## BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION NASHVILLE, TENNESSEE

IN RE:	)	
CHATTANOOGA GAS COMPANY	)	Docket No. 22-00004
PETITION FOR APPROVAL OF	)	
TARIFF AMENDMENTS TO ITS T-1,	)	
T-2, AND T-3 TARIFFS	)	
	)	
	)	

## CHATTANOOGA REGIONAL MANUFACTURERS ASSOCIATION MOTION FOR SEQUESTRATION OF WITNESSES

The Chattanooga Regional Manufacturers Association ("CRMA") requests, pursuant to Rule 1220-01-02.16, that witnesses testifying for the Chattanooga Gas Company ("CGC" or "the Company") in the above-captioned matter be excluded from the hearing room prior to their testimony.

The sequestration of witnesses is well recognized in Tennessee and is a right that any party may invoke. See Tennessee Rules of Civil Procedure, Rule 615 (At the request of a party, "the court shall" order the sequestration of witnesses before opening statements subject to certain exceptions provided in the rule.) Sequestration is especially important in this case because there will be extensive cross-examination of CGC's witnesses over three issues in particular:

1. In January, 2022, CGC refused to offer "incremental" gas to CGC's interruptible customers but just five days later allowed its asset manager to divert large amounts of pipeline capacity —12,000 to 15,000 dekatherms a day for twenty consecutive days—to off-system customers and replaced that gas with inventory from the LNG tank.

CGC's actions violated both the utility's tariff and its legal obligation to give priority to the needs of its on-system own customers before making off-system sales.

In prior dockets, CGC's witnesses discussed at length the benefits of increasing 2. CGC's maximum daily capacity by expanding the distribution capacity of the LNG storage tanks. The project was described as a "real win-win for our customers" (Wendell Dallas, 18-00017, direct testimony at 12) that would save "some \$40 million in natural gas costs over the next ten years." Paul Leath, 21-00048, direct testimony at 15. The first phase of the project (now completed) added 6,700 Dth/day to CGC's maximum daily capacity and the second phase (put on hold) would have added another 16,000 Dth/day. As a result, this project was intended to "replace" the anticipated loss of 25,000 Dth/day in pipeline capacity and provide "incremental gas supply... over our design day and reserve margin requirements." This "excess gas supply" was going to be available "to serve new customers or existing customers with additional needs." Deborah Santolin, 18-00017, rebuttal testimony at 4. Using the LNG facility in this manner provides "greater flexibility in meeting customer needs because the gas supply is controlled by the Company, meaning CGC does not need to give notice to or obtain supply from a third party when customers need the gas." Gregory Becker, Docket 18-00017, direct testimony at 16. Now, having not only acquired 25,000 Dth/day in additional pipeline capacity that the LNG project was intended to replace but also having obtained an additional 25,000 Dth/day in pipeline capacity, CGC takes the completely opposite position regarding the use of the LNG tanks. Now CGC says, it would be imprudent to use LNG gas to "serve existing customer with additional needs."

3. CGC is proposing to change a long-standing provision in its transportation tariff that will punish interruptible customers who are unable to obtain pipeline capacity during cold weather. In response, CMRA has proposed that CGC assign pipeline capacity to those customers (or their marketers) as others gas utilities have been doing for thirty years. While CGC assigns pipeline capacity to its asset manager —an agreement that benefits CGC's stockholders— CGC refuses to assign capacity to its large transportation customers.

To varying degrees, each of these issues raises questions about the credibility of CGC's testimony in this and in prior dockets. That is why it is so important in this case to keep CGC's witnesses out of the room until their turn to testify. Sequestration, as the Supreme Court said, "exercises restraint on witnesses tailoring their testimony to that of earlier witnesses and aids in detecting testimony that is less than candid." *Geders v. U.S.* 425 U.S. 60, 86 (1976).

While the sequestration rule is not often invoked at the Commission, counsel is aware of no instances in which such a request has been denied consistent with the mandatory requirement and exceptions stated in T.R.C.P. 615.

Finally, if CGC elects to keep a witness in the room throughout the proceedings under an exception provided in T.R.C.P. 615, that witness should be required to testify first. See <u>Barber v.</u> <u>Barber</u>, 360 S.E.2d 574 (Ga., 1987).

Respectfully submitted,

By:

Henry Walker (B.P.R. No. 000272) Bradley Arant Boult Cummings, LLP 1600 Division Street, Suite 700

Nashville, TN 37203 Phone: 615-252-2363

Email: hwalker@bradley.com

## **CERTIFICATE OF SERVICE**

I hereby certify that I have on this 2<sup>nd</sup> day of September, 2022, a copy of the foregoing document was served on the parties of record, via electronic email transmission and regular U.S. Mail, postage prepaid, addressed as follows:

Henry M. Walker