

STATE OF TENNESSEE

Office of the Attorney General



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June 11, 2013

Ms. Jean Stone  
General Counsel  
c/o Sharla Dillon  
Docket Manager  
Tennessee Regulatory Authority  
460 James Robertson Pkwy.  
Nashville, TN 37243-0505

**Re: Docket 09-00183, *Petition of Chattanooga Gas Company For a General Rate Increase, Implementation of the EnergySmart Conservation Programs, and Implementation of a Revenue Decoupling Mechanism***

Dear Ms. Stone:

The Consumer Advocate and Protection Division of the Attorney General's Office ("Consumer Advocate") respectfully requests information from the Tennessee Regulatory Authority ("Authority" or "TRA") concerning Chattanooga Gas Company ("CGC" or "Company") pursuant to

Tenn. Code Ann. § 65-4-118(b)(2) which provides as follows:

(2) If the consumer advocate division concludes that it is without sufficient information to initiate a proceeding, it may petition the authority, after notice to the affected utility, to obtain information from the utility. The petition shall state with particularity the information sought and the type of proceeding that may be initiated if the information is obtained. Additionally, the consumer advocate division may request information from the authority staff, and, if the authority staff is in possession of the requested information, such information shall be provided within ten (10) days of the request.

### Statutory Information Request

1. **Rate of return ("ROR") of regulated LDC public utilities.** What ROR has the Company reported earning annually for the following periods since rates were last set by the Authority in Docket 09-00183 on May 24, 2010?
  - a. June 1, 2010 through May 31, 2011;
  - b. June 1, 2011 through May 31, 2012; and
  - c. June 1, 2012 through May 31, 2013.<sup>1</sup>
2. **Return on equity ("ROE") of regulated LDC public utilities.** What ROE has the Company reported and/or has the TRA calculated that the Company has earned annually for the following periods since rates were last set by the Authority in Docket 09-00183 on May 24, 2010?
  - a. June 1, 2010 through May 31, 2011;
  - b. June 1, 2011 through May 31, 2012; and
  - c. June 1, 2012 through May 31, 2013.<sup>2</sup>
3. **Over-earning calculation.** If CGC's earned ROE has at anytime been greater than the Company's authorized ROE of 10.05% during the last three years please provide a calculation, if available, for how much CGC has over-earned.
4. **The Alignment Utilization Adjustment ("AUA") decoupling tariff requires annual reports to the TRA on rate adjustments every June 1.** Please provide a breakdown of the AUA rate adjustments separately for the R-1 residential and C-1 commercial class by year for the periods identified in requests #1 and #2 if available.
5. **The AUA decoupling tariff requires annual reports to the TRA on rate adjustments every June 1.** Please provide the annual reports and work papers submitted by CGC supporting the Company's calculations. Please provide the work papers in the electronic format the Company provided to the Authority.
6. **NRRI contacts.** On May 24, 2010, and November 8, 2010, the Authority directed members of the TRA Staff to work with the National Regulatory Research Institute ("NRRI") to develop standards to access energy conservation programs. In the Company's *Motion* to extend the AUA and other programs filed on April 25, 2013, CGC indicates that the agreement between the TRA Staff and NRRI was completed the week of April 15, 2013. In a subsequent filing on May 29, 2013, CGC indicates the Company was asked to contract with NRRI.

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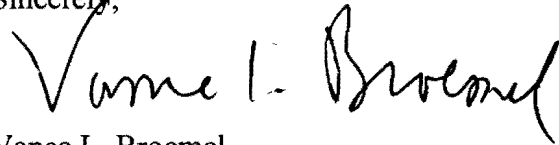
<sup>1</sup> Assuming the Authority Staff may not have information for a twelve month period ending May, 2013, please provide information based on the most recent data on hand.

<sup>2</sup> Assuming the Authority Staff may not have information for a twelve month period ending May, 2013, please provide information based on the most recent data on hand.

- a. What is the cost of the contract with NRRI and will Tennessee ratepayers of the Company be required to pay for it?
- b. Provide a copy of the contract.
- c. When is the contract expected to meet its objectives?

Thank you for your time and consideration of this matter. If you have questions regarding this request, please contact me at (615) 741-8733.

Sincerely,

A handwritten signature in black ink that reads "Vance L. Broemel". The signature is fluid and cursive, with the first name "Vance" being more prominent than the last name "Broemel".

Vance L. Broemel  
Office of the Attorney General  
Consumer Advocate and Protection Division  
P.O. Box 20207  
Nashville, TN 37202-0270

CC: all parties of record in Docket 09-00183