

Agenda Date: 12/16/15

Agenda Item: 2K

ENERGY

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

IN THE MATTER OF THE MERGER OF THE SOUTHERN COMPANY AND AGL RESOURCES, INCORPORATED))))	ORDER DESIGNATING COMMISSIONER AND SETTING MANNER OF SERVICE AND BAR DATE Docket No. GM15101196

Parties of Record:

Kenneth T. Maloney, Esq, Attorney for Joint Petitioners AGL Resources Inc. and Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas

Stephen B. Genzer, Esq. Attorney for Joint Petitioners, The Southern Company and AMS **Stefanie A. Brand, Esq.**, **Director,** New Jersey Division of Rate Counsel

BY THE BOARD:1

BACKGROUND

On or about October 16, 2015, The Southern Company ("Southern Company"), AGL Resources Inc. ("AGL Resources"), AMS Corp. and Pivotal Utility Holdings, Inc. ("Pivotal") d/b/a Elizabethtown Gas ("Elizabethtown") (collectively, the "Joint Petitioners") filed a Joint Petition for approval by the New Jersey Board of Public Utilities (the "Board" or "BPU") pursuant to N.J.S.A. 48:2-51.1, N.J.A.C. 14:1-5.14(c), and related statutes and regulations, for a change of control of Elizabethtown to be effectuated by the merger of AGL Resources with AMS Corp., a whollyowned subsidiary of Southern Company (the "Merger").

The Merger will result in Southern Company becoming the parent of Elizabethtown and ten other regulated utilities serving over nine million customers in nine states, including New Jersey, Alabama, Florida, Georgia, Illinois, Maryland, Mississippi, Tennessee, and Virginia. The Joint Petition asserts that the Merger will support a strong credit profile, and continue to provide Elizabethtown with the ability to invest in necessary capital and infrastructure to ensure the provision of safe, adequate and proper service to its New Jersey customers at just and reasonable rates. Joint Petitioners argue that Elizabethtown's customers, and the State of New Jersey, will realize substantial tangible benefits from the Merger as a result of the Joint

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter. Commissioner Joseph L. Fiordaliso was not present at the December 16, 2015 agenda meeting.

Petitioners' commitments to modify Elizabethtown's current Asset Management Agreement with Sequent Energy Management L.P. to provide an additional \$6 million of credits to customers and to more than double Elizabethtown's current level of community support to \$500,000 annually. The Joint Petitioners also state that they are making a number of significant commitments to employees and the State of New Jersey. Joint Petitioners request that the Board retain this matter and appoint a Commissioner to preside over the disposition of the case.

DISCUSSION AND FINDINGS

The Board determined that the Joint Petition described above should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, HEREBY DESIGNATES Commissioner Dianne Solomon as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

Further, the Board HEREBY DIRECTS that any entities seeking to intervene or participate in this matter file the appropriate application with the Board by January 29, 2016.

Also in the interests of economy, all parties are HEREBY DIRECTED to serve all documents electronically, while still providing hard copies to the Board for those documents which must be filed with the Board, and also providing hard copies as requested by the parties.

Finally, the Board HEREBY DIRECTS Staff to post this Order on the Board's website.

This Order shall be effective on December 26, 2015.

DATED: 12/16/15

BOARD OF PUBLIC UTILITIES

BY:

RICHARD S. MROZ

PRESIDENT

COMMISSIONER

DIANNE SOLOMOI

COMMIŠSIONER

ATTEST:

IRENE KIM-ASBURY

SECRETARY

HEREBY CERTIFY that the within document is a true copy of the orig In the files of the Board of Public Villities

IN THE MATTER OF THE MERGER OF THE SOUTHERN COMPANY AND AGL RESOURCES, INCORPORATED

DOCKET NO. GM15101196

SERVICE LIST

Elizabethtown:

Mary Patricia Keefe, Vice President, Regulatory Affairs and Business Support Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas 520 Green Lane Union, NJ 07083

mkeefe@aglresources.com

Erica McGill, Esq.
Pivotal Utility Holdings, Inc. d/b/a
Elizabethtown Gas
520 Green Lane
Union, NJ 07083
emcgill@aglresources.com

Rate Counsel:

Stefanie A. Brand, Esq., Director Division of Rate Counsel 140 East Front Street, 4th floor Post Office Box 003 Trenton, NJ 08625-0003 sbrand@rpa.state.nj.us

smassey@rpa.state.nj.us

Brian Lipman, Litigation Manager Division of Rate Counsel 140 East Front Street, 4th floor Post Office Box 003 Trenton, NJ 08625-0003 http://doi.org/10.1001/pipman@rpa.state.nj.us

Sarah H. Steindel, Esq.
Division of Rate Counsel
140 East Front Street, 4th floor
Post Office Box 003
Trenton, NJ 08625-0003
asteinde@rpa.state.ni.us

Board of Public Utilities:

Paul Flanagan, Executive Director Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 paul.flanagan@bpu.state.nj.us

Jerome May, Director
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
[erome.may@bpu.state.nj.us

Robert Schultheis, Chief Division of Energy Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 robert.schuitheis@bpu.state.nj.us

Henry Rich
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
henry rich@bpu.state.nj.us

John Masiello
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
John.masiello@bpu.state.nj.us