

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

IN RE:)	
)	
CHATTANOOGA GAS COMPANY)	
PETITION TO OPT INTO AN)	DOCKET NO. 19-00047
ANNUAL REVIEW OF RATES)	
MECHANISM PURSUANT TO)	
TENN. CODE ANN. § 65-5-103(d)(6))	

CONSUMER ADVOCATE'S PETITION TO INTERVENE

Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate Unit in the Financial Division of the Office of the Attorney General (Consumer Advocate), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Utility Commission (Commission or TPUC) to grant the Consumer Advocate's intervention into this proceeding because consumers' interests, rights, duties, or privileges may be determined or affected by the Chattanooga Gas Company Petition to Opt into an Annual Review of Rates Mechanism Pursuant to Tenn. Code Ann. § 65-5-103(d)(6) filed in this TPUC Docket by Chattanooga Gas Company (CGC or Company). For cause, the Consumer Advocate would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utility services by initiating and intervening as a party in proceedings before the Commission in accordance with the Uniform Administrative Procedures Act and Commission rules.
2. CGC is a public utility regulated by the Commission and provides natural gas

service to residential, commercial, and industrial customers in Tennessee.¹ CGC's principal office and place of business is located at 2207 Olan Mills Drive, Chattanooga, Tennessee 37421.²

3. On April 15, 2019, CGC filed the Petition opting into the annual rate review procedure (ARM) established under Tenn. Code Ann. § 65-5-103(d)(6).³ In the Petition, CGC asks TPUC to approve an ARM based on the Company meeting two statutory preconditions: (1) CGC's engagement in a general rate case within the last five years; and (2) CGC's filing for an ARM based on the methodologies it alleges were adopted in its most recent rate case.⁴

4. As support for the Petition, CGC asserts that Tenn. Code Ann. § 65-5-103(d)(6) "allows for utilities to opt for annual review of their rates mechanism."⁵ The Company further avers that "[t]o the extent the utility is over-earning or under-earning, an annual review process should result in smaller, incremental changes to the utility's rates, whether up or down."⁶

5. In describing its proposed ARM, CGC states this proposal is "a one-step or single annual filing that will be based upon the company's actual books and records. The CGC ARM will use an historic base period defined as the twelve-month period ending December 31 of each calendar year, with the same adjustments made in the Rate Case Order. There will be no forward-looking or forecasted data."⁷

¹ *Petition* at 1.

² *Id.* at 2.

³ *Id.* at 3.

⁴ *Id.*

⁵ *Id.* at 4.

⁶ *Id.*

⁷ *Id.* at 6.

6. As to the timing of the Commission's review of its annual filings, CGC "proposes to make its annual filing on or before March 20 of each year with rates to be effective on August 1."⁸

7. The Company also proposes a mechanism to avoid regulatory lag. It requests a "true-up procedure that will enable the Company to remain whole for any under-recovery of costs and to require a credit to customers if CGC earns in excess of its authorized return."⁹

8. In this matter, the Consumer Advocate seeks to represent the interests of consumers served by CGC. The interests of consumers, including without limitation the proposed increase in rates to be paid by the Utility's consumers beginning with the implementation of an ARM, may be affected by determinations and orders made by the Commission with respect to (i) the interpretation, application, and implementation of Tenn. Code Ann. § 65-5-103(d)(6) and other relevant statutory and regulatory provisions and (ii) the review and analysis of the Supporting Schedules and other documentation, financial spreadsheets, and materials provided by CGC.

9. Only by participating in this proceeding can the Consumer Advocate work adequately to protect the interests of consumers.

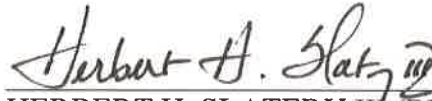
WHEREFORE, Petitioner respectfully asks the Commission to grant this Petition to Intervene.

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⁸ *Id.*

⁹ *Id.* at 6-7.

RESPECTFULLY SUBMITTED,



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*In Re: TPUC Docket No. 19-00047
Consumer Advocate's Petition to Intervene*

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

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This the 7th day of May, 2019.



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