BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

April 21, 2025

IN RE:	)	
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DOCKET TO COLLECT AND CONSIDER INFORMATION RELATING TO COMMISSION PRACTICE AND PROCEDURE FOR RULEMAKING ON TENN. R. & REGS. 1220-01-01, 1220-01-02, AND OTHER SECTIONS AS DETERMINED RELEVANT.	)	**Docket No. 21-00018**

CHATTANOOGA GAS COMPANY'S COMMENTS

Chattanooga Gas Company ("CGC" or "Company") hereby submits its Comments in response to the Notice Soliciting Public Comments on Rulemaking issued March 24, 2025 ("Notice").

PRELIMINARY STATEMENT

As a natural gas utility fully regulated by this Commission, CGC has had multiple different types of proceedings before the Commission over the last several years. CGC believes it is appropriate for the Commission to periodically review and update its practice and procedure rules and appreciates the Commission's ongoing efforts in this regard. CGC previously provided comments in this docket on February 21, 2021, and April 19, 2021, and attended the Commission's workshop. CGC supports many of the changes to the Rules and Regulations of Practice and Procedure, but offers the following comments for the Commission's consideration related to: (A)

filing confidential and proprietary information; (B) general filing procedures; (C) discovery; and (D) notices required for rate petitions.

II. Comments on Proposed Rules

A. Confidential and Proprietary Information

The proposed procedure for designating and filing confidential and proprietary information in proposed rule 1220-01-01-.03(5) adds substantial burden to the filing party, without necessary guidance as to what constitutes "confidential" or "proprietary" information or recognition that often the filings initiating a docket, *i.e.,* prior to issuance of a protective order, will include confidential information.

More specifically, proposed rule 1220-01-01-.03(5)(a) requires:

> For each document asserted to be confidential or proprietary, a statement explaining with reasonable specificity the basis, including a citation to the law or rule relied upon for such designation, under which the document is entitled to protection from public disclosure.

The definition of "confidential" in proposed rule 1220-01-01-.01(3)(d), however, does not provide guidance as to what information may be appropriately designated as confidential. For example, the rules should contemplate that critical infrastructure information must be considered confidential for public safety purposes. The definition of "proprietary" in Rule 1220-01-01-.01(3)(j) provides somewhat more information by retaining existing language that "trade secrets, confidential research or development, [and] commercially sensitive information," is "proprietary," but it is unclear whether designating something as "proprietary" based on, for example, assertion it is "confidential research and development" also requires citation to a separate statue or rule supporting the designation under proposed rule 1220-01-01-.03(5). Neither definition provides sufficient specificity as to the universe of laws or rules that may serve as the basis for such a

designation.

Importantly, the proposed Rule and definitions, by requiring that confidential or proprietary information be filed pursuant to a protective order, fail to recognize that very often confidential and proprietary information is, and must be, included in the filing initiating the docket—for example, required filings pursuant to an annual rate review mechanism ("ARM"). CGC suggests that the Commission reconsider the necessity of placing additional burdens on parties filing confidential information. In the absence of specifically defining these terms in the rule, CGC suggests that referencing existing trade secret or confidential/proprietary protection statutes would help.

B. General Filing Procedures

In addition to the comments regarding confidential and proprietary filings as discussed above, CGC suggests that the Commission consider the following revisions to proposed rule 12220-01-01-.03:

First, CGC suggests that it is no longer necessary for parties to go through the time and expense of printing and mailing multiple paper copies of every filing, many of which can be voluminous. These costs are ultimately borne by the ratepayers. Therefore, CGC proposes the following, which also accommodates electronic filing of confidential information:

> (1) All documents filed with the Commission shall be filed to the attention of the Docket Manager via electronic mail to TPUC.DocketRoom@tn.gov or by first-class mail. If the document cannot be converted to an electronic form or the Commission requests paper copies, ~~such directed otherwise, four (4)~~ paper copies of the filing shall be mailed to the Docket Manager~~, whether or not the filing is made by electronic mail or first class mail. Originals shall be retained in the Commission's official file.~~ Any confidential or proprietary documents submitted by email shall be in a separate email clearly identified in the subject line of the email the phrase "CONFIDENTIAL INFORMATION ATTACHED." The Docket Manager shall note in the public record that a confidential or proprietary document has been filed and the general subject of its contents, but the Docket

Manager shall not post such confidential or proprietary on its website and otherwise not publicly disclose such information except as required by Tennessee law.

~~(4)(a) All documents filed with the Docket Manager must be on 8 ½" x 11" paper whenever possible. Any physical exhibits, other than those submitted on 8 ½" x 11" paper, must be accompanied by a copy of the exhibit or a description and explanation of the exhibit on 8 ½" x 11" paper.~~

~~(4)(b) All electronic documents shall be in a format such that they can be printed on 8 ½" x 11" paper.~~

In addition, it is contemplated in two different places in the proposed rules (1220-01-01-03(4)(c) and 1220-01-02-.23(7)) that all spreadsheets and databases filed must include formulas or dependencies or preclude hard coding of documents. These requirements are unrealistic. Oftentimes information is exported from the utility's databases or other sources, including proprietary financial systems, to support a filing or discovery response and presented in an Excel or similar format. In those instances, it is simply not possible to include formulas and dependencies in the spreadsheet. CGC suggests striking these requirements.

C. Discovery

Since CGC's 2018 rate case, the Company has found a great deal of success in working with the Consumer Advocate through an informal discovery process or more simply, meetings between the parties to discuss the case. In this regard, a meeting of the parties can go a long way in facilitating an understanding of that case that helps to both limit and sharpen formal written discovery. Likewise, such a meeting following the production of discovery responses can and has helped to clarify the information provided and resolved basic questions and misunderstandings which has facilitated the overall discovery process and even settlement.

CGC suggests that the Commission consider revising rule 1220-01-02-.11 to specifically recognize the possibility of informal discovery. As written, the proposed rule would appear to

limit informal discovery to prior to the establishment of a procedural schedule. CGC proposes the following revision to Rule 1220-01-02-11(1) to allow informal discovery:

> (1) Discovery shall be sought, effectuated, and enforced in accordance with the Tennessee Rules of Civil Procedure. ~~After the filing of an initial petition, before the establishment of a procedural schedule, p~~Parties may voluntarily engage in the exchange of information, documents, or materials pursuant to this Rule. The parties may conduct informal discovery on any agreed basis, but such exchanges of information shall not be included in the record unless confirmed by formal discovery pursuant to these rules.

CGC also suggests eliminating the requirement in subsection (4)(e) that discovery responses be signed under oath. CGC has no objection to identifying a sponsoring witness or other individual responsible for the substantive content of discovery responses and typically does; however, discovery timeframes move very quickly. Imposing an obligation to have a notarized signature for each response, which could require notarized statements from multiple different Company representatives, is unnecessarily burdensome. At the time discovery is inserted in the record, if the parties stipulate or do not object to its admission, that should resolve any authentication issues.

D. Notices Required for Rate Petitions

CGC supports the general concept of improved customer communications regarding potential rate changes that are associated with a general requirements rate case and approves of the current proposal being limited to just rate cases, but some of the proposed rate case notice requirements are excessive and customers would benefit from a more tailored approach. As will also be discussed further below, it unnecessary to extend or expand the proposed rate case rule to include annual rate review or ARM cases.

Looking first just at the rule as proposed, and limited to just rate cases, the requirement for first class mail notices to every customer is unnecessary, excessively burdensome, and not cost effective. Many customers today rely upon and utilize eBills, and based upon the Company's

experience, first class mailings for eBill customers are not an effective mechanism for informing those customers of rate changes. Moreover, any requirement to provide both email and first-class mail notices is unnecessarily redundant and costly, especially since customers ultimately bear the cost of these notifications. The direct notice to customers should be by "electronic mail and/or first-class mail" in subsection (5)(a)(ii), based upon how the utility normally bills the customer. Because customers can choose their billing preference, providing notice based upon the customer's *chosen form of notice* is the most economical and effective method to notify customers.

To the extent any party to these proceedings believes that the proposed rate case notifications rule, even in a revised form as outlined herein, should be extended to ARM cases, such an extension is unnecessary. CGC believes it is important to ensure customers are notified of changes or potential changes to rates. But as CGC's ARM cases demonstrate, and the governing statutes recognize, ARM proceedings are designed to provide greater, annual transparency of the utility's operations. As such, each ARM plan is closely tailored to each utility's unique circumstances, and it is more appropriate to address a utility's customer notice obligations for its ARM proceedings in each utility's own ARM case just like you would any other requirement in the case. In this regard, in CGC's ARM proceedings, the Company provides customer notices beyond those required by the current rule that were specifically negotiated with the Consumer Advocate based upon factors that are unique to CGC. These factors include a recognition that the Company has a relatively compact service area and that it has its own dedicated electronic billing and customer interface systems. Applying a one-size-fits-all approach to ARM cases by a rule just won't work the same way for all utilities.

CGC has successfully concluded five annual rate reviews and filed its sixth annual rate review on April 21, 2025. Through this process, CGC has demonstrated its commitment to these

annual review processes and to providing meaningful notice to its customers. In the agreement with the Consumer Advocate we reached in our 2022 ARM case, CGC agreed to five improved customer notifications. *See*, *Order Approving CGC Revised 2021 Annual Rate Review Filing*, October 28, 2022, at 10 ("2022 ARM Order"), and the *Joint Status Report and Identification of Remaining Disputed Issues*, July 14, 2025, at 6, and which was approved by the 2022 *ARM Order*. These notifications include:

1. A CGC website devoted to information regarding its ARM case, including information as to the estimated increase in the average residential bill for the upcoming December through February compared with the same period from the previous year.
2. A message on bills including both paper bills and electronic bills ("eBills"), as appropriate - with information regarding the ARM Docket, including a link to the CGC ARM website.
3. A detailed press release regarding the ARM docket reflecting the estimated increase in the average residential bill for the upcoming December through February compared with the same period from the previous year.
4. CGC will make a newspaper advertisement at the end of each case reflecting the estimated increase in the average residential bill for the upcoming December through February compared with the same period from the previous year.
5. CGC will include in its newsletter emailed to all customers at the end of each case information as to the estimated increase in the average residential

bill for the upcoming December through February compared with the same period from the previous year.

In addition to these agreed upon notices, CGC takes additional steps to ensure the public is informed regarding is ARM filings. Importantly, CGC provides key case information to its elected officers (city, county, and local state office holders) and offers to meet with any elected officials who many have questions or want further details on the case for themselves or their constituents. CGC provides information to our employees so that they can be informed and help direct customers to our website and other notice channels. Finally, the Company responds to media inquiries, and provides the press with responsive information for any story that entity is preparing for distribution. Given these agreed to and further voluntary actions, an extension of the current rule proposal beyond rate cases to ARM cases is unnecessary.

CGC submits that the additional requirements suggested by the Consumer Advocate are onerous and costly recommendations that are simply not necessary for the overwhelming majority of matters before this Commission, rate cases, ARM dockets, or otherwise. If any isolated events were to occur, then this Commission certainly has the authority to order additional customer and public notice to address that situation. In addition, as already discussed in connection with CGC's agreed upon extra customer notifications, based upon a utility's particular circumstances, it would be more appropriate to address the needs of that particular case on an ad hoc basis.

In conclusion, CGC supports the Commission's determination not to apply the enhanced notice requirements in Rule 1220-01-02-.23(5) to ARM cases and opposes the Consumer Advocate's efforts to expand further the scope and content of the proposed rule. There is no demonstrable benefit to repeatedly informing a customer of the same information. CGC submits that the rule should balance these competing interests by limiting notices for rate cases to one form

of direct notice based upon how the customer is billed, and to not extend the rule to ARM cases, continuing to allow for ARM case notices to be addressed on a utility-by-utility basis.

III. Conclusion

WHEREFORE, CGC appreciates the Commission's invitation to provide comments regarding these important issues of practice and procedure before the Commission. CGC looks forward to participating in the April 22, 2025, Rulemaking Hearing and to providing further written comments after the rule hearing.

Respectfully submitted,

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