

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

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

PETITION TO INTERVENE

The Consumer Advocate Unit in the Financial Division of the Office of the Attorney General (the "Consumer Advocate"), by and through counsel, respectfully petitions the Tennessee Public Utility Commission ("TPUC" or "Commission") in accordance with Tenn. Code Ann. § 65-4-118 to grant the Consumer Advocate's intervention into this proceeding because consumers' interests, rights, duties, or privileges may be determined or affected by the *Petition of Chattanooga Gas Company Petition for Approval of Tariff Amendments to its T-1, T-2 and T-3 Tariffs* ("Petition ") filed in this TPUC Docket by Chattanooga Gas Company ("CGC" or the "Company"). For cause, the Consumer Advocate would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utility services by initiating and intervening as a party in any matter or proceeding before the Commission in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101, *et seq.* and TPUC rules.

2. The Company is a public utility regulated by the Commission and is engaged in the business of transporting, distributing, and selling natural gas to residential, commercial, and industrial customers in the greater Chattanooga and Cleveland, Tennessee areas within Hamilton and Bradley Counties. CGC is a wholly owned subsidiary of Southern Company Gas, a holding

company that owns regulated natural gas utilities in Georgia, Illinois, and Virginia, in addition to CGC in Tennessee. CGC's principal office and place of business is located at 2207 Olan Mills Drive, Chattanooga, Tennessee 37421.

3. In February 2021, natural gas prices spiked due to a "brutal winter storm."¹ Certain state commissions such as Minnesota,² North Dakota,³ and Kansas⁴ opened prudence reviews to evaluate the actions taken by jurisdictional utilities during the brief but highly impactful energy crisis. Also, the Attorney Generals in Texas,⁵ Kansas,⁶ and Oklahoma opened investigations into the energy pricing during the winter weather disaster.

4. In the months following February 2021, the Consumer Advocate contacted Atmos Energy Corporation ("Atmos Energy"), and Piedmont Natural Gas Company, Inc. ("Piedmont") seeking information related to the potential effects of the February 2021 price spike on the respective public utilities.⁷

¹ Barbara Kollmeyer, *Natural-Gas Prices Spike as Brutal Winter Storm Hits Swaths of the U.S.*, Barron's, February 16, 2021, at www.barrons.com/articles/natural-gas-prices-are-soaring-because-of-a-brutal-u-s-storm-51613481947.

² *Order Opening Investigation*, Minnesota Public Utilities Commission, Docket No. G-999/CI-21-135 (March 2, 2021).

³ *Extreme Cold Weather Event Investigation*, North Dakota Public Service Commission, PU-21-101 – PU-21-106 (March 3, 2021).

⁴ *In the Matter of Investigation into Atmos Energy Corporation Regarding the February 2021 Winter Weather Events as contemplated by Docket No. 21-GIMX-303-MIS*, State Corporation Commission of the State of Kansas, Docket No. 21-ATMG-333-GIG (March 9, 2021); *In the Matter of the Investigation into Kansas Gas Service Company, a Division of One Gas Inc. Regarding the February 2021 Winter Weather Events, as Contemplated by Docket No. 21-GIMX-303-MIS*, State Corporation Commission of the State of Kansas, Docket No. 21-ATMG-332-GIG (March 9, 2021); and *In the Matter of the Investigation into Black Hills Energy a Division of One Gas Inc. Regarding the February 2021 Winter Weather Events, as Contemplated by Docket No. 21-GIMX-303-MIS*, State Corporation Commission of the State of Kansas, Docket No. 21-ATMG-334-GIG (March 9, 2021).

⁵ Press Release, Texas Attorney General, *AG Paxton Expands Winter Storm Investigation into Natural Gas Prices* (March 8, 2021) (<https://www.texasattorneygeneral.gov/news/releases/ag-paxton-expands-winter-storm-investigation-natural-gas-price-increases>).

⁶ Press Release, Kansas Attorney General, *AG Derek Schmidt Seeks to Expand Investigation into February Natural Gas Price Spike* (September 13, 2021) (<https://ag.ks.gov/media-center/news-releases/2021/09/13/ag-derek-schmidt-seeks-to-expand-investigation-into-february-natural-gas-price-spike>).

⁷ *Consumer Advocate's Petition to Obtain Information from Piedmont Natural Gas Company, Inc. Pertaining to the Potential Effects of the Price Spikes in February 2021*, Exhibit CA-1, TPUC Docket No. 21-00073

5. The Consumer Advocate discussed the potential effects of the February 2021 price spikes with CGC in an existing docket at the time. Specifically, in its 2020 Annual Rate Review Filing for its Annual Review Mechanism (“ARM”)⁸, CGC proposed various changes to the Special Terms and Conditions sections of its T-1, T-2, and T-3 tariffs intended to provide an incentive for transportation customers not to over-nominate or under-nominate gas on days when a balancing order is in effect.⁹

6. On May 18, 2021, CGC stated that 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, future docket since they are not revisions flowing from the ARM process.”¹⁰

7. Before CGC filed its current petition¹¹:

CGC met with customer representatives who are members of the Chattanooga Regional Manufacturers Association (“CRMA”) to discuss and explain the basis for changing the balancing tariff. The CRMA members did not agree with the proposed tariff changes, but CGC explained that these changes are necessary as a matter of fairness and equity so that other CGC customers are not placed in the position of having to pay for the business decisions of CGC’s transportation customers who do not properly manage their gas supplies.

8. Once CGC filed its Petition, the CRMA filed its Petition to Intervene in this Docket.¹²

(June 23, 2021). Atmos Energy responded to the Consumer Advocate’s initial letter; however, the Consumer Advocate was required to petition TPUC to open a docket to receive information from Piedmont. *Id.*

⁸ *Chattanooga Gas Company Petition for Approval of Its 2020 Annual Rate Review Filing Pursuant to Tenn. Code Ann. § 65-5-103(d)(6)*, TPUC Docket No. 21-00048 (April 20, 2021).

⁹ *Direct Testimony of Archie R. Hickerson* at 9:18 – 10:28 and Exhibit ARH-9, TPUC Docket No. 2-00048 (April 20, 2021).

¹⁰ *Chattanooga Gas Company’s Notice of Withdrawal from Further Consideration in This Docket Certain T-1, T-2, and T-3 Tariff Changes*, TPUC Docket No. 21-00048 (May 18, 2021).

¹¹ Petition at p. 3, ¶ 5.

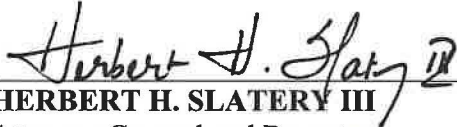
¹² *Petition of the Chattanooga Regional Manufacturers Association for Leave to Intervene*, TPUC Docket No. 22-00004 (January 21, 2021).


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9. As the interests of Tennessee consumers may be determined or affected in this proceeding, the Consumer Advocate is permitted under Tenn. Code Ann. § 65-4-118(b)(1) to intervene in this matter to represent these interests. Only by participating as a party to this proceeding can the Consumer Advocate adequately carry out its statutory duty to represent the interests of Tennessee consumers.

Wherefore, the Consumer Advocate requests the Commission grant this Petition to Intervene and to grant the Consumer Advocate and the consumers of Tennessee such other relief as may be deemed appropriate under the circumstances.

RESPECTFULLY SUBMITTED,


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CERTIFICATE OF SERVICE

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This the 7th day of February 2022.



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