

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

August 17, 2006

T.R.A. Docket # 06-00175

IN RE:

**PETITION OF CHATTANOOGA GAS)
COMPANY FOR APPROVAL OF)
ADJUSTMENT OF ITS RATES AND)
CHARGES, COMPREHENSIVE RATE)
DESIGN PROPOSAL, AND REVISED TARIFF)**

Docket No. 06-00175

**CHATTANOOGA GAS COMPANY'S OBJECTIONS TO
DISCOVERY REQUESTS**

Pursuant to the July 27, 2006 Order Suspending Tariffs, Granting Motions to Intervene and Establishing a Procedural Schedule, Chattanooga Gas Company ("CGC" or "Company") files these Objections to the First Discovery Requests of the Consumer Advocate and Protection Division ("CAPD"), the Chattanooga Manufacturers Association ("CMA"), and the Tennessee Regulatory Authority ("TRA") Staff. Further, CGC, the CAPD, and the CMA have filed a Joint Proposed Procedural Schedule pursuant to the Hearing Officer's August 4, 2006 Notice allowing the parties to file an alternative procedural schedule. CGC respectfully requests that the Hearing Officer consider scheduling a status conference to address these objections if necessary on August 23, 2006, either before or after the TRA Conference Agenda, as set forth in the parties' Joint Proposed Procedural Schedule.

To assist the Hearing Officer in evaluating this matter, CGC is setting forth its objections in two parts. Part I sets forth the general objections applicable to CGC's discovery responses. Part II sets forth objections to specific discovery requests

propounded by the CAPD, the CMA, and TRA Staff based on the category of information requested.

I. GENERAL OBJECTIONS

CGC objects generally to any definitions or instructions to the extent that they are inconsistent with and request information that is beyond the scope of the Tennessee Rules of Civil Procedure, and CGC will respond consistent therewith. CGC further objects to these discovery requests to the extent they seek information that is beyond the scope of legitimate discovery in this rate case or subject to the attorney-client privilege or attorney work product doctrine. These objections are continuing and are incorporated by reference in response to all discovery requests to the extent applicable. The statement of the following additional objections to specific discovery requests shall not constitute a waiver of these General Objections.

Additionally, CGC objects to the scope of the terms “identity” and “identify” as used by the CAPD. In particular, CGC objects to providing the date of birth, the current residential address, and the current residential telephone number of persons to be identified on the grounds that the scope of information requested is overly broad and not calculated to lead to the discovery of admissible evidence. CGC further objects to the CAPD’s instructions to produce the “original” of “each copy” of each document requested on the grounds that the request is unduly burdensome and overly broad. CGC intends to provide copies of original documents as available.

II. OBJECTIONS TO SPECIFIC DISCOVERY REQUESTS

A. Questions Relating to CGC's Capacity Assets and Asset Management of its Capacity Assets

CAPD 37, 82-88

CMA 3

Objection: These questions relate to Chattanooga Gas Company's ("CGC") capacity assets and its asset manager's management of its capacity assets, neither of which impact base rates, the revenue requirement, or any rate design issues included in this rate case. Rather, all costs associated with capacity assets, as well as all revenues from CGC's asset manager's management of the capacity assets, are reviewed in the annual Actual Cost Adjustment ("ACA") audit pursuant to the Purchased Gas Adjustment ("PGA") Rule, and thus are not relevant to determinations to be made in this docket. Accordingly, CGC objects to the requests as not reasonably calculated to lead to the discovery of admissible evidence, overly broad and unduly burdensome, and seeking confidential, proprietary or trade secret information.

Further, in the Joint Proposed Procedural Schedule (filed as authorized by the Hearing Officer as an alternative to the Hearing Officer's Procedural Schedule), CGC agreed to a Phase II to address its proposed Energy Conservation Plan ("ECP") and Conservation Usage Adjustment ("CUA"). At this time, however, the CAPD and the CMA have not specifically identified the other issues that they intend to raise during the Phase II hearing, and pursuant to the Joint Proposed Procedural Schedule, CGC has retained the right to object to issues raised by the CAPD or the CMA in part as being beyond the scope of a traditional rate case. Regarding Phase II, CGC submits that the

issues to be addressed in Phase II must be determined before CGC can determine whether these questions are appropriate for Phase II discovery.

B. Information Relating to CGC's Affiliates

CAPD 19

Staff 38, 43

Objection: CGC objects to these questions to the extent they seek information relating to CGC's affiliates other than AGL Services Company. Specifically, Staff 38 requests information related to hurricane costs booked by CGC's affiliates, Staff 43 seeks information relating to prior period adjustments booked by CGC's affiliates, and CAPD 19 requests plant in service and depreciation information for Atlanta Gas Light Company ("AGLC"). CGC will provide the information requested in Staff 38 and 43 for AGL Services Company, but the information relating to CGC's other affiliates, as well as the information requested for AGLC in CAPD 19, is related to costs that are not allocated to CGC and do not impact CGC's costs included in the rate case. Accordingly, CGC objects to these requests as not reasonably calculated to lead to the discovery of admissible evidence, overly broad and unduly burdensome, and seeking confidential, proprietary or trade secret information insofar as they relate to CGC's affiliates other than AGL Services Company.

C. Questions Relating to CGC's CUA/ECP

CAPD 43, 44, 45, 46, 48

Staff 8, 9, 11, 12, 15, 17, 18, 19

Objection: These questions seek information specifically relating to CGC's proposed CUA and ECP. Pursuant to the Procedural Schedule issued in this docket (and the Joint Proposed Procedural Schedule filed as an alternative schedule as authorized by the Hearing Officer), these programs will be addressed in Phase II of the case, and as such, discovery on these issues should be postponed until Phase II discovery.

D. Copyright Issues

CAPD 24

Objection: This question seeks information protected by copyright, which Dr. Morin cannot provide in excel.

E. Documents and Information Relating to Discovery and Testimony

CAPD 4, CAPD 7(f), CAPD 8 and CAPD 107-109

Objection: These questions seek all documents referred to or relied upon when responding to discovery (CAPD 4), all documents or things "shown to, delivered to, received from, relied upon, or prepared by any expert witness" related to the testimony of the witness *even if they are not "supportive of such testimony"* (CAPD 7(f)), "all material provided to, reviewed by, used or produced by . . . including all workpapers, reference sources, financial information, discovery responses, e-mails and other materials" (CAPD 8), all facts relied upon to support CGC's contentions (CAPD 107), and all persons who

have knowledge of the facts relied upon by CGC (CAPD 108). In addition, CAPD 109 seeks facts, documents and names of people relating to CGC's response to any request for admission which is not admitted. CGC objects to these requests as not reasonably calculated to lead to the discovery of admissible evidence, overly broad and unduly burdensome, vague and ambiguous, and seeking privileged, confidential, proprietary or trade secret information. CGC has provided testimony supporting its request in this case, including all work papers supporting testimony, all documents and information requested in the minimum filing guidelines, and will provide discovery responses with the exception of those requests to which it is objecting. To the extent the CAPD is seeking additional information, it should request the specific information it seeks from CGC. In addition, CGC will provide the information requested in 109(b) relating to providing the correct information for any information it contends is inaccurate. To the extent the CAPD requires additional information after CGC responds, it should request the specific information it seeks from CGC.

F. Information Relating to Prior Testimony

CAPD 7(d)

Objection: CGC objects to this question as not reasonably calculated to lead to the discovery of admissible evidence, overly broad and unduly burdensome and seeking information in the public domain. Without waiving these objections, each of the witnesses has or will produce a list identifying generally the matters in which they have testified before other utility commissions.

G. Information Relating to Witness Articles, Journals, Books or Speeches

CAPD 9

Objection: CGC objects to this question as not reasonably calculated to lead to the discovery of admissible evidence, overly broad and unduly burdensome, vague and ambiguous and seeking information in the public domain. Without waiving these objections, if the CAPD has a particular item it would like to request, CGC will attempt to make it available. However, it should be noted that certain materials, such as books published by the witnesses, will not be produced in full without charge.

Respectfully submitted,

FARMER & LUNA, PLLC

By: 

J.W. Luna, Esq. (BPR 5780)

Jennifer L. Brundige, Esq. (BPR 20673)

333 Union Street, Suite 300

Nashville, TN 37201

(615) 254-9146

Attorneys for Chattanooga Gas Company

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of August 2006, a true and correct copy of the foregoing Petition was served on the persons below by U.S. Mail:

Richard Collier
General Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-00505

Darlene Standley
Utilities Division Chief
Tennessee Regulatory Division
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Cynthia Kinser, Deputy
Timothy Phillips
Vance Bromel
Consumer Advocate and Protection Division
Office of Attorney General
2nd Floor
425 5th Avenue North
Nashville, TN 37243-0491

David C. Higney
Catharine H. Giannasi
Grant, Konvalinka & Harrison, P.C.
Ninth Floor, Republic Center
633 Chestnut Street
Chattanooga, TN 37450-0900

Henry M. Walker
Boult, Cummings, Connors, & Berry, PLC
1600 Division Street, Suite 700
Nashville, TN 37203


