

AGL RESOURCES INC.
FINANCE AND RISK MANAGEMENT COMMITTEE
CHARTER

The Finance and Risk Management Committee (the “Committee”) of AGL Resources Inc., a Georgia corporation (the “Company”), is a committee of the Board of Directors of the Company. Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing (i) the Company’s balance sheet including leverage, liquidity, funding sources, and related matters; (ii) management’s assessments, actions, processes and procedures concerning the Company’s exposure to those risks identified in Section II below; and (iii) any other matters that the Board may delegate to the Committee from time to time.

The composition and responsibilities of the Committee are described in this Finance and Risk Management Committee Charter.

I. Composition

In accordance with Article III of the Bylaws of the Company, the Board of Directors, by resolution adopted by a majority of the whole Board of Directors, may designate a Finance and Risk Management Committee. The Committee shall consist of four (4) or more Directors.

The members of the Committee shall serve at the pleasure of the Board of Directors or until their successors shall be duly designated. Vacancies in the Committee shall be filled by the Board of Directors.

II. Responsibilities

The Committee is to provide an open avenue of communication among the Board of Directors, the Chief Financial Officer, and the Chief Risk Officer, and, subject to approval by the entire Board of Directors, where appropriate, shall, with the frequency it deems appropriate but at least annually:

1. Review management’s assessment of the Company’s capital structure, including its debt capacity and liquidity.
2. Review procedures established by management to monitor debt-related covenant compliance and discuss with management any effect of covenants on the Company’s capital structure.
3. Review all major financing and liquidity initiatives proposed by management.
4. Review with management significant Rating Agency communications and potential issues/concerns relative to the Company’s debt ratings.
5. Review the performance of our asset management and optimization businesses.
6. Review with management the steps taken by management to ensure compliance with the Company’s risk management policies and procedures relating to interest rate risk, currency risk, credit risk, commodity risk, insurable risks and derivatives related to any of the foregoing.

7. Review steps taken by management to establish and monitor trading and risk management systems and controls at the Company's asset management and optimization businesses and to ensure compliance at such businesses with risk management policies and procedures applicable to such businesses. Review management's assessment of controls and procedures associated with such businesses' management of transactions with affiliates and any reporting obligations to state or federal regulatory authorities.
8. Review with management management's assessments, actions, processes and procedures with respect to certain risks, as identified from time to time by the Committee or by the Audit Committee.
9. Review, for informational purposes only, reports from the Investment and Administrative Committees that have responsibility for the Company's employee benefit plans on the following topics: employee benefit plan investment policies, funding requirements, investment objectives, investment performance, and such other topics, if any, as the Committee deems appropriate. The Committee shall not undertake any duty or duties with respect to such matters and all such duties shall continue to reside with the Investment and Administrative Committees.
10. Review the Finance and Risk Management Committee's Charter and update as needed.

The Committee shall meet at least four times per year, and may meet more frequently as circumstances require. The Committee may ask members of management or others to attend its meetings and to provide pertinent information as necessary.

III. Reporting

The Committee shall keep written minutes of each meeting, which shall set forth the Committee's actions as required by the Committee Charter, and shall be duly filed in the Company's records. Reports of meetings of the Committee, including a report of all actions taken, shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting, accompanied by any recommendations to the Board of Directors approved by the Committee.