

Announced Proposed Potential Merger Partners

On July 10, 2016, Southern Company and Kinder Morgan, Inc. announced a natural gas pipeline venture designed to advance both companies' leadership in energy infrastructure development through Southern Company's acquisition of a 50 percent equity interest in the Southern Natural Gas (SNG) pipeline system. Kinder Morgan will continue to operate the system. In addition, the agreement commits the companies to cooperatively pursue specific growth opportunities to develop natural gas infrastructure for the strategic venture.

On August 24, 2015, Southern Company and AGL Resources entered into a definitive merger agreement which was approved by both boards of directors. Pursuant to the agreement, AGL Resources will become a new wholly owned subsidiary of Southern company. Completion of the transaction is conditioned upon, among other things, the approval of the AGL Resources shareholders and certain state utility and other regulatory commissions. The transaction is also subject to the notification and clearance and reporting requirements under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. The companies expect to complete the transaction in the second half of 2016. AGL Resources may employ or retain marketing function employees. At this time, the Southern Companies have no other announced proposed potential merger partners.