

NEWS RELEASE GEORGIA PUBLIC SERVICE COMMISSION

FOR IMMEDIATE RELEASE: September 14, 2001 CONTACT: Bill Edge, Public Information Officer

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PSC Approves A 2001-2004 Capacity Supply Plan; Rejects Sequent Solution

ATLANTA – The Public Service Commission (PSC or Commission) today approved a capacity supply plan in the Atlanta Gas Light Company (Company or AGLC) service area for the 2001-2004 time period. A Capacity Supply Plan designates the array of available interstate capacity assets selected by the Company for the purpose of making gas available on its system for firm distribution service to retail customers in each delivery group.

Through its decision today, the Commission substantially rejected the plan proposed by the Company, approving only the annual throughput that AGLC represented was necessary to serve Georgia citizens for the 3 year period at issue. The Commission rejected AGLC's design day demand forecast that sought to increase the level of interstate capacity asets by 166,700 dekatherms per day based upon concerns about whether it was accurate. Despite doing so, the Commission voted to allow AGLC to resubmit the increase in a later filing in a manner that adequately supports the design day forecast.

The Commission also rejected AGLC's contract with Sequent Energy Management LLC of Houston, Texas. The proposed contract would have allowed Sequent to manage AGLC's interstate pipeline capacity assets. Sequent is an unregulated affiliate of AGLC.