



Chattanooga Gas™

An AGL Resources Company

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Chattanooga, TN 37421

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TRANSMISSION

August 27, 2014

Chairman Herb Hilliard  
Tennessee Regulatory Authority  
C/o Sharla Dillon, Docket Room  
502 Deaderick Street,  
4<sup>th</sup> Floor  
Nashville, TN 37243

14-00083

Re: Chattanooga Gas Company Annual Report of Actual Cost of Gas Purchased and Applicable Indices for the twelve months ended June 30, 2014.

Dear Chairman Hilliard,

Pursuant to the provisions of the Performance Based Ratemaking Mechanism approved by the Tennessee Regulatory Authority's January 8, 2002 Order in Docket 01-00619, Chattanooga Gas Company (CGC) is filing an original and three copies of the report of actual gas cost and the applicable index cost for each month of the plan year ended June 30, 2014 (Attachment A). As shown on Attachment A, the commodity cost of gas purchased by CGC during the plan year was approximately 0.0471% below the index cost and therefore was within the 1% range as provide in the CGC's tariff.

For the Authority's convenience, spreadsheets showing the volumes of gas, the indices, and the purchase prices for each month and each day are provided as Attachments B & C respectively. Chattanooga Gas Company considers the detailed information on Attachments B & C to be confidential and proprietary. As a result these Attachments are being filed under seal.

Copies of this filing and the underlying accounting documents needed for audit are being provided to the Staff in both hard copy and electronic format.

Should there be any questions, I will be pleased to discuss this filing in further detail. I can be reached at 404 584 4075.

Sincerely,

Archie R. Hickerson

Director-Rates and Tariff Administration

C: Mr. David Foster

**Attachment A**  
**1 of 2**

**Nymex plus \$0.06      Fixed Price**

**Chattanooga Gas Company**  
**PRB Filing for ACA Year Ended June 30, 2014**  
**Gas Cost Over (Under) Benchmark**  
**July 1, 2013 through June 30, 2014**  
**Summary**

Attachment A  
2 of 2

MONTH	Tenn/Zone 0	Tenn/Zone 0	Tenn500L	Tenn800L	TETCO M1 TETCO M1 30 Inch	SONAT	SONAT	Tenn500L	Cost Over (Under) Benchmark			
	(Gas Daily)	(Gas Daily - Storage)	(Gas Daily - Storage)	(Gas Daily - Storage & City Gate)	Gas Daily Purchases	(Gas Daily - City Gate)	(Gas Daily - CSS Storage)	(Gas Daily - City Gate)	\$\$	Benchmark	Cost	%%
July-13	\$0.01	\$0.00	\$0.00	(\$91.08)	\$0.00	\$ -	(\$5,800.10)	\$0.00	(\$5,891.17)	\$2,547,774.54		-0.2312%
August-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	(\$6,187.68)	\$0.00	(\$6,187.68)	\$2,906,072.98		-0.2129%
September-13	\$0.00	\$0.00	\$0.00	\$3.55	\$0.00	\$ -	(\$5,207.51)	\$0.00	(\$5,203.96)	\$3,178,437.63		-0.1837%
October-13	\$0.00	\$0.00	\$0.00	\$13.11	\$0.00	\$ -	(\$1,401.79)	\$0.00	(\$1,368.68)	\$2,602,907.90		-0.0534%
November-13	\$0.00	\$0.00	\$8.73	(\$19.33)	\$0.00	\$ -	\$0.00	\$0.00	\$3,866.36	\$2,619,024.06		0.1400%
December-13	\$28.40	\$0.00	(\$3.78)	\$1.34	\$0.00	\$ -	\$0.00	\$0.00	\$8,080.73	\$3,050,856.81		0.2642%
January-14	(\$597.01)	\$0.00	\$16.29	\$10.92	(\$6,368.99)	\$ -	\$0.00	\$0.00	(\$1,506.11)	\$4,899,751.93		-0.0307%
February-14	(\$47.87)	\$0.00	(\$1.63)	(\$32.49)	(\$4,223.29)	\$ -	\$0.00	\$0.00	(\$10,274.05)	\$5,405,503.62		-0.1901%
March-14	(\$5.04)	\$0.00	(\$7.41)	(\$19.67)	(\$516.91)	\$ -	\$0.00	\$0.00	\$1,780.92	\$4,473,892.69		0.0398%
April-14	\$0.00	\$0.00	\$0.00	(\$3.37)	(\$241.75)	\$ -	\$0.00	\$0.00	(\$245.12)	\$3,586,648.81		-0.0068%
May-14	\$0.00	\$0.00	\$0.00	(\$5.78)	\$0.00	\$ -	(\$1,580.54)	\$0.00	(\$1,586.30)	\$3,862,529.89		-0.0433%
June-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	(\$1,028.65)	\$0.00	(\$1,028.65)	\$3,086,183.34		-0.0333%
	<b>(\$621.51)</b>	<b>\$0.00</b>	<b>\$12.20</b>	<b>(\$142.79)</b>	<b>(\$11,370.94)</b>	<b>\$0.00</b>	<b>(\$21,204.27)</b>	<b>\$0.00</b>	<b>(\$19,801.69)</b>	<b>\$42,019,584.20</b>		<b>-0.0471%</b>
% Bench	-0.0217%	0.0000%	0.0006%	-0.0017%	0.0000%	0.0000%	-1.0940%					
Total Benchmark Purchase Gas Cost	\$2,863,945.37	\$0.00	\$1,950,706.44	\$8,481,793.65	\$586,120.51	\$0.00	\$1,938,149.32		\$42,019,584.20			
Total CGC Purchase Gas Cost	\$2,863,323.86	\$0.00	\$1,950,718.64	\$8,481,650.86	\$574,749.57	\$0.00	\$1,916,945.05		\$41,999,782.51			
Purchase Exceeds Benchmark by \$	(\$621.51)	\$0.00	\$12.20	(\$142.79)	(\$11,370.94)	\$0.00	(\$21,204.27)	\$0.00	(\$19,801.69)			
Purchase Exceeds Benchmark by %	-0.0217%	0.0000%	0.0006%	-0.0017%	-1.9400%	0.0000%	-1.0940%		-0.0471%			