LUNA LAW GROUP

ATTORNEYS AT LAW

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February 16, 2010

VIA HAND DELIVERY

Chairman Sara Kyle
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-00505

Re: Docket No. 09-00183

Dear Chairman Kyle:

Chattanooga Gas Company ("CGC") is filing in the above referenced docket one copy of its responses to nos. 92, 150, 159, 190, 191, and 192 of the first set of discovery requests propounded by the Consumer Advocate and Protection Division ("CAPD") of the Office of Attorney General. As noted in the filing, discovery request nos. 149, 185, and 189 have been withdrawn by agreement.

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Jennifer L. Brundige

Jennifer L. Brundige

Enclosures

cc: Gary Hotvedt, Esq.
Pat Murphy
Cynthia Kinser, Esq.
C. Scott Jackson, Esq.
Ryan McGehee, Esq.
T. Jay Warner, Esq.
Henry M. Walker, Esq.
Elizabeth Wade, Esq.
Archie Hickerson

DISCOVERY REQUEST NO. 92:

Provide the annual sales volumes by customer class for Chattanooga Gas Company (subsidiary only) for the fiscal years 1999 through 2009. Include in your response all supporting source documentation, work papers, and calculations.

Response:

Please see Attachment 191-1 for yearly therm usage data from 2000 projected through 2011. Data is not available in the format requested prior to 2000.

DISCOVERY REQUEST NO. 149:

State the amount of base revenue increase or decrease authorized by the TRA for any rate increase or decrease implemented in 2004, 2005, 2006, 2007, 2008 and 2009. For each rate change state the date the rate change was implemented by the Company, the return on equity and overall rate of return allowed by the TRA, the capital structure used to develop the allowed rate of return, and state the test year associated with the rate change.

Response:

By agreement, the CAPD has withdrawn this request; thus, no response is required.

DISCOVERY REQUEST NO. 150:

Please provide supporting workpapers and source documents for each of the following Exhibits: MHS-1, MHS-2, MHS-3, MHS-4, MHS-5, MHS-6, and MHS-7. Provide any associated documentation for the information provided in response to this request and explain all assumptions used. Provide workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data does not exist in the exact format requested, please provide it in the format in which it is available and explain why it is not available in the format requested.

Response:

Please see CAPD Discovery request 1 for copies of the above referenced exhibits in electronic format. For Exhibits MHS-1, MHS-2, and MHS-6, please reference MFG-25 for source data. Attachment 150-1 contains workpapers for Exhibits MHS-3 and MHS-4. There are no workpapers associated with Exhibit MHS-5 as they are screenprints from Forecast Pro XE 5, the statistical forecasting software package used to obtain the regressions. Please see Attachement 150-2 for workpapers associated with Exhibit MHS-7.

Chattanooga Gas

Weather Normalized Usage

	Meter Reading Days	Sales Degree Days at 65 degrees	Sales Degree Days per Meter Reading Day	Residential R-1 Customers	Commercial Customers	Residential Volumes in Therms	Commercial Volumes in Therms	Normal Meter Reading Days	Normal Weather	Residential						Commercial					
										upc	normal baseload	heatload	HSF	normal heatload	normalized usage	upc	normal baseload	heatload	HSF	normal heatload	normalized usage
Jan-00	33.2	618	18.614458	49,182	8,033	6,659,847	5,710,779	31.2	726	135.412	18.372	117.041	0.189	137.494	155.866	710.9148	204.4021	506.5127	0.820	595.029	799.432
Feb-00	28.6	698	24.405594	49,447	8,110	7,799,766	6,690,624	29.4	685	157.740	17.312	140.428	0.201	137.813	155.125	824.9845	192.6097	632.3748	0.906	620.597	813.207
Mar-00	29.6	340	11.486486	49,026	8,000	4,222,620	4,564,093	30.2	522	86.130	17.783	68.347	0.201	104.934	122.716	570.5117	197.8508	372.6609	1.096	572.144	769.995
Apr-00	31	241	7.774194	49,333	8,160	3,029,977	3,060,958	30.7	279	61.419	18.077	43.342	0.180	50.176	68.253	375.1174	201.1265	173.991	0.722	201.425	402.552
May-00	30.4	101	3.322368	49,917	8,085	1,798,834	2,312,244	29.5	93	36.036	17.371	18.666	0.185	17.187	34.558	285.9919	193.2648	92.72704	0.918	85.382	278.647
Jun-00	30.9	1	0.032362	48,259	7,829	915,360	1,820,658	30.9	13	18.968	18.968				18.968	232.5531	232.5531				232.553
Jul-00	31.9	0	0	45,452	7,469	700,609	1,174,940	30.5	0	15.414	15.414				15.414	157.3088	157.3088				157.309
Aug-00	29.7	0	0	45,552	7,281	590,349	1,307,319	31.1	0	12.960	12.960				12.960	179.5521	179.5521				179.552
Sep-00	31.8	1	0.031447	47,876	7,695	786,420	1,562,971	30.5	1	16.426	16.426				16.426	203.1151	203.1151				203.115
Oct-00	29.5	74	2.508475	48,274	7,727	1,293,471	1,816,375	29.7	63	26.794	26.794				26.794	235.0685	235.0685				235.069
Nov-00	29.6	158	5.337838	49,295	7,859	2,324,972	2,170,281	29.8	262	47.164	17.547	29.617	0.187	49.112	66.659	276.1523	195.2302	80.92206	0.512	134.187	329.417
Dec-00	31.1	619	19.903537	49,988	8,076	6,988,358	5,554,663	30.7	529	139.801	18.077	121.724	0.197	104.025	122.103	687.7988	201.1265	486.6723	0.786	415.912	617.039
Jan-01	28.9	969	33.529412	50,522	8,205	10,100,870	8,622,285	31.2	726	199.930	18.170	181.760	0.188	136.179	154.349	1050.857	196.9241	853.9333	0.881	639.789	836.713
Feb-01	30.4	694	22.828947	50,650	8,291	7,339,761	8,082,258	29.4	685	144.911	17.122	127.790	0.184	126.132	143.254	974.823	185.5631	789.2601	1.137	779.025	964.588
Mar-01	31.4	462	14.713376	50,682	8,271	5,075,990	4,748,048	30.2	509	100.154	17.588	82.566	0.179	90.966	108.553	574.060	190.6124	383.4473	0.830	422.456	613.068
Apr-01	30.1	383	12.724252	50,445	8,231	4,318,276	4,270,122	30.7	286	85.604	17.879	67.725	0.177	50.573	68.451	518.785	193.7682	325.0171	0.849	242.702	436.470
May-01	30.9	71	2.297735	49,503	8,055	1,420,560	2,189,088	29.5	98	28.696	17.180	11.516	0.162	15.896	33.076	271.768	186.1942	85.5734	1.205	118.115	304.310
Jun-01	31.9	7	0.219436	48,759	7,894	862,250	1,572,342	30.9	14	17.684	17.684				17.684	199.182	199.1819				199.182
Jul-01	29.8	0	0	48,448	7,794	755,973	1,541,646	30.5	0	15.604	15.604				15.604	197.799	197.7991				197.799
Aug-01	31.9	0	0	47,982	7,731	679,589	1,362,566	31.1	0	14.163	14.163				14.163	176.247	176.247				176.247
Sep-01	29.4	1	0.034014	47,869	7,714	782,890	1,329,774	30.5	1	16.355	16.355				16.355	172.384	172.3845				172.384
Oct-01	29.6	71	2.398649	48,167	7,726	1,207,268	1,680,777	29.7	63	25.064	25.064				25.064	217.548	217.5482				217.548
Nov-01	29.4	235	7.993197	49,342	7,844	2,710,082	2,501,164	29.8	262	54.924	17.355	37.570	0.160	41.886	59.241	318.863	188.0877	130.7755	0.556	145.801	333.889
Dec-01	30.5	299	9.803279	49,918	8,007	3,450,190	3,133,227	30.7	529	69.117	17.879	51.238	0.171	90.652	108.531	391.311	193.7682	197.5427	0.661	349.499	543.267
Jan-02	31.4	702	22.356688	51,159	8,327	7,685,362	5,793,648	31.2	726	150.225	15.927	134.298	0.191	138.889	154.816	695.767	187.1007	508.6659	0.725	526.056	713.157
Feb-02	29.2	538	18.424658	51,332	8,389	6,016,642	5,657,821	29.4	685	117.210	15.008	102.202	0.190	130.127	145.135	674.433	176.3064	498.1269	0.926	634.232	810.539
Mar-02	30.4	531	17.467105	51,447	8,391	6,008,950	5,539,533	30.2	509	116.799	15.417	101.382	0.191	97.182	112.598	660.176	181.1039	479.0717	0.902	459.223	640.327
Apr-02	30.8	269	8.733766	51,117	8,300	3,225,214	3,638,070	30.7	286	63.095	15.672	47.423	0.176	50.420	66.092	438.322	184.1023	254.2195	0.945	270.285	454.388
May-02	29.4	64	2.176871	50,526	8,141	1,503,067	2,022,151	29.5	98	29.748	15.059	14.689	0.230	22.492	37.552	248.391	176.9061	71.48486	1.117	109.461	286.367
Jun-02	30.8	45	1.461039	50,005	8,035	1,015,436	1,705,301	30.9	14	20.307	20.307				20.307	212.234	212.2341				212.234
Jul-02	30.4	0	0	49,701	7,945	728,823	1,337,618	30.5	0	14.664	14.664				14.664	168.360	168.3597				168.360
Aug-02	29.8	0	0	49,349	7,889	617,108	1,263,752	31.1	0	12.505	12.505				12.505	160.192	160.1917				160.192
Sep-02	30.8	0	0	49,275	7,885	656,391	1,394,544	30.5	1	13.321	13.321				13.321	176.860	176.8604				176.860
Oct-02	30.7	12	0.390879	49,600	7,916	845,818	1,558,413	29.7	63	17.053	17.053				17.053	196.869	196.8687				196.869
Nov-02	28.7	187	6.515679	50,724	8,096	2,278,459	2,114,271	29.8	262	44.919	15.213	29.706	0.159	41.620	56.833	261.150	178.7051	82.44491	0.441	115.511	294.216
Dec-02	29.8	582	19.530201	51,523	8,337	6,376,937	4,820,427	30.7	529	123.769	15.672	108.097	0.186	98.253	113.925	578.197	184.1023	394.0946	0.677	358.206	542.309
Jan-03	30.7	705	22.964169	51,902	8,409	7,433,081	5,944,597	31.2	726	143.214	17.268	125.946	0.179	129.698	146.965	706.933	198.5006	508.4321	0.721	523.577	722.077
Feb-03	29.8	833	27.95302	52,128	8,465	9,077,620	7,809,127	29.4	685	174.141	16.271	157.870	0.190	129.821	146.092	922.519	187.0486	735.4708	0.883	604.799	791.848
Mar-03	30.4	582	19.144737	52,129	8,464	5,884,842	5,590,629	30.2	509	112.890	16.714	96.176	0.165	84.113	100.827	660.519	192.1384	468.3802	0.805	409.632	601.770
Apr-03	31.1	273	8.778135	51,494	8,352	2,955,511	3,286,423	30.7	286	57.395	16.991	40.404	0.148	42.328	59.319	393.489	195.3195	198.1699	0.726	207.607	402.926
May-03	30.5	89	2.918033	50,657	8,199	1,637,783	2,338,830	29.5	98	32.331	16.327	16.004	0.180	17.622	33.949	285.258	187.6848	97.57314	1.096	107.440	295.125
Jun-03	30.7	4	0.130293	50,237	8,068	956,628	1,968,451	30.9	14	19.042	19.042				19.042	243.983	243.9826				243.983
Jul-03	30.4	0	0	49,882	7,958	773,570	1,155,842	30.5	0	15.508	15.508				15.508	145.243	145.2428				145.243
Aug-03	29.9	0	0	49,703	7,942	720,602	1,663,057	31.1	0	14.498	14.498				14.498	209.400	209.4002				209.400
Sep-03	30.4	0	0	49,742	7,912	711,954	1,409,755	30.5	1	14.313	14.313				14.313	178.179	178.1793				178.179
Oct-03	30.4	51	1.677632	50,514	7,988	1,043,222	1,509,545	29.7	63	20.652	20.652				20.652	188.977	188.9766				188.977
Nov-03	29.4	137	4.659864	51,431	8,174	1,750,394	2,074,845	29.8	262	34.034	16.493	17.541	0.128	33.546	50.038	253.835	189.5935	64.24125	0.469	122.856	312.449
Dec-03	31.3	452	14.440895	52,100	8,369	4,864,513	3,674,973	30.7	529	93.369	16.991	76.378	0.169	89.389	106.380	439.117	195.3195	243.7979	0.539	285.330	480.649
Jan-04	30.5	735	24.098361	52,517	8,486	7,727,816	6,247,130	31.2	726	147.149	16.332	130.817	0.178	129.215	145.547	736.169	191.2573	544.9118	0.741	538.239	729.497
Feb-04	30.6	785	25.653595	52,766	8,542	8,432,514	7,171,665	29.4	685	159.810	15.390	144.420	0.184	126.022	141.412	839.577	180.2232	659.3536	0.840	575.360	755.583
Mar-04	29.7	565	19.023569	52,733	8,528	6,317,044	5,886,406	30.2	522	119.793	15.809	103.984	0.184	96.070	111.879	690.245	185.1272	505.1174	0.894	466.675	651.802
Apr-04	29.7	297	10	52,367	8,456	3,265,725	3,341,548	30.7	279	62.362	16.071	46.292	0.156	43.486	59.557	395.169	188.1922	206.9766	0.697	194.433	382.625
May-04	30.2	140	4.635762	51,696	8,338	1,834,718	2,311,604	29.5	93	35.491	15.442	20.048	0.143	13.318	28.760	277.237	180.8362	96.40108	0.689	64.038	244.874
Jun-04	30.4	17	0.559211	51,076	8,191	921,189	1,583,262	30.9	13	18.036	18.036				18.036	193.293	193.2929				193.293
Jul-04	30.6	0	0	50,800	8,113	768,935	1,478,186	30.5	0	15.137	15.137				15.137	182.200	182.1996				182.200
Aug-04	30	0	0	50,715	8,048	714,301	1,453,885	31.1	0	14.085	14.085				14.085	180.652	180.6517				180.652
Sep-04	31	0	0	50,723	8,038	750,220	1,453,942	30.5	1	14.791	14.791				14.791	180.884	180.8836				180.884
Oct-04	28.3	7	0.24735	51,056	8,052	849,075	1,484,122	29.7	63	16.630	16.630				16.630	184.317	184.3172				184.317
Nov-04	29.7	71	2.390572	51,926	8,188	1,278,203	1,651,433	29.8	262	24.616	15.599	9.016	0.127	33.272	48.871	201.689	182.6752	19.01423	0.268	70.165	252.840
Dec-04	33.4	358	10.718563	52,856	8,414	3,840,132	3,002,649	30.7	529	72.653	16.071	56.582	0.158	83.609	99.679	356.863	188.1922	168.6712	0.471	249.238	437.430
Jan-05	32.9	614	18.662614	53,390	8,560	7,027,889	5,647,670	31.2	726	131.633	16.736	114.897	0.187	135.855	152.591	659.775	186.4517	473.3229	0.771	559.662	746.114
Feb-05	30.5	649	21.278689	53,578	8,584	6,923,121	5,887,902	29.4	685	129.216	15.771	113.445	0.175	119.738	135.509	685.916	175.6948	510.2211	0.786	538.523	714.218
Mar-05	31	529	17.064516	53,554	8,591	6,087,451	5,376,072	30.2	509	113.669	16.200	97.470	0.184	93.784	109.984	625.780	180.4756	445.3039	0.842	428.468	608.944
Apr-05	30.1	422	14.019934	53,238	8,546	4,326,824	4,389,763	30.7	286	81.273	16.468	64.805	0.154	43.920	60.388	513.663	183.4636	330.1992	0.782	223.784	407.248
May-05	29.5	162	5.491525	52,638	8,430	1,987,667	2,305,872	29.5	98	37.761	15.824	21.937	0.135	13.270	29.095	273.532	176.2924	97.23924	0.600	58.824	235.116
Jun-05	30.8	58	1.883117	51,965	8,265	1,275,865	1,873,171	30.9	14	24.552	24.552				24.552	226.639	226.639				226.639
Jul-05	30.8	1	0.032468	51,686	8,199	759,831	1,382,209	30.5	0	14.701	14.701				14.701	168.583	168.5826				168.583
Aug-05	29.4	0	0	51,586	8,165	722,629	1,391,426	31.1	0	14.008	14.008				14.008	170.413	170.4135				170.413
Sep-05	30.7	0	0	51,604	8,141	709,823	1,399,300	30.5	1	13.755	13.755				13.755	171.883	171.8831				171.883
Oct-05	30.4	3.571428571	0.117481	51,695	8,151	753,341	1,397,356	29.7	63	14.573	14.573				14.573	171.434	171.4337				171.434
Nov-05	30.7	172.8571429	5.630526	52,474	8,271	1,844,211	2,019,227	29.8	262	35.145	15.985	19.160	0.111	29.041	45.026	244.133	178.0852	66.04812	0.382	100.109	278.195
Dec-05	31.7	549.5714286	17.336638	53,383	8,533	5,475,347	4,240,916	30.7	529	102.567	16.468	86.099	0.157	82.876	99.344	497.002	183.4636	313.5381	0.571	301.802	485.265

Chattanooga Gas
Weather Normalized Usage

	Meter Reading Days	Sales Degree Days at 65 degrees	Sales Degree Days per Meter Reading Day	Residential R-1 Customers	Commercial Customers	Residential Volumes in Therms	Commercial Volumes in Therms	Normal Meter Reading Days	Normal Weather
Jan-06	32.1	727.2380952	22.655392	53,654	8,597	7,135,325	6,332,127	31.2	726
Feb-06	32	631.3333333	19.729167	53,769	8,606	6,197,890	5,598,553	29.4	685
Mar-06	30.9	537.5714286	17.397134	53,738	8,575	5,661,692	5,455,007	30.2	509
Apr-06	31.9	292.7142857	9.175996	53,374	8,446	3,245,224	3,640,075	30.7	286
May-06	30	67.0952381	2.236508	52,825	8,320	1,116,610	1,954,084	29.5	98
Jun-06	32.2	28.04761905	0.871044	52,214	8,201	906,962	1,695,051	30.9	14
Jul-06	30.6	0	0	51,776	8,123	705,948	1,485,461	30.5	0
Aug-06	31	0	0	51,643	8,083	649,260	1,449,505	31.1	0
Sep-06	30.6	11	0.197635	51,655	8,076	669,960	1,426,965	30.5	1
Oct-06	30.3	65.0952381	2.148358	52,183	8,121	1,184,867	1,737,862	29.7	63
Nov-06	30.8	340.7619048	11.063698	53,154	8,360	3,432,802	2,995,093	29.8	262
Dec-06	30.2	501.7142857	16.613056	53,620	8,482	5,142,433	4,432,563	30.7	529
Jan-07	32.5	559.1904762	17.63663	53,918	8,513	5,938,309	5,106,282	31.2	726
Feb-07	29.6	743.4285714	21.973134	54,180	8,573	8,061,893	6,702,265	29.4	685
Mar-07	30.3	449.1904762	12.696841	54,028	8,550	4,999,767	5,239,386	30.2	509
Apr-07	30.8	214	2.431818182	53,578	8,479	2,505,823	2,706,637	30.7	286
May-07	29.6	79.28571429	0.890850722	53,054	8,387	1,409,242	2,050,418	29.5	98
Jun-07	30.6	3.714285714	0.121382	52,574	8,329	770,345	1,456,619	30.9	14
Jul-07	30.8	0	0	52,162	8,228	681,088	1,367,958	30.5	0
Aug-07	29.5	0	0	51,844	8,081	613,539	1,291,172	31.1	0
Sep-07	32.1	1.428571429	0.044503783	51,740	8,046	661,817	1,362,645	30.5	1
Oct-07	30.3	14	0.471475719	52,090	8,040	728,438	1,493,833	29.7	63
Nov-07	30.8	232	7.546382189	53,185	8,248	2,351,760	2,222,052	29.8	262
Dec-07	30.2	439	14.54746137	53,748	8,387	4,640,289	3,974,025	30.7	529
Jan-08	32.5	632	19.43443223	54,012	8,460	6,528,503	5,499,100	31.2	726
Feb-08	29.6	674	22.77187902	54,167	8,496	7,158,507	6,341,243	29.4	685
Mar-08	30.3	525	17.34087694	54,142	8,480	5,524,320	5,115,935	30.2	522
Apr-08	30.8	250	8.121521336	53,789	8,400	2,797,021	3,096,367	30.7	279
May-08	29.6	82	2.757400257	53,295	8,285	1,270,935	1,910,259	29.5	93
Jun-08	30.6	8.095238095	0.264550265	52,778	8,156	777,590	1,504,080	30.9	13
Jul-08	30.8	0	0	52,345	8,043	677,253	1,370,212	30.5	0
Aug-08	29.5	0	0	52,102	7,965	634,300	1,342,724	31.1	0
Sep-08	32.1	0	0	52,062	7,959	687,668	1,454,637	30.5	1
Oct-08	29.4	29.23809524	0.994493035	52,464	7,967	854,161	1,528,414	29.7	63
Nov-08	30.7	332.1904762	10.82053668	53,399	8,200	3,106,750	2,628,271	29.8	262
Dec-08	30.5	631.1904762	20.69476971	54,005	8,373	6,182,349	5,005,020	30.7	529
Jan-09	30.7	619.047619	20.16441756	54,193	8,405	6,440,146	5,237,670	31.2	726
Feb-09	30.5	721	23.63934426	54,330	8,439	7,569,927	6,326,943	29.4	685
Mar-09	30.2	472.9047619	15.65909808	54,247	8,414	5,080,901	4,857,808	30.2	509
Apr-09	30.3	266.8571429	8.807166431	53,948	8,313	2,887,679	2,774,519	30.7	286
May-09	30.1	72.38095238	2.404682803	53,230	8,204	1,321,794	1,876,190	29.5	98
Jun-09	30.5	10.19047619	0.334113973	52,621	8,076	785,528	1,417,969	30.9	14
Jul-09	30.7	0	0	52,241	8,002	657,587	1,252,089	30.5	0
Aug-09	31	0	0	52,103	7,973	643,958	1,283,277	31.1	0
Sep-09	30.5	39		52,227	7,590	615,985	1,175,755	30.5	1
Oct-09	29.7	68.66666667		52,505	8,043	1,026,034	1,686,657	29.7	63
Nov-09	29.8	261.4761905		53,272	8,219	2,516,006	2,246,989	29.8	262
Dec-09	30.7	542.8571429		53,704	8,352	5,038,591	3,900,061	30.7	529
Jan-10				54,076	8,362	7,595,200	5,822,206	31.2	726
Feb-10				54,176	8,387	7,158,500	5,726,442	29.4	685
Mar-10				54,089	8,359	5,289,600	4,601,195	30.2	509
Apr-10				53,720	8,264	3,074,600	3,164,096	30.7	286
May-10				53,084	8,146	1,316,500	2,009,066	29.5	98
Jun-10				52,521	8,025	681,600	1,533,490	30.9	14
Jul-10				52,088	7,931	565,000	1,206,316	30.5	0
Aug-10				51,877	7,870	583,300	1,125,856	31.1	0
Sep-10				51,832	7,858	560,400	1,109,490	30.5	1
Oct-10				52,204	7,869	997,000	1,273,165	29.7	63
Nov-10				53,086	8,070	2,744,200	2,194,953	29.8	262
Dec-10				53,614	8,214	5,333,500	4,009,054	30.7	529
Jan-11				53,806	8,247	7,294,600	5,625,206	31.2	726
Feb-11				53,892	8,268	6,865,400	5,534,442	29.4	685
Mar-11				53,811	8,239	5,094,700	4,455,195	30.2	509
Apr-11				53,463	8,146	2,958,300	3,067,796	30.7	286
May-11				52,827	8,031	1,259,500	1,946,466	29.5	98
Jun-11				52,273	7,909	646,100	1,478,490	30.9	14
Jul-11				51,856	7,819	533,400	1,157,416	30.5	0
Aug-11				51,650	7,764	551,300	1,078,256	31.1	0
Sep-11				51,603	7,752	528,800	1,062,690	30.5	1
Oct-11				51,959	7,760	955,900	1,223,765	29.7	63
Nov-11				52,801	7,948	2,668,100	2,116,053	29.8	262
Dec-11				53,302	8,082	5,208,600	3,863,654	30.7	529

	Residential						Commercial					
	upc	normal baseload	heatload	HSF	normal heatload	normalized usage	upc	normal baseload	heatload	HSF	normal heatload	normalized usage
Jan-06	132.988	15.984	117.004	0.161	116.805	132.789	736.551	193.5277	543.023	0.747	542.099	735.626
Feb-06	115.269	15.062	100.207	0.159	108.725	123.787	650.541	182.3627	468.178	0.742	507.976	690.338
Mar-06	105.357	15.471	89.886	0.167	85.109	100.580	636.152	187.3249	448.8275	0.835	424.973	612.298
Apr-06	60.802	15.728	45.074	0.154	44.040	59.768	430.982	190.4263	240.5558	0.822	235.038	425.464
May-06	21.138	15.113	6.025	0.090	8.800	23.913	234.866	182.983	51.88291	0.773	75.781	258.764
Jun-06	17.370	17.370				17.370	206.688	206.6883				206.688
Jul-06	13.635	13.635				13.635	182.871	182.871				182.871
Aug-06	12.572	12.572				12.572	179.328	179.3276				179.328
Sep-06	12.970	12.970				12.970	176.692	176.6921				176.692
Oct-06	22.706	22.706				22.706	213.996	213.9961				213.996
Nov-06	64.582	15.267	49.316	0.145	37.917	53.184	358.265	184.8438	173.4209	0.509	133.337	318.181
Dec-06	95.905	15.728	80.178	0.160	84.538	100.266	522.585	190.4263	332.1583	0.662	350.223	540.649
Jan-07	110.136	13.498	96.638	0.173	125.466	138.964	599.822	174.231	425.5906	0.761	552.547	726.778
Feb-07	148.798	12.719	136.080	0.183	125.385	138.103	781.788	164.1792	617.6083	0.831	569.068	733.248
Mar-07	92.540	13.065	79.475	0.177	90.058	103.122	612.794	168.6467	444.1469	0.989	503.285	671.932
Apr-07	46.770	13.281	33.488	0.156	44.756	58.037	319.217	171.4389	147.7777	0.691	197.497	368.936
May-07	26.562	12.762	13.800	0.174	17.058	29.820	244.476	164.7377	79.738	1.006	98.559	263.297
Jun-07	14.653	14.653				14.653	174.885	174.8853				174.885
Jul-07	13.057	13.057				13.057	166.256	166.2565				166.256
Aug-07	11.834	11.834				11.834	159.779	159.7788				159.779
Sep-07	12.791	12.791				12.791	169.357	169.3568				169.357
Oct-07	13.984	13.984				13.984	185.800	185.8001				185.800
Nov-07	44.218	12.892	31.327	0.135	35.312	48.204	269.405	166.413	102.9919	0.443	116.095	282.508
Dec-07	86.334	13.281	73.053	0.166	87.963	101.244	473.832	171.4389	302.3927	0.688	364.110	535.549
Jan-08	120.871	14.195	106.677	0.169	122.617	136.812	650.012	183.8348	466.177	0.738	535.836	719.671
Feb-08	132.156	13.376	118.781	0.176	120.711	134.086	746.380	173.2289	573.151	0.850	582.464	755.693
Mar-08	102.034	13.740	88.294	0.168	87.718	101.458	603.294	177.9426	425.3516	0.810	422.576	600.519
Apr-08	52.000	13.967	38.033	0.152	42.420	56.387	368.615	180.8887	187.7264	0.750	209.383	390.272
May-08	23.847	13.421	10.426	0.128	11.880	25.301	230.568	173.8181	56.75028	0.695	64.664	238.482
Jun-08	14.733	14.733				14.733	184.414	184.4139				184.414
Jul-08	12.938	12.938				12.938	170.361	170.3608				170.361
Aug-08	12.174	12.174				12.174	168.578	168.578				168.578
Sep-08	13.209	13.209				13.209	182.766	182.7663				182.766
Oct-08	16.281	16.281				16.281	191.843	191.8431				191.843
Nov-08	58.180	13.558	44.622	0.134	35.194	48.751	320.521	175.5858	144.9351	0.436	114.311	289.897
Dec-08	114.477	13.967	100.510	0.159	84.237	98.205	597.757	180.8887	416.8684	0.660	349.377	530.266
Jan-09	118.837	14.579	104.259	0.168	122.271	136.850	623.161	175.575	447.586	0.723	524.915	700.490
Feb-09	139.332	13.738	125.595	0.174	119.324	133.061	749.727	165.446	584.281	0.810	555.107	720.553
Mar-09	93.662	14.111	79.551	0.168	85.623	99.734	577.348	169.948	407.401	0.861	438.496	608.444
Apr-09	53.527	14.345	39.182	0.147	41.993	56.338	333.757	172.761	160.995	0.603	172.544	345.306
May-09	24.832	13.784	11.047	0.153	14.958	28.742	228.692	166.008	62.684	0.866	84.870	250.879
Jun-09	14.928	14.928				14.928	175.578	175.578				175.578
Jul-09	12.588	12.588				12.588	156.472	156.472				156.472
Aug-09	12.359	12.359				12.359	160.953	160.953				160.953
Sep-09	11.794	11.794				11.794	154.908	154.908				154.908
Oct-09	19.542	19.542				19.542	209.705	209.705				209.705
Nov-09	47.229	13.924	33.305	0.127	33.372	47.296	273.390	167.697	105.693	0.404	105.905	273.601
Dec-09	93.822	14.345	79.477	0.146	77.448	91.793	466.961	172.761	294.200	0.542	286.690	459.451
Jan-10	140.455	13.277	127.178	0.175	127.178	140.455	696.270	161.258	535.012	0.737	535.012	696.270
Feb-10	132.134	12.511	119.623	0.175	119.623	132.134	682.782	151.954	530.827	0.775	530.827	682.782
Mar-10	97.794	12.851	84.943	0.167	84.943	97.794	550.477	156.089	394.388	0.775	394.388	550.477
Apr-10	57.233	13.064	44.170	0.154	44.170	57.233	382.900	158.673	224.227	0.784	224.227	382.900
May-10	24.801	12.553	12.247	0.125	12.247	24.801	246.618	152.471	94.147	0.961	94.147	246.618
Jun-10	12.978	12.978				12.978	191.083	191.083				191.083
Jul-10	10.847	10.847				10.847	152.103	152.103				152.103
Aug-10	11.244	11.244				11.244	143.064	143.064				143.064
Sep-10	10.812	10.812				10.812	141.185	141.185				141.185
Oct-10	19.098	19.098				19.098	161.797	161.797				161.797
Nov-10	51.693	12.681	39.012	0.149	39.012	51.693	271.994	154.022	117.973	0.450	117.973	271.994
Dec-10	99.480	13.064	86.416	0.163	86.416	99.480	488.077	158.673	329.404	0.623	329.404	488.077
Jan-11	99.125	13.841	85.284	0.117	85.284	99.125	486.139	175.783	310.356	0.427	310.356	486.139
Feb-11	135.355	13.043	122.312	0.179	122.312	135.355	680.379	165.642	514.737	0.751	514.737	680.379
Mar-11	127.584	13.398	114.187	0.224	114.187	127.584	671.720	170.149	501.571	0.985	501.571	671.720
Apr-11	95.295	13.619	81.675	0.286	81.675	95.295	546.945	172.966	373.979	1.308	373.979	546.945
May-11	55.999	13.087	42.912	0.438	42.912	55.999	381.989	166.205	215.784	2.202	215.784	381.989
Jun-11	24.095	24.095				24.095	246.117	246.117				246.117
Jul-11	12.460	12.460				12.460	189.082	189.082				189.082
Aug-11	10.327	10.327				10.327	149.078	149.078				149.078
Sep-11	10.684	10.684				10.684	139.099	139.099				139.099
Oct-11	10.177	10.177				10.177	136.946	136.946				136.946
Nov-11	18.104	13.220	4.884	0.019	4.884	18.104	153.964	167.895	-13.931	-0.053	-13.931	153.964
Dec-11	50.056	13.619	36.437	0.069	36.437	50.056	261.810	172.966	88.844	0.168	88.844	261.810

DISCOVERY REQUEST NO. 159:

Please refer to lines 22-23, page 12 of Mr. Nikolich's Direct Testimony, where he states, "No free riders were assumed since the average life of the measure 15 years is less than the 25 year life of the equipment." Provide all analyses done which support the contention that use of a measure of life of 15 years versus the useful life of 25 years for the equipment justifies the assumption that there are no free riders.

Response:

This program is targeted to small commercial establishments that typically succeed or fail within five years and have an effective economic life of 15 years. Mr. Nikolich's testimony concerning the behavior of commercial customers is derived from his knowledge and experience, and reflects the fundamental economics of customer decisions to add equipment. These customers are very capital cost conscious and tend to only make capital outlays for equipment with a longer service life than their business' economic life when they start or expand their business. Since this equipment, commercial space heating/boilers, typically has a life of 25 years, much longer than the 15 years these customers are in business they tend to make a decision on their heating equipment only once. Further, unless small commercial customers can see a full payback of their additional investment in three to five years, they generally elect their short term bottom line and choose to install less efficient but also less capital costly equipment. For this type of equipment, a high efficiency furnace with an incremental cost to the customer of

$800, and an energy savings of only $58 per year it will take a customer ~14 years to payback their investment, a period much too long to justify the expenditure for the higher efficiency equipment. Given their short economic life there is no simple logic to justify purchase of the higher efficiency equipment without the presence of the $500 incentive that reduces the payback period down to 6 years. Hence the assumption of no free riders was made.

DISCOVERY REQUEST NO. 185:

Please explain how the Company derived the repair cost for non-cathodically-protected steel main.

Response:

By agreement, the CAPD has withdrawn this request; thus, no response is required.

Chattanooga Gas Company
Docket Number 09-00183
CAPD
Question 189
2/16/2010

DISCOVERY REQUEST NO. 189:

Please provide a detailed explanation of the Company's CIAC policy and any allowances for plant categories for which the company collects CIAC. Provide all calculations of any allowances provided to each customer class and explain all assumption used. Please provide work papers in electronic spreadsheet form, with all the links and formula's intact, source data used, and explain all assumptions and calculations used. To the extent the data request is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

Response:

By agreement, the CAPD has withdrawn this request; thus, no response is required.

DISCOVERY REQUEST NO. 190:

Please provide the average number of customers for each current and proposed rate class for the calendar years 1999 through 2009 and as projected for 2010 and 2011. Please provide the source documents containing the customer data supplied in response to this request. Please provide workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

Response:

Please see Attachment 190-1 for the average number of customers by year from 2000 projected through 2011. Data is not available in the format requested prior to 2000.

Chattanooga Gas

Average Number of Customers by Year

Residential R-1

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
48,467	49,357	50,480	50,993	51,769	52,566	52,800	53,008	53,213	53,218	53,031	52,770

Residential R-4

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
5	4	4	3	3	2	2	2	2	2	2	2

Commercial C-1

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
7,860	7,980	8,138	8,192	8,283	8,369	8,330	6,766	6,554	6,523	6,509	6,393

Commercial C-2
Class was established in January 2007

2007	2008	2009	Projected 2010	Projected 2011
1,548	1,653	1,616	1,574	1,574

Industrial F-1/T-2
Formerly I-1/T-2

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
27	28	28	28	29	23	24	26	27	27	27	27

Industrial L-1/T-1
No customers in this class after December 2004. Customers began being classified as either I-1 or T-1

2000	2001	2002	2003	2004
47	43	42	41	39

SS-1

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
2	2	3	4	5	5	4	4	2	0	0	0

Special Contract

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
1	1	1	1	1	1	1	1	1	1	2	2

Industrial F-1/T-2 + T-1
Formerly I-1/T-2 + T+1
Class was established in January 2005

2005	2006	2007	2008	2009	Projected 2010	Projected 2011
15	14	12	12	13	11	11

Industrial I-1
Formerly L-1
Data not available prior to January 2005. Customers were classified as L-1/T-1

2005	2006	2007	2008	2009	Projected 2010	Projected 2011
1	1	1	1	1	1	1

Industrial T-1
Data not available prior to January 2005. Customers were classified as L-1/T-1

2005	2006	2007	2008	2009	Projected 2010	Projected 2011
25	25	25	26	27	27	27

Industrial T-3
Class was established in January 2005

2005	2006	2007	2008	2009	Projected 2010	Projected 2011
1	3	8	25	31	30	30

DISCOVERY REQUEST NO. 191:

Please provide actual therm usage data for each current and proposed rate class for the calendar years 1999 through 2009 and as projected for 2010 and 2011. Please provide workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

Response:

Please see Attachment 191-1 for yearly therm usage data from 2000 projected through 2011. Data is not available in the format requested prior to 2000.

Chattanooga Gas

Therm usage by year

Class	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Projected 2010	Projected 2011
Residential R-1	37,110,585	38,703,697	36,958,207	37,809,719	36,699,872	37,893,999	36,048,973	33,362,310	36,199,357	34,584,136	35,899,400	34,564,700
Residential R-4	294,732	324,441	200,660	119,336	102,386	69,400	106,120	84,208	87,944	76,973	82,204	82,204
Commercial C-1	37,745,905	41,033,297	36,845,550	38,426,074	37,065,833	37,310,884	37,450,216	11,150,494	7,363,343	7,117,557	8,160,150	7,846,854
Commercial C-2 Class was established in January 2007								22,548,455	26,284,609	23,215,913	21,999,050	21,146,446
Industrial F-1/T-2 Formerly I-1/T-2	15,624,157	19,296,828	17,969,320	19,376,543	21,998,310	21,582,762	19,116,007	19,721,269	20,741,496	19,297,917	19,238,073	20,040,138
Industrial I-1/T-1 No customers in this class after December 2004. Customers began being classified as either I-1 or T-1	69,520,933	57,558,052	53,798,200	45,818,562	44,672,211							
SS-1	9,867,654	8,448,267	10,748,485	13,803,098	16,479,084	13,877,981	19,114,579	8,956,286	9,936,193	462,254	0	0
Special Contract	5,729,607	5,047,194	6,930,430	7,386,513	7,841,749	6,420,737	6,860,236	7,311,960	6,262,423	5,353,667	8,077,239	8,077,250
Industrial F-1/T-2 + T-1 Formerly I-1/T-2 + T+1 Class was established in January 2005. Data not available in this format prior to January 2006							15,633,308	13,495,260	14,117,306	14,389,322	14,425,812	14,425,812
Industrial I-1 Formerly L-1 Data not available prior to January 2005. Customers were classified as L-1/T-1						518,094	531,221	526,635	599,371	523,573	524,668	524,668
Industrial T-1 Data not available prior to January 2005. Customers were classified as L-1/T-1						28,663,037	26,387,858	30,241,294	29,087,921	32,561,610	33,155,940	33,155,940
Industrial T-3 Class was established in January 2005. Data not available in this format prior to January 2006.							752,130	1,274,343	3,148,310	3,702,457	3,616,129	3,616,129

DISCOVERY REQUEST NO. 192:

Please provide normalized (weather adjusted) therm usage data for each current and proposed rate class for the calendar years 1999 through 2009 and as projected for 2010 and 2011. Please provide workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

Response:

Please see Attachment 150-1 provided with the Company's response to CAPD discovery request 150 for the normalized usage for the Residential R-1 and the combined small commercial classes (C-1, C-2, and T-3). The commercial classes are combined to present a better long term view. With the 2004 rate case, the T-3 small commercial transportation class was established with the same base rates as the existing small commercial sales class. Therefore, prior to 2005 all T-3 customers would have been served under the C-1 commercial class with no data available prior to 2005 for this class. Thus for a more consistent long term view T-3 volumes after 2005 have been rolled in with other commercial volumes. With the 2006 rate case, the commercial class was split into the small commercial C-1 and the medium commercial C-2 (commercial accounts with annual volumes greater than 4,000 therms and with T-3 as the transportation option with base rates to match C-2) classes. Prior to 2007, all C-2 customers were billed under the C-1 rate classification; hence no data exists for this class prior to 2007. Again, in order to present the data on a consistent basis year over year, the three classes were combined.

The remaining classes (Multi-Family R-4, F1/T2, F1/T2 + T1, I1, and T1) serve large facilities and in general their demand is driven by individual customer requirements that tend to vary more with factors other than weather. Therefore, the existing volumes presented in response to Discovery Request No. 191 are considered to already represent normalized volumes.