

AGL Resources
Atlanta Gas Light
Chattanooga Gas
Elizabethtown Gas
Elkton Gas
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AGL Networks
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Chattanooga TN 3742

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TN REGULATORY AUTHORITY
UTILITIES DIVISION

May 28, 2010

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

Docket No - 09-00183

Dear Mrs. Standley,

The following Chattanooga Gas Company tariff sheets are submitted in compliance with the TRA's May 24, 2010 decision in docket 09-00183 (Petition of Chattanooga Gas Company for a General Rate Increase, Implementation of EnergySmart Conservation Program, and Implementation of Revenue Decoupling):

Chattanooga Gas Company, Gas Tariff, TRA No. 1, Tenth Revised Sheet No. 1 to be effective June 1, 2010. This tariff sheet is revised to implement the change in rates for service provided under Rate Schedule R-1 (Residential General Service).

Chattanooga Gas Company, Gas Tariff, TRA No. 1, Tenth Original Sheets No. 39, 39A, and 39 B to be effective June 1, 2010. These tariff sheets implement Rate Schedule EDGS-1 (Economic Development Gas Service.)

Chattanooga Gas Company, Rules and Regulations, TRA No. 2, Fourth Revised Sheet No. 8. This tariff sheet is revised to implement the change in the in the Residential Reconnection charge from \$50 to \$65.

These are the only changes that are to be implemented immediately. Other tariff provisions including the recomputed Alignment and Usage Adjustment (AUA) Rider Benchmark Base Revenue Per Customer factors to reflect the rates approved at the May 24, 2010 Conference, and applicable updated WNA factors will be provided in a latter submission.

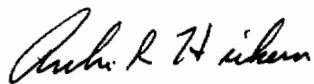


Chattanooga Gas

If you have any questions please give me a call at 757 616 7510, or by mail at:

Archie Hickerson,
Director-Regulatory Affairs
150 West Main Street
Norfolk VA, 23510

Sincerely,

A handwritten signature in cursive script, appearing to read "Archie R. Hickerson".

Archie R. Hickerson
Director-Regulatory Affairs

RATE SCHEDULE R-1
Residential General Service

AVAILABILITY

Available for all gas service furnished to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, irrespective of the fact that a person other than the resident: (1) is contractually bound to the Chattanooga Gas Company (Company) for the charges, or (2) actually pays the charges, or (3) is billed for the charges. Use of gas service in hotel or motel units by transient occupants shall not constitute residential use. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

	<u>Winter</u> <u>Net Rate</u> November-April	<u>Summer</u> <u>Net Rate</u> May-October	
<u>Customer Base Use Charge</u>	\$16.00	\$13.00	I
<u>Commodity Charge</u>	11.591¢ Per Therm	11.591¢ Per Therm	C

Summer Air -Conditioning Charge

Over 50 Therms Per Month

3.948¢ Per Therm

Standby Service Demand Charge

Rate Per Therm Of Input Per Month

Demand Charge Applicable To
F-1 Customers

Demand Charge Applicable To
F-1 Customers

Standby Input shall be based upon individual Customer's applicable gas equipment rating in Therms.

$$\frac{(BTU / Hour) \times 10 Hours}{100,000 BTU} = \text{Number of Therms}$$

Monthly billing in units of CCF, Dth or Therms may be based upon monthly or bi-monthly meter reading.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Regulatory Authority's Rules and Regulations and applicable taxes shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any residential Customer who has installed and regularly operates a gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge plus the Standby Service Demand Charge, when applicable, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

MISCELLANEOUS REGULATIONS

The Customer Agrees:

- (1) To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's negligence.
- (2) To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- (3) It is understood that the Company shall be under no duty to inspect, repair or maintain the service of other lines, connections, equipment or appliances located on the premises of the Customer.
- (4) Company shall have the right to terminate gas service after reasonable notice has been given for any Customer who may be in arrears for a period of seventeen (17) days or longer in paying for gas furnished and/or used by Customer at Customer's present or subsequent address, it being understood hereby that said seventeen (17) day period commences on date the bill as above defined was rendered.
- (5) There is a charge for seasonal turn-ons and heating light-up service of \$65.00 for customers served under Rate Schedule R-1 (Residential General Service) and \$50.00 for customers served under all other Rate Schedules.

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- (6) Customers may elect seasonal suspension of service instead of seasonal disconnection. If a Customer elects seasonal suspension, the account will remain active and the meter will continue to be read. No bill will be issued until the monthly consumption exceeds 3 Therms per month. The first month that the consumption exceeds 3 Therms the seasonal suspension will be terminated and the Customer will be billed the Monthly Customer Charge for that month, the gas consumed during that month, and the gas consumed during for each month during the seasonal suspension period. The Customer will not be billed the seasonal turn-on and heating light-up service charge.
- (7) There is a \$65.00 charge for reconnection of service where service has been suspended for non-payment of a gas bill for customers served under Rate Schedule R-1 (Residential General Service) and \$50.00 for customers served under all other Rate Schedules.

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- (8) Service Establishment Charges
 - A. For establishing an account for gas service to a Customer at a particular premises:
 - (i) where there is an existing meter set at such premises installed to serve an occupant of the premises.....\$15.00
 - (ii) when there is no existing meter set at such premises, or where an existing meter set at such premises has been used only for temporary service to a builder, contractor or developer prior to occupancy of the premises.....\$25.00

EDGS-1
Economic Development Gas Service

AVAILABILITY

Service under this Schedule is available, in conjunction with other applicable Commercial or Industrial-rate schedule, to any qualifying person that meets the eligibility requirements.

N

SPECIAL TERMS AND CONDITIONS

To receive service under this Rate Schedule, the customer's written application to the Company shall include sufficient information to permit the Company to determine the customer's eligibility

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Eligibility Requirements: A qualifying person must intend to become a new customer with the intent to utilize natural gas to provide significant economic development or environmental benefits within the State of Tennessee or in a manner that increases system utilization; be an existing customer that materially expands its use of natural gas, that provides significant environmental or economic development benefits within the State, or that increases system utilization; or be a new or existing customer that meets other criteria as determined appropriate by the Tennessee Regulatory Authority.

N

Significant Economic Benefit: Customers must intend to: create new jobs or avoid potential job reductions in the State; be identified as a prospect by the Tennessee Department of Economic and Community Development or applicable county or municipal economic development entity; or otherwise provide material benefits in the areas' economic development.

N

Significant Environmental Benefit: Customers must intend to: install or modernize equipment that uses energy more efficiently; reduce carbon emissions; achieve goals under a State or Federal Energy Plan or Policy as may be established from time to time; or otherwise intend to provide measureable benefits to improve Tennessee's environment.

N

Qualifying Volumes: To be eligible for service under this rate schedule a new customer must contract to purchase and/or transport at least 1,000 Dth annually. An existing customer must contract to purchase and/or transport of at least 1,000 Dth of additional gas annually. The increase in the volume of gas purchased or transported shall result from an increase in business activity and not merely from the resumption of normal operations following a period of abnormal operating conditions. If in the Company's opinion an abnormal period has occurred as a result of a strike, equipment failure, or any other abnormal condition during the twelve (12) month period prior to the date of the application by the customer for service under this rate schedule, the Company shall adjust the customer's consumption to eliminate any abnormal condition. The Company, through use of historical data shall determine the base annual consumption for existing customers. Volumes in excess of the base annual consumption shall be used to evaluate the eligibility of the customer to receive service under this rate schedule. Loads which are or have been served by the Company during all or part of the twelve (12) month period prior to service under this Rate Schedule, and which are relocated to another metering point within the Company's service area, shall not qualify for this Rate Schedule

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The existing facilities of the Company must be adequate in the judgment of the Company to supply the new or expanded natural gas requirements. If construction of new or expanded local facilities by the Company is required, the customer may be required to make a Contribution in Aid of Construction for the installed cost of such facilities. The Company will evaluate the customer's request for service and determine the necessity of a Contribution in Aid of Construction for facilities based on the Non-Residential Main and Service Extension provision of the Company's filed tariff.

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The customer must execute a contract for service under this tariff for a minimum of 5 years.

N

All other terms and conditions of the companion rate schedule under which service would otherwise be provided shall apply to service provided under this rate schedule.

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EDGS-1
Economic Development Gas Service
(Continued)

The Company shall review the Customer's consumption each year to determine whether the Customer has fulfilled the usage requirement to be eligible for service under this rate schedule. If, on an annual basis, the customer fails to fulfill the usage requirement for service under this tariff future service may be provided under the companion rate schedule that would otherwise apply.

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CUSTOMER CHARGE

A full monthly customer charge per meter as provided under applicable companion tariff is payable regardless of the usage of gas.

N

MONTHLY RATE

The non-gas charges that would be billed in accordance with the companion rate schedule that would otherwise apply to the qualifying volumes if service was not providing under this rate schedule shall be multiplied by the following Adjustment Factors to determine the monthly bill related to the qualifying volumes. For a new customer the factor will be applied to the charges for the total volume delivered. For an existing customer, the factor will be applied to the charges applicable to the volume in excess of the base annual volumes. For monthly billing purposes, 1/12th of the base annual volume shall be deducted from actual measured consumption to determine the volume eligible for the discounted factor. The factor will not be applied to the monthly customer charge.

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Contract Year	Billing Months	Adjustment Factor	Discount from Companion Rate Schedule
1	1 st through 12 th	60%	40%
2	13 th through 24 th	70%	30%
3	25 th through 36 th	80%	20%
4	37 th through 48 th	90%	10%
	Beyond the 48 th Month	100%	

N

A new customer may elect to begin service under this rate schedule on the first month service is provided or may elect to delay service under this rate schedule for up to twelve months and purchase service under the companion rate schedule that would otherwise apply until the election is effective.

N

If the volume of gas purchased or transported in a contract year is less than the volume specified in the contract, the difference in the actual volume and the volume specified in the contract shall be deemed a volume deficiency. For any volume deficiency, the customer shall be billed an amount equal to the non gas volumetric charge that would have been billed for the deliver of the volume equal to the deficiency. The bill shall be computed in accordance with the companion rate schedule that would otherwise apply subject to the discount provided under this rate schedule.

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EDGS-1
Economic Development Gas Service
(Continued)

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

N

BILLING ADJUSTMENTS

Bills for gas service hereunder shall be subject to adjustment for the applicable taxes, fees, and the cost of purchased gas in accordance with Purchased Gas Adjustment (PGA) Docket No. G86-1 of the Tennessee Regulatory Authority Rules and Regulations, and shall be subject to other adjustments, charges and/or credits as determined to be applicable to the companion rate schedule under which the customer would otherwise be served. The adjustment factor provided under this rate schedule will not be applied to the PGA and other adjustments factors.

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