

Joint Applicants
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 11-0046
RP Fourth Set of Data Requests

RP 4.02 Q. AGL Resources' Form S-4 states, "Similarly, AGL Resources and its board of directors regularly consider potential strategic transactions, including the potential acquisition of natural gas distribution companies." (Form S-4, p. 52) Please provide copies of the minutes, as well as any presentations, memoranda, reports and other documentation, from the following meetings of the AGL Resources' board of directors:

- A) October 26, 2010;
- B) November 15, 2010; and
- C) December 6, 2010.

RP 4.02 A. AGL Resources objects to this question to the extent it seeks privileged and/or confidential information and information not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving that objection, AGL Resources is producing the requested information with the exception of three privileged memoranda prepared by outside counsel. In addition, AGL Resources has redacted information related to projects AGL Resources is not currently pursuing. AGL Resources is prohibited from disclosing information related to those projects pursuant to confidentiality agreements.

The following Exhibits are attached:

- Exhibit 1 – Oct. 26 Meeting Notice and Pre-read
- Exhibit 2 CONFIDENTIAL – Oct. 26 Meeting Board Presentation
- Exhibit 3 CONFIDENTIAL – Oct. 26 Meeting BOD Strategy Discussion
- Exhibit 4 CONFIDENTIAL – Oct. 26 Meeting Minutes
- Exhibit 5 – Nov. 15 Meeting Notice and Pre-read
- Exhibit 6 CONFIDENTIAL – Nov. 15 Meeting Summary Letter
- Exhibit 7 CONFIDENTIAL – Nov. 15 Meeting Project Ottawa Presentation
- Exhibit 8 CONFIDENTIAL – Nov. 15 Meeting Project Ottawa Final Bid Letter
- Exhibit 9 CONFIDENTIAL – Nov. 15 Meeting Board Minutes
- Exhibit 10 – Dec. 6 Meeting Board Pre-read Material
- Exhibit 11 CONFIDENTIAL – Dec. 6 Meeting Merger Summary
- Exhibit 12 CONFIDENTIAL – Dec. 6 Meeting Merger Agreement
- Exhibit 13 CONFIDENTIAL – Dec. 6 Meeting AGLR Board Resolutions
- Exhibit 14 – Dec. 6 Meeting Notice of Additional Board Pre-read Material
- Exhibit 15 CONFIDENTIAL – Dec. 6 Meeting Project Ottawa Press Release

OFFICIAL FILE
I.C.C. DOCKET NO. 11-0046
AGL CX Exhibit No. 20
Date 11/19/10

- Exhibit 16 CONFIDENTIAL – Dec. 6 Meeting AGLR and Nicor presentation
- Exhibit 17 CONFIDENTIAL – Dec. 6 Meeting Final Board Presentation Apollo
- Exhibit 18 CONFIDENTIAL – Dec. 6 Meeting Project Ottawa Resolutions Approving Merger
- Exhibit 19 CONFIDENTIAL – Dec. 6 Meeting Board Minutes

2010

Confidential Materials
Internal Use Only
Do Not Distribute

Strategy Discussion

October 2010



RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Strategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002161
CONFIDENTIAL
Natural Gas: It's elemental

Potential Acquisition Targets

2010

REDACTED

Natural Gas LDC Precedent Transactions

October 2010
2010

PORTIONS REDACTED

Precedent LDC Transactions

2006 to date

	Southern Union (PA)	Southern Union (RI)	Dominion Peoples & Hope (PA & WV)	Cascade Natural Gas Corp (WA)	Peoples Energy (IL)	Kinder Morgan (IL)	Semco Energy (MI)	Puget Energy (WA)	PNM Resources (NM)	Intermountain Gas (ID)	Dominion Peoples & Hope (PA)	Iberdrola (CT, MA)	Average
Date of Announcement	1/27/2006	2/16/2006	3/2/2006	7/9/2006	7/10/2006	8/14/2006	2/23/2007	10/26/2007	1/15/2008	7/1/2008	7/2/2008	5/25/2010	
Acquiror	UGI Corporation	National Grid	Equitable Resources	MDU Resources	WPS Resources	GE	Cap Rock Hldg Corp	Macquarie Consortium	Continental Energy	MDU Resources	Babcock & Brown Infrastructure North America	UIL Holdings	
Aggregate Price Paid (MM)	580	575	970	472	2,582	710	822	6,700	620	328	910	1,296	1,380
Number of Customers	157,864	245,000	475,000	235,000	969,000	260,000	400,000	721,000	500,000	631,000	474,000	350,000	451,489
Aggregate Value/EBITDA	10.0x	9.9x	8.4x	9.9x	8.6x	10.5x	9.1x	10.6x	NA	10.9x	NA	9.4x	9.7x
P/E	NA	NA	17.3x	22.6x	20.0x	NA	NA	18.2x	NA	28.0x	NA	19.8x	21.0x

Natural Gas LDC Comparable Companies Analysis

October 2010

Comparable Companies

As of 10/13/2010

Company Name	Current Price (\$)	Market Value (\$MM)	Aggregate Value (\$MM)	Price / Earnings (x)			Price / Book (x)	AV / EBITDA (x)			AV ⁽¹⁾ / Rate Base (x)	Dividend Yield (%)	EPS Growth (%)	Total Return (%)
				2010	2011	2012		2010	2011	2012				
AGL RESOURCES INC	38.73	3,018	5,137	12.9	12.2	11.6	1.7	7.8	7.4	7.0	1.3	4.5%	5.8%	10.3%
ATMOS ENERGY CORP	29.23	2,635	4,625	13.4	12.7	11.9	1.1	6.6	6.3	6.1	1.2	4.6%	3.4%	8.0%
PIEDMONT NATURAL GAS CO	29.40	2,120	3,028	18.8	17.4	17.2	2.1	9.0	NA	NA	1.8	3.8%	3.9%	7.7%
NICOR INC	48.10	2,189	2,668	15.0	16.8	16.4	2.0	6.1	6.3	NA	1.1	3.9%	0.7%	4.6%
WGL HOLDINGS INC	38.03	1,934	2,542	16.8	15.7	14.7	1.6	7.6	7.3	NA	1.2	4.0%	3.1%	7.1%
NEW JERSEY RESOURCES CORP	40.37	1,663	2,112	16.1	15.1	14.7	2.2	9.8	NA	NA	1.8	3.4%	3.3%	6.7%
NORTHWEST NATURAL GAS CO	50.30	1,337	2,071	18.3	17.7	18.2	1.9	9.2	8.7	8.8	1.8	3.5%	4.1%	7.6%
SOUTH JERSEY INDUSTRIES INC	50.59	1,511	2,039	19.4	16.8	15.7	2.7	11.7	10.2	9.7	1.9	2.6%	6.3%	8.9%
SOUTHWEST GAS CORP	34.81	1,582	2,627	16.0	15.8	14.9	1.4	6.3	6.2	5.8	1.0	2.9%	6.0%	8.9%
Mean				16.3	15.5	15.0	1.9	8.5	7.7	7.9	1.5	3.8%	3.8%	7.6%
Median				16.4	16.1	15.2	2.0	8.4	7.4	7.9	1.3	3.8%	3.7%	7.7%

Source FactSet

Notes

1. Excludes Aggregate Value of unregulated businesses
2. Reflects rate base amount requested in rate case filed on 1/15/2010

Board of Directors - October 2010

RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Strategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002164
CONFIDENTIAL
Natural Gas: It's elemental

Current Processes

2010

Natural Gas Utility Assets

- REDACTED
- REDACTED
- Nicor Inc. (Illinois)

Natural Gas Storage Assets

- REDACTED

2010

REDACTED

REDACTED

REDACTED

2010

REDACTED

2010

REDACTED

REDACTED

2010

REDACTED

2010

REDACTED

2010

REDACTED

RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Streategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002174
CONFIDENTIAL

2010

REDACTED

2010

REDACTED

RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Streategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002176
CONFIDENTIAL

- Nicor Inc. is a publicly traded (NYSE: GAS), \$2.2 billion market cap company primarily engaged in natural gas distribution, with several complementary businesses similar to AGL
- The Board of Directors of Nicor have engaged J.P. Morgan Chase to explore the potential sale of the company to a select group of potential buyers (not a typical formal auction process)
- In early October, J. P. Morgan contacted us to discuss our interest in acquiring Nicor
- Meeting with Nicor Chairman and CEO in Chicago on October 10
- Since that time, we have engaged in initial due diligence based primarily on publicly available data
- On Wednesday, October 20, AGL submitted an initial non-binding indication of interest to J. P. Morgan for the acquisition of Nicor
 - Bid of \$54 per share, which represented a premium of 12.5% over the closing share price on October 20 and a 20% premium over the average trading price over the past 45 days
 - Assumed an enterprise value of \$2.94 billion, including the assumption of total debt of \$605 million and cash of \$126 million

Nicor Overview

Confidential - Internal Use Only
Do Not Distribute

2010

Business Description

Nicor Gas

- Serves 2.2 million customers in a service territory that encompasses most of the northern third of Illinois, excluding the city of Chicago
- Owns and operates eight underground natural gas storage facilities. The storage reservoirs provide a total inventory capacity of about 150 Bcf, approximately 135 Bcf of which can be cycled on an annual basis
- Typically, about three-quarters of the deliveries and revenues occur from October through March

Tropical Shipping

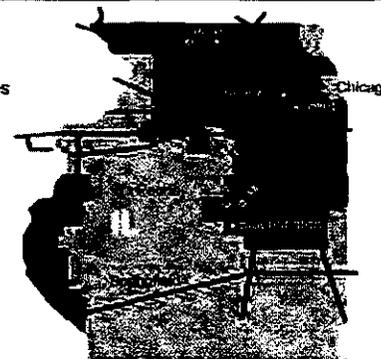
- Transporter of containerized freight in the Bahamas and the Caribbean
 - Major carrier of exports from the east coast of the United States and Canada to these regions
- As of Dec 31, 2009, operating fleet consisted of 11 owned vessels and 4 chartered vessels

Other Energy Ventures

- Owns three companies marketing energy-related products and services and a wholesale natural gas marketing company
- Also developing natural gas storage facilities and owns an interest in an interstate natural gas pipeline

Service Territory

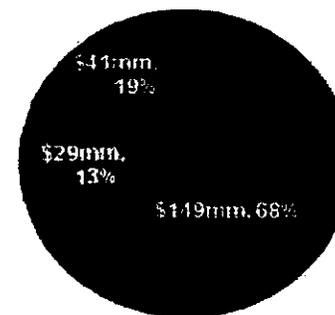
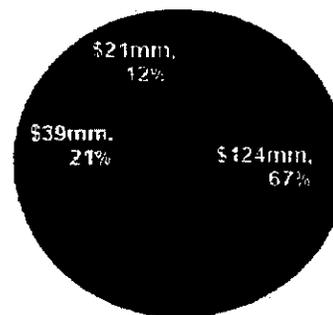
- Nicor Gas Service Territory
- Major Gas Transmission Pipelines
- Interstate Pipelines
- Underground Gas Storage Field



Operating Income by Segment

2008 (\$185mm)

2009 (\$220mm)



Source: Company filings and presentations
Board of Directors - October 2010

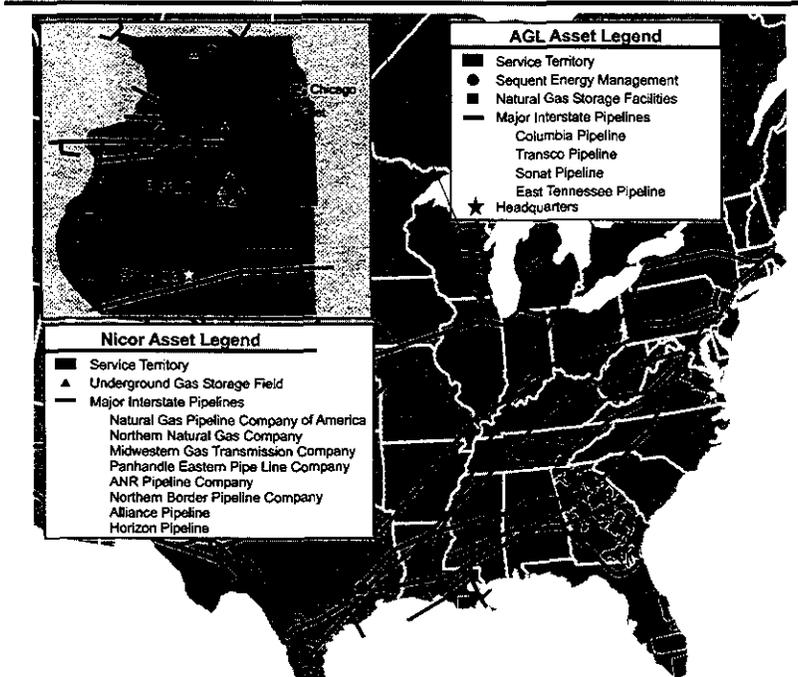
RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Strategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002178
CONFIDENTIAL
Natural Gas: It's elemental

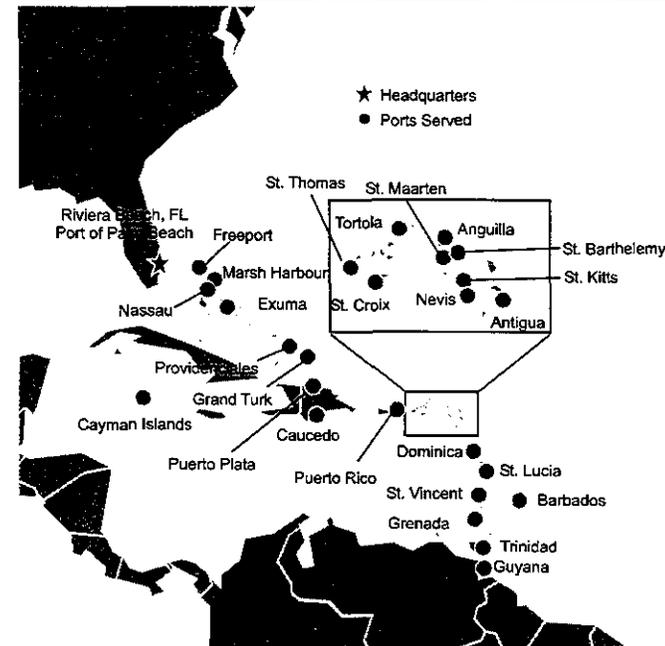
Service Territory and Asset Profile

CONFIDENTIAL
 For Internal Use Only
 Do Not Distribute
 2010

AGL and Nicor Gas Asset Profile



Nicor Tropical Shipping



Nicor Gas Summary

Rate Base (\$bn)	1.3 bn
Equity % of Cap. Structure	56.8%
Allowed Return on Rate Base	8.09%
Allowed Return on Equity	10.17%
Customers	2.18
T&D Pipelines (mi.)	34,000
Gas Storage (Bcf)	150

Tropical Shipping Summary

	2009	2008	2007
Annual Operating Revenues (\$mm)	352.6	425.2	403.9
Annual Operating Income (\$mm)	29.2	39.3	45.5
Annual TEU ¹ 's (000s)	176.6	197.1	206.6
Average Annual Revenue per TEU	1,997	2,158	1,955
Vessels Operated	15	17	19
Ports Served	25	25	26

Source: Company filings

TEU: twenty-foot equivalent unit, a measure of volume in containerized shipping equal to one 20-foot-long container.

RP 4.02 Exhibit 3

Board of Directors - October 2010

Oct. 26 Meeting BOD Strategy Discussion
 CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002179

CONFIDENTIAL

Natural Gas: It's elemental

Regulatory Overview

Illinois Commerce Commission (“ICC”)

- Cost recovery mechanisms include: fuel cost recovery, bad debt expense recovery, franchise gas cost recovery, and energy efficiency cost recovery

Historical Financials

	Gas Distribution			Shipping			Other Energy Ventures ¹			Consolidated ²		
	2007	2008	2009	2007	2008	2009	2007	2008	2009	2007	2008	2009
Revenue	\$ 2,628	\$ 3,207	\$ 2,141	\$ 404	\$ 425	\$ 353	\$ 245	\$ 230	\$ 239	\$ 3,176	\$ 3,777	\$ 2,652
Operating Income	129	124	150	45	39	29	32	21	41	207	185	220
Depreciation	166	171	177	15	15	15	3	4	4	184	190	196
EBITDA	\$ 294	\$ 295	\$ 327	\$ 61	\$ 55	\$ 44	\$ 36	\$ 25	\$ 45	\$ 391	\$ 375	\$ 416
Property, plant and equipment, net	2,624	2,724	2,795	120	121	128	14	14	17	2,757	2,859	2,939
Capital expenditure	159	229	203	15	16	22	4	4	6	177	250	231

Capitalization

	Amount
Cash and short term investments	\$ 126.4
Short term debt	107.0
Current portion of long-term debt	75.0
Total short term debt	\$ 182.0
Long term debt, excl. current portion	423.3
Preferred Stock	0.1
Total long-term obligations	\$ 423.4
Total common equity	1,088.1
Total capitalization	\$ 1,693.5
Debt / Capitalization	35.7 %
S&P Credit Rating / Outlook	AA / Stable
Moody's Credit Rating / Outlook	A2 / Stable

Source: Company filings

¹ Other Energy Ventures includes Wholesale Marketing and Other.

² Consolidated includes corporate and eliminations.

Board of Directors - October 2010

RP 4.02 Exhibit 3
 Oct. 26 Meeting BOD Strategy Discussion
 CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002181
 CONFIDENTIAL
 Natural Gas: It's elemental



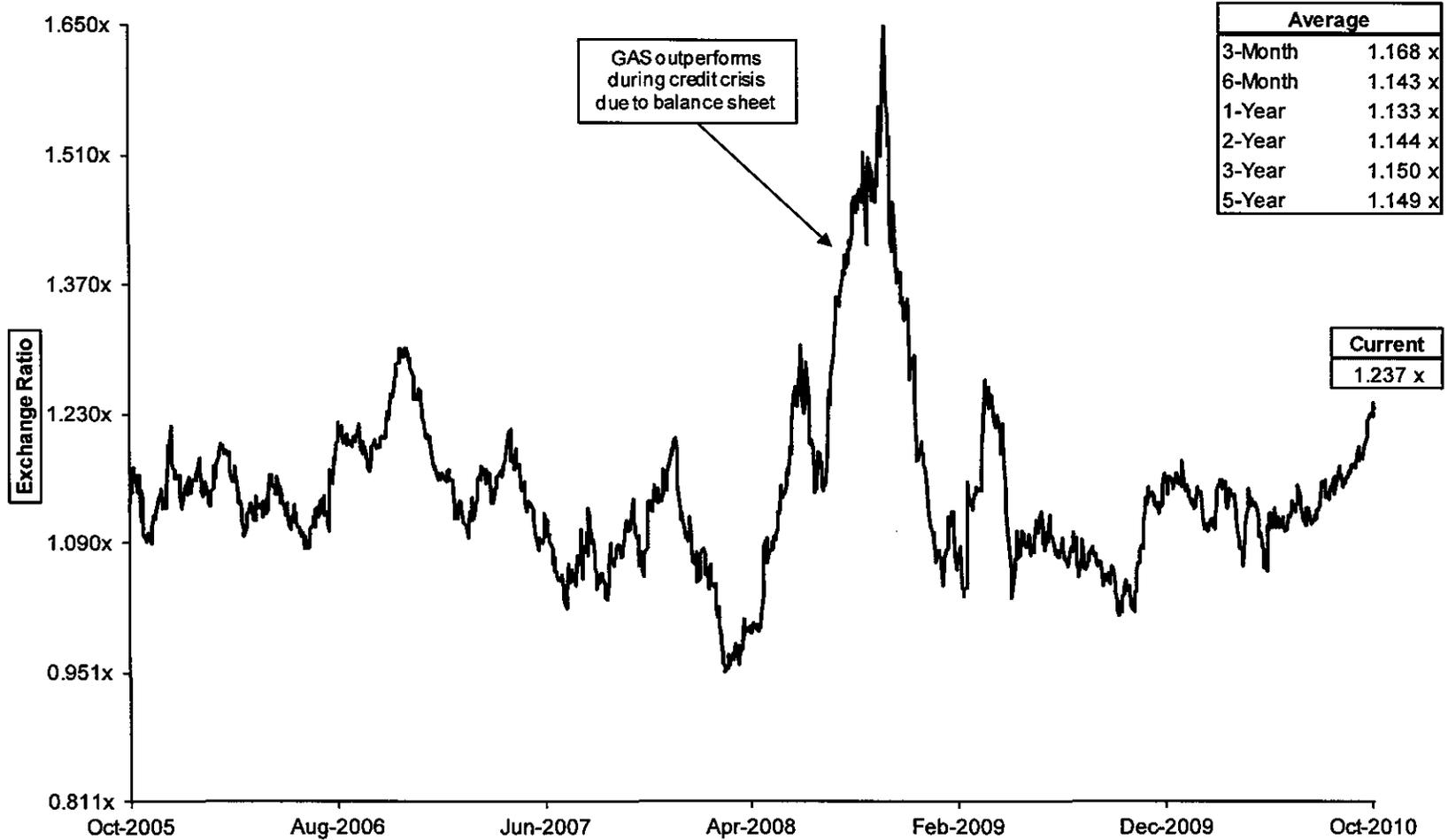
Share Price (as of 15-Oct-2010)	\$ 38.90	\$ 48.12
% of 52-Week High	97.1 %	99.3 %
Equity Value	\$ 3,043	\$ 2,190
Total Book Value of Equity	1,810	1,088
Total Debt	2,260	605
Cash	16	126
Net Debt Incl. Minority Int. & Preferred	2,261	479
Enterprise Value	\$ 5,304	\$ 2,669
IBES Long-Term Growth Rate	5.40 %	2.70 %
Price / Total Book	1.7 x	2.0 x
Dividend Per Share (LQA)	\$ 1.76	\$ 1.86
Dividend Yield	4.52 %	3.87 %
2010E Payout Ratio	58.7 %	58.3 %
Earnings per Share		
2010E	\$ 3.00	\$ 3.19
2011E	3.18	2.91
2012E	3.34	2.94
P / E Multiple		
2010E	13.0 x	15.1 x
2011E	12.3	16.5
2012E	11.6	16.4
2010E Credit Statistics / Ratings		
S&P Credit Rating / Outlook ¹	A- / Stable	AA / Stable
Moody's Credit Rating / Outlook ²	Baa1 / Stable	A2 / Stable

Source: IBES, Bloomberg, Company filings, Wall Street Research

¹ S&P Credit Rating for AGL represents the issuer rating.

² Moody's A2 Rating represents the senior unsecured rating for Nicor Gas.

2010



Source: Bloomberg as of 15-Oct-2010

Board of Directors - October 2010

RP 4.02 Exhibit 3
Oct. 26 Meeting BOD Strategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002183
CONFIDENTIAL
Natural Gas: It's elemental

2010

Implied Ownership and Exchange Ratio: Based on Management Forecasts (in millions)

	AGL	GAS	Pro Forma	Contribution		Implied Equity Exch. Ratio
Market Cap	\$ 3,043	\$ 2,190	\$ 5,233	58%	42%	1.237 x
Net Income						
2011E	\$ 240	\$ 123	\$ 364	66%	34%	0.883 x
2012E	253	126	379	67%	33%	0.861
FFO¹						
2011E	\$ 531	\$ 299	\$ 830	64%	36%	0.969 x
2012E	542	328	871	62%	38%	1.040
Average				63%	37%	0.998 x
Total Book Value of Equity ²	\$ 1,902	\$ 1,136	\$ 3,038	63%	37%	

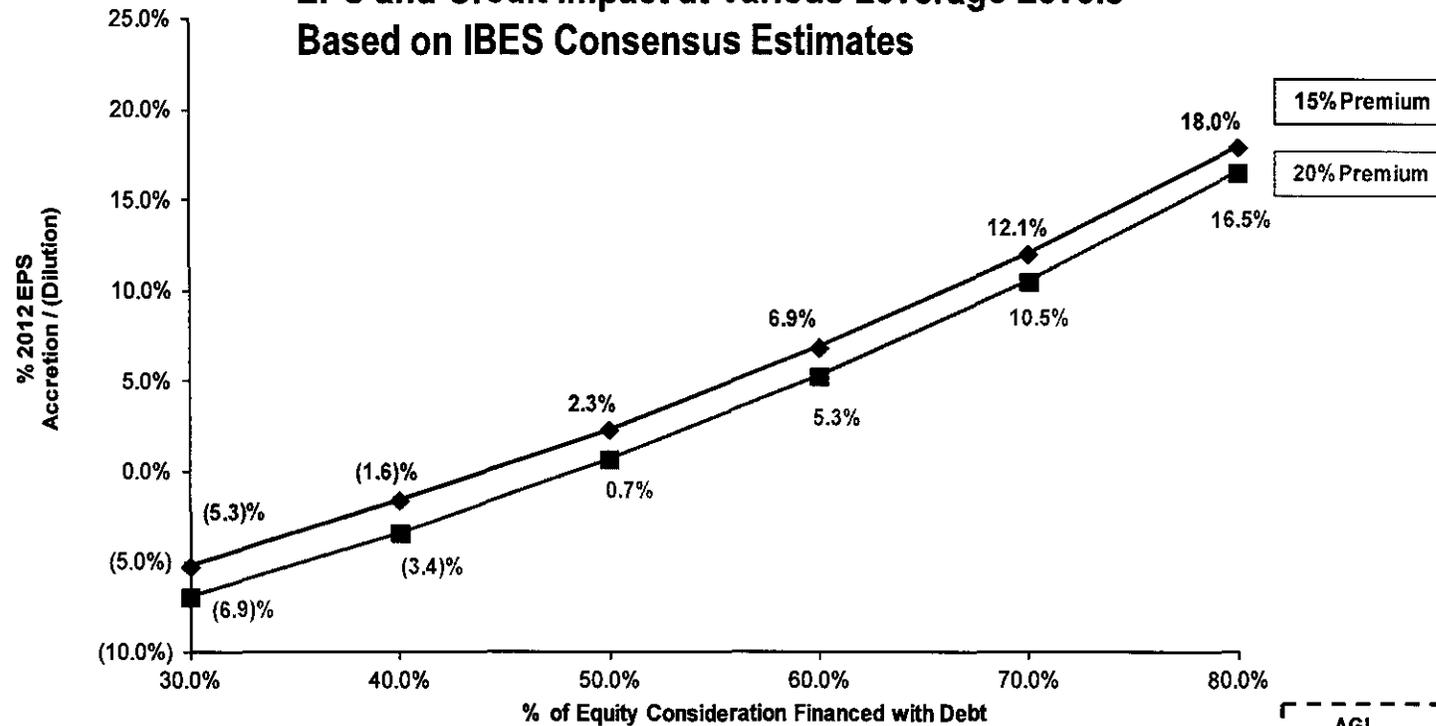
Source: Management forecasts, Bloomberg as of 15-Oct-2010

Note: Analysis excludes transaction synergies.

¹ FFO calculated as cash flow from operations excluding changes in working capital.

² Total book value of equity reflects 31-Dec-2011E common shareholders equity.

EPS and Credit Impact at Various Leverage Levels Based on IBES Consensus Estimates



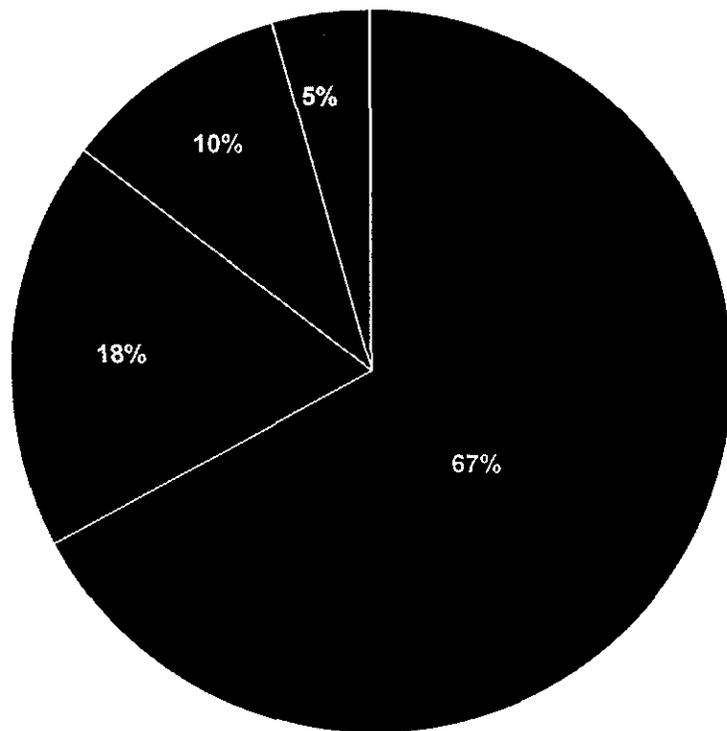
	30.0%	40.0%	50.0%	60.0%	70.0%	80.0%	AGL Standalone
FFO Interest Coverage ¹	5.3 x	5.0 x	4.8 x	4.6 x	4.4 x	4.2 x	4.2 x
FFO / Debt ¹	19.9%	18.5%	17.3%	16.3%	15.4%	14.5%	16.9%
Illustrative Credit Rating ²	Baa1 / A-	Baa2 / BBB+	Baa1 / A-				

Note: Assumes retained pre-tax synergies of \$20.9 million representing 7.5% of Nicor non-fuel O&M, no purchase price premium (over book value) allocated to tangible assets. Assumes pre-tax cost of debt of 3.83% (up to \$500 million), 3.93% (between \$500 million and \$1.0 billion) and 4.03% (> \$1.0 billion).

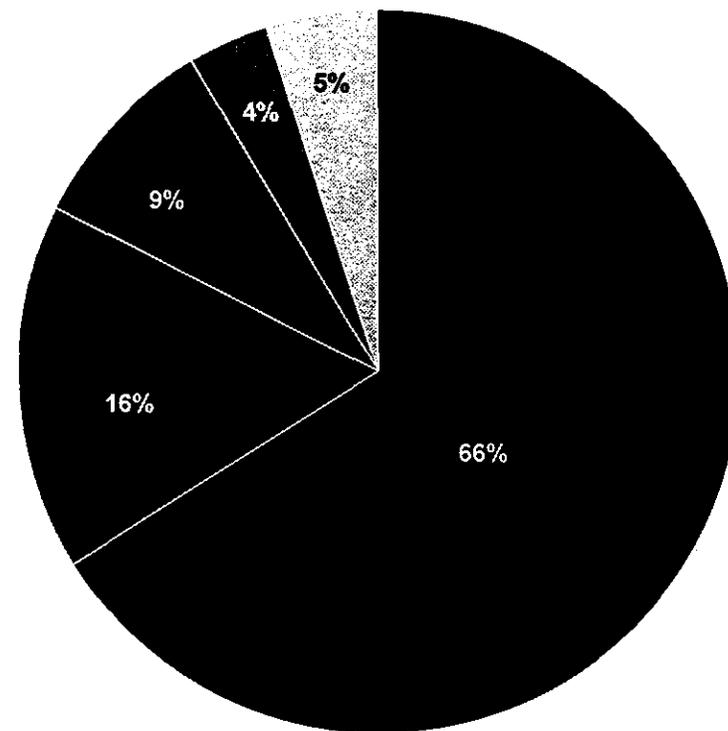
¹Credit statistics are estimated for 2012 and are based on a 15% purchase price premium to share price as of 07-Oct-2010. FFO is calculated as Net Income plus D&A.

²S&P Credit Rating for AGL represents the issuer rating.

AGL Standalone 2012E



Pro Forma 2012E



■ Distribution ■ Retail ■ Wholesale ■ Storage ■ Tropical Shipping

Source: AGL and Nicor management forecasts

Note: Business mix contributions based on 2012E EBIT. Excludes Corporate and Other.

Board of Directors - October 2010

RP 4.02 Exhibit 3

Oct. 26 Meeting BOD Strategy Discussion
CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002186

CONFIDENTIAL

Natural Gas: It's elemental

Credit Rating / Outlook

Selected Commentary

S&P

AA / Stable

- *Nicor's excellent business risk profile reflects a large, stable, residential, and commercial customer base of 2.2 million with sustainable growth, low costs and rates, a diverse supply portfolio that includes substantial gas storage, solid operations, and favorable competitive standing.*
- *On March 25, 2009, the ICC approved a rate order for Nicor Gas that increased rates by \$69 million and authorized a return on equity of 10.17%. The rate increase was raised to \$80 million in October 2009 following a rehearing of specific items related to the rate case. The rate increases were primarily related to higher operating costs, provisions to fund energy efficiency programs, and infrastructure-related capital spending.*
- *Nicor's working capital needs vary significantly based on natural gas prices and customer demand. Cash requirements typically rise in the last half of the year due to increases in natural gas purchases, gas in storage, and accounts receivable. During the first half of the year, the company generates positive cash flow related to the sale of gas in storage and the collection of accounts receivable.*
- *While spending at Nicor Gas is slightly lower, Tropical Shipping expects higher spending levels attributed to the planned purchase of two vessels and increased expenditures related to containers and port and facility expansion. Spending for the Central Valley storage project is forecast to be \$55 million in 2010.*

Moody's

A2 / Stable

- *Nicor's ratings reflect the low business risk of Nicor Gas, stable financial performance, and a relatively conservative management approach. Nicor's stable outlook reflects its stable financial performance, low business risk, and exposure to the Illinois regulatory environment at Nicor Gas. The stable outlook assumes a reasonable execution of its Central Valley project and a credit-neutral resolution to the PBR proceedings.*
- *Over time, Nicor Gas is expected to account for roughly two-thirds of Nicor's operating income, with Tropical and the Other Energy Ventures contributing about equally for the remainder, depending on some cyclical fluctuations at Tropical. This portfolio of unregulated businesses have been fairly stable and consistently profitable. They are self-financing and currently have no external long-term debt.*
- *One emerging credit factor is Central Valley, a greenfield gas storage project Nicor is pursuing in northern California. Moody's views this strategic direction cautiously, as this would be the first time in recent memory that Nicor is developing a storage facility and a new business outside its home turf in Illinois. Central Valley is of manageable size and should not impact Nicor's rating if executed as planned.*

Source: S&P report as of 22-Jun-2010; Moody's report as of 9-Jun-2010

Name	Committees	Age	Director Since	Background
Russ M. Strobel	Executive	57	2004	Chairman, President and Chief Executive Officer, Nicor Inc.; Chairman, President and Chief Executive Officer, Nicor Gas
Robert M. Beavers, Jr	Executive, Compensation	66	1992	Chairman and Chief Executive Officer, Beavers Holdings
Bruce P. Bickner	Audit	66	1996	Independent Consultant; formerly Chairman and Chief Executive Officer, DEKALB Genetics Corporation
John H. Birdsall, III	Executive, Compensation	66	1982	Private investor; formerly President, Birdsall, Inc
Norman R. Bobins	Audit, Corporate Governance	67	2007	President and Chief Executive Officer, Norman Bobins Consulting LLC
Brenda J. Gaines	Corporate Governance	60	2006	Retired; formerly President and Chief Executive Officer, Diners Club North America
Raymond A. Jean	Compensation	67	2005	Retired; formerly Chairman, President and Chief Executive Officer, Quanex Building Products Corporation
Dennis J. Keller	Executive, Corporate Governance	68	1994	Retired; formerly Board Chair, DeVry Inc
R. Eden Martin	Audit	69	2005	President, The Commercial Club of Chicago
Georgia R. Nelson	Audit	60	2005	President and Chief Executive Officer, PTI Resources, LLC
Armando J. Olivera	Compensation	60	2008	President and Chief Executive Officer, Florida Power & Light Company
John Rau	Executive, Compensation, Corporate Governance	61	1998	President and Chief Executive Officer, Miami Corporation
John C. Staley	Audit	68	2008	Retired; formerly Area Managing Partner, Ernst & Young LLP



Shareholder	Shares	%
BlackRock Institutional Trust Company, N.A.	4,736,713	6.08 %
Franklin Advisers, Inc.	3,535,870	4.54
Vanguard Group, Inc.	3,267,586	4.19
NFJ Investment Group LLC	2,079,000	2.67
American Century Investment Management, Inc.	1,990,020	2.55
LSV Asset Management	1,780,258	2.28
State Street Global Advisors (US)	1,607,272	2.06
Cincinnati Financial Corporation	1,376,297	1.77
Lee Munder Capital Group LLC	965,253	1.24
Parnassus Investments	929,324	1.19
ING Investment Management (Netherlands)	804,500	1.03
Comerica, Inc.	767,031	0.98
Zimmer Lucas Partners, L.L.C.	725,000	0.93
Perkins Investment Management LLC	542,062	0.70
Pioneer Investment Management, Inc.	513,300	0.66
Bryn Mawr Capital Management, Inc.	505,214	0.65
Duff & Phelps Investment Management Company	500,000	0.64
Principal Global Investors (Equity)	494,003	0.63
Invesco Advisers, Inc.	487,997	0.63
Northern Trust Investments, N.A.	476,352	0.61
TIAA-CREF	457,014	0.59
Highbridge Capital Management, LLC	420,413	0.54
Morgan Stanley & Co. Inc.	397,406	0.51
BNY Mellon Asset Management	390,676	0.50
Quantitative Management Associates LLC	373,889	0.48
Total	30,122,450	38.65 %

Shareholder	Shares	%
BlackRock Institutional Trust Company, N.A.	4,004,356	8.80 %
Vanguard Group, Inc.	2,689,531	5.87
State Street Global Advisors (US)	2,174,080	4.78
American Century Investment Management, Inc.	1,740,386	3.82
Columbia Management Investment Advisers, LLC	812,317	1.79
Northern Trust Investments, N.A.	749,145	1.65
Great Lakes Advisers, Inc.	677,917	1.49
Mellon Capital Management Corporation	666,816	1.47
TIAA-CREF	554,022	1.22
DuPont Capital Management Corporation	499,220	1.10
BNY Mellon Asset Management	472,719	1.04
INTECH Investment Management LLC	434,900	0.96
AQR Capital Management, LLC	432,759	0.95
GAMCO Investors, Inc.	377,663	0.83
Royce & Associates, LLC	372,892	0.82
Epoch Investment Partners, Inc.	352,400	0.77
Birdsall (John H III)	331,841	0.73
JP Morgan Asset Management	275,484	0.61
Northern Trust Global Investments	257,255	0.57
BlackRock Investment Management, LLC	244,630	0.54
Pyramis Global Advisors, LLC	242,810	0.53
New York State Teachers' Retirement System	230,620	0.51
Geode Capital Management, L.L.C.	232,037	0.51
Analytic Investors, LLC	230,893	0.51
Gateway Investment Advisers, L.L.C.	224,775	0.49
Total	19,261,468	42.36 %

Source: As of latest Thompson filings

Board of Directors - October 2010

RP 4.02 Exhibit 3
 Oct. 26 Meeting BOD Strategy Discussion
 CONFIDENTIAL - AGL VIEW ONLY

AGL_NRE 002189
 CONFIDENTIAL
 Natural Gas: It's elemental

EDC Summary Analysis

2010

Company	Advantages	Disadvantages
---------	------------	---------------

REDACTED

- REDACTED

- REDACTED

REDACTED

- REDACTED

- REDACTED

Nicor Inc.

- Significant, transformative strategic play
- Heavy use of relative currencies
- 40% increase in regulated EBIT
- 25% increase in retail, wholesale and storage
- Combined market cap of \$4.5 billion with improved credit metrics for AGL
- We are the purchaser
- Slow growth utility with high gas penetration
- Tropical Shipping business (but de-emphasized in combined company, as it would be just over 5% of combined)

2010

REDACTED

2010

REDACTED

Recent Storage Transaction Activity

2010

Two high-deliverability storage projects have recently sold

- **Bobcat Storage (Louisiana)**

- 15.6 Bcf high-deliverability salt storage (with plans to expand to 46 Bcf by year-end 2015)
- 45 miles north of Henry Hub and connected to 5 interstate pipelines
- Spectra Energy Corp. announced July 16 it is purchasing Bobcat for \$540 million (will spend an additional \$400-450 million on the expansions) from Haddington Energy Partners and GE Energy
- Purchase price represents \$33 million per Bcf for existing facility, but \$21 million per Bcf for the total project, including expansion capability
- Transaction closed on August 31, approximately 45 days from announcement

- **Tres Palacios**

- Tres Palacios is a 38 Bcf (working gas capacity) high-deliverability salt storage facility in southeast Texas (with potential for expansion up to 48 Bcf by 2014)
- Previously owned by NGS, a private equity firm – sold to Inergy (a Kansas City-based MLP) for \$725 million (approximately \$19 million/Bcf of constructed capacity)
- Transaction was announced in early September and closed October 10 (less than 45 days)

conclusions

CONFIDENTIAL
AGL View Only
October 2010

- More activity than we have seen in a long time regarding both natural gas LDC and gas storage transactions
- We will continue to be opportunistic around those assets that fit our strategic profile
- Completion of current LDC transaction processes will give us more transparency around utility acquisition multiples
- Storage assets continue to trade at relatively high valuations compared to historical multiples, further supporting our long-term organic storage strategy but making acquisitions in this market expensive