

AGL RESOURCES INC
Form 8-K
September 01, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): August 31, 2005

AGL RESOURCES INC.

(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction of
incorporation)

1-14174
(Commission File No.)

58-2210952
(I.R.S. Employer Identification No.)

Ten Peachtree Place NE, Atlanta, Georgia 30309
(Address and zip code of principal executive offices)

404-584-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01.
Entry into a Material Definitive Agreement.

The disclosure under Item 2.03 of this report is incorporated herein by reference.

Item 2.03.
Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On August 31, 2005, AGL Resources Inc. and AGL Capital Corporation, our wholly owned subsidiary, closed an amendment and restatement of AGL Capital's credit facility (the "Amended and Restated Credit Agreement"), which supports its commercial paper program. We fully and unconditionally guarantee the obligations of AGL Capital under the Amended and Restated Credit Agreement. A copy of the Amended and Restated Credit Agreement among AGL Capital, AGL Resources, SunTrust Bank, as administrative agent, Wachovia Bank, National Association, as syndication agent, JPMorgan Chase Bank, N.A., The Bank of Tokyo-Mitsubishi, Ltd. and Calyon New York Branch, as documentation agents, and certain other lenders party thereto is attached hereto as Exhibit 10. The Amended and Restated Credit Agreement amends and restates the Credit Agreement last amended September 30, 2004 among certain of the parties.

The Amended and Restated Credit Agreement terminates in five years on August 31, 2010. The aggregate principal amount available under the Amended and Restated Credit Agreement has been increased from \$750 million to \$850 million, and AGL Capital has the option to increase the aggregate principal amount available for borrowing to \$1.1 billion on not more than three occasions during each calendar year during the term of the Amended and Restated Credit Agreement on the terms and conditions expressed therein.

Interest on borrowings under the Amended and Restated Credit Agreement is based upon the type of loan that is drawn under the facility, at AGL Capital's election, and in such case, on either the annual base rate (ABR) or a Eurodollar Base Rate, each as defined therein, and in the case of the Eurodollar Base Rate, as further adjusted based on our credit ratings. Borrowings based on ABR bear interest at rates that fluctuate according to the Prime Rate or the Federal Funds Effective Rate plus $\frac{1}{2}$ of 1%. As of closing, ABR-based borrowings under the Amended and Restated Credit Agreement, based on the Prime Rate, would bear interest at 6.50%. At our current credit ratings, borrowings based on the Eurodollar Base Rate would bear interest at 4.07%, reflecting an applicable margin of .375% over the current one-month LIBOR rate.

The Amended and Restated Credit Agreement contains standard representations, covenants and events of default for facilities of this type. Upon an uncured event of default under the Amended and Restated Credit Agreement, all amounts owing under the agreement, if any, will become immediately due and payable and the lenders may terminate their commitments.

We have ongoing relationships with all of the lenders that are parties to our Amended and Restated Credit Agreement, for which they have received customary fees and expenses. We and our affiliates have also entered into interest rate swap transactions and hedging arrangements with certain lenders. Affiliates of certain of the lenders under our Amended and Restated Credit Agreement have acted as underwriters for issuances of our equity and debt securities.

Item 9.01.

Financial Statements and Exhibits.

(d)

Exhibits

Exhibit No.

Description

10

Amended and Restated Credit Agreement as of August 31, 2005, by and among AGL Resources Inc., AGL Capital Corporation, SunTrust Bank, as administrative agent, Wachovia Bank, National Association, as syndication agent, JPMorgan Chase Bank, N.A., The Bank of Tokyo-Mitsubishi, Ltd. and Calyon New York Branch, as documentation agents, and the several other banks and other financial institutions named therein.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AGL RESOURCES INC.

(Registrant)

/s/ Richard T. O'Brien

Executive Vice President and Chief Financial Officer

Date: September 1, 2005

Exhibit Index

| Exhibit No. | Description |
|--------------------|--|
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