



July 23, 2021

David Foster
Director of Utilities
Tennessee Public Utilities Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Re: *Docket No. 21-00048, Chattanooga Gas Company Petition for Approval of Its 2020 Annual Rate Review Filing Pursuant to Tenn. Code Ann. § 54-5-103(d)(6)*

Dear Mr. Foster:

In response to your letter to me on July 20, 2021, please find attached Chattanooga Gas Company's Responses to the Commission Staff Data Request.

The attached responses have been prepared by Gary Tucker. Should you have any questions or need further clarification, Gary is available by cell phone at 404-975-7528 or by email at gatucker@southernco.com.

We will file this letter in the docket electronically as well as a hard copy will be placed in the mail to the Docket Manager.

Yours truly,

Butler Snow LLP

A handwritten signature in blue ink, appearing to read "J.W. Luna".

J.W. Luna

JWL/cb
Enclosures
cc: Docket File
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DOCKET NO. 21-00048
CHATTANOOGA GAS COMPANY'S RESPONSES TO
COMMISSION STAFF DATA REQUESTS

Question:

1. Provide the specific account(s) any ARM under-collected revenue deficiency will be recorded on the books of the Company.

Response:

1. For regulatory purposes, the approved ARM under-collected revenue deficiency is presented on Schedule 2A1 in the ARM filing and on the Rate Base Details tab on Page 15 ROR Calculation, submitted as part of the monthly reports to the Commission. Currently, for GAAP purposes, the ARM under-collected revenue deficiency is not recorded on Chattanooga Gas Company's books.

Question:

2. Provide the specific carrying charges, including calculations, that will be applied to any ARM under-collected revenue deficiency.

Response:

2. For the Historic Base Period Deficiency carrying charges, the Company will present the requested deficiency balance and calculate carrying charges as prescribed in the ARM Stipulation in Schedule 29 of the ARM filing. The calculation of the Historic Base Period carrying charges is as follows: historic base period deficiency balance x 7.12% (authorized rate of return) x 50%. After Commission review and approval, the deficiency balance will then be included in rate base the following year and forward until the balance is fully collected.