

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

IN RE:

**CHATTANOOGA GAS COMPANY'S
PETITION FOR APPROVAL OF
TARIFF AMENDMENTS TO ITS T-1,
T-2, AND T-3 TARIFFS**

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DOCKET NO. 22-00004

**CONSUMER ADVOCATE'S SECOND SET OF DISCOVERY REQUESTS
TO CHATTANOOGA GAS COMPANY**

This Second Set of Discovery Requests is hereby served upon Chattanooga Gas Company, Inc. ("CGC" or the "Company"), pursuant to Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-1-2-.11. The Consumer Advocate Unit in the Financial Division of the Office of the Attorney General ("Consumer Advocate") requests that full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Financial Division, Consumer Advocate Unit, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Karen H. Stachowski on or before Monday, June 13, 2022, at 2:00 p.m. CST.

PRELIMINARY MATTERS AND DEFINITIONS

These Additional Discovery Requests incorporate by reference the same Preliminary Matters and Definitions as set forth in the Consumer Advocate's First Set of Discovery Requests to CGC sent to the Company on April 8, 2022, are to be considered continuing in nature, and are

to be supplemented from time to time as information is received by the Company which would make a prior response inaccurate, incomplete, or incorrect.

SECOND SET OF DISCOVERY REQUESTS

2-1. Refer to the Company's Tariff T-1, Rate Schedule, Interruptible Transportation Service, "Availability", ¶ 2.¹ How does the Company define the term "hardship" within this portion of the tariff? Does the Company believe this section prohibits the billing of customer usage that is greater than its system injections during periods of high daily gas prices?

RESPONSE:

2-2. Refer to the Company's Tariff T-1, Rate Schedule, Interruptible Transportation Service, "Balancing."² What provisions, if any, exist in the Company's Tariff to enforce the requirement to balance daily?

REPSONSE:

2-3. Does the Company believe it is prohibited from requiring daily balancing during periods of significant gas price volatility under its existing tariff? Provide a comprehensive explanation of the Company's interpretation of the first sentence under the Balancing Section of the Company's T-1 Tariff.

RESPONSE:

¹ Chattanooga Gas Company, Gas Tariff, TPUC No. 1 at Eighth Revised Sheet No. 30 (Effective November 1, 2018) (available at www.chattanoogagas.com/content/dam/southern-co-gas/chattanooga-gas/rates/rates-and-tariffs/2022-rates-and-tariffs/may-2022/Revised%20Tariff%205-1-22.pdf).

² *Id.* at Tenth Revised Sheet No. 30B, "Balancing" (Effective September 1, 2021).

- 2-4.** Identify the dates and scope of any curtailments the Company executed pursuant to Sheet 52 of the Company's Tariff in the calendar years 2020 and 2021.³ Further, identify the number of customers curtailed or whose volumes were limited that were served under rate schedule C-1 or C-2, respectively, within each of the dates identified above.

RESPONSE:

- 2-5.** Does the Company contend services provided under rate Schedules C-1 and C-2 meet the definition of interruptible sales service customers as referenced in Sheet 52⁴ of the Company's Tariff?

RESPONSE:

- 2-6.** Refer to Sheet 52A of the Company's Tariff.⁵ Explain why the examples cited in Mr. Hickerson's testimony⁶ do not qualify for the Unauthorized Over-Run Penalty provisions of the Company's tariff.

RESPONSE:

- 2-7.** Refer to the Company's Rate Schedule C-2, "Availability," Demand Charge rate of \$8.40/Dth.⁷ Provide a comprehensive explanation as to whether any portion of these charges are to recover the Company's cost of upstream transportation costs for (i) Firm Service or (ii) Interruptible Service.

RESPONSE:

³ *Id.* at Sixth Revised Sheet No. 52.

⁴ *Id.*

⁵ *Id.* at Fifth Revised Sheet No. 52A.

⁶ *Direct Testimony of Archie R. Hickerson* at 7:16 – 8:11, TPUC Docket No. 22-00004 (January 14, 2022).

⁷ Chattanooga Gas Company, Gas Tariff, TPUC No. 1 at Third Revised Sheet No. 11 (Effective September 1, 2021).

2-8. Notwithstanding the published Demand Charge rate within the Company's C-2 Rate Schedule,⁸ is this customer class assigned any portion of interstate pipeline demand costs for firm service within the Company's Actual Cost Adjustment ("ACA") mechanism?

RESPONSE:

2-9. Refer to the Company's Response to CRMA DR No. 1-6.⁹ Were any penalties assessed to CGC by any of its interstate pipeline suppliers in years 2020 or 2021 that were not in turn charged to CGC's interruptible transportation or sales customers as set forth in this response? If so, provide the following:

- a. The annual amount of such penalties retained by CGC;
- b. How such penalties were accounted for by CGC; and
- c. Describe how any penalty in excess of \$10,000 was incurred by CGC, including a reference to the applicable interstate tariff provision under which such penalty was assessed.

RESPONSE:

2-10. Regarding the Company's C-2 Rate Schedule.¹⁰ Respond to the following:

- a. Confirm that the balancing requirements for customers served under this tariff are the responsibility of CGC and not the individual customer. If this is not confirmed, explain how customers served under the C-2 Tariff retain the responsibility for daily balancing.
- b. Other than the availability of gas supply as referenced in the "Availability" section of the Company's Tariff, are there other impediments faced by customers currently served under its Tariff, Rate Schedules T-1, T-2 and T-3 that would limit their ability to move to the Company's C-2 rate schedule?
- c. Provide a comprehensive explanation of the impediments that may exist if CGC were to experience a significant shift of volumes from within its T-1, T-2 and

⁸ *Id.*


⁹ Chattanooga Gas Company's Responses and Objections to CRMA's First Discovery Requests, p. 4, DR 1-6, TPUC Docket No. 22-00004 (May 2, 2022).

¹⁰ *Id.*

T-3 Rate Schedules to its C-2 Rate Schedule in terms of its capability to supply gas.

RESPONSE:

RESPECTFULLY SUBMITTED,


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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail,
with a courtesy copy by electronic mail, upon:

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This the 23rd day of May 2022.


KAREN H. STACHOWSKI
Senior Assistant Attorney General