

ORDER NO. 87229

IN THE MATTER OF THE MERGER OF
THE SOUTHERN COMPANY AND AGL
RESOURCES, INC.

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

CASE NO. 9404

Issued: November 5, 2015

On November 3, 2015, pursuant to § 6-105 of the Public Utilities Article, *Annotated Code of Maryland* (“PUA”), The Southern Company (“Southern Company”), AGL Resources Inc. (“AGL Resources”), and Pivotal Utility Holdings, Inc. (“Pivotal”) d/b/a Elkton Gas (“Elkton Gas”) (collectively, the “Joint Applicants”) filed, with the Public Service Commission (“Commission”), an application requesting authorization for Southern Company to acquire the power to exercise substantial influence over the policies and actions of Elkton Gas (“Application”). The Joint Applicants also filed supporting testimony and exhibits.

According to the Application, under an Agreement and Plan of Merger dated August 23, 2015, Southern Company and AGL Resources have agreed to combine (the “Merger”), whereby Elkton Gas, a public service company operating in Maryland, will become part of Southern Company. Elkton Gas, a gas company operating in the State, is an indirect wholly-owned subsidiary of AGL Resources. Consequently, the Commission’s approval is required under § 6-105 of the PUA because the Merger will result in Southern Company acquiring the power to exercise substantial influence over

the policies and actions of Elkton Gas, and Southern Company will become an affiliate of Elkton Gas upon consummation of the Merger.

Pursuant § 6-105(g)(6) of the Public Utility Companies Article, *Annotated Code of Maryland*, unless the Commission finds, based on good cause, that the 180-day period by which the Commission is required to issue an order with respect to the Applicant's application in this matter should be extended for an additional 45 days, a failure by the Commission to issue its order within the 180-day period is considered to be an approval of the underlying acquisition by the Commission. Based on the Application and that this matter is delegated to the Public Utility Law Judge Division to conduct the proceedings, the Commission finds that the proceedings cannot be completed within the 180-day period from the filing of the application. Accordingly, the Commission extends the 180-day period by an additional 45 days, or until June 15, 2016.

IT IS, THEREFORE, this 5th day of November in the year Two Thousand Fifteen, by the Public Service Commission of Maryland,

ORDERED: (1) That pursuant to § 6-105(g) of the Public Utilities, *Annotated Code of Maryland*, a proceeding is hereby initiated by the Commission for examination and investigation of the Application and for the issuance of an Order concerning the transaction after hearings in this matter have been conducted;

(2) That this matter is hereby delegated to the Public Utility Law Judge Division to conduct the proceedings; and

(3) That, pursuant to §6-105(g)(6) of the Public Utility Article, *Annotated Code of*

Maryland, for good cause, the 180-day period is hereby extended by 45 days, or until June 15, 2016.

By Direction of the Commission,

David J. Collins
Executive Secretary