ICC Approves Southern Company’s Merger with AGL Resources, Parent Company of Nicor Gas

CHICAGO – The Illinois Commerce Commission today unanimously approved Southern Company’s merger with AGL Resources Inc. (AGL).

AGL is the parent company of Nicor Gas (Nicor), which has more than 2 million customers in Illinois and 4.5 million customers in seven states. The ICC previously approved AGL’s purchase of Nicor in 2012.

“The merger approval comes with stringent conditions to secure employment levels for more than 2,000 Illinois workers and to provide stability for consumers.” said ICC Chairman Brien Sheahan. “The Commission and staff will closely monitor and enforce the implementation of the merger to ensure it provides efficient, reliable and safe service to Nicor’s 2 million Illinois customers.”

The Commission’s order requires that Nicor maintain 2,070 full-time equivalent employees in the State of Illinois for at least three years. In addition, Nicor will maintain current employment levels for at least two years in the following departments: Corrosion Control, Technical Compliance, Locating Services, the Transmission Integrity Management Program, and the Distribution Integrity Management Program. The companies will also honor all existing union contracts.

Any financial savings at Nicor as a result of the merger are required to be returned to Illinois customers.

The companies will also file semi-annual compliance reports on the Commission’s e-Docket system reporting on the status of progress of all Commission-imposed conditions. These status reports will continue until all conditions have been satisfied and the Commission approves ceasing the reporting. There will also be an annual status report given to the Commission by AGL’s CEO.

Nicor will also work with ICC Pipeline Safety Program Staff to provide more detail regarding when and how the company will implement a Pipeline Safety Management System that meets and exceeds all state and federal regulations in going beyond basic compliance.

Finally, the Commission’s order requires that AGL and Nicor honor their prior agreement to discontinue use of the “Nicor” name and logo by Prairie Point Energy, L.L.C. d/b/a Nicor Advanced Energy LLC and Nicor Solutions, L.L.C., no later than December 31, 2017.

Click here to read the Commission’s order.
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**About the Illinois Commerce Commission**

The Illinois Commerce Commission’s mission is to pursue an appropriate balance between the interests of consumers and existing and emerging service providers to ensure the provision of adequate, efficient, reliable, safe and least-cost public utility services. The Commission pursues this mission through three bureaus: the Bureau of External Affairs, which provides educational information on utility issues for consumers, governmental entities and communities and through its Consumer Services Division, resolves customer/utility disputes and develops rules on utility service and consumer protection; the Public Utilities Bureau, which focuses on financial and operational analysis, policy development, public safety and enforcement activities related to electric, natural gas, water, sewer and telecommunications companies; and the Transportation Bureau, which includes trucking insurance and registration, railroad safety, relocation towing, safety towing and household goods moving company enforcement activities. The ICC’s five commissioners are appointed by the Governor and approved by the Illinois State Senate for five-year terms.