

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

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

**CONSUMER ADVOCATE'S SECOND DISCOVERY REQUEST
TO CHATTANOOGA GAS COMPANY**

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This Second Discovery Request is hereby served upon Chattanooga Gas Company (Company), pursuant to Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-1-2-.11. The Consumer Advocate Unit in the Financial Division of the Attorney General's Office (Consumer Advocate) requests that full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Advocate Unit in the Financial Division, 301 6th Avenue North, Nashville, Tennessee 37243, c/o Daniel P. Whitaker, III, on or before 2:00 p.m. (CDT), June 10, 2019.

PRELIMINARY MATTERS AND DEFINITIONS

These additional discovery requests incorporate the same Preliminary Matters and Definitions set forth in the *First Discovery Request of the Consumer Protection and Advocate Division to Tennessee Chattanooga Gas Company* filed April 30, 2019, and are to be considered continuing in nature, and are to be supplemented from time to time as information is received by CGC and any CGC affiliate which would make a prior response inaccurate, incomplete, or incorrect. Further, to the extent that some responses may contain confidential information, clearly and conspicuously mark those responses that CGC asserts are confidential and separate these responses from the public filing. CGC shall also comply with any other requirements in the Protective Order.

SECOND DISCOVERY REQUESTS

- 2-1. Refer to the Company's response to TPUC Staff Request No. 1. Schedule 19 contains various color highlights. Please describe in detail the distinctions behind the differing colors.

RESPONSE:

- 2-2. Please confirm that the Company does not intend to capitalize accrued pension/OPEB costs and long-term incentive compensation.

RESPONSE:

- 2-3. Provide a reconciliation of the amounts and accounts (or portion of account balances) contained in Schedules 19, 19.1, and 20, provided in response to TPUC Staff Request No. 1, with the appropriate FERC Accounts.

RESPONSE:

- 2-4. Refer to the Company's response to TPUC Staff Request No. 1, schedules 19 and 20, where subtotals include hard-coded data. Provide source and support for all cells with hard-coded data. Indicate whether CGC is willing to incorporate formulas to calculate subtotals and totals within all Schedules on a going-forward basis within its ARM filings.

RESPONSE:

- 2-5. Regarding the response to Consumer Advocate Request No. 1-3, identify all aspects of this response that will not be incorporated into the Cost Allocation Manual applicable to CGC which is purportedly under development.

RESPONSE:

- 2-6. Consumer Advocate Request No. 1-3 sought a copy of a Cost Allocation Manual of AGSC related to transactions with NICOR. The Company's Response included a copy of a Services Agreement between AGSC and NICOR. The following link refers to a heavily redacted document titled "SCS Cost Accountability and Control Manual" – <https://www.icc.illinois.gov/downloads/public/edocket/432304.pdf>. With respect to this document, respond to the following:

- a. Confirm that the linked document does not impact costs assigned/allocated from AGSC to NICOR; and
- b. Provide an unredacted copy of the SCS Cost Accountability and Control Manual.

RESPONSE:

2-7. With respect to reporting requirements of NICOR submitted to the Illinois Commerce Commission (ICC) related to cost allocations/assignments from AGSC to NICOR, provide the following:

- a. Provide a list of each such document provided to the ICC; and
- b. Provide a copy of such documents provided to the ICC related to 2018 operations.

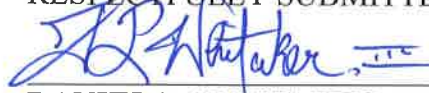
For purposes of this response, do not include information provided in discovery within rate case proceedings. Instead, the Consumer Advocate is seeking information NICOR is required to provide on an annual/quarterly/monthly basis to the ICC related to cost allocations and affiliated transactions.

RESPONSE:

2-8. Provide a comprehensive analysis of how methodologies that were approved in TPUC Docket No. 18-00017 can be used in this Docket to establish an ARM pursuant to Tenn. Code Ann. § 65-5-103(d)(6). For example, this response should include, but in no way be limited to, a discussion of how forward-looking methodologies in TPUC Docket No. 18-00017 can now be used in a historic-looking ARM filing, while still complying with the requirement that the annual review of rates be “based upon the methodology adopted in [the public utility’s] most recent rate case”

RESPONSE:

RESPECTFULLY SUBMITTED,



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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 28th day of May, 2019.



DANIEL P. WHITAKER, III
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