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Cost of goods sold	38	55	149	162
Operation and maintenance (1)	20	27	75	82
Depreciation and amortization (2)	-	4	5	14
Taxes other than income taxes	1	2	5	5
Loss on sale and goodwill impairment (3)	5	-	28	-
Total operating expenses	64	88	262	263
Operating (loss) income	(2)	1	(19)	1
(Loss) income before income taxes	(2)	1	(19)	1
Income tax expense (4)	(29)	-	(61)	-
(Loss) Income from discontinued operations, net of tax	$(31)	$1	$(80)	$1

(1) Includes $1 million for the three and nine months ended September 30, 2014, for another business not related to Tropical Shipping that we discontinued in the third quarter of 2014 and was included in our “other” segment.

(2) We ceased depreciating and amortizing Tropical Shipping’s assets on April 4, 2014, as a result of entering into an agreement to sell this business and the assets were classified as held for sale.

(3) Primarily relates to the suspension of depreciation and amortization for the nine months ended September 30, 2014 of $7 million and $19 million of goodwill attributable to Tropical Shipping that was impaired as of March 31, 2014, based on the negotiated sales price.

(4) Includes $31 million and $29 million that were recorded in the first and third quarters of 2014, respectively, related to the cumulative foreign earnings for which no tax liabilities had been previously recorded.

Note 13 - Revision to Prior Period Financial Statements

In October 2014, we identified an accounting issue in our revenue recognition related to certain of our regulatory infrastructure programs. Historically, our regulatory accounting models used to record revenues under these programs did not differentiate between allowable costs based on what the regulator has approved compared to an incurred cost that would otherwise be charged to expense under the accounting literature. Specifically, Accounting Standards Codification (ASC) 980 - Regulated Operations prohibits capitalizing allowed, but not incurred, costs such as shareholder return, even if allowed by a respective state regulatory body. Shareholder returns and other allowed, but not incurred, costs can generally only be recognized in earnings when they are collected through rates. This change is only applicable to our distribution operations segment and primarily affects our operating revenues, operation and maintenance expense, depreciation and amortization, interest expense and income tax expense amounts.

The adjustments impacted each year since 1998. The cumulative decrease to January 1, 2013 retained earnings as a result of the adjustments was $45 million. This adjustment resulted in a decrease to net income of $4 million and $13 million for the three and nine months ended September 30, 2013, respectively. These amounts will be recognized in future periods, when collected through rates from customers.

Additionally, we recorded other adjustments that we identified for prior periods that were included for completeness. The most significant of these include the intangible asset amortization. We have determined that our use of the straight-line method of amortizing our customer relationships and trade names was not applied consistent with the requirements of ASC 350 Intangibles-Goodwill and Other (ASC 350). ASC 350 requires that an intangible asset be amortized over its useful life in a manner to reflect the pattern in which the economic benefits of the intangible assets are consumed. The impact for this adjustment was an increase in depreciation and amortization expense of $1 million and $3 million for the three and nine months ended September 30, 2013, respectively. These amounts were generally offset within our unaudited Condensed Consolidated Statements of Income by the previously discussed adjustments related to our regulatory infrastructure programs for the deferral of depreciation expenses. Additionally, these adjustments resulted in a decrease to intangible assets, net of $8 million as of September 30, 2013. We have determined that we should be utilizing the undiscounted cash flows as a basis to amortize these assets. Other previously identified immaterial uncorrected amounts are reflected in the revised amounts.

We assessed the materiality of these issues on our prior period financial statements and concluded they were not material to any prior annual or interim periods; however, the cumulative impact would have been material to the interim period ended September 30, 2014, if adjusted in 2014. As a result, in accordance with accounting standards, we revised our prior period financial statements as described below to correct for these adjustments. The revision had no effect on reported cash flows. The following tables present the effects of the revisions to our unaudited Condensed Consolidated Statements of Income, unaudited Condensed Consolidated Statements of Financial Position and unaudited Condensed Consolidated Statements of Cash Flows for the following interim periods:

	For the three months ended September 30, 2013			For the nine months ended September 30, 2013		
In millions, except per share amounts	As filed (1)	Adjustment	Revised	As filed (1)	Adjustment	Revised
Operating revenues	$586	$(12)	$574	$3,024	$(33)	$2,991
Operating expenses						
Cost of goods sold	174	-	174	1,447	-	1,447
Operation and maintenance	199	-	199	636	(2)	634
Depreciation and amortization	105	(1)	104	311	(2)	309
Taxes other than income taxes	27	-	27	139	-	139

Total operating expenses	505	(1)	504	2,533	(4)	2,529
Gain on disposition of assets	-	-	-	11	-	11
Operating income	81	(11)	70	502	(29)	473
Other income	7	-	7	19	(1)	18
Interest expense, net	(43)	6	(37)	(135)	9	(126)
Income before income taxes	45	(5)	40	386	(21)	365
Income tax expense	18	(2)	16	145	(8)	137
Income from continuing operations	27	(3)	24	241	(13)	228
Income from discontinued operations	1	-	1	1	-	1
Net income	28	(3)	25	242	(13)	229
Less net income attributable to the noncontrolling interest	-	-	-	11	-	11
Net income attributable to AGL Resources Inc.	$28	$(3)	$25	$231	$(13)	$218
Per common share information						
Basic earnings per common share (2)						
Continuing operations	$0.23	$(0.03)	$0.20	$1.95	$(0.10)	$1.85
Discontinued operations	0.01	-	0.01	0.01	-	0.01
Basic earnings per common share attributable to AGL Resources Inc. common shareholders	$0.24	$(0.03)	$0.21	$1.96	$(0.10)	$1.86
Diluted earnings per common share (2)						
Continuing operations	$0.23	$(0.03)	$0.20	$1.95	$(0.11)	$1.84
Discontinued operations	0.01	-	0.01	0.01	-	0.01
Diluted earnings per common share attributable to AGL Resources Inc. common shareholders	$0.24	$(0.03)	$0.21	$1.96	$(0.11)	$1.85

(1) Reflects the reclassification of the Tropical Shipping amounts as discontinued operations.

(2) Excludes net income attributable to the noncontrolling interest.

In millions	As of September 30, 2013 As filed (1)	Revised
Current assets		
Regulatory assets	$133	$87
Total current assets	2,091	2,252
Long-term assets and other deferred debits		
Property, plant and equipment	10,920	10,761
Less accumulated depreciation	2,307	2,281
Property, plant and equipment, net	8,613	8,480
Regulatory assets	871	845
Intangible assets	160	152
Other	251	259
Total long-term assets and other deferred debits	11,813	11,558
Total assets	$13,904	$13,810
Current liabilities		
Accrued expenses	$157	$149
Total current liabilities	2,407	2,407
Long-term liabilities and other deferred credits		
Accumulated deferred income taxes	1,587	1,551
Total long-term liabilities and other deferred credits	7,934	7,897
Total liabilities and other deferred credits	$10,341	$10,304
Equity		
Additional paid-in capital	$2,046	$2,047
Retained earnings	1,100	1,042
Total equity	3,563	3,506
Total liabilities and equity	$13,904	$13,810

(1) Reflects the reclassification of the Tropical Shipping amounts as held for sale.

In millions	For the nine months ended September 30, 2013 As filed (1)	Adjustment	Revised
Cash flows from operating activities			
Net income	$ 242	$ (13)	$ 229
Adjustments to reconcile net income to net cash flow provided by operating activities			
Depreciation and amortization	311	(2)	309
Deferred income taxes	(28)	(4)	(32)
Changes to certain assets and liabilities			
Other, net	63	19	82
Net cash flow provided by operating activities	$ 1,070	-	$ 1,070

(1) Reflects the reclassification of the Tropical Shipping amounts as discontinued operations.

Revision to Previously Reported Intangible Assets Disclosures As discussed above, the adjustment of our intangible asset amortization affects our customer relationships and trade names. The revisions to our previously reported intangible assets and accumulated amortization in our Original Filing within the unaudited Condensed Consolidated

Statements of Financial Position are presented in the following table.

	September 30, 2013		
In millions	Gross	Accumulated amortization	Net
Customer relationships			
Retail operations as reported	$131	$ (12)	$119
Adjustments	-	(9)	(9)
Revised total	$131	$ (21)	$110
Trade names			
Retail operations as reported	$46	$ (5)	$41
Adjustments	-	1	1
Revised total	$46	$ (4)	$42

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ITEM 4. CONTROLS AND PROCEDURES.

(a) Evaluation of disclosure controls and procedures. Under the supervision of and with the participation of our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act), as of September 30, 2014, the end of the period covered by this report. Based on their evaluation, our principal executive officer and our principal financial officer have concluded that our disclosure controls and procedures were not effective as of September 30, 2014 because of the material weakness in our internal control over financial reporting described below.

Material Weakness in Internal Control Over Financial Reporting

In connection with the preparation of our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q/A, we concluded that there was a material weakness in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We did not maintain effective controls to appropriately apply the accounting guidance related to the recognition of allowed versus incurred costs. Specifically, the Company did not have controls to address the recognition of allowed versus incurred costs, primarily related to an allowed equity return, applied to the accounting for our regulated infrastructure programs and related disclosures that operated at a level of precision to prevent or detect potential material misstatements to the Company's consolidated financial statements. This control deficiency could result in misstatements of the aforementioned accounts and disclosures that would result in a material misstatement of the consolidated financial statements that would not be prevented or detected. Accordingly, our management has concluded that the deficiency constitutes a material weakness.

As a result of the material weakness described above, the Company has revised its consolidated financial statements for the years ended December 31, 2013, 2012 and 2011, for each of the quarterly periods during the year ended December 31, 2013, and for the quarters ended March 31, 2014 and June 30, 2014.

Remediation Plan

We are committed to remediating the material weakness by implementing changes to our internal control over financial reporting. We have already implemented additional procedures to address the underlying causes of the material weakness prior to filing this quarterly report on Form 10-Q, and we will continue to implement changes and improvements in the internal control over financial reporting to remediate the control deficiency that caused the material weakness. The following actions have been, are being, or are planned to be implemented:

- Reviewed all existing regulatory programs to ensure the proper evaluation of deferral components and proper treatment of allowed versus incurred costs pursuant to the accounting guidance. This review was completed prior to the issuance of revised consolidated financial statements.
- Complete training for all appropriate personnel regarding the applicable accounting guidance and requirements through meetings concurrent with the process to evaluate all infrastructure and other regulated programs.
- Create a process and design controls to capture and calculate allowed versus incurred costs and to record appropriate amounts in the consolidated financial statements. The Company will identify appropriate processes, reviews and other controls to ensure accurate amounts are appropriately reflected in the Company's consolidated financial statements.

- The Company is also considering other improvements and enhancements, including a review of organization structure, reporting relationships and adequacy of staffing levels, among others.

Management is committed to a strong internal control environment and believes that, when fully implemented and tested, the actions described above will remediate the material weakness in our internal control over financial reporting. We will continue to assess the effectiveness of our remediation efforts with our future assessments of the effectiveness of internal control over financial reporting. As we continue to evaluate and work to improve our internal control over financial reporting, management may determine to take additional measures to address the material weakness or determine to modify the remediation plan described above. Until the remediation steps set forth above are fully implemented, the material weakness described above will continue to exist.

(b) Changes in Internal Control over Financial Reporting. There were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 6. Exhibits.

Exhibit Number	Description of Exhibit	Filer	The Filings Referenced for Incorporation by Reference
2	Stock Purchase Agreement by and among Aqua Acquisition Corp., Ottawa Acquisition LLC and Birdsall, Inc.(1)	AGL Resources	November 25, 2014, Form 10-Q/A, Exhibit 2
12	Statement of Computation of Ratio of Earnings to Fixed Charges	AGL Resources	November 7, 2014, Form 10-Q, Exhibit 12
31.1	Certification of John W. Somerhalder II	AGL Resources	Filed herewith
31.2	Certification of Andrew W. Evans	AGL Resources	Filed herewith
32.1	Certification of John W. Somerhalder II	AGL Resources	Filed herewith
32.2	Certification of Andrew W. Evans	AGL Resources	Filed herewith
101.INS	XBRL Instance Document	AGL Resources	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema	AGL Resources	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	AGL Resources	Filed herewith
101.DEF	XBRL Taxonomy Definition Linkbase	AGL Resources	Filed herewith
101.LAB	XBRL Taxonomy Extension Labels Linkbase	AGL Resources	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	AGL Resources	Filed herewith

(1) Portions of this exhibit have been omitted pursuant to a request for confidential treatment with the SEC. The omitted portions have been separately filed with the SEC. This exhibit replaces and supercedes in its entirety the Stock Purchase Agreement filed on July 30, 2014 with our Form 10-Q for the quarter ended June 30, 2014.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AGL RESOURCES INC.
(Registrant)

Date: November 25, 2014 /s/ Andrew W. Evans
Executive Vice President and Chief Financial Officer