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NEWS RELEASE

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FOR IMMEDIATE RELEASE

PSC Adjusts Rates for Atlanta Gas Light Company *Cuts Company's Rate Request*

ATLANTA – October 27, 2010 –The Georgia Public Service Commission (Commission) today issued its decision in the Atlanta Gas Light Company (AGLC) rate case. The Commission on a 4-1 vote approved an adjustment to AGLC base rates beginning November 3, 2010 that will mean an average increase of about \$1.14 in the residential customer's monthly bill. Coupled with an AGLC filing to reduce the Environmental Cost Recovery Rider by \$0.23 a month, the average customer will see a monthly increase of approximately \$0.91 a month. This increase is approximately one-third of the Company's requested monthly increase of \$2.63.

The Commission unanimously approved a motion by Commissioner H. Doug Everett that the monthly rate for the senior citizen low income discount be reduced to zero, saving customers approximately \$0.32 a month. The senior citizen low income discount will be funded from the Universal Service Fund through December 2011 at which time the Commission will revisit the program to ensure it is working properly. The senior citizen low income discount provides a monthly reduction of up to \$14 a month in AGLC base charges for eligible senior citizens.

Other items in the decision include:

- Sets the Company's return on equity (ROE) at 10.75 percent
- Increases base rate revenues by approximately \$26 million a year
- Sets in motion a plan for a three day performance standard for service requests
- Provides for ratepayers to share 50 percent of savings in future Atlanta Gas Light Resources company acquisitions

The Company filed a request on May 3, 2010 for a \$54.1 million increase in its base rates but later reduced that request to \$48.2 million in an October 1, 2010 filing. The Commission held three rounds of hearings this year on the AGLC request, August 10-11, September 13-14 and October 12-13, 2010. In addition, the Commission held four public meetings to take comments on the AGLC request: Macon on August 18, Savannah on August 31, Atlanta on September 13 and Rome on September 22, 2010.

More information can be found on the Commission web site at www.psc.state.ga.us under Docket Number 31647.

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