BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

December 3, 2021

IN RE:	)	
	)	
JOINT REQUEST OF CHATTANOOGA GAS COMPANY AND KORDSA, INC. FOR APPROVAL OF SPECIAL CONTRACT	)	**DOCKET NO. 21-00094**
	)	
	)	

ORDER DENYING MOTION FOR INTERIM APPROVAL

This matter is before the Hearing Officer of the Tennessee Public Utility Commission ("Commission" or "TPUC") for consideration of the *Motion to Grant Interim Approval of Special Contract*, *Subject to Hearing and True-Up* ("*Motion*") filed by Kordsa, Inc. ("Kordsa") on November 17, 2021. In its *Motion*, Kordsa asks the Commission to approve the Special Contract between Chattanooga Gas Company ("CGC") and Kordsa on an interim basis, subject to a true-up after the hearing is held by the Commission. Kordsa states it filed its *Motion* because CGC and Kordsa are prepared for a hearing on the merits, but the Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General ("Consumer Advocate") intends to oppose the special contract and is preparing testimony to file.[1] Kordsa asserts that the upcoming Commission Conference is scheduled for December 6th and there hasn't been a schedule set for filing testimony so it may not be until January, February or later before there can be a hearing on the special contract.[2] Kordsa maintains the purpose of the special contract is for CGC to keep

[1] *Motion*, p. 2 (November 17, 2021).
[2] *Id.*

Kordsa as a customer, and Kordsa is ready to begin construction of a bypass line for alternate gas service which can be completed in six months if the special contract is not approved shortly.[3] According to Kordsa, "[b]ecause of the true-up provision, granting this motion for interim approval will not prejudice any party but will deter Kordsa from going forward with the bypass project at this time to prevent it from building a pipeline."[4]

On November 23, 2021, the Consumer Advocate filed its *Response in Opposition to Kordsa, Inc.'s Motion to Grant Interim Approval of Special Contract, Subject to Hearing and True-up* ("*Response*") asking that Kordsa's *Motion* be denied. The Consumer Advocate argues the *Motion* should be denied because its approval would only benefit a private entity, Kordsa, not the public, which is required for the Commission to approve a special contract.[5] In addition, the Consumer Advocate argues that because this matter is a contested case, only the traditional hearing process will provide adequate consideration of the matter.[6] Further, the Consumer Advocate maintains the *Motion* is moot because the matter is ripe for hearing.[7]

The Hearing Officer convened a Status Conference on November 24, 2021. During the Status Conference, CGC, Kordsa, and the Consumer Advocate indicated they were ready to proceed with a hearing on the merits during the December 6th Commission Conference.[8] The Hearing Officer told the parties that due to the short timeframe, this matter could not be placed on the December 6th Conference Agenda. However, the Hearing Officer told the parties a target Hearing Date would be set for the Commission Conference in January. On November 30, 2021,

[3] *Id.* at 2-3.
[4] *Id.* at 3.
[5] *Response*, pp. 2-3 (November 23, 2021).
[6] *Id.* at 3-4.
[7] *Id.* at 4.
[8] The Consumer Advocate filed Pre-Filed Testimony on November 22, 2021. Kordsa waived filing Pre-Filed Rebuttal Testimony if the Hearing could proceed in December.

the Hearing Officer issued a Procedural Schedule setting January 18, 2022 as the target hearing date for the hearing on the merits in this matter.

The Hearing Officer is persuaded by the arguments set forth in the Consumer Advocate's *Response*. The Hearing Officer finds there is no precedent that would allow the relief Kordsa seeks in its *Motion*. In addition, the extraordinary relief Kordsa is seeking is unnecessary since the hearing on the merits is scheduled to be heard in January. For the foregoing reasons, the Hearing Officer concludes Kordsa's *Motion* should be denied.

IT IS THEREBY ORDERED THAT:

The *Motion to Grant Interim Approval of Special Contract*, *Subject to Hearing and True-Up* filed by Kordsa, Inc. on November 17, 2021 is **DENIED.**

Monica Smith-Ashford

Monica Smith-Ashford, Hearing Officer