

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

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| IN RE: |) | |
| |) | |
| CHATTANOOGA GAS COMPANY |) | |
| PETITION FOR APPROVAL OF AN |) | DOCKET NO. 18-00017 |
| ADJUSTMENT IN RATES AND |) | |
| TARIFF; THE TERMINATION OF THE |) | |
| AUA MECHANISM AND THE |) | |
| RELATED TARIFF CHANGES AND |) | |
| REVENUE DEFICIENCY RECOVERY; |) | |
| AND AN ANNUAL RATE REVIEW |) | |
| MECHANISM |) | |

RESPONSES OF
THE CHATTANOOGA REGIONAL MANUFACTURERS ASSOCIATION
TO THE FIRST DISCOVERY REQUESTS OF CHATTANOOGA GAS COMPANY

The Chattanooga Regional Manufacturers Association ("CRMA"), submits the following responses to the "First Discovery Requests" of Chattanooga Gas Company ("CGC").

DISCOVERY REQUEST NO. 1:

On page 6 of his pre-filed testimony Mr. Klinger states: "McKee Foods would request that the TPUC inquire as to why the LNG supply is not being used for "interruptible customers" and instead is being diverted for "off-system" sales, where it appears the Chattanooga Gas Company's affiliate is profiting."

- a. Identify the specific dates that Mr. Klinger alleges that Chattanooga Gas Company "diverted" LNG for off-system sales.
- b. Provide copies of all documents in Mr. Klinger's possession that support the allegations.

RESPONSE:

- a. The off-system sales referred to by Mr. Klinger occurred in the months shown in CGC's response to CRMA's data requests, specifically "Attachment CRMA-1-5" under the column labeled "Activity for LNG Off-system sales." For example, the chart shows that in January, 2018, 38,115 Mcfs of LNG gas were sold in off-system sales. In that same month, CGC issued curtailment orders on 21 of 31 days. That LNG gas could have been sold to local CGC interruptible customers – as CGC used to do until 2014 – instead of being diverted to off-system sales.

b. The documents containing this information were provided by CGC in response to CRMA's data requests. See above.

DISCOVERY REQUEST NO. 2:

"Mr. Klinger's states on page 7 of his testimony that: "Instead, Chattanooga Gas is selling gas to its unregulated affiliate who is profiting by selling to off-system customers."

a. Identify the date, the amount of gas, and the affiliate to which Mr. Klinger alleges Chattanooga Gas Company sold gas.

b. Provide copies of all documents in Mr. Klinger's possession that support the allegation.

RESPONSE:

a. The dates of sale and the amounts of gas sold are shown in "Attachment CRMA 1-5" described above. Based on discussions with our gas consultant, Mr. Klinger believes that these LNG off-system sales are handled by Pivotal Energy, the CGC affiliate that manages sales of LNG gas.

b. See Response 1b.

Respectfully submitted,

BRADLEY ARANT BOULT CUMMINGS LLP

By: _____


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CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of July, 2018, a copy of the foregoing document was served on the parties of record, via electronic email transmission and regular U.S. Mail, postage prepaid, addressed as follows:

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