

SOUTHERN Co GAS
 Form 424B2
 September 09, 2016

Filed Pursuant to Rule 424(b)2
 Registration Nos. 333-212328
 and 333-212328-01

Title of Each Class of Registered Securities to be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee (1)(2)
2.450% Senior Notes due 2023	\$350,000,000	99.922%	\$349,727,000	\$35,218

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

(2) This "Calculation of Registration Fee" table shall be deemed to update the "Calculation of Registration Fee" table in the Registration Statement on Form S-3 (Registration Nos. 333-212328 and 333-212328-01).

Prospectus Supplement
 (To Prospectus dated June 30, 2016)
 \$350,000,0000

SOUTHERN COMPANY GAS CAPITAL CORPORATION

2.450% Senior Notes due 2023

This is a public offering by Southern Company Gas Capital Corporation (formerly known as AGL Capital Corporation and herein referred to as GAS Capital), a wholly owned subsidiary of Southern Company Gas (formerly known as AGL Resources Inc. and herein referred to as GAS), of \$350 million of its 2.450% Senior Notes due 2023. Interest on the senior notes is payable semi-annually in arrears on April 1 and October 1 of each year, beginning April 1, 2017.

The senior notes will be redeemable, in whole or in part, at any time and from time to time, at the option of GAS Capital at redemption prices as described under the caption "Description of the Senior Notes—Optional Redemption." GAS will fully and unconditionally guarantee payment of the senior notes. The senior notes and the guarantee will be unsecured and unsubordinated obligations of GAS Capital and GAS, respectively, ranking equally with all the other unsecured and unsubordinated obligations from time to time outstanding of GAS Capital and GAS, respectively, and will be effectively subordinated to all secured indebtedness of GAS Capital and GAS, respectively.

Concurrently with this offering, GAS Capital is also offering \$550,000,000 aggregate principal amount of 3.950% senior notes due 2046. This prospectus supplement is not, and should not be construed as, an offering of any notes other than the senior notes offered hereby. The completion of the offering of the senior notes is not contingent on the success of any other offering, including the offering of the 3.950% senior notes due 2046.

See "Risk Factors" on page S-2 of this prospectus supplement and in GAS' Annual Report on Form 10-K for the year ended December 31, 2015 to read about certain factors you should consider before buying the securities.

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	Per Senior Note	Total
Initial public offering price(1)	99.922%	\$349,727,000
Underwriting discount	0.625%	\$2,187,500
Proceeds, before expenses, to GAS Capital	99.297%	\$347,539,500

(1) Plus accrued interest, if any, from the date of original issuance of the senior notes, which is expected to be September 13, 2016.

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.

The senior notes are expected to be delivered on or about September 13, 2016 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

J.P. Morgan Mizuho Securities MUFG SunTrust Robinson Humphrey

September 8, 2016

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus supplement, the accompanying prospectus or any written communication from GAS or GAS Capital or the underwriters specifying the final terms of the offering. None of GAS, GAS Capital or any underwriter takes any responsibility for, nor can it provide any assurance as to the reliability of, any other information that others may give you. This prospectus supplement, the accompanying prospectus and any written communication from GAS, GAS Capital or the underwriters specifying the final terms of the offering is an offer to sell only the senior notes offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. The information incorporated by reference or contained in this prospectus supplement, the accompanying prospectus and any written communication from GAS, GAS Capital or the underwriters specifying the final terms of the offering is current only as of its respective date.

Unless stated otherwise, references in this prospectus supplement to “GAS Capital,” “we,” “us” or “our” refer to Southern Company Gas Capital Corporation. References in this prospectus supplement to “GAS” refer to Southern Company Gas and its subsidiaries unless otherwise indicated or the context otherwise requires. References in this prospectus supplement to “Southern” refer to The Southern Company, the ultimate parent of GAS Capital and GAS. References in the accompanying prospectus to “AGL Capital Corporation” or “AGL Capital,” “we,” “us” or “our” refer to Southern Company Gas Capital Corporation, and references in the accompanying prospectus to “AGL Resources Inc.” or “AGL Resources” refer to Southern Company Gas and its subsidiaries unless otherwise indicated or the context otherwise requires.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein contain forward-looking statements. Forward-looking statements include, among other things, statements concerning the recent acquisition of the interest in Southern Natural Gas, future earnings, growth, supply and demand, costs, subsidiary performance, new technologies and strategic initiatives. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “could,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar terminology. There are various factors that could cause actual results to differ materially from those suggested by the forward-looking statements; accordingly, there can be no assurance that such indicated results will be realized. These factors include:

- certain risks and uncertainties associated with the recent acquisition by Southern, including, without limitation: disruption from the integration process making it more difficult to maintain GAS’ business and operational relationships and the risk that unexpected costs will be incurred; and the diversion of GAS’ management time on integration issues;
- certain risks and uncertainties associated with the recent acquisition of the interest in Southern Natural Gas by GAS, including, without limitation, the diversion of GAS’ management time on acquisition-related issues and the risk that unexpected costs will be incurred during this process;
- 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 matters;
- 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, including GAS’ pipeline projects, from government and other approvals, project delays, adequacy of supply of diversified vendors, and unexpected changes in project costs;
- the cost of funds to finance GAS’ construction projects and GAS’ ability to recover certain project costs from customers;
- limits on pipeline capacity;
- the impact of acquisitions and divestitures;
- GAS’ ability to successfully integrate operations that it has or may acquire or develop in the future;
- direct or indirect effects on GAS’ business, financial condition or liquidity resulting from a change in GAS’ credit ratings or the credit ratings of GAS’ counterparties or competitors;
- interest rate fluctuations;
- financial market conditions, including disruptions in the capital markets and lending environment;
- general economic conditions;
- uncertainties about environmental issues and the related impact of such issues, including GAS’ environmental remediation plans;
- the capacity of GAS’ gas storage caverns, which are subject to natural settling and other occurrences;
- contracting rates at GAS’ midstream operations storage business;
- the impact of weather on the temperature-sensitive portions of GAS’ business;
- the impact of natural disasters, such as hurricanes, on the supply and price of natural gas;
- acts of war or terrorism;
- the outcome of litigation;
- the effect of accounting pronouncements issued by standard-setting bodies; and
- other factors discussed under “Risk Factors” and elsewhere herein and in GAS’ filings with the Securities and Exchange Commission (which we refer to as the SEC).

GAS Capital and GAS expressly disclaim 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.

RISK FACTORS

Investing in the senior notes involves risks. In addition to the factors described below, please see the risk factors in GAS' Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

The guarantee of the senior notes by GAS does not provide significant additional assurance of payment to the holders of the senior notes.

Upon issuance, the senior notes will be guaranteed by our parent company, GAS, on a standalone basis, and will not be guaranteed by any of its affiliates. GAS is a holding company and has no operations separate from its investment in us and its other subsidiaries. Therefore, if we should be unable to meet our payment obligations with respect to the senior notes, it is unlikely that GAS would be able to do so either. GAS' parent, Southern, is not guaranteeing or otherwise becoming an obligor of the senior notes offered hereby.

Our ability to pay the senior notes may be impaired if GAS or its operating subsidiaries are unable to repay funds to us or to GAS or if the operating subsidiaries are unable to pay dividends to GAS.

We are a finance subsidiary with no independent operations or operating subsidiaries, and our immediate parent and the guarantor of the senior notes, GAS, is a holding company with no independent operations. GAS' operations are carried out through its operating subsidiaries, none of which will guarantee the senior notes. This structure may limit our ability to obtain funds to pay the senior notes.

Funds we raise through our financing activities may be loaned to GAS or its affiliates, or paid as dividends to GAS, which dividends may in turn be dividended or loaned to or otherwise invested in GAS' affiliates. Our ability to pay interest and principal on the senior notes primarily depends on the ability of GAS and its subsidiaries to repay funds we have loaned them. In addition, GAS' ability to repay funds we have loaned to it or to otherwise invest funds in us for the purpose of paying the senior notes, or to satisfy its guarantee of the senior notes, depends on the ability of its subsidiaries to pay dividends to GAS or repay loans from GAS. A substantial portion of GAS' consolidated assets, earnings and cash flows is derived from the operation of its regulated utility subsidiaries, whose legal authority to pay dividends and make other distributions to GAS is subject to regulation. GAS' utility subsidiary Northern Illinois Gas Company, which we refer to as Nicor Gas, is restricted by regulation in the amount it can dividend or loan to affiliates. Dividends by Nicor Gas to GAS are allowed only to the extent of Nicor Gas' retained earnings balance. Additionally, GAS' utility subsidiary Elizabethtown Gas is restricted in the amount it can dividend to GAS to 70% of its quarterly net income. Further, claims of some creditors of GAS' subsidiaries may have priority with respect to the assets and earnings of those subsidiaries over the claims of creditors of GAS or GAS Capital, including holders of the senior notes. The senior notes and GAS' guarantee thereof will be effectively subordinated to such creditors of GAS' subsidiaries.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC's rules allow GAS to "incorporate by reference" information it files with the SEC into this prospectus supplement and the accompanying prospectus. This means that GAS and GAS Capital can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus supplement and the accompanying prospectus from the date GAS files that document. Any reports filed by GAS with the SEC after the date of this prospectus supplement will automatically update and, where applicable, supersede any information contained in this prospectus supplement, the accompanying prospectus or incorporated by reference into this prospectus supplement and the accompanying prospectus.

GAS incorporates by reference into this prospectus supplement and the accompanying prospectus the following documents or information filed by it with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules) (SEC File No. 001-14174):

• Annual Report on Form 10-K for the fiscal year ended December 31, 2015;

• Quarterly Reports on Form 10-Q for the periods ended March 31, 2016 and June 30, 2016; and

• Current Reports on Form 8-K filed on February 16, 2016, February 18, 2016, April 6, 2016, April 14, 2016, May 5, 2016 (two reports), May 18, 2016, July 1, 2016, July 11, 2016 and September 1, 2016 (except, in each case, for items in the preceding reports deemed "furnished" instead of "filed" under the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act), and exhibits furnished pursuant to those items).

GAS also incorporates by reference all documents that it may file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, after the date of this prospectus supplement and prior to the completion or termination of the offering.

You can obtain any of the documents incorporated by reference in this prospectus supplement and the accompanying prospectus from GAS, or from the SEC through the SEC's website at the address described above. Documents incorporated by reference are available from GAS without charge, excluding any exhibits to those documents, unless the exhibit also is specifically incorporated by reference in this prospectus supplement or the accompanying prospectus. You can obtain documents incorporated by reference in this prospectus supplement or the accompanying prospectus by requesting them in writing or by telephone from GAS at the following address:

Southern Company Gas

Ten Peachtree Place, N.E., Location 1071

Atlanta, Georgia 30309

Investor Relations

Telephone: (404) 584-4577

SOUTHERN COMPANY GAS CAPITAL CORPORATION

We are a wholly owned subsidiary of GAS. We provide financing to GAS on an ongoing basis through a commercial paper program, the issuance of various debt and hybrid securities and other financing arrangements. Our senior notes are guaranteed by GAS, but not any of its affiliates (including Southern). GAS Capital's principal address is 2215-B Renaissance Drive, Las Vegas, Nevada 89119, and its telephone number is (702) 967-2442.

SOUTHERN COMPANY GAS

GAS is a wholly owned subsidiary of Southern. GAS is an energy services holding company, headquartered in Atlanta, Georgia, whose primary business is the distribution of natural gas in seven states—Illinois, Georgia, Virginia, New Jersey, Florida, Tennessee, and Maryland—through its seven natural gas distribution utilities. At June 30, 2016, these utilities served approximately 4.6 million end-use customers.

GAS also is involved in several related and complementary businesses to the distribution of natural gas, including retail natural gas marketing to end-use customers primarily in Georgia and Illinois and home equipment protection products and services through its retail operations segment; natural gas asset management and related logistics activities for its own utilities as well as for nonaffiliated companies through its wholesale operations; and the development and operation of high-deliverability underground natural gas storage assets through its midstream operations.

The address of GAS' principal executive offices is Ten Peachtree Place NE, Atlanta, Georgia 30309, and its telephone number is (404) 584-4000.

RECENT DEVELOPMENTS

Acquisition by The Southern Company

On July 1, 2016, Southern completed its previously announced acquisition of GAS. On July 11, 2016, AGL Resources Inc. changed its name to Southern Company Gas and we changed our name to Southern Company Gas Capital Corporation. GAS remains an SEC registrant, which means that it continues to file Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K with the SEC. Southern is not guaranteeing or otherwise becoming an obligor of the notes offered hereby or any of our outstanding indebtedness. GAS Capital's existing indebtedness under the Indenture, dated as of February 20, 2001, by and among GAS Capital, as issuer, GAS, as guarantor, and The Bank of New York Mellon Trust Company, N.A., as trustee, remains outstanding in accordance with its current terms.

Southern Natural Gas Pipeline Venture

On September 1, 2016, GAS completed the acquisition of a 50% equity interest in Southern Natural Gas Company, L.L.C. (which we refer to as Southern Natural Gas) from Kinder Morgan, Inc. (which we refer to as Kinder Morgan). Southern Natural Gas owns a 7,000-mile pipeline system connecting natural gas supply basins in Texas, Louisiana, Mississippi, Alabama and the Gulf of Mexico to markets in Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina and Tennessee. Kinder Morgan will continue to operate the pipeline system. In connection with this transaction, GAS and Kinder Morgan agreed to cooperate in pursuing specific growth opportunities to develop natural gas infrastructure through Southern Natural Gas. GAS paid approximately \$1.4 billion, subject to certain adjustments, for this equity interest.

We expect to use a portion of the net proceeds of this offering and the offering of the 3.950% senior notes due 2046 to repay funds that Southern lent to us to complete this transaction. See "Use of Proceeds."

SELECTED FINANCIAL INFORMATION

The following selected financial information for the years ended December 31, 2011 through December 31, 2015 has been derived from GAS' audited financial statements and related notes and the unaudited selected financial data, incorporated by reference in this prospectus supplement and the accompanying prospectus. The following selected financial data for the six months ended June 30, 2016 has been derived from GAS' unaudited consolidated financial statements and related notes, incorporated by reference in this prospectus supplement and the accompanying prospectus. The information set forth below is qualified in its entirety by reference to and, therefore, should be read together with GAS' management's discussion and analysis of results of operations and financial condition, the financial statements and related notes and other financial information incorporated by reference in this prospectus supplement and the accompanying prospectus. Except as indicated below, the information set forth below does not reflect (i) the issuance of the senior notes offered hereby, the proposed issuance of the 3.950% senior notes due 2046 or the use of proceeds therefrom and (ii) the pro forma application of push-down accounting related to Southern's recent acquisition of GAS. See "Use of Proceeds" and "Recent Developments — Acquisition by The Southern Company" in this prospectus supplement.

	Year Ended December 31,					Six Months Ended June 30,
	2011	2012	2013	2014	2015	2016(1)
	(Millions, except ratios)					
Operating Revenues	\$2,305	\$3,562	\$4,209	\$5,385	\$3,941	\$ 1,905
Income Before Income Taxes	300	431	485	930	586	232
Income from Continuing Operations	179	274	308	580	373	145
Net Income Attributable to Southern Company Gas	165	260	295	482	353	131
Ratio of Earnings to Fixed Charges(2)	2.96	3.05	3.47	5.85	4.07	3.15

	Capitalization as of June 30, 2016			
	Actual		As Adjusted(3)	
(Millions, except percentages)	Amount	Percent	Amount	Percent
Short-Term Debt	\$689	(4)8 %	\$569	6%
Senior Notes, First Mortgage Bonds and Medium-Term Notes	3,456	41 %	4,356	43%
Gas Facility Revenue Bonds	200	2 %	200	2%
Non-Principal Long-Term Debt(5)	53	1 %	42	—%
Total Equity and Contingently Redeemable Noncontrolling Interest	3,974	48 %	5,024	49%
Total Capitalization	\$8,372			