



**AMENDED AND RESTATED  
EMPLOYEE STOCK PURCHASE PLAN**

**THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS COVERING  
SECURITIES THAT HAVE BEEN REGISTERED UNDER  
THE SECURITIES ACT OF 1933**

Dear ESPP Participant,

This is the second prospectus supplement (the Supplement) to the Prospectus dated October 1, 2005 (the Prospectus) which relates to the AGL Resources Inc. Amended and Restated Employee Stock Purchase Plan (the ESPP). **This Supplement should be attached to the Prospectus and read in conjunction with it.**

**Change of Custodian**

Effective October 29, 2007, AGL Resources appointed Wells Fargo Bank, N.A. as recordkeeper and custodian under the ESPP. The principal offices of Wells Fargo are located at 161 North Concord Exchange, South St. Paul, MN 55075. Additional contact information for the new custodian is reflected below.

**How to Obtain Additional Information about the ESPP**

*Questions about your ESPP shares or to sell your ESPP shares*

If you have questions about your ESPP shares or want to sell your ESPP shares, you may contact Wells Fargo Bank, N.A., the plan's record keeper and custodian, in any of the following ways:

By Telephone:

(800) 468-9716 or (651) 450-4064

By Internet:

[www.wellsfargo.com/shareownerservices](http://www.wellsfargo.com/shareownerservices)

Mailing Address:

Wells Fargo Shareowner Services  
P.O. Box 64856  
St. Paul, MN 55164-0856

Street or Courier Address:

Wells Fargo Shareowner Services  
161 North Concord Exchange  
South St. Paul, MN 55075-1139

*Questions about enrollment or changes in your contribution*

If you want to enroll, change your contribution or terminate participation, please access voluntary deductions through AGL Resources' PeopleSoft self-service portal (payroll and compensation). If you do not have access to PeopleSoft, a paper enrollment/change form is available on the Planet.

*Questions about the ESPP or its administration*

If you have questions about the ESPP or the committee that administers the ESPP, you may contact:

AGL Resources Inc.  
Office of the Assistant Corporate Secretary  
Location 1466  
Ten Peachtree Place  
Atlanta, Georgia 30309  
(404) 584-3428

**PROSPECTUS SUPPLEMENT  
To Prospectus dated October 1, 2005**



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EMPLOYEE STOCK PURCHASE PLAN**

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**Change of Quarterly Purchase Dates**

Beginning November 1, 2006, the ESPP quarterly purchase (exercise) dates are as follows: March 1, June 1, September 1, and December 1.

**How to Obtain Additional Information about the ESPP**

If you want to enroll, change your contribution or terminate participation, please access voluntary deductions through AGLR's PeopleSoft self-service portal (payroll and compensation). If you do not have access to PeopleSoft, a paper enrollment/change form is available on the Planet.

If you have questions about your ESPP shares or want to sell your ESPP shares, you may contact Computershare Trust Company, N.A., the plan's record keeper and custodian, in either of the following ways:

*By toll-free telephone:* 1-800-569-4629  
*By internet:* [www.computershare.com](http://www.computershare.com)

If you have questions about the ESPP or the committee that administers the ESPP, you may contact:

AGL Resources Inc.  
Office of the Assistant Corporate Secretary  
Location 1466  
Ten Peachtree Place  
Atlanta, Georgia 30309  
(404) 584-3428

The date of this Prospectus Supplement is September 1, 2006

PROSPECTUS



**AGL RESOURCES INC.  
AMENDED AND RESTATED  
EMPLOYEE STOCK PURCHASE PLAN**

AGL Resources Inc., which we refer to as “AGL” or the “company” has established the Amended and Restated Employee Stock Purchase Plan, which we refer to as the “ESPP,” to allow our eligible employees to periodically acquire shares of common stock, \$5 par value per share, of the company. The ESPP is not intended to qualify as an “employee stock purchase plan” under Section 423 of the Internal Revenue Code of 1986, as amended.

The information contained in this booklet is required under federal securities laws and is intended to permit you to make an informed decision about acquiring shares of our \$5 par value common stock.

**THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS  
COVERING SECURITIES THAT HAVE BEEN REGISTERED UNDER  
THE SECURITIES ACT OF 1933.**

The date of this prospectus is October 1, 2005.

## **IMPORTANT INFORMATION ABOUT THIS PROSPECTUS**

Federal securities laws require that we provide a "prospectus" that sets forth information about the relative risks and merits of investing in AGL common stock. We may update this prospectus in the future by furnishing you with current information in the form of an appendix or supplement to this prospectus. An appendix or supplement may add, update, or change information contained in this document. When we deliver an appendix or supplement, we also will give you another copy of this prospectus without charge, if you request it. If you are a new participant in the ESPP, we will give you a copy of this prospectus and any current appendix or supplement.

You should carefully read this prospectus and any appendices or supplements, together with the additional information described under the heading "Where You Can Find More Information about the Company."

This prospectus may be used only in connection with our offer and sale of common stock under the ESPP. You cannot use this prospectus to offer or sell common stock that you acquire under the ESPP to anyone else. Neither the Securities and Exchange Commission, which we refer to as the "SEC," nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

## **HOW TO OBTAIN ADDITIONAL INFORMATION ABOUT THE ESPP**

This prospectus incorporates important business and financial information about us that is not included in or delivered with this document. This information is described under the heading "Where You Can Find More Information about the Company."

If you have questions about the ESPP or the committee that administers the ESPP, you may contact:

AGL Resources Inc.  
Office of the Assistant Corporate Secretary  
Location 1466  
Ten Peachtree Place  
Atlanta, Georgia 30309  
(404) 584-3428

EquiServe Trust Company, N.A., a wholly-owned subsidiary of Computershare, serves as record keeper and custodian for the ESPP. If you have questions about participation in the ESPP or want to make a change in your payroll deduction, you may contact them in either of the following ways:

*By toll-free telephone:* 1-800-569-4629  
*By internet:* [www.computershare.com/EquiServe](http://www.computershare.com/EquiServe)

**AGL RESOURCES INC.  
AMENDED AND RESTATED EMPLOYEE STOCK PURCHASE PLAN**

AGL Resources Inc. (the "Company") originally established the AGL Resources Inc. Employee Stock Purchase Plan (the "Plan") effective as of January 1, 2002. The Plan was originally adopted by the Board of Directors of the Company on October 30, 2001 with an initial term of four years, expiring on January 31, 2005. At its meeting on December 1, 2004 the Board of Directors of the Company adopted an amendment to the Plan to extend the term of Plan until January 31, 2015. This restatement of the Plan is effective as of December 1, 2004, contingent upon shareholder approval.

**ARTICLE 1  
PURPOSE**

The purpose of this AGL Resources Inc. Employee Stock Purchase Plan is to provide eligible employees of the Company and its Subsidiaries an opportunity to purchase shares of Common Stock of the Company at a discount from market prices through accumulated payroll deductions, thereby encouraging and increasing employee ownership of the Company's Common Stock.

It is the intention of the Company that the Plan not be subject to the Employee Retirement Income Security Act of 1974, as amended, and that the Plan not qualify as an "Employee Stock Purchase Plan" under Section 423 of the Internal Revenue Code of 1986, as amended, or any successor legislation.

**ARTICLE 2  
DEFINITIONS**

The following words and phrases as used in this Plan shall have the meanings set forth in this Article unless a different meaning is clearly required by the context:

2.1 *Administrative Committee* means the committee appointed by the Board to administer the Plan pursuant to Article 9.

2.2 *Board* means the Board of Directors of the Company.

2.3 *Change of Control* means that:

(a) any "person" as defined in Section 3(a)(9) of the Exchange Act, and as used in Section 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) of the Exchange Act but excluding the Company and any Subsidiary and any employee benefit plan sponsored or maintained by the Company or any Subsidiary (including any trustee of such plan acting as trustee), directly or indirectly, becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), of securities of the Company representing 10% or more of the combined voting power of the Company's then outstanding securities (unless the event causing the 10% threshold to be crossed is an acquisition of securities directly from the Company); or

(b) the shareholders of the Company approve any merger or other business combination of the Company, sale of 50% or more of the Company's assets or combination of the foregoing transactions (the "Transactions") other than a Transaction immediately following which the shareholders of the Company and any trustee or fiduciary of any Company employee benefit plan immediately prior to the Transaction owns at least 80% of the voting power, directly or indirectly, of (i) the surviving corporation in any such merger or other business combination; (ii) the purchaser of the Company's assets; (iii) both the surviving corporation and the purchaser in the event of any combination of Transactions; or (iv) the parent company owning 100% of such surviving corporation; purchaser or both the surviving corporation, purchaser or both the surviving corporation and the purchaser, as the case may be; or

(c) within any twenty-four month period, the persons who were directors immediately before the beginning of such period (the "Incumbent Directors") cease (for any reason other than death) to constitute at least a majority of the Board or the board of directors of a successor to the Company. For this purpose, any director who was not a director at the beginning of such period will be deemed to be an Incumbent Director if such director was elected to the Board by, or on the recommendation of or with the approval of, at least two-thirds of the directors who then qualified as Incumbent Directors (so long as such director was not nominated by a person who has entered into an agreement to effect a Change of Control or expressed an intent to cause such a Change of Control).

2.4 *Common Stock* means the \$5.00 par value per share common stock of the Company.

2.5 *Company* means AGL Resources Inc., a Georgia corporation.

2.6 *Custodian* means EquiServe Trust Company, N.A., whose principal offices are located at 525 Washington Boulevard, Jersey City, New Jersey 07310, and 150 Royall Street, Canton, Massachusetts 02021, or such other person as the Administrative Committee shall designate from time to time to serve as record keeper and custodian under the Plan.

2.7 *Determination Date* means the last Trading Day of each Offering Period.

2.8 *Eligible Employee* means any individual who is a regular full-time employee of the Company or any Subsidiary who regularly works 36 or more hours per week, who has reached the age of 21 and completed 30 days of employment.

2.9 *Exchange Act* means the Securities Exchange Act of 1934, as amended, or any successor legislation.

2.10 *Exercise Date* means, with respect to an Offering Period, the first Trading Day following the Determination Date of such Offering Period or as soon as practicable thereafter.

2.11 *Exercise Price* means, with respect to any Offering Period, eighty-five percent (85%) of the value of a share of the Common Stock, which value shall be determined as the weighted average of the Fair Market Value of the Common Stock, over one or more days in the ten-day period beginning on the Exercise Date of the applicable Offering Period, over which the Administrative Committee purchases shares of the Common Stock for issuance pursuant to the exercise of options under the Plan. The Administrative Committee's determination of the Exercise Price in accordance with the foregoing shall be final and binding. Notwithstanding the foregoing, in no case shall the Exercise Price for an Offering Period be less than eighty-five percent (85%) of the Fair Market Value of a share of the Common Stock on the Exercise Date.

2.12 *Fair Market Value* means, as of any date, the actual purchase price paid for the Common Stock on such date. In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Administrative Committee.

2.13 *Former Participant* means a Participant whose participation in the Plan has terminated pursuant to the terms of Article 8, and who has not recommenced participation in the Plan.

2.14 *Grant Date* means the first Trading Day of each Offering Period.

2.15 *Offering Period* means the four quarterly offerings of the Common Stock each calendar year, as follows:

(a) the first offering being during the period commencing on February 1 and ending on April 30 of such year;

(b) the second offering being during the period commencing on May 1 and ending on the July 31 of such year;

(c) the third offering being during the period commencing on August 1 and ending on the October 31 of such year; and

(d) the fourth offering being during the period commencing on November 1 of such year and ending on January 31 of the next calendar year.

2.16 *Participant* means an Eligible Employee who elects to participate in the Plan pursuant to Section 3.2.

2.17 *Plan* means this AGL Resources Inc. Employee Stock Purchase Plan.

2.18 *Plan Account* means an account for the benefit of a Participant comprised of two subaccounts. The first subaccount shall be maintained by the Company for the purpose of recording and crediting payroll deductions on behalf of such Participant, and the second subaccount shall be maintained by the Custodian for the purpose of recording and crediting the shares of Common Stock purchased for such Participant.

2.19 *Reserves* has the meaning given that term in Section 12.1.

2.20 *Rule 16b-3* means Rule 16b-3 promulgated under the Exchange Act, or any successor provision.

2.21 *Subsidiary* means any corporation (or other form of business association that is treated as a corporation for tax purposes), domestic or foreign, of which shares (or other ownership interests) having more than fifty percent (50%) of the voting power are owned or controlled, directly or indirectly, by the Company. All Subsidiaries of the Company are designated by the Administrative Committee as eligible to participate in the Plan except those listed on Exhibit A hereto, which may be amended by the Administrative Committee from time to time.

2.22 *Trading Day* means any day on which the New York Stock Exchange (or any other established stock exchange or national market system the Administrative Committee deems appropriate) is open for trading.

### ARTICLE 3 ELIGIBILITY AND PARTICIPATION

3.1 *Eligibility.* All Eligible Employees are eligible to participate in the Plan.

3.2 *Enrollment Procedures.* An Eligible Employee may elect to participate in the Plan by complying with the Company's procedures for enrolling in the Plan as established and in effect from time to time, which may include, but are not limited to, completing and filing with the Company or the Custodian an enrollment form authorizing payroll deductions from such employee's compensation or responding to enrollment procedures set forth in an automated voice response system or Internet site maintained by the Custodian. Enrollment for any Offering Period shall be completed no later than the twenty-fifth (25<sup>th</sup>) day of the calendar month immediately preceding the Grant Date of such Offering Period.

3.3 *Director Participation.* Members of the Board who are Eligible Employees may participate in the Plan; provided, however, that (i) any such member of the Board may not vote on any matter affecting the administration of the Plan or the grant of any option pursuant to the Plan, and (ii) no such member of the Board may be a member of the Administrative Committee.

**ARTICLE 4**  
**STOCK SUBJECT TO THE PLAN**

Six Hundred Thousand (600,000) shares of Common Stock shall be available for purchase under the Plan, subject to adjustment upon changes in capitalization of the Company as provided in Article 12. Shares of Common Stock subject to options and any other provision of the Plan will consist of shares of Common Stock purchased in the open market. The Board may make available additional shares of Common Stock for purchase under the Plan from time to time. If on a given Exercise Date the number of shares of Common Stock with respect to which options are to be exercised exceeds the number of shares of Common Stock then available for purchase, the Company or the Custodian shall make a pro rata allocation of the remaining shares available for purchase in as uniform a manner as shall be practicable and equitable, and the Company shall refund to Participants any accumulated payroll deductions held by the Company on their behalf not used to purchase shares of Common Stock.

**ARTICLE 5**  
**PAYROLL DEDUCTIONS**

5.1 *Elections.* At the time a Participant enrolls in the Plan, the Participant shall elect to have payroll deductions made for each pay period during the Offering Period. Payroll deductions shall be made in one-dollar (\$1.00) increments and in a minimum amount of twenty-five dollars (\$25.00) and a maximum amount of nine hundred sixty dollars (\$960.00) per pay period. A Participant may make a separate payroll deduction election in one-dollar (\$1.00) increments and in a minimum amount of twenty-five dollars (\$25.00) with respect to such Participant's compensation under the Company's Annual Team Performance Incentive Plan (or a successor to such plan) or under any annual bonus or incentive compensation plan maintained by a Subsidiary. Payroll deductions shall be on an after-tax basis and shall be subject to the following conditions:

(a) The aggregate payroll deductions for any Participant for all Offering Periods during any calendar year, including any deductions with respect to any annual incentive compensation plan, shall not exceed the sum of twenty-five thousand dollars (\$25,000);

(b) The total amount of payroll deductions during any pay period shall not exceed the total amount of a Participant's pay for such pay period, net of any other applicable deductions; and

(c) If a Participant has authorized payroll deductions in an amount equal to or greater than the minimum amount and, due to extraordinary circumstances occurring during any one pay period (e.g., temporary reduction in number of hours worked, change in status of employment to short-term disability, etc.), such Participant's net pay for such period is insufficient to permit deductions in the authorized amount, such Participant's total net pay for such pay period shall be deducted and held in accordance with the provisions of Section 5.2.

5.2 *Crediting of Contributions.* Each Participant's payroll deductions will be held by the Company in accordance with the provisions of Article 11 pending application to the purchase of shares of Common Stock and crediting of same to such Participant's Plan Account. A Participant may not make payments or contributions to purchase shares of Common Stock in addition to amounts contributed through payroll deductions. Except for shares of Common Stock credited to a Participant's Plan Account upon purchase hereunder, a Participant may not transfer or deposit shares of Common Stock to such Participant's Plan Account. No interest shall be paid on any amounts held by the Company from time to time pending application to the purchase of shares of Common Stock on behalf of a Participant.

5.3 *Election Changes.* Subject to the provisions of Article 8, a Participant may change the amount of payroll deductions by complying with the Company's procedures for effecting such changes as established and in effect from time to time, which may include, but are not limited to, completing and filing with the Company or the Custodian a change form authorizing a change in the amount of payroll deductions from such employee's compensation or responding to payroll deduction change procedures set forth in an automated voice response

system or Internet site maintained by the Custodian. Any such change must be received no later than the twenty-fifth (25<sup>th</sup>) day of the calendar month immediately preceding the next applicable Grant Date and shall become effective for the Offering Period during which such Grant Date occurs.

5.4 *Continuation of Elections.* So long as a Participant remains an Eligible Employee, payroll deductions will continue in effect from Offering Period to Offering Period unless the Participant elects a different rate of payroll deductions in accordance with the provisions of Section 5.3 or terminates participation in the Plan in accordance with the provisions of Article 8.

## ARTICLE 6 OPTION AND PURCHASE OF COMMON STOCK

6.1 *Option to Purchase Shares.* Subject to the provisions of Section 6.2, on each Grant Date of each Offering Period, each Participant shall be deemed to have been granted an option to purchase on the following Exercise Date a number of whole and fractional shares (computed to three (3) decimal places) of Common Stock equal to the quotient of (i) the balance of funds held by the Company on behalf of such Participant pending application to the purchase of shares of Common Stock as of such Exercise Date, divided by (ii) the Exercise Price.

6.2 *Limit for Certain Participants.* No Participant shall be granted an option to purchase shares of Common Stock on any Grant Date if such Participant, immediately after the option is granted, owns stock constituting five percent (5%) or more of the Company's outstanding Common Stock or five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary. For purposes of this Section 6.2, the rules of Section 424(d) of the Internal Revenue Code of 1986, as amended (relating to attribution of stock ownership), shall apply in determining the stock ownership of the Participant, and stock that the Participant may purchase under outstanding options shall be treated as stock owned by such Participant.

6.3 *Exercise of Options.* Unless a Participant terminates participation in the Plan in accordance with the provisions of Article 8, such Participant's option to purchase shares of Common Stock during an Offering Period will be exercised automatically on the Exercise Date, and the maximum number of full and/or fractional shares (computed to three (3) decimal places) of Common Stock shall be purchased for such Participant at the applicable Exercise Price and credited to such Participant's Plan Account. During a Participant's lifetime, a Participant's option to purchase shares of Common Stock hereunder is exercisable only by the Participant.

6.4 *Account Statement.* As soon as practicable after each Exercise Date, the Company shall deliver or shall cause the Custodian to deliver a statement to the Participant regarding such Participant's Plan Account, which may include, among other things and to the extent necessary and appropriate: (i) the name and address of the Company and the Participant; (ii) the amount of payroll deductions withheld by the Company on behalf of such Participant; (iii) the Exercise Price and Fair Market Value for the Offering Period corresponding to such Exercise Date; (iv) the date of purchase; (v) the number of full and fractional shares of Common Stock purchased; (vi) the balance of shares of Common Stock in the Participant's Plan Account; and (vii) current and year-to-date dividend reinvestment information.

## ARTICLE 7 RIGHTS AS A SHAREHOLDER

7.1 *Crediting and Issuance of Shares.* As promptly as practicable after each Exercise Date, a Participant shall be treated as the beneficial owner of the shares of Common Stock purchased for such Participant pursuant to the Plan, and such shares shall be credited to the Plan Account maintained for the benefit of the Participant by the Custodian. A Participant may request that a stock certificate for all or a portion of the whole shares of Common Stock credited to the Participant's Plan Account be issued. A cash payment shall be made for any fraction of a share of Common Stock in the Plan Account, if necessary to close the Plan Account.

7.2 *Ownership of Shares.* A Participant shall have all ownership rights with respect to the number of shares of Common Stock credited to the Plan Account, including the right to vote such shares of Common Stock and to receive dividends or other distributions, if any. Any dividends or distributions that may be declared on such shares by the Board will be reinvested (without any discount) by the Custodian in additional shares of Common Stock for the Participant on or promptly following such dividend payment date or distribution date pursuant to the terms of the Company's Direct Stock Purchase and Dividend Reinvestment Plan ("Resources Direct"). All such shares purchased through reinvestment of dividends or distributions will be credited to the Participant's Plan Account.

7.3 *Sale of Shares.* In the event that a Participant elects to sell any shares of Common Stock purchased under the Plan or transfer any such shares to a general brokerage account maintained for the benefit of such Participant, the Participant shall be responsible for the payment of any applicable brokerage fees and associated costs related to such sale or transfer. Within ten (10) business days after receipt of instructions from a Participant, the Custodian will sell at open market through an independent brokerage organization all or any portion of the shares held in the Participant's Plan Account, but none of the Company, the Board, nor the Administrative Committee shall be liable for any delay in the execution of such request. Each Participant shall bear the risk of stock price fluctuations between the time such Participant places an order to sell and the time the shares of Common Stock are actually sold. As soon after the sale as is practicable, the Custodian will mail (by U.S. first class mail) to the Participant a check representing the proceeds from the sale of the shares, net of brokerage fees and transfer taxes incurred in connection with effecting such sale. The brokerage fees generally are negotiated for each sale and vary upon the number of shares sold.

## ARTICLE 8 TERMINATION OF CONTRIBUTIONS OR PARTICIPATION

8.1 *Revocation by Participant.* A Participant may, at any time and for any reason, voluntarily revoke his or her contributions into the Plan by complying with the Company's procedures for revoking a payroll deduction election as established and in effect from time to time, which may include, but are not limited to, delivering written notification of revocation to the Company or the Custodian or responding to revocation procedures set forth in an automated voice response system or Internet site maintained by the Custodian. Any such revocation will become effective, and payroll deductions will cease to be made on behalf of such Participant, as soon as practicable following receipt by the Company of notice of revocation. All payroll deductions previously accumulated and held by the Company on behalf of such Participant pending application to purchase shares of Common Stock shall be used to purchase shares of Common Stock on the Exercise Date corresponding to the Offering Period during which such revocation occurs, and the purchased shares shall be allocated to the Participant's Plan Account. A Participant's revocation of his election to contribute into the Plan will not have any effect upon the Participant's eligibility to participate in the Plan during any succeeding Offering Periods commencing after termination of the Offering Period during which the Participant so elects to revoke or in any similar plan which may hereafter be adopted by the Company.

8.2 *Change in Employment Status.* A Participant's contributions in the Plan will be terminated upon a change in the employment status of a Participant that results in the Participant no longer being an Eligible Employee. In such event, authorized payroll deductions shall cease as of the date of such change of status, and all payroll deductions previously accumulated and held by the Company on behalf of such Participant pending application to purchase shares of Common Stock shall be used to purchase shares of Common Stock on the Exercise Date corresponding to the Offering Period during which such change of status occurs, and the purchased shares shall be allocated to the Participant's Plan Account.

8.3 *Termination of Employment.* In the event of a Participant's termination of employment (for any reason, including death and disability), authorized payroll deductions shall cease as of the date of such termination, and all payroll deductions previously accumulated and held by the Company on behalf of such Participant pending application to purchase shares of Common Stock shall be refunded to the Participant, without

interest, as soon as practicable following such termination; however, if such termination occurs without sufficient time to process same prior to the Exercise Date corresponding to the Offering Period during which such termination occurs (generally the twenty-fifth (25<sup>th</sup>) day of the calendar month immediately preceding the month in which such Exercise Date occurs), all such accumulated payroll deductions will be applied to purchase shares of Common Stock on the Exercise Date corresponding to the Offering Period during which such termination occurs; provided, however, that the Administrative Committee may determine, in the exercise of its sole discretion and on a case-by-case basis, to refund any such accumulated payroll deductions if necessary to avoid financial hardship on the part of such Participant.

8.4 *Plan Accounts of Former Participants.* The shares of Common Stock credited to a Former Participant's Plan Account shall remain therein or be withdrawn therefrom as follows:

(a) If such Former Participant's contributions into the Plan are terminated due to revocation under Section 8.1 or due to the change in employment status under Section 8.2, then all shares of Common Stock credited to such Former Participant's Plan Account shall automatically remain therein, subject to the provisions of Article 7 and Section 14.2; and

(b) If such Former Participant's participation in the Plan is terminated due to a termination of employment under Section 8.3, all shares of Common Stock credited to such Former Participant's Plan Account shall automatically be transferred to a shareholder account maintained by the Company's transfer agent for the benefit of the Former Participant. The Company will not be responsible for the payment of any fees related to the maintenance of such Former Participant's individual shareholder account with the transfer agent.

## ARTICLE 9 ADMINISTRATION

### 9.1 *Administration by Administrative Committee.*

(a) The Plan shall be administered and interpreted by the Administrative Committee. Subject to the express provisions of the Plan, the Administrative Committee shall have authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan, all of which determinations shall be final, binding and conclusive.

(b) Neither the Administrative Committee nor the Company will be liable for any act performed in good faith or as required by applicable securities law or for any omission to act made in good faith, including without limitation, any claim of liability arising out of failure to terminate a Participant's Plan Account upon the Participant's death prior to the receipt of notice in writing of such death.

9.2 *Appointment of Administrative Committee.* The Board shall appoint the Administrative Committee to serve at the pleasure of the Board. The Board from time to time may remove members from, or add members to, the Administrative Committee and shall fill all vacancies thereon. The Administrative Committee shall at all times be composed of at least one member.

9.3 *Delegation by Administrative Committee.* Unless prohibited by applicable law or the applicable rules of a stock exchange, the Administrative Committee may delegate all or some of its responsibilities and powers to any one or more of its members. In addition, the Administrative Committee may delegate all or some of its responsibilities and powers to any person or persons it selects. The Administrative Committee may revoke any such delegation at any time.

9.4 *Rule 16b-3 Limitation.* Notwithstanding any provisions of the Plan to the contrary, in the event that Rule 16b-3 provides specific requirements for administrators of plans such as the Plan, the Plan shall only be administered by such body and in such manner as shall comply with the applicable requirements of Rule 16b-3. Unless permitted by Rule 16b-3, no discretion concerning decisions regarding the Plan shall be afforded to any person that is not a "Non-Employee Director" or to the Administrative Committee or any other committee of the

Board that is not composed of "Non-Employee Directors", as such term is defined in Rule 16b-3. Persons who are "affiliates" of the Company (as defined under the Exchange Act) may not acquire or dispose of any shares of Company Stock without prior notification to the Company.

#### **ARTICLE 10 TRANSFERABILITY**

Neither payroll deductions withheld by the Company on behalf of a Participant pending application to the purchase of shares of Common Stock nor any rights with regard to the exercise of an option or to receive shares of Common Stock under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way by such Participant other than by will or the laws of descent and distribution. Any such attempted assignment, transfer, pledge or other disposition shall be of no force and effect.

#### **ARTICLE 11 APPLICATION OF FUNDS**

All payroll deductions of a Participant withheld by the Company under the Plan may be commingled with the general funds and assets of the Company and used by the Company for any corporate purpose, and the Company shall not be obligated to segregate any such payroll deductions.

#### **ARTICLE 12 ADJUSTMENTS UPON CHANGES IN CAPITALIZATION**

12.1 The number of shares of Common Stock covered by each option under the Plan which has not yet been exercised and the number of shares of Common Stock that have been made available for purchase under the Plan but have not yet been placed under option (collectively, the "Reserves"), as well as the price per share of Common Stock covered by each option under the Plan which has not yet been exercised, shall be proportionately adjusted, for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, reorganization, recapitalization, rights offering or any other similar event. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an option.

12.2 In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall be shortened by setting a new Determination Date (the "New Determination Date") and a new Exercise Date (the "New Exercise Date") and shall terminate prior to the consummation of such proposed dissolution or liquidation, unless otherwise provided by the Administrative Committee in its sole discretion. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Administrative Committee shall notify each Participant in writing, at least ten (10) Trading Days prior to the New Exercise Date, (i) that the Determination Date and the Exercise Date for the Participant's option have been changed to the New Determination Date and the New Exercise Date, respectively, and (ii) that the Participant's option shall be exercised automatically on the New Exercise Date unless the Participant has terminated participation in the Plan prior to such date and accumulated payroll deductions withheld by the Company on behalf of such Participant have been returned to such Participant in accordance with the provisions of Article 8.

12.3 In the event of a Change of Control of the Company, the Administrative Committee may take such action as it deems necessary including, without limitation, (i) providing that each outstanding option shall be assumed or an equivalent option substituted by the successor corporation or a parent or subsidiary of such successor corporation, (ii) setting a New Exercise Date and a New Determination Date for the Offering Period then in progress, terminating such Offering Period on such New Exercise Date and terminating the Plan on or at any time after such New Exercise Date, or (iii) making provision for adjusting the Reserves, as well as the price

per share of Common Stock covered by each option under the Plan which has not yet been exercised, in the event of such consolidation or merger. In the event the Administrative Committee elects to set a New Exercise Date and a New Determination Date in accordance with clause (ii) of the preceding sentence, the New Exercise Date shall be before the date of the Company's proposed sale or merger. The Administrative Committee shall notify each Participant in writing, at least ten (10) Trading Days prior to the New Exercise Date, (i) that the Determination Date and the Exercise Date for the Participant's option have been changed to the New Determination Date and the New Exercise Date, respectively, and (ii) that the Participant's option shall be exercised automatically on the New Exercise Date unless the Participant has terminated participation in the Plan prior to such date and accumulated payroll deductions withheld by the Company on behalf of such Participant have been returned to such Participant in accordance with the provisions of Article 8.

### ARTICLE 13 AMENDMENT OR TERMINATION

The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Article 13, no such termination or amendment shall affect options previously granted or adversely affect the rights of any Participant with respect thereto. Without regard to whether any Participant's rights may be considered to have been "adversely affected", the Board may amend the Plan prospectively, among other things, to change the Offering Period, the Grant Date or the Exercise Date, to increase the Exercise Price or limit the frequency and/or number of changes in the amount of payroll deductions withheld during an Offering Period, to change the provisions regarding liability of the Company for payment of any costs, expenses or fees incurred in connection with the administration and maintenance of the Plan, to establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of shares of Common Stock for each Participant properly correspond with payroll deductions withheld from such Participant's compensation, and to establish such other limitations or procedures as the Board determines in its sole discretion to be necessary or advisable and which are consistent with the Plan. In addition, to the extent necessary to comply with any tax or securities law or regulation, the Company shall obtain shareholder approval in such manner and to such degree as so required.

### ARTICLE 14 MISCELLANEOUS

#### 14.1 *Effective Date and Term of Plan.*

The Plan became effective as of January 1, 2002, and the original term of the plan was to expire on January 31, 2005. Prior to the expiration of the Plan, the Board authorized, subject to approval by the Company's shareholders, an amendment to the Plan to extend its term until January 31, 2015, which amendment was approved by the Company's shareholders on April 27, 2005. Accordingly, the Plan shall continue in effect until January 31, 2015, unless earlier terminated in accordance with the provisions of Article 13.

#### 14.2 *Costs.*

The costs, expenses and fees incurred in connection with the purchase of shares of Common Stock under the Plan, the general administration of the Plan and the maintenance of the Plan Accounts with the Custodian will be paid by the Company. Any brokerage fees and associated costs related to a sale by a Participant of shares of Common Stock or a transfer of shares of Common Stock to an individual registered shareholder account maintained by the Company's transfer agent or a general brokerage account for the benefit of such Participant, and any other fees and expenses under the Plan shall be paid by such Participant.

#### 14.3 *Taxes.*

At the time an option to purchase shares of Common Stock is exercised, a Participant must make adequate provision for the Company's federal, state or other tax withholding obligations which arise upon the exercise of

the option. At any time, the Company may withhold from a Participant's compensation or other amounts payable to such Participant the amount necessary for the Company to meet applicable withholding obligations (regardless of whether such person at the time continues to participate or be eligible to participate in the Plan, and regardless of whether or not such person at the time continues to be employed by the Company or any Subsidiary) the amount necessary for the Company to meet applicable withholding obligations.

#### 14.4 *Effect on Employment.*

Participation in the Plan will not impose any obligation upon the Company or any Subsidiary to continue the employment of a Participant for any specific period of time and will not affect the right of the Company or any Subsidiary to terminate a Participant's employment at any time, with or without cause. Any income a Participant may realize as a result of participation in the Plan shall not be considered as a part of such Participant's compensation for the calculation of any other pay, allowance, pension or other benefit unless otherwise required under other benefit plans provided by the Company or its Subsidiaries or required by law or contractual obligation of the Company or its Subsidiaries.

#### 14.5 *Compliance with Law.*

(a) Notwithstanding any other provision of the Plan, options to purchase shares of Common Stock under the Plan shall not be exercisable or exercised, and shares of Common Stock shall not be issued with respect to any such option, unless the exercise of such option and the issuance and delivery of such shares of Common Stock pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Exchange Act, and the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which shares of Common Stock may then be listed.

(b) Without limiting the generality of the foregoing, the terms and conditions of all options granted under the Plan to, and the purchase of all shares of Common Stock by, any Participant subject to Section 16 of the Exchange Act shall comply with the applicable provisions of Rule 16b-3. The Plan and any options thereunder shall be deemed to contain, and the shares issued upon exercise of such options shall be subject to, such additional conditions and restrictions as may be required by Rule 16b-3 to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to transactions under the Plan.

#### 14.6 *Notices.*

All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for receipt thereof. All notices and other communications to any Participant required hereunder shall be made to the address maintained on the Company's payroll records.

#### 14.7 *Governing Law.*

The Plan and any rules and relations relating to the Plan will be governed by, and construed in accordance with, the laws of the State of Georgia without giving effect to principles of conflicts of laws, and applicable Federal law. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974, as amended, and is not intended to qualify as an "Employee Stock Purchase Plan" under Section 423 of the Internal Revenue Code of 1986, as amended, or any successor legislation.

**IN WITNESS WHEREOF**, the Company has caused this Amended and Restated Plan to be executed by its duly authorized officer, this 1<sup>st</sup> day of December, 2004.

**AGL RESOURCES INC.**

/s/ Melanie M. Platt

Senior Vice President

**EXHIBIT A**

**Excluded Subsidiaries**

NONE (All Subsidiaries of the Company are participating as of January 1, 2002)

## ERISA

The ESPP is not, and is not intended to be, an employee benefit plan or tax-qualified retirement plan. The ESPP is not, therefore, subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Code Section 401(a).

## RESALE RESTRICTIONS

Please note that this prospectus covers our offer and sale of ESPP shares. You cannot use this prospectus to cover the subsequent offer or sale by you or your broker of your ESPP shares.

### General

Participants may from time to time sell shares of common stock acquired under the ESPP. However, certain restrictions may apply to your sale depending on whether or not you are considered an "affiliate" or "Section 16 insider" of the company. "Affiliates" generally are defined as persons or entities who control, are controlled by, or are under common control with, a company. "Affiliates" and "Section 16 insiders" typically include directors, executive officers, and principal shareholders and may include a director or an executive officer of the company's subsidiaries if he or she plays a policy-making role at the parent company level.

### Employees Who Are Not Affiliates or Section 16 Insiders

If you are not an affiliate or Section 16 insider of the company, you may offer and sell your ESPP shares freely and without restriction.

### Employees Who Are Affiliates or Section 16 Insiders

If you are an affiliate of the company, you are subject to certain rules and restrictions on the transfer or sale of your ESPP shares. You may offer and sell your ESPP shares only if your offer and sale is in compliance with all of the provisions of Rule 144 under the Securities Act of 1933, which we refer to as the "Securities Act," other than the holding period requirement, or under a separate registration for the sale of the shares or in a privately negotiated transaction.

In addition, if you are considered a Section 16 insider of the company, you are subject to certain reporting requirements and liability under Section 16 of the Securities Exchange Act of 1934, which we refer to as the "Exchange Act." Because of the way the ESPP is structured and operated, purchases of ESPP shares stock will not count as "purchase" transactions for purposes of Section 16(b) of the Exchange Act and therefore will not be matched against sales made within six months before or after such purchases. However, when a Section 16 insider sells ESPP shares, such sale will be matched, for purposes of the "short-swing profits" provisions of Section 16(b) and reportable.

## STATUS OF FUNDS PENDING INVESTMENT

Interest will not be paid on any amounts held by the company or custodian pending investment.

In addition, amounts held by the company pending investment may be commingled with the general assets and funds of the company and used by the company for any corporate purpose. This means that funds that are pending investment are subject to the claims of the company's creditors and that as a participant, you would have no rights to the assets of the company or the ESPP other than as a general unsecured creditor.

## FEDERAL INCOME TAX CONSEQUENCES

The ESPP is not intended to qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code of 1986, as amended, or the Code.

The following discussion is a summary of the federal income tax provisions relating to participation in the ESPP. State and local tax treatment may vary from federal income tax treatment and are not discussed in this summary. In any event, you should rely upon your own tax advisor about your particular transactions.

### Taxation of Employee Contributions

Your ESPP payroll contributions are made on an after tax basis by payroll deduction and are included in your gross income for federal income tax purposes in the year in which such amounts would otherwise have been received.

### Taxation Upon Receipt of Shares

At the end of each quarterly offering period, your contributions will be used to purchase company stock at a 15% discount. This 15% discount is considered taxable income. This means that after each quarterly purchase, you will have taxable income equal to the discount from the purchase price multiplied by the number of shares purchased. This income is subject to federal and state income tax withholding, as well as the employee portion of social security (FICA) and Medicare taxes. The income that you recognize will be reported on your paycheck that you receive shortly after the quarterly purchase, and the taxes will be deducted from the same paycheck.

Example

**Facts:** For a given offering period, assume that

- you elect to contribute \$25 per pay period for a total quarterly payroll contribution of \$150 (\$25 x six pay periods), and
- the per share purchase price of the shares is \$36.00, and
- the discount is 15% of the purchase price, which means that with the 15% discount you paid \$30.60 per share.

**Results:** For each share purchased, you will recognize taxable income equal to the difference between the purchase price and the discounted purchase price you paid, or \$5.40 per share.

$$\$36.00 \text{ minus } \$30.60 = \$5.40 \text{ per share}$$

**Results:** To calculate your total taxable income, you should multiply the total number of shares purchased by the amount of taxable income per share.

$$\$150 / \$30.60 = 4.902 \text{ shares} \times \$5.40 \text{ per share} = \$26.47 \text{ in taxable income}$$

### Taxation of Dividends

All dividends that are paid on your ESPP shares will automatically be reinvested and used to purchase additional shares of AGL stock. These dividends will be treated as ordinary income. At the end of each tax year, the ESPP administrator will provide you with a Form 1099-DIV that reports the dollar value of dividends paid to you and credited to your account for reinvestment.

## Withholding

As noted above, you will be subject to withholding and will owe federal, state or other tax withholding obligations, if any, that arise in connection with your purchases under the ESPP.

## Taxation Upon Disposition of Shares

If you sell or otherwise dispose (other than by transfer at death) of shares acquired under the ESPP, any profit that you realize in excess of the fair market value purchase price (the full price) will be taxed as capital gain, and any loss realized from the fair market value purchase price of the shares will be a capital loss. The capital gain or loss may be treated as "long-term" capital gain or loss if you have held the shares for at least one year before the sale or transfer. At the end of the tax year after your sale, the ESPP administrator will provide you with a Form 1099-B that reports the date and gross proceeds from your sale.

<b>Example</b>	<b>Facts:</b> For a given offering period, assume that
	<ul style="list-style-type: none"><li>• you elected to contribute \$25 per pay period for a total quarterly payroll contribution of \$150 (\$25 x six pay periods), and</li><li>• the per share purchase price of the shares was \$36.00, and with the 15% discount, you paid \$30.60 per share, and</li><li>• 4.902 shares were purchased for your account</li></ul>
	<b>Results:</b> If you sell those 4.902 shares for \$37.50 per share, you will realize
	<b>Gross proceeds of \$183.83 (which will be reported on the Form 1099-B)</b>
	$4.902 \text{ shares} \times \$37.50 = \$183.83$
	<b>A total profit of \$7.35 (which you should report on your Schedule D)</b>
$\$37.50 \text{ minus } \$36.00 = \$1.50 \times 4.902 \text{ shares} = \$7.35$	

## Tax Deduction for Company

The company is entitled to a deduction equal to your ESPP payroll contributions, together with income that you recognize as a result of the discount.

## Limitation of Information

The above discussion is not a complete discussion of all federal income tax aspects of the ESPP. Some of the provisions contained in the Code have only been summarized, and additional qualifications and refinements may be contained in regulations which will be issued in the future by the Internal Revenue Service. Furthermore, subsequent legislative changes or changes in administrative or judicial interpretation could alter significantly the tax treatment discussed herein. As noted above, state and local tax treatment are not discussed in this summary.

*You should consult your own tax advisor about the tax consequences of participation in the ESPP and disposition of shares acquired under the ESPP.*

## WHERE YOU CAN FIND MORE INFORMATION ABOUT THE COMPANY

We file annual, quarterly and current reports, proxy statements, and other information with the SEC. This information is available on the Internet at the SEC's website at <http://www.sec.gov>. You also may read and copy any document we file with the SEC at the SEC's public reference rooms at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549; or Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. You also can inspect the reports and other information that we file with the SEC at the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We have filed a registration statement with the SEC under the Securities Act that registers the offer and sale of the common stock offered under the ESPP. For further information about us and our common stock, you should refer to the registration statement and its exhibits. You also should review the full text of the ESPP, which we have included in this prospectus.

The SEC allows us to "incorporate by reference" into this prospectus certain information that we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the SEC will automatically update and supersede the information contained in this prospectus.

We incorporate by reference into this prospectus the documents listed below, as of the date of their filing:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2004.
- All other reports filed by us under Section 13(a) or 15(d) of the Exchange Act since December 31, 2004.
- The description of our common stock as contained in Item 4 of our Registration Statement on Form 8-B, filed with the SEC on January 17, 1996, including all amendments or reports filed for the purpose of updating such description.

We also incorporate by reference into this prospectus all additional documents filed by us under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date of this prospectus and prior to the filing of a post-effective amendment to the respective registration statements which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold.

You should rely only on the information incorporated by reference or provided in this prospectus or any appendix or supplement. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus is accurate as of any later date.

You may request a copy of our latest annual report to shareholders and any of the documents incorporated by reference in this prospectus, at no cost, by writing or calling us at the following address and telephone number:

Investor Relations  
AGL Resources Inc.  
Location 1071  
Ten Peachtree Place  
Atlanta, Georgia 30309  
Telephone: (404) 584-3192

In addition, we will deliver to all participants in the ESPP who do not otherwise receive such material, copies of all reports, proxy statements, and other communications that we distribute to our shareholders generally.

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**AGL RESOURCES INC.  
AMENDED AND RESTATED  
EMPLOYEE STOCK PURCHASE  
PLAN**

**Common Stock**

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**PROSPECTUS**

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**October 1, 2005**

