

AGL RESOURCES INC  
Form 424B5  
September 15, 2011  
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FILED PURSUANT TO RULE 424(B)(5)  
REGISTRATION NO: 333-168901  
333-168901-02

**This preliminary prospectus supplement and the accompanying prospectus relate to an effective registration statement under the Securities Act of 1933, as amended, but are not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

Subject to Completion, Dated September 15, 2011

**Preliminary Prospectus Supplement**

(To Prospectus dated August 17, 2010)

\$

**AGL CAPITAL CORPORATION**

**5.875% Senior Notes due 2041**

This is a public offering by AGL Capital Corporation, a wholly-owned subsidiary of AGL Resources Inc., of \$ of its 5.875% Senior Notes due 2041. AGL Capital will pay interest on the senior notes on March 15 and September 15 of each year, beginning March 15, 2012. The senior notes will mature on March 15, 2041. The senior notes may be redeemed, in whole or in part, at any time and from time to time, as described under the caption Description of the Senior Notes Optional Redemption.

The senior notes will not be listed on any securities exchange. The senior notes will initially be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The senior notes are part of a series originally issued by us in the aggregate principal amount of \$500,000,000 on March 21, 2011. The senior notes offered hereby will form a single series with the previously issued notes, will have the same CUSIP number and will trade interchangeably with those notes immediately upon settlement. Upon completion of this offering, \$ aggregate principal amount of the series will be outstanding.

AGL Resources will fully and unconditionally guarantee payment of the senior notes. The senior notes and the guarantee will be unsecured and will rank equally with all the other unsecured and unsubordinated obligations from time to time outstanding of AGL Capital and AGL Resources, respectively.

Concurrently with this offering, pursuant to a separate prospectus supplement, AGL Capital is offering \$ aggregate principal amount of its % Senior Notes due 2021 (the New Series Notes ), which notes will also be guaranteed by AGL Resources. The completion of this offering is not contingent upon the completion of the offering of the New Series Notes and the offering of the New Series Notes is not contingent upon the completion of this offering.

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See Risk Factors on page S-11 to read about certain factors you should consider before investing in the senior notes.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Senior Note	Total
Public offering price <sup>(1)</sup>	%	\$
Underwriting discount	%	\$
Proceeds, before expenses, to AGL Capital <sup>(1)</sup>	%	\$

- <sup>(1)</sup> Plus accrued and unpaid interest from and including September 15, 2011 to but excluding the delivery date, in the aggregate amount of \$ . This pre-issuance accrued interest will be paid on March 15, 2012 to holders of the notes on March 1, 2012 along with interest accrued on the senior notes from the date of delivery to March 15, 2012.

The senior notes are expected to be delivered on or about , 2011 through the book-entry facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme, Luxembourg.

### *Joint Book-Running Managers*

**Goldman, Sachs & Co.**

**Morgan Stanley**

**SunTrust Robinson Humphrey**

**Wells Fargo Securities**

**BofA Merrill Lynch**

### *Co-Managers*

**Credit Agricole CIB**

**Deutsche Bank Securities**

**Mitsubishi UFJ Securities**

**RBS**

**Scotia Capital**

**US Bancorp**

Prospectus Supplement dated September , 2011

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering of senior notes and other matters relating to us and our financial condition. The second part is the accompanying prospectus, which contains more general information about the terms and conditions of securities we may offer from time to time, some of which will not apply to the senior notes.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus we send to you or file with the Securities and Exchange Commission, referred to as the SEC. If the information in this prospectus supplement varies from the information contained or incorporated by reference in the accompanying prospectus, you should rely on the information in this prospectus supplement. No person is authorized to provide you with information that is different from the information provided or incorporated by reference in this prospectus supplement or to offer the senior notes in any jurisdiction where the offer is not permitted. It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus, including the information and documents incorporated by reference therein as well as any free writing prospectus we send to you or file with the SEC, in making your investment decision. See *Where You Can Find More Information* on page S-29 of this prospectus supplement. You should not assume that the information provided by this prospectus supplement, the accompanying prospectus, any free writing prospectus or any document incorporated by reference is accurate as of any date other than the date of the document that contains the information.

Unless stated otherwise, references in this prospectus supplement to *AGL Capital*, *we*, *us* or *our* refer to AGL Capital Corporation. References in this prospectus supplement to *AGL Resources* refer to AGL Resources Inc. and its subsidiaries unless otherwise indicated or the context otherwise requires.

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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein contain forward-looking statements within the meaning of the federal securities laws. These statements, which may relate to such matters as future earnings, growth, supply and demand, costs, subsidiary performance, new technologies and strategic initiatives, involve risks and uncertainties. Forward-looking statements involve matters that are not historical facts, and because these statements involve anticipated events or conditions, forward-looking statements often include words such as anticipate, assume, believe, can, could, estimate, expect, forecast, future, goal, indicate, outlook, plan, potential, predict, project, proposed, seek, should, target, would, or similar expressions. You are cautioned not to place undue reliance on forward-looking statements. AGL Resources' expectations are not guarantees and are based on currently available competitive, financial and economic data along with our operating plans. While AGL Resources believes that its expectations are reasonable in view of currently available information, these expectations are subject to future events, risks and uncertainties, and there are numerous factors many beyond AGL Resources' control that could cause actual results to vary significantly from these expectations. Such events, risks and uncertainties include, but are not limited to:

changes in price, supply and demand for natural gas and related products;

the impact of changes in state and federal legislation and regulation including any changes related to climate change;

actions taken by government agencies on rates and other matters;

concentration of credit risk;

utility and energy industry consolidation;

the impact on cost and timeliness of construction projects by government and other approvals, development project delays, adequacy of supply of diversified vendors and unexpected changes in project costs, including the cost of funds to finance these projects;

the impact of acquisitions and divestitures;

direct or indirect effects on AGL Resources' business, financial condition or liquidity resulting from a change in AGL Capital's credit ratings or the credit ratings of AGL Resources' counterparties or competitors;

interest rate fluctuations;

financial market conditions, including recent disruptions in the capital markets and lending environment and the current economic uncertainty;

general economic conditions;

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uncertainties about environmental issues and the related impact of such issues;

the impact of changes in weather, including climate change, on the temperature-sensitive portions of AGL Resources' business;

the impact of natural disasters such as hurricanes on the supply and price of natural gas;

acts of war or terrorism; and

the risk factors described herein and in AGL Resources' filings with the SEC, and other factors described in detail in such filings. In addition, actual results may differ materially due to the expected timing and likelihood of completion of AGL Resources' proposed merger with Nicor, Inc., including:

the timing, receipt and terms and conditions of any required governmental and regulatory approvals of the proposed merger that could reduce anticipated benefits or cause the parties to abandon the merger;

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the diversion of management's time and attention from AGL Resources' ongoing business during this time period;

the ability to maintain relationships with customers, employees or suppliers;

the ability to successfully integrate the businesses and realize cost savings and any other synergies; and

the risk that the credit ratings of the combined company or its subsidiaries may be different from what the companies expect. You are cautioned that the important factors described above, or described elsewhere in this prospectus supplement and the accompanying prospectus or in documents incorporated by reference herein, could cause AGL Resources' business, results of operations or financial condition to differ significantly from those expressed in any forward-looking statements. There also may be other factors that cannot be anticipated or that are not described herein or in documents incorporated by reference herein that could cause results to differ significantly from expectations.

Forward-looking statements are only as of the date they are made. Neither AGL Capital nor AGL Resources undertake any obligation to update or revise any forward-looking statement, whether as a result of future events, new information or otherwise, except as required by law.

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**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights information contained elsewhere or incorporated by reference into this prospectus supplement and the accompanying prospectus. This summary does not contain all of the information that you should consider before deciding to purchase our senior notes. You should read this entire prospectus supplement and the accompanying prospectus carefully, as well as the information incorporated by reference into these documents, before deciding to invest in our senior notes.*

**AGL Capital Corporation**

We are a 100%-owned subsidiary of AGL Resources. We were established to provide for the ongoing financing needs of AGL Resources through a commercial paper program, the issuance of various debt and hybrid securities and other financing arrangements. Our senior notes are guaranteed by AGL Resources.

**AGL Resources Inc.**

***Overview***

AGL Resources is an energy services holding company, headquartered in Atlanta, Georgia, whose principal business is the distribution of natural gas in six states: Florida, Georgia, Maryland, New Jersey, Tennessee and Virginia. AGL Resources operates six utilities, which combined, serve approximately 2.3 million end-use customers. AGL Resources is also involved in several related and complementary businesses, including retail natural gas marketing to end-use customers in Georgia, Ohio, Florida, New York and Maryland; natural gas asset management and related logistics activities for its own utilities as well as for nonaffiliated companies; natural gas storage arbitrage and related activities; and the development and operation of high-deliverability underground natural gas storage assets.

AGL Resources manages these businesses through four operating segments—distribution operations, retail energy operations, wholesale services and energy investments—and a non-operating corporate segment.

***Distribution Operations***

The distribution operations segment consists of six natural gas local distribution utilities: Atlanta Gas Light Company, Virginia Natural Gas, Inc., Elizabethtown Gas, Florida City Gas, Chattanooga Gas Company and Elkton Gas. These utilities construct, manage and maintain intrastate natural gas pipelines and distribution facilities.

*Atlanta Gas Light* is the largest natural gas distributor in the Southeast based on number of customers, providing gas delivery service to approximately 1.56 million residential, commercial and industrial customers.

*Virginia Natural Gas* provides natural gas service to approximately 279,000 residential, commercial and industrial customers in southeastern Virginia.

*Elizabethtown Gas* provides natural gas service to approximately 276,000 residential, commercial and industrial customers in northwestern and east central New Jersey.

*Florida City Gas* provides natural gas service to approximately 104,000 residential, commercial and industrial customers in southeastern and east central Florida.

*Chattanooga Gas* provides natural gas service to approximately 62,000 residential, commercial and industrial customers in southeastern Tennessee.

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*Elkton Gas* provides natural gas service to approximately 6,000 residential, commercial and industrial customers in northeastern Maryland.

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### ***Retail Energy Operations***

SouthStar Energy Services LLC is a joint venture that markets natural gas and related services under the trade name Georgia Natural Gas to retail customers primarily in Georgia, and under various other trade names to retail customers in Ohio, Florida, New York and Maryland. In addition, SouthStar markets gas to commercial and industrial customers principally in Alabama, Florida, Georgia, North Carolina, South Carolina and Tennessee. Based on its market share, SouthStar is the largest marketer of natural gas in Georgia, with average customers of approximately 500,000 over the last three years. AGL Resources' wholly-owned subsidiary, Georgia Natural Gas Company, owns a non-controlling 85% ownership interest in SouthStar, and Piedmont Natural Gas Company, through its subsidiary Piedmont Energy, owns a 15% interest.

### ***Wholesale Services***

The wholesale services segment consists primarily of Sequent Energy Management, L.P., AGL Resources' wholly-owned subsidiary involved in asset management and optimization, storage, transportation, producer and peaking services and wholesale marketing. The wholesale services segment also includes AGL Resources' wholly-owned subsidiary, Compass Energy, which provides natural gas supply and services to commercial, industrial and governmental customers primarily in Kentucky, Ohio, Pennsylvania, Virginia and West Virginia.

Sequent utilizes a portfolio of natural gas storage assets, contracted supply from all of the major producing regions, as well as contracted storage and transportation capacity across the Gulf Coast, Eastern, Midwestern and Western sections of the United States and Canada to provide these services to its customers, consisting primarily of electric and natural gas utilities, power generators and large industrial customers. Sequent's logistical expertise enables it to provide its customers with natural gas from the major producing regions and market hubs in the United States and Canada and meet its delivery requirements and customer obligations at competitive prices by leveraging its portfolio of natural gas storage assets and contracted natural gas supply, transportation and storage capacity.

Sequent's portfolio of storage and transportation capacity also enables it to generate additional operating margin by optimizing the contracted assets through the application of its wholesale market knowledge and risk management skills as the opportunities arise in the Gulf Coast, Eastern, Midwestern and Western sections of the United States and in Canada. These asset optimization opportunities focus on capturing the value from idle or underutilized assets, typically by participating in transactions to take advantage of volatility in pricing differences between varying geographic locations and time horizons (location and seasonal spreads) within the natural gas supply, storage and transportation markets to generate earnings. Sequent seeks to mitigate the commodity price and volatility risks and protect its operating margin through a variety of risk management and economic hedging activities.

### ***Energy Investments***

The energy investments segment includes a number of businesses that are related and complementary to AGL Resources' primary business. The most significant of these businesses is our natural gas storage business, which develops, acquires and operates high-deliverability underground natural gas storage assets in the Gulf Coast region of the United States.

***Golden Triangle Storage, Inc.***, a salt-dome storage facility in the Gulf Coast region of the United States, currently consists of two caverns with an initial 13 billion cubic feet, or Bcf, of working natural gas capacity and total cavern capacity of 19 Bcf. The first cavern, with 6 Bcf of working capacity, began commercial service in September 2010. The second cavern, with an expected 7 Bcf of working capacity, is expected to be in service in 2012. The facility is connected to three interstate and three intrastate pipelines. In August 2011, Golden Triangle applied for approval to construct two additional salt-dome storage caverns at its current site. The new caverns would add 16.6 Bcf of working gas capacity and 24.9 Bcf of total capacity to the Golden Triangle facility.

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*Jefferson Island Storage & Hub, LLC* operates a salt-dome storage and hub facility in Louisiana, approximately eight miles from the Henry Hub, which is the largest centralized point for natural gas spot and futures trading in the United States. Jefferson Island currently consists of two salt-dome storage caverns with 7.5 Bcf of working gas capacity, 0.7 Bcf per day of withdrawal capacity and 0.4 Bcf per day of injection capacity. Jefferson Island provides storage and hub services through its direct connection to the Henry Hub and its interconnections with eight pipelines in the area. Jefferson Island is in the process of seeking approval to add two caverns to the facility, which would expand the total working gas capacity at Jefferson Island from approximately 7.5 Bcf to 19.5 Bcf of working gas capacity.

***Corporate***

The corporate segment includes AGL Resources' non-operating business units, principally AGL Services Company and AGL Capital. AGL Services Company is a service company that provides certain centralized shared services to AGL Resources' various operations. AGL Capital provides for AGL Resources' ongoing financing needs through a commercial paper program, the issuance of various debt and hybrid securities and other financing arrangements. The corporate segment also includes intercompany eliminations for transactions among AGL Resources' various operations.

The address of AGL Resources' principal executive offices is Ten Peachtree Place NE, Atlanta, Georgia 30309, and its telephone number is (404) 584-4000. AGL Capital's principal address is 2325-B Renaissance Drive, Las Vegas, Nevada 89119, and its telephone number is (702) 967-2442.

**Proposed Merger with Nicor**

In December 2010, AGL Resources entered into a merger agreement with Nicor Inc., or Nicor. Nicor is a holding company whose primary business is natural gas distribution. Nicor's major subsidiaries include Northern Illinois Gas Company, doing business as Nicor Gas Company, one of the nation's largest distributors of natural gas, and Tropical Shipping, a transporter of containerized freight in the Bahamas and the Caribbean region. Nicor also owns several energy-related ventures which provide energy-related products and services to retail markets; provide wholesale natural gas marketing services; and develop natural gas storage facilities, including Central Valley Gas Storage, a depleted reservoir storage facility in north-central California. Nicor Gas serves approximately 2.2 million customers in the northern third of Illinois, excluding the city of Chicago.

The merger agreement provides that each share of Nicor common stock outstanding at the effective time of the merger, other than shares to be cancelled and shares held by dissenting Nicor shareholders, will be converted into the right to receive consideration consisting of \$21.20 in cash and 0.8382 shares of AGL Resources' common stock, subject to adjustment in certain circumstances.

The shareholders of both AGL Resources and Nicor have approved the proposed merger, and the Department of Justice and the Federal Trade Commission have granted early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. Furthermore, this offering of senior notes, together with AGL Capital's concurrent public offering of its % Senior Notes due 2021 described below, constitutes the last portion of the approximately \$979 million in new permanent debt financing AGL Resources projects it will need in order to fund the cash portion of the purchase price.

The completion of the proposed merger is however still subject to the receipt of all required regulatory approvals from, among others, the Illinois Commerce Commission, or the ICC. In January 2011, AGL Resources filed a joint application with Nicor with the ICC for approval of the proposed merger. In April 2011, the ICC staff and several participating intervenors submitted initial testimony recommending that the ICC deny the joint

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application or that it impose various requirements on the joint applicants as conditions of approval. AGL Resources and Nicor submitted joint rebuttal testimony to the ICC in May 2011, and hearings were held on the matter in July 2011. The ICC has eleven months to act on the application with the deadline for action being December 16, 2011. Completion of the proposed merger is also subject to other customary conditions.

The merger agreement contains certain termination rights for both AGL Resources and Nicor, and further provides for the payment of fees and expenses upon termination under specified circumstances. Subject to the closing conditions, the proposed merger is currently expected to be completed in the fourth quarter of 2011.

### **Concurrent Offering of New Series Notes**

Concurrently with this offering, pursuant to a separate prospectus supplement, we are offering \$ \_\_\_\_\_ aggregate principal amount of our \_\_\_\_\_ % Senior Notes due 2021, which we sometimes refer to as the \_\_\_\_\_ New Series Notes. The New Series Notes will also be guaranteed by AGL Resources.

The New Series Notes will be our unsecured senior obligations and will rank equally with all of our other unsecured senior indebtedness, including the senior notes offered hereby. The New Series Notes will accrue interest at a rate of \_\_\_\_\_ % per year, which will be payable on March 15 and September 15 of each year, beginning on March 15, 2012. The New Series Notes will mature on September 15, 2021. We may redeem some or all of the New Series Notes, at our option, at any time on or after June 15, 2021 at a redemption price equal to 100% of the principal amount to be redeemed, plus, in each case, accrued and unpaid interest on the notes being redeemed to the redemption date. In addition, we may redeem some or all of the New Series Notes, at our option, at any time prior to June 15, 2021 at a redemption price equal to the greater of (i) 100% of the principal amount being redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date on a semi-annual basis using an adjusted treasury rate plus \_\_\_\_\_ basis points, plus, in each case, accrued and unpaid interest on the notes being redeemed to the redemption date.

We expect that the net proceeds from the concurrent New Series Notes offering, after deducting the underwriting discounts and estimated expenses, will be approximately \$ \_\_\_\_\_, although we may, in our discretion, increase or decrease the size of such offering. In addition, there can be no assurance that the New Series Notes offering will be completed.

The completion of this offering is not contingent upon the completion of the offering of the New Series Notes and the offering of the New Series Notes is not contingent upon the completion of this offering.

The foregoing description is a summary of the material provisions of the New Series Notes we are offering in the concurrent offering and does not purport to be complete. This summary is subject to and qualified by reference to all of the provisions of the New Series Notes, which are summarized in the related prospectus supplement. The description and other information in this prospectus supplement regarding the New Series Notes offering is included in this prospectus supplement solely for informational purposes. Nothing in this prospectus supplement should be construed as an offer to sell, or the solicitation of an offer to buy, the New Series Notes.

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**THE OFFERING**

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the senior notes, see Description of the Senior Notes in this prospectus supplement.

<b>Issuer</b>	AGL Capital Corporation.
<b>Guarantor</b>	AGL Resources Inc., but not any of its subsidiaries, will fully and unconditionally guarantee the payment of the senior notes.
<b>Securities</b>	5.875% Senior Notes due 2041. The senior notes are part of a series originally issued by us in the aggregate principal amount of \$500,000,000 on March 21, 2011. The senior notes offered hereby will form a single series with the previously issued notes, will have the same CUSIP number and will trade interchangeably with those notes immediately upon settlement.
<b>Aggregate Principal Amount</b>	\$ . Upon completion of this offering, \$ aggregate principal amount of the series will be outstanding.
<b>Interest</b>	5.875% per year accruing from September 15, 2011.
<b>Maturity Date</b>	March 15, 2041.
<b>Interest Payment Dates</b>	March 15 and September 15 of each year, beginning March 15, 2012.
<b>Use of Proceeds</b>	We expect the net proceeds from the sale of the senior notes will be used: (1) if the proposed Nicor merger is consummated, to partially pay the cash consideration and expenses in connection with the merger, or to repay short-term indebtedness that can be used for such purposes; or (2) if the merger is not completed, for general corporate purposes.
<b>Record Dates</b>	March 1 and September 1 of each year.
<b>Interest Calculations</b>	Based on a 360-day year of twelve 30-day months.
<b>Ranking</b>	The senior notes will rank equally in right of payment with each other and AGL Capital's other unsecured and unsubordinated obligations outstanding from time to time. AGL Resources' guarantee will similarly be an unsecured and unsubordinated obligation of AGL Resources.
<b>Sinking Fund</b>	None.

**Form and Denomination**

The senior notes initially will be issued in book-entry form and will be represented by one or more registered senior notes in global form deposited with or on behalf of, and registered in the name of, a nominee of The Depository Trust Company. The senior notes will be initially issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

**Redemption**

The senior notes may be redeemed, in whole or in part, at our option, at any time, at the redemption prices described beginning on page S-14.

**Issuance of Additional Notes**

We may, without the consent of the holders of the senior notes, increase the principal amount of the senior notes by issuing additional senior notes in the future on the same terms and conditions, except for any differences in the issue price and interest accrued prior to the issue date of the additional senior notes, and with the same CUSIP number as the senior notes offered hereby. The senior notes offered by this prospectus supplement and any additional senior notes would rank equally and ratably and would be treated as a single class for all purposes under the Indenture. No additional senior notes may be issued if any event of default has occurred with respect to the senior notes.

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**SUMMARY AGL RESOURCES HISTORICAL  
AND PRO FORMA FINANCIAL INFORMATION**

Set forth in the tables below are summary historical and pro forma financial and other data about AGL Resources. We derived the summary historical and other data in the tables as of and for the years ended December 31, 2010, 2009 and 2008 from AGL Resources' audited financial statements, and as of and for the six-month periods ended June 30, 2011 and 2010 from AGL Resources' unaudited financial statements. The unaudited financial statements were prepared on the same basis as the audited financial statements and in management's opinion include all adjustments, consisting of normal recurring entries, which we consider necessary for a fair presentation of AGL Resources' financial position and results of operations for these periods. You should read the historical data in conjunction with AGL Resources' consolidated financial statements and related notes that have been incorporated by reference in this prospectus supplement and the accompanying prospectus.

The summary unaudited pro forma financial data are derived from the unaudited pro forma condensed combined financial information incorporated by reference in this prospectus supplement and the accompanying prospectus. The pro forma income statement data for the year ended December 31, 2010 and the six months ended June 30, 2011 give effect to AGL Resources' proposed merger with Nicor as if it were completed on January 1, 2010. The pro forma statement of financial position data as of June 30, 2011 give effect to the merger as if it were completed on June 30, 2011.

The historical consolidated financial information has been adjusted in the pro forma financial data to give effect to pro forma events that are: (1) directly attributable to the merger; (2) factually supportable; and (3) with respect to the unaudited pro forma income statement data, expected to have a continuing impact on the combined results of AGL Resources and Nicor. As such, the impact from merger-related expenses is not included in the accompanying pro forma income statement data. However, the impact of these expenses is reflected in the pro forma statement of financial position data as a decrease to retained earnings. In addition, the pro forma financial data do not reflect any cost savings (or associated costs to achieve such savings) from operating efficiencies, synergies or other restructuring that could result from the merger. Further, the pro forma financial data do not reflect the effect of any regulatory actions that may impact the pro forma financial data when the merger is completed.

Completion of the proposed merger is subject to certain conditions, and there can be no guarantee that it will actually be completed. You should read the summary unaudited pro forma financial data in conjunction with the unaudited pro forma condensed combined financial information incorporated by reference in this prospectus supplement and the accompanying prospectus. The pro forma financial data have been presented for illustrative and informational purposes only and are not necessarily indicative of results of operations and financial position that would have been achieved had the pro forma events taken place on the dates indicated, or the future consolidated results of operations or financial position of the combined company. In addition, the pro forma financial data are subject to certain assumptions and estimates underlying the pro forma adjustments, as described in the notes accompanying the unaudited pro forma condensed combined financial information incorporated by reference herein. Since the pro forma financial data have been prepared based on preliminary estimates, the final amounts recorded at the date of the proposed merger may differ materially from the information presented. These estimates are subject to change pending further review of the assets acquired and liabilities assumed.

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(Dollars in millions, except per share data)	Six Months Ended June 30, (Unaudited)			Year Ended December 31,			
	2011 Pro Forma	2011 Historical	2010	2010 Pro Forma (Unaudited)	2010 Historical	2009	2008
<b>Income Statement Data:</b>							
Operating revenues	\$ 2,767	\$ 1,253	\$ 1,362	\$ 5,083	\$ 2,373	\$ 2,317	\$ 2,800
Operating expenses	2,353	955	1,061	4,347	1,873	1,841	2,322
Operating income	414	298	301	736	500	476	478
Other income (expense)	12	3	2	8	(1)	9	6
Interest expenses	(96)	(61)	(54)	(184)	(109)	(101)	(115)
Earnings before income taxes	330	240	249	560	390	384	369
Income tax expenses	118	87	90	201	&nb		