices and operations of public utilities operating within the State of Georgia.

6.

The Commission also possesses jurisdiction pursuant to O.C.G.A. § 46-4-155, which provides oversight authority over Georgia's natural gas competition program.

7.

AGL is a regulated natural gas distribution utility subject to the Commission's jurisdiction.

8.

The practices and actions challenged in this Complaint occurred within AGL's regulated distribution system serving customers in Georgia.

BACKGROUND

9.

On December 11, 2025, Transco issued a bracketed OFO affecting deliveries into the Atlanta market for the December 13, 2025 ("OFO Event").

10.

A bracketed OFO is a directive issued by an interstate pipeline, such as Transco, requiring shippers to maintain deliveries within a specified tolerance band around scheduled natural gas quantities, with penalties for deviations outside that range. Unlike a zero-tolerance OFO, a bracketed OFO permits limited imbalance while still subjecting shippers to penalties if they exceed the mandated band. These measures are designed to maintain system reliability and are implemented pursuant to the pipeline's tariff and federal regulatory framework.

11.

Compliance with a bracketed OFO depends on a shipper's ability to receive timely and accurate operational information to adjust nominations within applicable scheduling cycles. Federal regulations require pipelines to take reasonable steps to minimize the adverse impacts of OFOs and to provide timely information to enable shippers to manage imbalances and avoid penalties. 18 C.F.R. § 284.12(b)(2)(iv)-(v).

12.

The issuance of a bracketed OFO is not an extraordinary or unforeseeable event. Pipeline tariffs and federal regulations expressly contemplate such OFOs, and market participants, including local distribution companies such as AGL, are expected to operate under such conditions. Accordingly, AGL was not confronted with a novel circumstance, but rather with a known operational scenario requiring the use of established tools, including timely communication, nomination management, and system coordination.

13.

Following the OFO Event, Transco assessed OFO imbalance penalties to six Georgia natural gas marketers delivering gas into the AGL system, including SCANA.

14.

Transco OFO penalties are assessed when shippers fail to comply with pipeline operational requirements intended to maintain system balance.

15.

The OFO penalties associated with the OFO Event were significant. They affected multiple marketers serving customers within the AGL distribution system, exposing those marketers to substantial financial liability that may ultimately affect retail natural gas customers.

16.

SCANA incurred $329,900 in OFO penalties arising from a 6,598 Dth imbalance during the applicable OFO Event, as reflected in the Transco penalty notice attached hereto as Exhibit A (OFO Imbalance BA View).

17.

During the relevant period, AGL issued a supply-mismatch order for the OFO Event and exercised control over nominations into the Atlanta pool.

18.

These actions implicated multiple tariff provisions, including AGL Tariff Sections 17.2 (pipeline designation), 15.1.2 (intra-day DSR revisions), and 19.4 (nomination confirmation authority), as well as Transco Tariff Section 28.1.D, which governs post-cycle nominations.

19.

AGL did not designate a pipeline for deliveries into the Atlanta pool, leaving that decision to marketers. SCANA elected to supply the pool using Southern Natural Gas (51 percent) and Transco (49 percent) volumes.

20.

On the morning of the OFO Event, AGL reduced SCANA's Daily Supply Requirement by 12 percent, and SCANA adjusted its volumes: Southern Natural Gas (44 percent) and Transco (56 percent).

21.

Throughout the OFO Event, AGL retained authority to revise the Daily Supply Requirement, reduce nominations, or decline to confirm volumes. AGL did not meaningfully exercise any of these options. Across all five nomination cycles, AGL repeatedly confirmed SCANA's nominated volumes and did not communicate any limitation on its ability to accept those volumes, even though AGL was aware that forecasted demand conditions had changed due to the anticipated cold weather being delayed.

22.

AGL did not communicate operational constraints affecting its system to SCANA. SCANA was best suited to adjust nominations or cure imbalances during the applicable nomination cycles. Instead, AGL chose to communicate to its asset manager—an entity not subject to OFO penalties and not having title to SCANA's gas—about these operational constraints.

23.

Because that information was not communicated, SCANA was deprived of the opportunity to respond within the applicable nomination and scheduling cycles. As a result, SCANA incurred OFO penalties that would have been avoided or materially mitigated with reasonable operational notice from AGL.

24.

Transco Tariff Section 28.1.D permits shippers to submit post-cycle nominations after the final intraday nomination cycle, subject to pipeline confirmation and operational constraints, to

adjust scheduled quantities for the gas day. AGL did not provide notice before that nomination window that it would not accept certain volumes delivered into its system. As a result, SCANA was deprived of the opportunity to submit a post-cycle nomination that would have materially mitigated, if not avoided, the resulting imbalance.

25.

As a result of these operational constraints, SCANA was unable to adjust nominations or cure any imbalance within the available nomination cycles.

26.

Although the OFO penalties were assessed pursuant to the Transco tariff, the conditions that prevented marketers from complying with nomination requirements occurred within the AGL distribution system and were subject to AGL's operational control and communication practices.

27.

Accordingly, the allocation and recovery of those penalties within the Georgia retail natural gas market falls within the regulatory authority of this Commission.

28.

The penalties assessed during the pipeline OFO Event will be borne by marketers such as SCANA.

29.

These circumstances warrant a Commission investigation into AGL's operational coordination practices.

30.

The OFO penalties associated with the OFO Event were not the result of any failure by SCANA to comply with known or communicated nomination requirements. Instead, they resulted

from AGL requiring and confirming delivery of gas that it ultimately left unused within the Transco system, combined with AGL's failure to communicate the conditions necessary for SCANA to avoid an imbalance.

31.

The OFO penalties were the direct and foreseeable result of AGL's conduct. AGL required and confirmed delivery of gas, retained authority to reduce or reject nominations, and failed to communicate operational constraints before the critical 11:00 AM post-cycle nomination deadline. Without that information, SCANA could not take available mitigation steps. The penalties, therefore, flowed from AGL's operational control and failure to act, not from any noncompliance by SCANA.

32.

Following the OFO Event, discussions among market participants and Commission staff included a proposal under which marketers would bear fifty percent (50%) of the OFO penalties immediately and the remaining fifty percent (50%) through adjustments within the Market Adjustment Recovery System ("MARS").

33.

SCANA opposed that proposal because it would require marketers and their customers to absorb all penalties resulting from operational conditions outside their control, immediately and in the future, from adjustments to MARS.

34.

This matter requires the Commission to provide guidance on how OFO penalties should be allocated where a regulated utility exercises operational control over the system but does not communicate or implement available measures necessary to enable marketer compliance.

35.

If relief is not granted, the resulting approach would permit the assessment of penalties against marketers for imbalances they had no practical ability to avoid, while insulating the utility from accountability. Such a result would be fundamentally unfair and risk shifting the consequences of utility-controlled operations onto market participants in future OFO events, potentially leaving these costs borne by customers in the affected market.

36.

By contrast, Commission action here would provide a clear and administrable standard for future matters, reinforcing that penalty allocation must align with operational realities and that liability should not attach where a party's ability to perform is materially constrained by the conduct or omissions of the entity controlling the system.

PRAYER FOR RELIEF

WHEREFORE, Petitioner respectfully requests that the Commission:

(a) Investigate the operational events of December 13, 2025, including the OFO issued by Transco affecting natural gas deliveries into the AGL system;

(b) Find that the OFO penalties associated with the December 13, 2025, event were not reasonably avoidable by SCANA and similarly situated marketers due to AGL's operational decisions and failure to communicate;

(c) Order AGL to provide a 100 percent credit or reimbursement to SCANA for OFO penalties assessed as a result of the event;

(d) Prohibit the allocation or recovery of such penalties from marketers or their customers;

(e) Direct AGL to implement operational or procedural changes necessary to prevent recurrence of similar penalty events, including improvements to communication protocols, nomination management, and operational coordination with marketers; and

(f) Grant such other and further relief as the Commission deems appropriate.

Respectfully submitted this 6th day of April, 2026.

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CERTIFICATE OF SERVICE

I hereby certify that on this day, I have e-filed with the Commission the foregoing SCANA ENERGY MARKETING, LLC's COMPLAINT AGAINST ATLANTA GAS LIGHT COMPANY, and served by email to the following parties:

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This 6th day of April, 2026.

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Georgia Bar No. 115529

Attorneys for Petitioner

Williams Gas Pipeline - Transco
OFO Imbalance BA View

From 12/01/2025 to 12/31/2025

Accounting Month: 12/2025

Billable Party ID/Name: [redacted] SCANA ENERGY MARKETING LLC
BA ID/Name: [redacted] SCANA ENERGY MARKETING LLC
Commercial Services Rep: [redacted]

Critical Day ID/Level: 21094 /Delivery Transactions at Zone 4
Tolerance Percentage: 7.00%
Transaction Type: Due To OFO
OFO Type:
Class Type:

Flow Date	Penalty Admin K	Location ID	Location Name	Zone	Flow Dir	*Rate Sched / Tier	Total Net Allocated Receipt Qty	Total Net Allocated Delivery Qty	Imbalance Qty	Actual Imbalance Percentage	Tolerance Qty	Penalty Qty	Zone in Penalty
12/13/2025	9009107	1003410	ATLANTA GAS LIGHT	4	D		67,570	56,966	(10,604)	19%			
12/13/2025	9009107	1100002	EMINENCE STG TRANS	4	D		256	256	0	0%			
12/13/2025	9009107	1000105	STA 85 POOL ZN4	4	D		57,594	57,594 *	0				
			Total for Zone	4			125,420	114,816	(10,604)			6,598	
						Less OVR/Tier 2 and OVR/Tier 3						0	
						Less Delivery Exclusion*	57,594	57,594					
						Total Net Delivery:	67,826	57,222	(10,604)	19%	4,006	6,598	Yes

Note:
Penalty is held at the Billable Party/Service Requester/Agent Level
SSOVT & OVR delivery volumes were added to Total Delivery Quantity to calculate imbalance tolerance, but tier 2 & tier 3 are subtracted from penalty calculation Imbalance - Tolerance Qty - OVR/2 - OVR/3 = Penalty Qty

Parameters:

Begin Date : 12/01/2025	Business Associate : 411008	End Date : 12/31/2025
Acct Period : 12/2025		

Run Date/Time: 12/18/2025 07:24:13
Report Number: 1712

Exhibit A