



May 18, 2021

Chairman Kenneth C. Hill  
Tennessee Public Utility Commission  
ATTN: Ectory Lawless, Docket Clerk  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243

Re: *Chattanooga Gas Company's Notice of Withdrawal from Further Consideration in this Docket Certain Proposed T-1, T-2, and T-3 Tariff Changes*  
Docket No. 21-00048

Dear Chairman Hill:

Please see attached Chattanooga Gas Company's ("CGC") Notice of Withdrawal of Certain Tariff Pages relating to the proposed revisions to the Special Terms and Conditions provisions of the T-1, T-2, and T-3 tariffs. Because of the nature of these proposed changes, which CGC believes are in the public interest, CGC has decided that it would be more appropriate to refile them in a separate docket at a later date since they are not revisions flowing from the ARM process. The Notice provides specific information regarding the testimony and exhibit pages being withdrawn.

Yours truly,

Butler Snow LLP

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

J.W. Luna

JWL/cb  
Enclosures

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**May 18, 2021**

<b>IN RE:</b>	)	
	)	
<b>CHATTANOOGA GAS COMPANY</b>	)	<b>Docket No.</b>
<b>PETITION FOR APPROVAL OF ITS</b>	)	
<b>2020 ANNUAL RATE REVIEW</b>	)	<b>21-00048</b>
<b>FILING PURSUANT TO</b>	)	
<b>TENN. CODE ANN. § 65-5-103(d)(6)</b>	)	
	)	

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**CHATTANOOGA GAS COMPANY  
NOTICE OF WITHDRAWAL FROM FURTHER CONSIDERATION IN THIS  
DOCKET CERTAIN PROPOSED T-1, T-2, AND T-3 TARIFF CHANGES**

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Chattanooga Gas Company (“Company” or “CGC”) hereby advises the Tennessee Public Utility Commission (“TPUC” or “Commission”), customers, and parties of record of its Notice of Withdrawal (“Notice”) to withdraw from any further consideration in this docket certain tariff changes associated with the proposed revisions to the Special Terms and Conditions for the T-1, T-2, and T-3, and the corresponding testimony and exhibit ages. This Notice is without prejudice for CGC to refile these proposed changes in a separate, new docket at some point in the future. Pursuant to this Notice, CGC advises the Commission as follows:

1. On April 20, 2021, CGC initiated this docket with the filing of its second annual rate review of CGC’s 2020 Historic Base Period revenues and expenses pursuant to CGC’s Annual Review Mechanism (“ARM”) first approved in Docket 19-00047. Among the various changes proposed in this comprehensive filing, CGC sought to change the Special Terms and Conditions sections of its T-1, T-2, and T-3 tariffs to provide an incentive for transportation customers not to

over-nominate or under-nominate gas on days when a balancing order is in effect. These changes are presented in Mr. Archie Hickerson's prefiled direct testimony at Page 9, Line 18, through Page 10, Line 29 and Page 11, at Lines 16 and 17; Mr. Hickerson's Exhibit ARH-9, at Pages 8 -9, 11-14, and 16-17; and in the corresponding tariff page amendments sponsored by Mr. Hickerson's four tariff exhibits, which are specifically identified as follows:

<u>Exhibit No.</u>	<u>Exhibit Page</u>	<u>Tariff Page</u>	<u>Description</u>
ARH-2	19 of 43	30D	T-1
ARH-2	23 of 43	31C	T-2
ARH-2	24 of 43	31D	T-2
ARH-2	27 of 43	33B	T-3
ARH-2	28 of 43	33C	T-3
ARH-3	19 of 44	30D	T-1
ARH-3	23 of 44	31C	T-2
ARH-3	24 of 44	31D	T-2
ARH-3	27 of 44	33B	T-3
ARH-3	28 of 44	33C	T-3
ARH-5	19 of 43	30D	T-1
ARH-5	23 of 43	31C	T-2
ARH-5	24 of 43	31D	T-2
ARH-5	27 of 43	33B	T-3
ARH-5	28 of 43	33C	T-3
ARH-6	19 of 45	30D	T-1
ARH-6	23 of 45	31C	T-2
ARH-6	24 of 45	31C	T-2 carryover page
ARH-6	25 of 45	31D	T-2
ARH-6	28 of 45	33B	T-3
ARH-6	29 of 45	33B	T-3 carryover page
ARH-6	30 of 45	33C	T-3

2. CGC believes that it is necessary and appropriate to make the proposed change to the T-1, T-2, and T-3 Special Terms and Conditions tariff language because while the current tariff provides an incentive for the transportation customers to not under-deliver, there is no incentive for transportation customers to not over deliver, which has been an issue. The proposed tariff change would provide the transportation customers an incentive to comply with balancing orders. The penalty for over delivery would not be imposed if the volume of gas delivered is within 5% of the Customer's consumption on a day when a balancing order is in effect and pipeline penalties are not imposed. By withdrawing this proposed addition to the T-1, T-2 and T-3 tariffs, there is no impact on the substance of CGC's ARM calculations because any amount that would be collected through this provision would be credited to the recovery of gas cost included in CGC's annual Actual Cost Adjustment ("ACA") filing.

3. While CGC believes in the importance of making these tariff changes, CGC recognizes these proposed changes are controversial for the transportation customers. CGC has determined that since these proposed tariff changes do not impact the substance of the ARM case, that it would be more appropriate to consider them in a separate docket where interested persons and the Commission would be able to better focus on the merits of the proposed changes. To be clear, by withdrawing this proposal and the corresponding tariff pages without prejudice, it is CGC's intent to refile them later in a new, separate docket.

4. So the record is clear, CGC is withdrawing that part of Mr. Hickerson's prefiled direct testimony beginning at Page 9, Line 18, and continuing through Page 10, Line 29, and the corresponding tariff pages 30D, 31C, 31D, 33B, and 33C that are presented in Hickerson Exhibits ARH-2, ARH-3, ARH-5, and ARH-6 that are more specifically identified in paragraph 1 above. There are no substitute pages to replace the withdrawn tariff pages. At the hearing in this docket,

CGC will simply note the text of Mr. Hickerson's prefiled direct testimony that should be stricken and not included in the record for this docket.

**WHEREFORE**, CGC hereby notices that it has completely withdrawn from further consideration, without prejudice, its proposed T-1, T-2, and T-3 Special Terms and Conditions revised language identified in Mr. Hickerson's prefiled direct testimony beginning at Page 9, Line 18, and continuing through Page 10, Line 29, along with the corresponding tariff pages 30D, 31C, 31D, 33B, and 33C that are presented in Hickerson Exhibits ARH-2, ARH-3, ARH-5, and ARH-6 more particularly described in paragraph 1 above. CGC shall later file such proposed tariff changes in a separate docket.

Respectfully submitted,



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*Attorneys for Chattanooga Gas Company*

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and exact copy of the foregoing Notice has been forwarded to the following via email on this the 18<sup>th</sup> day of May, 2021:

KAREN H. STACHOWSKI (BPR #019607)

Assistant Attorney General

RACHEL BOWEN

*Practicing Pending Admission*

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