

1 **Q. Please state your name, position and business address.**

2 A. Tiffani Weems, Supervisor, Regulatory Reporting, Southern Company Gas
3 (“SCG”). My business address is 10 Peachtree Place, Location 1686, Atlanta,
4 Georgia 30309.

5 **Q. Are you the same Tiffani Weems who previously filed direct testimony in this**
6 **proceeding?**

7 A. Yes, I am.

8 **Q. What is the purpose of your supplemental testimony?**

9 A. The purpose of my supplemental testimony is to present information to the
10 Commission concerning the revisions to the filed 2022 Annual Review Mechanism
11 (“2022 ARM”) docket for the 2021 Historic Base Period that was filed by
12 Chattanooga Gas Company on April 20, 2022, and to support the Joint Status
13 Report and Identification of Remaining Disputed Issues filed in this proceeding on
14 July 14, 2022. The revisions to the 2022 ARM for the prescribed ARM filing are
15 the result of discussions and negotiations between Chattanooga Gas Company, the
16 Consumer Advocate, and the Chattanooga Regional Manufacturing Association
17 that participated in this proceeding.

18 **Q. Are you sponsoring any exhibits?**

19 A. Yes, I am sponsoring Exhibit TW-4. Exhibit TW-4 is a revised version of Exhibit
20 TW-1 that was attached to my pre-filed direct testimony.

21 **Q. How do you characterize the revisions that have been made to the prescribed**
22 **ARM filing for 2021?**

1 A. The revisions to the 2022 ARM Docket filing were made through the discovery
2 process. Corrections and adjustments have been identified in Schedule 1 of Exhibit
3 TW-4.

4 **Q. Please discuss the corrections identified in Exhibit TW-4.**

5 A. Through the discovery process, the Company has made corrections to the total rate
6 adjustment, reducing it by \$109,493. Schedule 1 of Exhibit TW-4 includes a line
7 item for each correction, identifying the impact to the deficiency, rate reset and total
8 rate adjustment. Additionally, Schedule 1 includes the location of the correction
9 within the ARM model as well as the discovery request in which the correction was
10 identified and discussed.

11 **Q. What is the total rate adjustment for the prescribed ARM filing, including all**
12 **corrections and adjustments for which there is no dispute?**

13 A. The initial filing included a total rate adjustment of \$8,021,257, after making the
14 corrections identified during the discovery process. The undisputed total
15 prescribed rate adjustment presented for Commission approval for the 2022 ARM
16 Docket filing is \$7,911,764.

17 **Q. Is the total prescribed rate adjustment of \$7,911,764 what the parties are**
18 **proposing to recover in rates beginning September 1, 2022?**

19 A. No. In the 2021 ARM Order, the Commission approved, as requested by the
20 Company and stipulated by the Consumer Advocate, a voluntary limit on the rate
21 increase for the Historic Base Period years 2020 through 2023 of up to \$6.8 million
22 annually, with any under-recovered amount rolling to the next year's recovery. The
23 request was proposed and granted due to the size of the 2020 ARM Rate

1 Adjustment and its immediate impact on customers. The Company is requesting
2 approval of the total prescribed rate adjustment of \$7,911,764, but since the total
3 rate adjustment is greater than the voluntary rate cap approved by the Commission,
4 the Company is requesting an increase in rates of \$6,800,000, as is set forth in more
5 detail in Mr. Hickerson's testimony, with the unrecovered balance carried over and
6 included in next year's ARM Docket.

7 **Q. Does this conclude your supplemental testimony in support of the undisputed**
8 **prescribed ARM recovery for 2021?**

9 **A. Yes.**

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Annual Reconciliation Revenue Deficiency/ (Excess)
Twelve Months Ending December 31, 2021
Schedule 1

Line No.	Description	Adopted Docket 18-00017	Prior Year Adopted Docket 21-00048	Historic Base Period with Rate Making Adjustments	Historic Base Period Normalized	Annual True-Up Revenue Requirement Rate Adjustment
1	Rate Base - Sch 2	149,739,716	190,129,250	213,453,604	206,884,756	210,018,272
2	Operating Income - Sch 5	9,625,826	4,962,492	9,141,111	15,323,634	9,075,381
3	Earned Return [L2/L1]	6.43%	2.61%	4.28%	7.41%	4.32%
4	Fair Rate of Return - Sch 11	7.12%	7.12%	7.12%	7.12%	7.12%
5	Required Operating Income [L4 X L1]	10,657,876	13,532,641	15,192,776	14,725,231	14,948,263
6	Operating Income Deficiency (Excess) [L6-L2]	1,032,050	8,570,149	6,051,665	(598,402)	5,872,882
7	Gross Revenue Conversion Factor - Sch 12	1.347168975	1.347168975	1.347168975	1.347168975	1.347168975
8	Revenue Deficiency (Surplus) [L6 X L7]	1,390,345	11,545,439	8,152,615	(806,149)	7,911,764
				8,152,142	(696,149)	8,021,257
				-	(8,704)	(8,704) Removal of AGSC portion of the COVID-19 Telework benefit; Reference: Sch 7, Sch 28, DR CA 1-2
				204	204	422 Correction of Lobbying Portion of Org Dues; Reference Sch 24.3 and DR Ca 1-22
				-	(30,354)	(30,354) Removal of additional Employee Relocation Expenses; Reference Sch 28.1; DR CA 1-25
				-	(34,918)	(34,918) Removal of allocated Restructuring-Severance; Reference Sch 28 and Sch 7; DR CA 1-31
				-	5,003	5,003 Correction to Uncollectible adjustment; Reference Sch 28;DR CA 2-5
				270	(6,458)	(6,169) Correction: Update Depreciation Rates on Schedule 14; Reference (DR CA 2-19)
				-	(34,772)	(34,772) Correction Double Count of C-1 AC Customers Schedule 15 Reference DR 3-2
				-	(0)	(0) Check
				474	(110,000)	(109,493)

Summary

The Corrections/Adjustments on Lines 28-34 are in response to and discussed in the Company's responses during the discovery process.
The discover items and corresponding schedules are identified above.

The Corrections/Adjustments result in total impact of \$474 to the deficiency (Col I), and a (\$110K) impact to the Rate Rest (Col J), for a total impact of roughly (\$110K) to the total rate adjustment.

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Rate Base
Twelve Months Ending December 31, 2021
Schedule 2

Line No.	Description	Adopted Docket 18-00017	Prior Year Adopted Docket 21-00048	Historic Base Period 13 Month Average	Remove Prior Year Average Unamortized ARM Asset/(Liability)	Normalization Adjustments	Current Year Unamortized ARM Asset/(Liability) and Related Deferred Tax	Annual Rate True-Up Normalized Historic Base Period
Additions								
1	Plant-in-Service	a/ \$ 301,415,025	\$ 352,338,509	\$ 370,773,745				\$ 370,773,745
2	Construction Work in Progress (CWIP)	a/ 12,457,439	13,709,361	17,490,690				17,490,690
3	Deferred LNG Maintenance, net of ADITs	a/ -	256,983	428,305				428,305
4	Incremental ARM Reg Asset, net of ADITs	a/ -	82,205	-				-
5	Material and Supplies	a/ 343,442	430,765	506,703		(39,532)		467,171
6	Prepayments	a/ 46,803	42,203	80,710		(28,506)		52,204
7	Stored Gas Inventory	a/ 9,425,959	8,508,393	9,233,359		(612,511)		8,620,848
8	Deferred Rate Case Expense	a/ 1,117,499	991,122	760,893				760,893
9	Working Capital	b/ 350,066	244,520	910,686		76,823		987,509
10	Unamortized ARM Reconciliation Balance	a/ -	3,769,029	8,197,792		(8,197,792)	4,242,220	4,242,220
11	Deferred Pension Contribution	a/ -	693,997	495,712				495,712
	Total Additions	\$ 325,156,233	\$ 381,067,086	\$ 408,878,596	\$ -	\$ (8,801,518)	\$ 4,242,220	\$ 404,319,297
Deductions								
12	Removal of Non-allocable Net AGSC Plant	a/ \$ -	\$ 542,881	\$ 202,325	\$ -	\$ -	\$ -	\$ 202,325
13	Accumulated Depreciation	a/ 127,903,439	138,302,817	143,484,235				\$ 143,484,235
14	Accumulated Deferred Income Tax-ADIT	a/ 23,114,266	25,552,663	26,559,566				26,559,566
15	Regulated Liability-EDIT	a/ 22,177,646	21,044,625	19,757,368				19,757,368
16	Deferred Income Tax-ARM Reconciliation Balance	a/ -	985,036	2,142,493		(2,142,493)	1,108,704	1,108,704
17	Deferred Tax Cuts & Jobs Act Regulatory Liability	a/ -	1,773,760	532,128				532,128
18	Customer Advances for Construction	a/ -	-	-				-
19	Reserve for Uncollectible	a/ 169,708	230,631	341,475		(61,335)		280,140
20	Reserve for Health Insurance	a/ 33,409	63,504	97,113		(13,495)		83,618
21	Other Reserves	a/ 72,774	86,745	126,154		(15,347)		110,807
22	Customer Deposits	a/ 1,612,342	1,985,513	1,837,555				1,837,555
23	Accrued Interest on Customer Deposits	a/ 332,933	369,662	344,580				344,580
24	Total Deductions	\$ 175,416,517	\$ 190,937,837	\$ 195,424,992	\$ -	\$ (2,232,670)	\$ 1,108,704	\$ 194,301,026
25	Total Rate Base	\$ 149,739,716	\$ 190,129,250	\$ 213,453,604	\$ -	\$ (6,568,848)	\$ 3,133,516	\$ 210,018,272

a/ Historic Base Period 13-Month Average Sch 2A
b/ Leg Lag Schedule 3

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Rate Base-13 Month Average Workpaper
Twelve Months Ending December 31, 2021
Schedule 2A

Line No.	Description		December	January	February	March	April	May	June	July	August	September	October	November	December	13-MA
Additions																
1	Plant-in-Service	a/	\$ 357,547,781	\$ 361,716,497	\$ 365,056,236	\$ 366,295,658	\$ 368,059,941	\$ 370,069,426	\$ 373,094,736	\$ 373,389,997	\$ 374,426,687	\$ 372,023,124	\$ 373,344,773	\$ 379,359,140	\$ 385,674,692	370,773,745
2	Construction Work in Progress (CWIP)	a/	20,542,890	17,877,860	16,922,084	15,316,045	16,639,437	15,605,939	14,816,197	15,690,825	16,284,904	16,988,996	19,168,219	21,055,751	20,469,828	17,490,690
3	2019 Deficiency	a/	2,971,653	2,641,470	2,311,286	1,981,102	1,650,918	1,320,735	990,551	660,367	330,184	-	-	-	-	1,142,944
4	2020 Deficiency	a/	7,538,057	7,538,057	7,538,057	7,538,057	7,538,057	7,538,057	7,538,057	7,538,057	7,538,057	6,909,886	6,281,714	5,653,543	5,025,371	7,054,848
5	Deferred LNG Maintenance, net of ADITs	a/	513,966	499,690	485,413	471,136	456,859	442,582	428,305	414,028	399,752	385,475	371,198	356,921	342,644	428,305
6	Incremental ARM Reg Asset, net of ADITs	a/	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Prepaid Pension Cash Contributions, Net of ADIT	a/	594,855	578,331	561,807	545,284	528,760	512,236	495,712	479,189	462,665	446,141	429,617	413,094	396,570	495,712
8	Material and Supplies	a/	501,767	505,781	504,468	502,255	503,675	506,600	510,356	508,554	507,384	509,562	510,136	505,786	510,816	506,703
9	Prepayments	a/	109,378	103,615	89,085	89,928	74,915	79,434	94,207	83,635	69,587	55,538	53,341	39,265	107,307	80,710
10	Stored Gas Inventory	a/	8,271,837	7,007,878	5,033,288	3,903,952	5,215,156	6,639,087	7,841,171	9,314,335	10,958,115	12,762,735	15,280,882	14,683,822	13,121,406	9,233,359
11	Deferred Rate Case Expense	a/	925,381	897,967	870,552	843,137	815,722	788,308	760,893	733,478	706,063	678,649	651,234	623,819	596,404	760,893
12	Total Additions		\$ 399,517,566	\$ 399,367,144	\$ 399,372,276	\$ 397,486,554	\$ 401,483,441	\$ 403,502,404	\$ 406,570,186	\$ 408,812,467	\$ 411,683,396	\$ 410,760,104	\$ 416,091,114	\$ 422,691,140	\$ 426,245,039	\$ 407,967,910
Deductions																
13	Accumulated Depreciation	a/	(140,984,687)	(141,560,842)	(142,428,729)	(142,392,996)	(143,366,287)	(143,712,813)	(144,240,100)	(144,682,331)	(145,218,378)	(141,677,239)	(142,752,721)	(146,063,856)	(146,214,075)	\$ (143,484,235)
14	2019 Deficiency ADITs	a/	(776,642)	(690,348)	(604,055)	(517,761)	(431,468)	(345,174)	(258,881)	(172,587)	(86,294)	-	-	-	-	\$ (298,708)
15	2020 Deficiency ADITs	a/	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,970,071)	(1,805,899)	(1,641,726)	(1,477,553)	(1,313,381)	\$ (1,843,785)
16	Accumulated Deferred Income Tax-ADIT	a/	(25,428,087)	(25,634,214)	(25,819,234)	(25,322,106)	(25,651,670)	(25,710,607)	(25,959,674)	(26,196,939)	(26,762,821)	(27,204,078)	(28,169,035)	(28,535,628)	(28,880,266)	(26,559,666)
17	Regulated Liability-EDIT	a/	(20,487,062)	(20,438,312)	(20,389,562)	(20,605,382)	(20,396,472)	(20,187,562)	(19,969,579)	(19,769,744)	(19,560,836)	(19,286,197)	(18,641,333)	(18,586,594)	(18,527,151)	(19,757,368)
18	Deferred Tax Cuts & Jobs Act Regulatory Liabilit	a/	(1,383,533)	(1,229,807)	(1,076,081)	(922,355)	(768,629)	(614,903)	(461,178)	(307,452)	(153,726)	-	-	-	-	(532,128)
19	Customer Advances for Constructor	a/	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Reserve for Uncollectibles	a/	(358,897)	(313,597)	(327,614)	(347,248)	(356,425)	(408,353)	(379,452)	(369,940)	(305,322)	(293,177)	(314,305)	(349,265)	(315,582)	(341,475)
21	Reserve for Health Insurance	a/	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)	(97,113)
22	Other Reserves	a/	(138,289)	(140,379)	(142,925)	(151,404)	(153,072)	(154,268)	(154,709)	(157,023)	(157,516)	(161,766)	(38,658)	(44,995)	(44,997)	(126,154)
23	Customer Deposits	a/	(1,943,895)	(1,857,133)	(1,782,220)	(1,810,942)	(1,831,292)	(1,797,506)	(1,821,369)	(1,827,152)	(1,804,087)	(1,855,780)	(1,911,589)	(1,893,764)	(1,751,491)	(1,837,555)
24	Accrued Interest on Customer Deposits	a/	(378,559)	(379,677)	(378,982)	(375,309)	(374,573)	(375,830)	(372,521)	(372,409)	(373,159)	(368,305)	(364,905)	(363,870)	(1,446)	(344,580)
25	Total Deductions		\$ (193,946,835)	\$ (194,311,493)	\$ (195,016,586)	\$ (194,512,685)	\$ (195,397,071)	\$ (195,374,200)	\$ (195,684,646)	\$ (195,922,760)	\$ (196,489,321)	\$ (192,749,554)	\$ (193,931,386)	\$ (197,412,638)	\$ (197,145,502)	\$ (195,222,667)
26	Total Rate Base		\$ 205,570,731	\$ 205,055,652	\$ 204,355,690	\$ 202,973,868	\$ 206,086,370	\$ 208,128,204	\$ 210,885,540	\$ 212,889,707	\$ 215,194,075	\$ 218,010,550	\$ 222,159,728	\$ 225,278,502	\$ 229,099,537	\$ 212,745,243
27	245511 Taxes Payable-Tennessee	a/	\$ (197,361)	\$ (202,514)	\$ (222,479)	\$ (204,869)	\$ (148,115)	\$ (98,283)	\$ (102,941)	\$ (81,488)	\$ (181,264)	\$ (86,891)	\$ (109,599)	\$ (257,351)	\$ (241,387)	\$ (164,196)
28	245512 Taxes Payable- Tennessee	a/	(5,894)	(20,743)	(28)	(2,588)	(6,516)	(2,348)	6,910	6,894	6,894	(1,819)	(1,816)	(1,816)	6,854	(562)
29	246010 Franchise Requirements	a/	(588,248)	(339,303)	(714,463)	(1,049,709)	(249,570)	(414,285)	(580,849)	(147,253)	(285,666)	(434,319)	(179,205)	(423,467)	(850,587)	(481,302)
30	Franchise Fee and Sale Tax Withheld Balance		\$ (791,503)	\$ (562,560)	\$ (936,970)	\$ (1,257,167)	\$ (404,200)	\$ (514,916)	\$ (676,880)	\$ (221,847)	\$ (460,037)	\$ (514,317)	\$ (290,623)	\$ (682,633)	\$ (1,085,119)	\$ (646,059)

a/ Historic Base Period 13-Month Average Sch 2A

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Allocated Plant, Accumulated Depreciation, Deferred Income Tax-Workpaper
Twelve Months Ending December 31, 2021

[illegible]

a/ See Schedule 35.7 ADIT Worksheet

b/ The 2019 deficiency approved in docket 20-00045

c/ The 2020 deficiency approved in docket 21-00048

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Lead Lag Results
Twelve Months Ending December 31, 2021
Schedule 3**

Line No.	Description		Adopted Docket 18- 00017	Prior Year Adopted Docket 21- 00048	Historic Base Period	Annual True-Up Revenue Requirement Rate Adjustment
1	Revenue Lag	c/	43.76	43.76	43.76	43.76
2	Expense Lag	b/	39.01	38.96	36.18	36.20
3	Net Lag		4.75	4.80	7.58	7.56
4	Daily Cost of Service	b/	180,221	178,564	205,481	216,119
5	Cash Working Capital		856,635	857,780	1,556,745	1,633,568
6	Less: Tax Collections Withheld	a/	(506,569)	(613,260)	(646,059)	(646,059)
7	Net Cash Working Capital Provided		350,066	244,520	910,686	987,509

a/ Rate Base-13 Month Average Workpaper Schedule 2A
b/ Working Capital Expense Lag Schedule 4
c/ Rate Case Docket 18-00017

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Working Capital Expense Lag
Twelve Months Ending December 31, 2021
Schedule 4 (Deficiency)**

Line No.	Description	Historic Base Period Amount	Lag	\$ Days
Operating & Maintenance Expense				
1	Purchased Gas	\$ 41,229,539 c/	40.94 b/	\$ 1,687,937,336
2	O&M Labor	4,025,681 a/	14.01 b/	56,399,785
3	Pension	22,144 a/	0.00 b/	-
4	Post-Retirement Benefits Other than Pension	58,485 a/	0.00 b/	-
5	Miscellaneous Employee Benefits	57,060 a/	4.47 b/	255,058
6	401 K Benefits	153,259 a/	12.07 b/	1,849,834
7	Health/Life Insurance Expense	655,513 a/	8.98 b/	5,886,505
8	Allocated Cost	6,099,324 a/	21.94 b/	133,819,174
9	Uncollectible	279,373 a/	43.76 b/	12,225,353
10	Other Operating Expense	7,335,875 f/	31.49 b/	231,006,717
Taxes				
11	Taxes-Other than Income Tax	3,499,473 c/	171.16 b/	598,969,790
12	State Excise (Income) Tax-Current	(1,488,483) d/	37.88 b/	(56,383,720)
13	State Excise (Income) Tax-Deferred	1,591,800 d/	0.00 b/	-
14	FIT-Current	(3,526,354) d/	37.88 b/	(133,578,299)
15	Fit-Deferred	1,545,873 d/	0.00 b/	-
Other Expense				
16	Depreciation and Amortization	8,777,367 c/	0.00 b/	-
17	Interest on Customer Deposits	34,933 c/	0.00 b/	-
18	Interest Short-Term Debt	384,528 e/	(51.36) b/	(19,749,376)
19	Interest Long-Term Debt	4,265,300 e/	45.76 b/	195,180,126
20	Total Working Capital Requirements [L1:L19]	\$ 75,000,690		\$ 2,713,818,284
21	Net Lead(lag) Days [Col E L20/Col BCL20]		<u>36.18</u>	
22	Daily Working Capital Requirements. Col C L20/365	<u>\$ 205,481.34</u>		
23	Return on Equity	<u>\$ 10,298,154</u>		
24	Total Cost of Serviced	<u>\$ 85,298,845</u>		

(0)

- a/ Operating and Maintenance Expense Summary Schedule 7
- b/ Rate Case Docket 18-00017
- c/ Income Statement Historic Base Period Schedule 5
- d/ Excise and Income Tax Schedule 9
- e/ Capital Structure and Rate of Return Summary Schedule 11
- f/ Calculation of Operating Expense for Lead Lag Schedule 4.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Working Capital Expense Lag after Normalization Adjustments
Twelve Months Ending December 31, 2021
Schedule 4 (Reset)

Line No.	Description	Historic Base Period Amount	Lag	\$ Days
Operating & Maintenance Expense				
1	Purchased Gas	\$ 41,229,539 c/	40.94 b/	\$ 1,687,937,336
2	O&M Labor	4,025,681 a/	14.01 b/	56,399,785
3	Pension	22,144 a/	0.00 b/	-
4	Post-Retirement Benefits Other than Pension	58,485 a/	0.00 b/	-
5	Miscellaneous Employee Benefits	(26,366) a/	4.47 b/	(117,858)
6	401 K Benefits	153,259 a/	12.07 b/	1,849,834
7	Health/Life Insurance Expense	569,263 a/	8.98 b/	5,111,985
8	Allocated Cost	6,099,324 a/	21.94 b/	133,819,174
9	Uncollectible	266,607 a/	43.76 b/	11,666,710
10	Other Operating Expense	6,317,977 f/	31.49 b/	198,953,090
Taxes				
11	Taxes-Other than Income Tax	3,499,473 c/	171.16 b/	598,969,790
12	State Excise (Income) Tax-Current	(765,703) d/	37.88 b/	(29,004,822)
13	State Excise (Income) Tax-Deferred	1,591,800 d/	0.00 b/	-
14	FIT-Current	537,405 d/	37.88 b/	20,356,884
15	Fit-Deferred	1,545,873 d/	0.00 b/	-
Other Expense				
16	Depreciation and Amortization	9,222,939 c/	0.00 b/	-
17	Interest on Customer Deposits	36,604 c/	0.00 b/	-
18	Interest Short-Term Debt	372,072 e/	(51.36) b/	(19,109,609)
19	Interest Long-Term Debt	4,127,129 e/	45.76 b/	188,857,413
20	Total Working Capital Requirements [L1:L19]	\$ 78,883,503		\$ 2,855,689,712
21	Net Lead(lag) Days [Col E L20/Col BCL20]		<u>36.20</u>	
22	Daily Working Capital Requirements. Col C L20/365	<u>\$ 216,119.19</u>		
23	Return on Equity	<u>\$ 10,298,154</u>		
24	Total Cost of Serviced	<u>\$ 89,181,657</u>		
		-		

a/ Operating and Maintenance Expense Summary Schedule 7
b/ Rate Case Docket 18-00017
c/ Income Statement Historic Base Period Schedule 5
d/ Excise and Income Tax Schedule 9
e/ Capital Structure and Rate of Return Summary Schedule 11
f/ Calculation of Operating Expense for Lead Lag Schedule 4.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Working Capital Expense Lag / Calculation of Other Operating for Lead Lag
Twelve Months Ending December 31, 2021
Schedule 4.1

Line No.	Description	Historic Base Period Adjusted	Historic Base Period Normalized
1	Total O&M	18,686,713	17,486,373 a/
2	O&M Labor- Payroll	4,025,681	4,025,681 a/
3	Pension	22,144	22,144 a/
4	Post-Retirement Benefits Other than Pension	58,485	58,485 a/
5	Miscellaneous Employee Benefits	57,060	(26,366) a/
6	401 K Benefits	153,259	153,259 a/
7	Health/Life Insurance Expense	655,513	569,263 a/
8	AGL Service Company Allocations	6,099,324	6,099,324 a/
9	Bad Debt Expense (Uncollectible)	279,373	266,607 a/
10	Total	<u>11,350,838</u>	<u>11,168,396</u>
11	Other Operating Expense (L1-L10)	<u>7,335,875</u>	<u>6,317,977</u>

a/ Operating and Maintenance Expense Summary Schedule 7

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Income Statement Historic Base Period
Twelve Months Ending December 31, 2021
Schedule 5

Line No.	Description		Rate Case Docket 18-00017 Adopted	Prior Year Adopted Docket 21-00048	Historic Base Period Actual Without Rate Making Adjustments	Rate Making Adjustments	Historic Base Period with Rate Making Adjustments	Normalization Adjustment		Normalized and Current Rates	Adjustment to include Amortization of Current Year ARM Regulatory Asset/(Liability)	Annual True-Up Revenue Requirement Rate Adjustment
Revenue												
1	Revenues	a/	\$ 70,473,655	\$ 70,049,634	\$ 84,517,255	\$ (1,376,533)	\$ 83,140,722	\$ 4,702,044	d/	\$ 87,842,766		\$ 87,842,766
2	AFUDC -Interest	e/		161,760	244,793		244,793			244,793		244,793
3	AFUDC-Equity	e/	823,951	340,428	516,734		516,734			516,734		516,734
4	Other Revenues	a/	675,121	1,003,751	4,361,995	(3,287,932)	1,074,063	29,580	d/	1,103,643		1,103,643
5	Total Operating Revenues		\$ 71,972,727	\$ 71,555,573	\$ 89,640,777	\$ (4,664,466)	\$ 84,976,311	\$ 4,731,624		\$ 89,707,936	\$ -	\$ 89,707,936
Operating & Maintenance Expense												
6	Purchased Gas Expense	e/, a/	\$ 38,611,525	\$ 30,528,398	\$ 41,261,084	\$ (31,544)	\$ 41,229,539			\$ 41,229,539		\$ 41,229,539
7	Operating & Maintenance Expense-Labor	e/, b/	3,216,717	3,694,166	4,393,545	(367,864)	4,025,681			4,025,681		4,025,681
8	Operating & Maintenance Expense-Non Labor	b/	8,733,561	13,007,236	19,186,439	(4,525,406)	14,661,033	(1,200,341)		13,460,692		13,460,692
9	Total Operating & Maintenance Expense		\$ 50,561,803	\$ 47,229,801	\$ 64,841,067	\$ (4,924,815)	\$ 59,916,253	\$ (1,200,341)		\$ 58,715,912	\$ -	\$ 58,715,912
Other Expense												
10	Depreciation Expense	e/	\$ 7,718,131	\$ 8,519,496	9,022,293	\$ (244,926)	\$ 8,777,367	\$ 445,572	i/	\$ 9,222,939		\$ 9,222,939
11	Amortization -ARM Reconciliation Balance (ARM Regulatory Asset/(Liability))			7,538,057	5,484,339		5,484,339	(5,484,339)		-	8,484,440	h/ 8,484,440
12	Interest on Customer Deposits	e/	96,740	40,062	34,933		34,933	1,671	g/	36,604		36,604
13	Taxes Other than Income	e/, f/	3,339,316	3,760,637	3,525,780	(26,307)	3,499,473			3,499,473		3,499,473
14	State Excise (Income) Tax	c/	372,213	(31,711)	68,765	34,553	103,317	722,780		826,097	(556,159)	269,938
15	Federal Income Tax	c/	264,062	(463,262)	(2,084,857)	104,376	(1,980,481)	4,063,759		2,083,278	(1,680,028)	403,249
16	Total Other Expense		\$ 62,352,265	\$ 66,593,081	\$ 80,892,319	\$ (5,057,119)	\$ 75,835,201	\$ (1,450,898)		\$ 74,384,302	\$ 6,248,253	\$ 80,632,555
17	Utility Operating Income		\$ 9,620,462	\$ 4,962,492	\$ 8,748,458	\$ 392,653	\$ 9,141,111	\$ 6,182,523		\$ 15,323,634	\$ (6,248,253)	\$ 9,075,381

- a/ Revenue Reconciliation Schedule 5.1
b/ Operating and Maintenance Expense Summary Schedule 7
c/ Excise and Income Tax Schedule 9
d/ Revenue Summary Schedule 6
e/ Chattanooga Gas Company detailed Income Statement Schedule 19
f/ Taxes Other than Income Tax Schedule 8
g/ Normalization Adjustment Other than Weather Schedule 28
h/ Carrying Charges and Historic Period annual Reconciliation Balance Schedule 29

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Reconciliation
Twelve Months Ending December 31, 2021
Schedule 5.1

Line No.	Descriptions	Amount		
1	Operating Revenues	\$ 88,879,251	a/	
	Classify as Other Revenues o Income Statement			
2	402300 LNG Sales	\$ -	a/	
3	404301 Revenue - Franchise Collected	3,006,431	a/	
4	412250 Miscellaneous Revenue	19,978	a/	
5	407050 Late Payment Fees	430,544	a/	
6	407090 Returned Check -Marketer	12,760	a/	
7	407100 Reconnect Charge - Firm	57,950	a/	
8	407101 Seasonal Reconnect Change	36,835	a/	
9	407102 Turn-on Charge- Firm	158,575	a/	
10	407103 Meter Set Charge- Firm	38,923	a/	
11	410100 Management and Consulting Fee	600,000	a/	
12	Total Deduct [L2:L12]	<u>\$ 4,361,995</u>		
13	Sales and Transportation Revenue Including PGA [L1-L12]	<u>\$ 84,517,255</u>		
14	Sales and Transportation Revenue L13	\$ 84,517,255		
	Add:			
15	Reverse the Tax Rate Reduction Accrual	(1,383,533)	a/	
16	Remove Miscellaneous Base Revenue Adjustment	6,999		
17	Adjusted Sales and Transportation Revenue	<u>\$ 83,140,722</u>		
		<u>Adjustment</u>	<u>Adjusted Revenue</u>	
18	Other Revenues			
19	402300 LNG Sales	-	b/	-
20	404301 Revenue - Franchise Collected	\$ 3,006,431	(3,006,431) c/	-
21	412250 Miscellaneous Revenue	19,978		\$ 19,978
22	407050 Late Payment Fees	430,544		430,544
23	407090 Returned Check -Marketer	12,760		12,760
24	407100 Reconnect Charge - Firm	57,950		57,950
25	407101 Seasonal Reconnect Change	36,835		36,835
26	407102 Turn-on Charge- Firm	158,575		158,575
27	407103 Meter Set Charge- Firm	38,923		38,923
28	410100 Management and Consulting Fee	600,000	(600,000) b/	-
29	670250 Damage Billing - Gas Reclassed as Revenue instead of Expense Credit	8,072	d/	8,072
30	670251 Damage Billing - Non-Gas Reclassed as Revenue instead f Expense Credit	310,426	d/	310,426
	Total Other Revenues	<u>\$ 4,361,995</u>	<u>(\$3,287,932)</u>	<u>\$ 1,074,063</u>
32	Purchased Gas Cost Adjustment			
	Purchased Gas Cost per books a/	\$ 41,261,084	(31,544) e/	\$ 41,229,539
33	Adjusted Sales and Transportation Revenue L17	\$ 83,140,722		
34	Adjusted Other Revenue L31	1,074,063		
		<u>\$ 84,214,785</u>		
35	Cost of Gas L32	(41,229,539)		
36	Margin	<u>\$ 42,985,246</u>		

a/ Chattanooga Gas Company detailed Income Statement Schedule 19

b/ LNG Sale and AMA Fee -Non Base Revenue handled through IMCR filings. AMA Fee recorded as Management and Consulting Fee

c/ Franchise Fee is a direct pass through also removed from expense

d/ Outside services increased to reflect the re-classification of Damage Billing from expense off-set to revenue Scheduled 7.

e/ Purchased Gas Adjustment Exclude Cost of OFF-System Sales Included in IMCR filing

LNG Cost-Off-System Sales	\$ -	h/
Gain Shared LNG Transfers	\$ -	h/
610100 Purchased Gas Exp	Odorant Cost	31,544 a/
	<u>\$ 31,544</u>	

h/ Department 8100 Income Statement - Chattanooga Gas Company detailed Income Statement Schedule 19

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Summary
Twelve Months Ending December 31, 2021
Schedule 6

Line No.	Descriptions	Rate Case Docket 18-00017 Adopted	Prior Year Adopted Docket 21-00048	Historic Base Period b/	Adjustment to Normalize and Restate 9-1-2021 Rates g/	Weather Normalization Adjustment	Other Normalization Adjustments	Normalized Revenue at Billed Rates
	Sales & Transportation Margin							
1	Residential (R-1)	\$ 14,251,629	\$ 17,413,018	\$ 18,845,377 b/	\$ 1,962,381	\$ (188,240)	\$ 282	\$ 20,619,799
2	Multi-Family (R-4)	28,029	32,677	36,674 b/	4,418	(2,780)		38,311
3	Gas Lights	-	-	254 b/	28		(282)	-
4	Commercial (C-1)	3,495,831	4,067,345	4,264,357 b/	513,606	62,291		4,840,255
5	Commercial (C-2)	8,254,355	10,603,404	10,810,501 b/	1,234,794	426,523		12,471,817
6	Industrial (F-1/T-2)	2,004,732	3,066,170	3,200,769 b/	348,031			3,548,800
7	Industrial (I-1)	36,274	-	- b/	-			-
8	Industrial (T-1)	1,082,153	1,136,751	1,228,957 b/	135,473			1,364,430
9	Industrial (F-1/T-1/T-2)	1,290,946	1,855,065	2,037,590 b/	222,947		(365,038) f/	1,895,498
10	Industrial (T-3)	1,276,880	1,271,932	1,390,585 b/	155,383			1,545,969
11	Special Contract	141,302	74,883	86,208 b/	-		192,228 f/	278,436
12	Total	\$ 31,862,131	\$ 39,521,244	\$ 41,901,271	\$ 4,577,061	\$ 297,793	\$ (172,810)	\$ 46,603,315
13	Misc. Base Revenue Adjustments			-				-
14	Total Sales and Transport Margin	\$ 31,862,131	\$ 39,521,244	\$ 41,901,271	\$ 4,577,061	\$ 297,793		\$ 46,603,315
15	Purchased Gas Cost	38,611,525	30,528,398	41,229,539 c/				41,229,539
16	Total Sales and Transport Revenue	\$ 70,473,656	\$ 70,049,642	\$ 83,130,810	\$ 4,577,061	\$ 297,793		\$ 87,832,854
17	Other Revenue a/	675,121	1,003,751	1,074,063 c/	40,258	2,619	(13,296) e/	1,103,643
18	AFUDC -Interest		161,760	244,793				244,793
19	AFUDC-Equity		340,428	516,734				516,734
20	Total AFUDC	823,951	502,187	761,527	-			761,527
21	Total Revenue	\$ 71,972,728	\$ 71,555,581	\$ 84,966,400	\$ 4,617,319	\$ 300,412		\$ 89,698,024

a/ Normalization 4 Yr. Average - Rate Reset Normalization Adjustments-Non-Weather Adjustments Schedule 28

b/ Summary - Historic Base Period Jurisdictional Non-Gas Revenues -Current Rates - Schedule 15

c/ Revenue Reconciliation Schedule 5.1

d/ Weather Normalized Revenue Adjustment for the Historic Base Period Schedule 16.3

e/ Rate Reset Normalization Adjustments-Non-Weather Adjustments Schedule 28

f/Schedule 35.15

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Summary - Reconciliation
Twelve Months Ending December 31, 2021
Schedule 6.1**

Please reference Schedule 5.1

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
CGC Department 8100 Income Statement
Twelve Months Ending December 31, 2021
Schedule 6.1A**

There were no off system sales of Liquid Natural Gas (LNG) during the Historic Base Period

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Operating and Maintenance Expense Summary
Twelve Months Ending December 31, 2021
Schedule 7**

Line No.	Description		Rate Case Docket 18- 00017 Adopted	Prior Year Adopted Docket 21- 00048	Historic Base Period Per Books	Rate Making Adjustments	Historic Base Period Adjusted	Normalization Adjustments	Historic Base Period Normalized
1	Payroll Expense	a/	3,216,717	3,694,166	4,393,545	(367,864) h/	4,025,681		4,025,681
2	Pension	a/	22,964	22,144	291,175	(269,031) g/	22,144		22,144
3	Post-Retirement Benefits Other than Pension	a/	-	199,615	17,639	40,846 g/	58,485		58,485
4	Miscellaneous Employee Benefits	a/	(312)	(936)	57,060		57,060	(83,426) /j	(26,366)
5	401 K Benefits	a/	120,978	135,468	153,259		153,259		153,259
6	Health/Life Insurance Expense	a/	573,050	504,818	655,513	-	655,513	(86,249) /i	569,263
7	Benefits Capitalized	a/	(92,484)	(146,430)	(145,368)	-	(145,368)		(145,368)
8	Fleet Services & Facilities Expense	a/	810,419	594,714	687,918		687,918		687,918
9	Outside Services	a/	1,849,778	3,590,424	3,783,036	260,321 b/	4,043,357	(242,918) /j	3,800,439
10	Bad Debt Expense	a/	127,227	231,871	279,373	-	279,373	(12,766) /i	266,607
11	Advertising and Outreach	a/	-	1,560	282,063	(279,210) f/	2,853		2,853
12	Customer Services & Accounts Expense	a/	4,859	4,650	-		-		-
13	Franchise and Riders	a/	-	-	3,006,431	(3,006,431)	-		-
14	Administrative & General Expense	a/	951,611	918,913	1,233,110	(150,677) a/	1,082,433	(57,865) /j	1,024,568
15	Admin & Gen. Salaries & Exp. Capitalized	a/	(60,878)	(128,343)	(141,843)		(141,843)	-	(141,843)
16	Other Distribution & Storage Expense	a/	588,213	957,979	1,543,043	263,484 d/	1,806,526	(717,116) `	1,089,410
17	AGL Service Company Allocations	c/	3,838,136	6,120,790	7,484,033	(1,384,708) e/	6,099,324	-	6,099,324
	Total Operation and Maintenance		11,950,278	16,701,403	23,579,984	(4,893,270)	18,686,713	(1,200,341)	17,486,373
			-	-	-	-	-	-	-

a/ Administrative and General Schedule 7b

b/ Move Damage Billing from credit to expense to revenue consistent with Docket No. 18-00017. Schedules 5.1 & 7(a). Additional adjustments identified in Inputs tab

c/ Historic base period includes total AGSC allocated costs. As the rate case amount for Service Company costs allocated to Taxes Other Than Income Tax was not known, the Company has used the allocated TOTIT as calculated by Mr. David Dittmore of 148,755 and added the approved allocated depreciation expense of 317,518 to AGSC cost adopted in 18-00017. This adjustment has been made so that this Historic Base Period may be compared to the allocated service company cost approved in CGC's 2017 rate case.

d/ Other Distribution & Storage Expense Schedule 7c

e/ Allocated Cost Adjustment Schedule 23.1

f/ Advertising Expense Schedule 26

g/ Pension and Other Post-Employment Benefits Adjustment Schedule 2f

h/ Incentive Compensation and Other Payroll Schedule 27

i/ Normalization Adjustment Other than Weather Schedule 28

j/ Normalization Workpaper Schedule 28.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
O&M Expense Roll Up Summary
Twelve Months Ending December 31, 2021
Schedule 7A

Line No.	Description		Amount
	Total Expense		
1	Operation Expenses	a/	15,062,086
2	Maintenance Expenses	a/	1,342,546
3	Capitalized Expenses	a/	(308,681)
4	Intercompany Billing	a/	(1,898)
5	Allocated Costs	a/	7,485,931
6	Total Operating Expense Net of Depreciating and Tax		23,579,984
	Payroll Expense		
7	Fixed Compensation	a/	3,930,448
8	Variable Compensation		
9	AIP	a/	455,036
10	Sales Bonus	a/	8,061
11	Total Payroll		4,393,545
	Pension		
12	Pensions	a/	291,175
13	Non-Qualified Pension Plan	a/	-
14	Total Pension		291,175
15	Other Post Retirement Benefits	a/	17,639
16	Other Benefits	a/	57,060
17	401K Benefits	a/	153,259
18	Health Benefits	a/	655,513
19	Benefits Capitalized	a/	(145,368)
20	Fleet Services	a/	279,750
21	Facilities	a/	429,637
22	Fleet Exp Cap & Distributed	a/	(21,470)
23	Total Fleet and Facilities		687,918
24	Outside Services		3,783,036
25	Customer Account Expenses	a/	279,373
26	Sales Promotion Expense		
27	Marketing Admin and Support	a/	200,926
28	Civic Participation-Other		1,140
29	Civic Participation-Commun Dev		79,997
30	Total Marketing & Civic Expense		282,063
31	Customer Account Expenses	a/	279,373
32	Less: Uncollectible (Included Separately)	a/	(279,373)
33	Customer Service Expenses	a/	-
34	Total Customer Service and Account Expenses		-
	Franchise and Riders		3,006,431
35	Administrative & General Expense	b/	1,233,110
36	Admin & Gen Exp Capitalized	a/	(141,843)
37	Total Administrative & General Expense		1,091,266
38	Allocated Expense		7,484,033
39	Other Distribution and Storage Expense		1,543,043
40	Total		23,579,984

a/Chattanooga Gas Company detailed Income Statement Schedule 19

b/ Administrative and General Schedule 7(b)

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Administrative and General Expense
Twelve Months Ending December 31, 2021
Schedule 7B**

Line No.	Account	Historic Base Period	Reclassify	After Reclass	Rate Making Adjustment	Adjusted Expense
1	607500 Strategic Environmental Costs	3,524	a/	3,524		3,524
2	670051 Company Use Gas	-	a/	-		-
3	670080 Tax and License	42,611	a/	42,611		42,611
4	670100 Office and Administrative	21,323	a/	21,323		21,323
5	670101 Supplies	-	a/	-		-
6	670102 Development and Training-Acctg.	2,740	a/	2,740		2,740
7	670103 Organizational Development	-	a/	-		-
8	670104 Postage	204,335	a/	204,335		204,335
9	670105 Operational Training	-	a/	-		-
10	670106 Safety Training and Reg Compliance	19,685	a/	19,685		19,685
11	670110 Seminars and Meetings	-	a/	-		-
12	670127 Uniforms	36,383	a/	36,383		36,383
13	670130 Bank Service Charges	26,757	a/	26,757		26,757
14	670165 Stores -Other	4,434	a/	4,434		4,434
15	670166 Inventory Adjustment Expense	(177)	a/	(177)		(177)
16	670172 Stores - Capitalization	-	a/	-		-
17	670300 General Business Insurance	211,090	a/	211,090		211,090
18	670351 Printing/ Reproduction	-	a/	-		-
19	670352 Forms	(6,658)	a/	(6,658)		(6,658)
20	670353 Freight/Shipping	-	a/	-		-
21	670355 Computer Software/Hardware Exp	-	a/	-		-
22	670400 Injuries and Damages	211,808	a/	211,808	(150,000) c/	61,808
23	670401 Workers Compensation Expense	-	a/	-		-
24	Regulatory	328,977	a/	328,977		328,977
25	670800 Association and Club Dues-Comp	23,650	a/	23,650	(529) b/	23,121
26	670805 AssociationandClub Dues-Employee	2,520	a/	2,520		2,520
27	670806 General Dues and Subscriptions	7,828	a/	7,828		7,828
28	670840 Miscellaneous Expense	49,430	a/	49,430		49,430
29	670841 Fines and Penalties	149	a/	149	(149) d/	-
30	670855 Travel Expense	19,576	a/	19,576		19,576
31	670856 Meals and Entertainment	14,741	a/	14,741		14,741
32	670857 Meals and Entertainment 100 Percent	9,329	a/	9,329		9,329
33	670868 Spousal Travel Expense	-	a/	-		-
34	670880 Laboratory	-	a/	-		-
35	670881 AGL Acquisition	-	a/	-		-
36	670885 Restructuring-Severance	-	a/	-		-
37	670888 Transportation Reimbursement	-	a/	-		-
38	670159 Scrap Materials	(945)	a/	(945)		(945)
Administrative & General Expense		1,233,110	-	1,233,110	(150,677)	1,082,433

a/ Chattanooga Gas Company detailed Income Statement Schedule 1

b/ Lobbying, Charitable Contribution, Social Club Membership, Athletic Events Schedule 2

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Other Distribution & Storage Expense
Twelve Months Ending December 31, 2021
Schedule 7C**

Line No.	Account	Historic Base Period	Reclassify	Rate Making Adjustment	Adjusted Expense
1	620050 LNG Operation	220,456 a/		220,456 -	220,456
2	640605 Turn-off Service	- a/		- -	-
3	640607 Activate Meter	323 a/		323 -	323
4	640611 RelocateService(Re-Route)-Cred	(135,798) a/		(135,798) -	(135,798)
5	640703 PT Meter Change	662 a/		662 -	662
6	640707 Investigate Leaks-Distribution	250 a/		250 -	250
7	640749 Distribution-Mat Mgt	114,432 a/		114,432 -	114,432
8	640770 CCF Materials	173 a/		173 -	173
9	625200 Maintenance of Gas Holders	152,616 a/		152,616 -	152,616
10	625300 LNG Mnt Purification Equip	22,412 a/		22,412 -	22,412
11	625400 LNG Maint Liquefaction Equip	690,869 a/		690,869 231,940	922,809
12	625500 LNG Mnt- of Vaporizing Equip	20,642 a/		20,642 -	20,642
13	625600 LNG Mnt- of Compressor Equip	88,157 a/		88,157 -	88,157
14	625900 LNG Mnt-Other Equip	110,920 a/		110,920 -	110,920
15	645200 Repair and Maintain Mains	52,913 a/		52,913 -	52,913
16	645214 Repair damage mains	3,988 a/		3,988 -	3,988
17	645400 Maintenance Regulator Stations	56,647 a/		56,647 -	56,647
18	645501 Maint. Meter Sets andReg. Pro	2,380 a/		2,380 -	2,380
19	645503 Repair Damage Service	9,508 a/		9,508 -	9,508
20	645506 Repair Meter Sets and Reg. Re	2,156 a/		2,156 -	2,156
21	645700 Maintenance of Services	24,610 a/		24,610 -	24,610
22	675100 Maintenance of Facilities	21,131 a/		21,131 -	21,131
23	675105 Software Maintenance	33,417 a/		33,417 -	33,417
24	675110 Maintenance Power Equipment	- a/		- -	-
25	675120 Maintenance Hand Tools	48,346 a/		48,346 -	48,346
26	675140 Maintenance of Office Equip	- a/		- -	-
27	675160 Small Tools and Equipment	1,079 a/		1,079 -	1,079
28	675170 Tools and Equipment Repair	757 a/		757 -	757
29	610100 Purchased Gas Exp	- a/	31,544 b/	31,544 -	31,544
30	Other Distribution & Storage Expense	1,543,043	31,544	1,574,587 231,940	1,806,526

a/ Chattanooga Gas Company detailed Income Statement Schedule 19

b/ Purchased Gas Adjustment Exclude Cost of OFF-System Sales Included in IMCR filing

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Taxes Other than Income Tax
Twelve Months Ending December 31, 2021
Schedule 8**

Line No.	Description		Rate Case Docket 18-00017 Adopted	Prior Year Adopted Docket 21-00048	Historic Base Period	Adj.	Adj. Other Tax
1	Property Tax	a/	2,093,447	2,199,996	1,650,000		1,650,000
2	Commission Inspection Fee	a/	305,345	324,852	321,528		321,528
3	Payroll Tax	a/	383,805	225,558	275,851	(26,307) b/	249,544
4	Franchise Tax	a/	136,334	500,003	762,221		762,221
5	Gross Receipts Tax	a/	569,140	510,228	516,180		516,180
6	Allocated & Other Tax	c/		-	-		-
7	Total		3,488,071	3,760,637	3,525,780	(26,307)	3,499,473

a/ Chattanooga Gas Company detailed Income Statement Schedule 19

b/ Incentive Compensation Adjustment Schedule 27

c/ Rate Case taxes other than income taxes of \$3,488,071 includes allocated TOTIT as approved by the Tennessee Public Utility Commission in Docket 18-00017. Allocated TOTIT of 148,755 have been removed from TOTIT on Schedule 5 and reclassified to Allocated cost for comparability purposes as discussed in Schedule 7

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Excise and Income Taxes
Twelve Months Ending December 31, 2021
Schedule 9

Line No.	Description		Rate Case Docket 18-00017 Adopted	Prior Year Adopted Docket 21-00048	Historic Base Period	Rate Making Adjustments	Historic Base Period with Rate Making Adjustments	Normalization Adjustment Schedule 16.3 & Schedule 28	Historic Base Period Normalized	Adjustment to include Amortization of Current Year ARM Regulatory Asset/(Liability)	Period With Annual True-Up Revenue Requirement Rate Adjustment
1	Operating Revenue	a/	71,972,727	71,555,573	89,640,777	(4,664,466)	84,976,311	4,731,624	89,707,936	-	89,707,936
	Operating Expense:										
2	Purchased Gas Expense	a/	38,611,525	30,528,398	41,261,084	(31,544)	41,229,539		41,229,539	-	41,229,539
3	O&M Expense	a/	11,950,278	16,701,403	23,579,984	(4,893,270)	18,686,713	(1,200,341)	17,486,373	-	17,486,373
4	Depreciation Expense	a/	7,718,131	8,519,496	9,022,293	(244,926)	8,777,367	445,572	9,222,939	-	9,222,939
	Amortization -ARM Reconciliation Balance (ARM Regulatory Asset/(Liability)	a/		7,538,057	5,484,339		5,484,339	(5,484,339)	-	8,484,440	8,484,440
5	Interest on Customer Deposits	a/	96,740	40,062	34,933	-	34,933	1,671	36,604	-	36,604
6	General Taxes (Taxes Other than Income)	a/	3,339,316	3,760,637	3,525,780	(26,307)	3,499,473	-	3,499,473	-	3,499,473
7	Total Operating Expense [L2:L7]		61,715,990	67,088,053	82,908,412	(5,196,048)	77,712,365	(6,237,437)	71,474,928	8,484,440	79,959,368
8	NOI Before Excise and Income Tax [L1-L7]		10,256,737	4,467,519	6,732,365	531,582	7,263,947	10,969,061	18,233,008	(8,484,440)	9,748,568
9	AFUDC (Equity-Portion)	a/	(823,951)	(340,428)	(516,734)	-	(516,734)		(516,734)		(516,734)
10	Interest Expense	b/	3,433,623	4,359,780	4,894,621	-	4,894,621	(150,628)	4,743,994	71,853	4,815,847
	Permanent Differences			23,000	15,076		15,076		15,076		15,076
11	Net Income Before Excise and Income Tax [L8:L11]		5,999,163	(209,688)	1,336,086	531,582	1,867,668	11,119,689	12,987,357	(8,556,294)	4,431,063
	Tennessee Excise Tax Calculation										
12	Net Income Before Excise and Income Tax [L11]		5,999,163	(209,688)	1,336,086	531,582	1,867,668	11,119,689	12,987,357	(8,556,294)	4,431,063
13	Excise Tax Rate		6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
14	Excise Tax Expense [L12 x L13]		389,946	(13,630)	86,846	34,553	121,398	722,780	844,178	(556,159)	288,019
15	Less After - Tax Excess Deferred Tax Liability Amortization	c/	(18,081)	(18,081)	(18,081)		(18,081)		(18,081)		(18,081)
16	Net Excise Tax Expense [L14:L15]		371,865	(31,711)	68,765	34,553	103,317	722,780	826,097	(556,159)	269,938
17	Excise Tax Current [L16-L18]		(348)	84,975	(1,523,035)	34,553	(1,488,483)	722,780	(765,703)	(556,159)	(1,321,862)
18	Excise Tax Deferred	a/	372,213	(116,686)	1,591,800	-	1,591,800	-	1,591,800	-	1,591,800
	Federal Income Tax Calculation										
19	Net Income Before Excise and Income Tax [L12]		5,999,163	(209,688)	1,336,086	531,582	1,867,668	11,119,689	12,987,357	(8,556,294)	4,431,063
20	Net Excise Tax Expense [L16]		371,865	(31,711)	68,765	34,553	103,317	722,780	826,097	(556,159)	269,938
21	Net Income Before Federal Income Tax [L19:L20]		5,627,298	(177,977)	1,267,321	497,029	1,764,350	10,396,909	12,161,260	(8,000,135)	4,161,125
22	FIT Rate		21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
23	Federal Income Tax Expense [L21 x L22]		1,181,733	(37,375)	266,137	104,376	370,514	2,183,351	2,553,865	(1,680,028)	873,836
24	Less After-Tax Excess Deferred Tax Liability Amortization-	c/	(918,724)	(390,302)	(435,002)		(435,002)	-	(435,002)		(435,002)
25	Less After-Tax Excess Deferred Tax Liability Amortization-Tax Cust & Jobs Act	d/		-	(1,021,946)		(1,021,946)	1,021,946	-		-
26	Less After-Tax Excess Deferred Tax Liability Amortization- Federal	c/		(35,585)	(35,585)		(35,585)		(35,585)		(35,585)
27	Less Acceleration of federal basis adjustment EDIT Amortization	d/		-	(530,253)		(530,253)	530,253	-		-
	Less Acceleration of 2021 Unprotected EDIT Amortization	d/		-	(328,208)		(328,208)	328,208	-		-
28	Net Federal Income Tax Expense [L23:L26]		263,009	(463,262)	(2,084,857)	104,376	(1,980,481)	4,063,759	2,083,278	(1,680,028)	403,249
28	Federal Income Tax -Current[L27-L29]		(1,053)	693,267	(3,630,730)	104,376	(3,526,354)	4,063,759	537,405	(1,680,028)	(1,142,624)
29	Federal Income Tax -Deferred	a/	264,062	(1,156,529)	1,545,873	-	1,545,873	-	1,545,873	-	1,545,873

a/ Income Statement Historic Base Period Schedule 5

b/ Total interest expense Schedule 11

c/ EDIT amortization separate into protected and unprotected. See Schedule 35.5

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Income Statement at Proposed Rates
Twelve Months Ending December 31, 2021**

Line No.	Description	Current Rates	Rate Increase	Proposed Rates
Revenue				
1	Gas Sales & Transportation Revenues	87,842,766 e/	7,911,764 g/	95,754,530
2	AFUDC	761,527 e/		761,527
3	Other Revenues	1,103,643 e/	69,588 a/	1,173,231
4	Total Operating Revenues	89,707,936	7,981,352	97,689,288
Operating & Maintenance Expense				
5	Purchased Gas Expense	41,229,539 e/		41,229,539
6	Operating & Maintenance Expense-Labor	4,025,681 e/		4,025,681
7	Operating & Maintenance Expense-Non-Labor	13,460,692 e/	30,525 b/	13,491,217
8	Total Operating & Maintenance Expense	58,715,912	30,525	58,746,437
Other Expense				
9	Depreciation Expense	9,222,939 e/		9,222,939
10	Amortization -Prior Year Earnings Deficiency/(Surplus)	8,484,440 e/		8,484,440
11	Interest on Customer Deposits	36,604 e/		36,604
12	Taxes Other than Income	3,499,473 e/		3,499,473
13	State Excise (Income) Tax	269,938 e/	516,804 c/	786,742
14	Federal Income Tax	403,249 e/	1,561,145 d/	1,964,394
15	Total Other Expense	21,916,643	2,077,949	23,994,592
16	Operating Income	9,075,381	5,872,879	14,948,259
17	Interest Expense	4,815,847 f/		4,815,847
18	Net Income	4,259,534	5,872,879	10,132,412
19	Rate Base	210,018,272		210,018,272
20	Overall Rate of Return [L16/L19]	4.32%		7.12%
21	Equity % of Capital Structure)	49.23%		49.23%
22	Rate Base Financed by Equity [L19 Xx L21]	103,391,995		103,391,995
23	Return on Equity [L18/L22]	4.12%		9.80%
24	Authorized Return on Equity	9.80%		9.80%
25	Equity Rate of Return Deficiency (Excess) [L23-L24]	5.68%		0.00%
26	Net Income Deficiency (Excess) [L22 X L25]	5,872,882		3
27	Revenue Conversion Factor	1.3472		1.3472
28	Revenue Deficiency (Excess) [L26XL27]	7,911,764		4

a/ Line 1 X Forfeited Discount Factor Sch 12

b/ (Line 1 + L4) X Uncollectible Factor Sch 12

c/ (Line 1 + Line 4-Line 9) X 6.5%

d/ (Line 1 + Line 4 -Line 9 -Line 15) X 21%

e/ Annual True-up Revenue Requirement Schedule 5

f/ Total interest expense Schedule 11

g/ Annual Reconciliation Revenue Deficiency/ (Excess) Schedule 1

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Rate of Return Summary
Twelve Months Ending December 31, 2021
Schedule 11**

Line No.	Class of Capital	Rate Case Capital Structure and Rate Case Costs	Prior Year Capital Structure and Rate Case Costs	Rate Case Capital Structure and Rate Case Costs Historic Base Period	Rate Case Capital Structure and Rate Case Costs Historic Base Period With Normalization Adjustments	Rate Case Capital Structure and Rate Case Costs Historic Base Period With Annual True-Up Revenue Requirement Rate Adjustment
1	Short-Term Debt	6.30%	6.30%	6.30%	6.30%	6.30%
2	Long-Term Debt	44.47%	44.47%	44.47%	44.47%	44.47%
3	Equity % of Total	49.23%	49.23%	49.23%	49.23%	49.23%
	Cost Rate					
4	Short-Term Debt	3.01%	3.01%	3.01%	3.01%	3.01%
5	Long-Term Debt	4.73%	4.73%	4.73%	4.73%	4.73%
6	Equity Authorized Dkt 18-00017	9.80%	9.80%	9.80%	9.80%	9.80%
	Weighted Cost					
12	Short-Term Debt	0.19%	0.19%	0.19%	0.19%	0.19%
13	Long-Term Debt	2.10%	2.10%	2.10%	2.10%	2.10%
14	Equity Authorized Dkt 18-00017	4.82%	4.82%	4.82%	4.82%	4.82%
16	Overall Rate of Return	7.118%	7.118%	7.118%	7.118%	7.118%
18	Average Rate Base	149,739,716	190,129,250	213,453,604	206,884,756	210,018,272
	Interest Expense					
18	Short-term Debt-Interest	283,951	360,542	404,772	392,316	398,258
19	Long-Term Debt-Interest	3,149,672	3,999,238	4,489,849	4,351,678	4,417,589
20	Total Interest Expense	3,433,623	4,359,780	4,894,621	4,743,994	4,815,847
21	Required Equity	7,224,252	9,172,862	10,298,154	9,981,238	10,132,416
22	Total Return	10,657,876	13,532,641	15,192,776	14,725,231	14,948,263

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Conversion and Income Tax Gross-up Factors
Twelve Months Ending December 31, 2021
Schedule 12**

Line No.	Description	Percentage	Amount
(a)	(b)	(c)	(d)
1	Operating Revenue		100%
2	Add: Forfeited Discounts [Col (c) L2 X Col (d) L1]	0.8796%	<u>0.0087955</u>
3	Balance [L1+L2]		1.008796
4	Uncollectible [Col (c) L4 X Col (d) L3]	0.3825%	<u>0.0038581</u>
5	Balance [L3-L4]		1.0049379
6	State Excise [Col (c) L6 X Col (d) L5]	6.5%	<u>0.065320964</u>
7	Balance [L5-L6]		0.939616937
8	Federal Income Tax [Col (c) L8 X Col (d) L7]	21.0%	<u>0.197319557</u>
9	Balance [L7-L8]		<u><u>0.74229738</u></u>
10	Revenue Conversion Factor [L1/L9]		<u><u>1.347169</u></u>
Effective Tax Rate			
11	Net Income		100%
12	State Excise Rate [Col (c) L12 X Col (d) L11]	6.5%	6.50%
13	Subject to FIT [L11-L12]		93.50%
14	FIT Rate [Col (c) L14 X Col (d) L13]	21.0%	<u>19.64%</u>
15	Composite Income Tax Rate [L12+L14]		<u>26.135%</u>
16	Income Tax Gross Up Factor [L15/(1-L15)]		<u><u>1.3538212</u></u>

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Margin by Rates Schedule Current and Proposed Rates
Twelve Months Ending December 31, 2021
Schedule 13
With New Speical Contract

Line No.	Descriptions	Rate Case Docket 18-00017 Adopted	Prior Year Docket 21-00048 Adopted	Normalized Margin Current Rates	Normalized Margin Proposed Rates Schedule 17	Margin Change	% Change
Sales & Transportation Margin							
1	Residential (R-1)	\$ 14,251,629	\$ 22,550,221	\$ 20,619,799	\$ 24,163,306	\$ 3,543,506	17.2%
2	Multi-Family (R-4)	28,029	42,302	38,311	44,811	6,500	17.0%
3	Commercial (C-1)	3,495,831	5,257,027	4,840,255	5,665,813	825,558	17.1%
4	Commercial (C-2)	8,254,355	13,727,427	12,471,817	14,566,761	2,094,944	16.8%
5	Industrial (F-1/T-2)	2,004,732	3,841,357	3,548,800	4,149,415	600,616	16.9%
6	Industrial (I-1)	36,274	-	-	-	-	0.0%
7	Industrial (T-1)	1,082,153	1,469,525	1,364,430	1,596,579	232,149	17.0%
8	Industrial (F-1/T-1/T-2)	1,290,946	2,400,634	1,895,498	2,216,539	321,041	16.9%
9	Industrial (T-3)	1,276,880	1,650,402	1,545,969	1,807,835	261,866	16.9%
10	Special Contract	141,302	74,883	278,436	288,052	\$ 9,616.21	3.5% a/
11	Total Sales and Transport Revenue	\$ 31,862,131	\$ 51,013,777	\$ 46,603,315	\$ 54,499,111	\$ 7,895,796	16.9%
12	Other Revenue a/	675,121	1,003,751	1,103,643	1,103,643	-	0.0%
13	Total Margin	\$ 32,537,252	\$ 52,017,529	\$ 47,706,958	\$ 55,602,755	\$ 7,895,796	16.6%

a/ Please see schedule 35.14

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Depreciation and Amortization
Twelve Months Ending December 31, 2021

Line No.	Account	Description	Balance as of 12/31/2021	Adjustments	Balance as of 12/31/2021	Current Rates	Total
1	301	301.00 Organization - Depr	12,563		12,563	0.00%	-
2	302	302.00 Fran & Cons - Depr	-		-	0.00%	-
3	360	360.10 Land - Other SP	1,262,030		1,262,030	0.00%	-
4	361	361.00 Structures & Imp - NatGas	10,988,279		10,988,279	1.51%	165,923
5	362	362.00 Gas Holders - Natural Gas	8,186,225		8,186,225	0.96%	78,588
6	363	363.00 Purification Equipment	771,974		771,974	0.21%	1,621
7	363	363.10 Liquefaction Equipment	6,387,143		6,387,143	3.59%	229,298
8	363	363.20 Vaporizing Equip	2,361,662		2,361,662	1.35%	31,882
9	363	363.30 Compressor Station Equip	5,245,201		5,245,201	1.73%	90,742
10	363	363.40 M&R Equipment	321,972		321,972	3.49%	11,237
11	363	363.50 Other Equipment Storage	2,143,973		2,143,973	7.54%	161,656
12	364	364.20 Structures & Imp - LNG	1,585,632		1,585,632	1.84%	29,176
13	364	364.50 M&R Equipment - LNG	1,211,162		1,211,162	3.62%	43,844
14	364	364.80 Other Equipment- LNG	3,613,706		3,613,706	7.62%	275,364
15	365.2	365.2 - Rights-of-way	143,889		143,889	1.17%	1,684
16	367	367.10 Mains - Steel	2,774,295		2,774,295	1.40%	38,840
17	374	374.00 Land & Land Rights - DP	7,067		7,067	1.17%	83
18	374	374.10 Land - DP	486,620		486,620	0.00%	-
19	374	374.20 Land Rights - DP	1,550,510		1,550,510	1.17%	18,141
19	375	375.00 Structures & Improvements DP	666,892		666,892	3.80%	25,342
20	376	376.00 Mains	208,845,442		208,845,442	1.95%	4,072,486
21	377	377.00 Compressor Station Equip	-		-	0.00%	-
22	378	378.00 M&R Station Equip - General	2,694,847		2,694,847	2.34%	63,059
23	379	379.00 M&R Station Equip - City Gat	3,339,666		3,339,666	1.80%	60,114
24	380	380.00 Services	69,097,807		69,097,807	2.92%	2,017,656
25	381	381.00 Meters	16,761,369		16,761,369	2.97%	497,813
26	381	381.10 Meters - ERTs	3,489,693		3,489,693	6.25%	218,106
27	382	382.00 Meter Installations	4,067,038		4,067,038	1.13%	45,958
28	383	383.00 House Regulators	5,383,676		5,383,676	1.72%	92,599
29	384	384.00 House Reg Installations	623,783		623,783	1.80%	11,228
30	385	385.00 Industrial M&R Station Equip	138,554		138,554	2.22%	3,076
31	386	386.00 Other Property on CP	16,919		16,919	0.00%	-
32	387	387.00 Other Equipment - DP	533,513		533,513	1.86%	9,923
33	389	389.10 Land - GP	110,343		110,343	0.00%	-
34	390	390.00 Structures & Improvements GP	207,849		207,849	0.00%	-
35	391	391.00 Office Furniture	59,802		59,802	5.00%	2,990
36	391	391.10 OFE - Software Non-Enterpris	-		-	20.00%	-
37	391	391.11 OFE - Enterprise Software	2,181,841		2,181,841	10.00%	218,184
38	391	391.12 OFE - Servers - Hardware	341,604		341,604	20.00%	68,321
39	391	391.20 OFE - Enterprise - 10YR	6,113,580		6,113,580	8.33%	509,261
40	392	392.00 Trans Equip	840,426		840,426	16.12%	135,477
41	392	392.10 Trans Eq - Autos & Lt Trcks	354,247		354,247	16.12%	57,105
42	392	392.20 Trans Equip - Service Trucks	1,186,626		1,186,626	8.71%	103,355
43	392	392.30 Trans Equip - Heavy Trucks	918,455		918,455	7.43%	68,241
44	393	393.00 Stores Equipment	2,055,110		2,055,110	4.00%	82,204
45	394	394.00 Tools,Shop,& Garage Equip	546,473		546,473	7.69%	42,024
46	395	395.00 Laboratory Equipment	-		-	0.00%	-
47	396	396.00 Power Operated Equip	671,775		671,775	1.87%	12,562
48	397	397.00 Communication Equip	359,263		359,263	8.33%	29,927
49	398	398.00 Miscellaneous Equipment	228,831		228,831	6.67%	15,263
			380,889,327	-	380,889,327		9,640,352
			5,001.11				
						Rate Case Adjustment	(172,488)
						Total	9,467,864
						Depreciation and Amortization	9,022,293
						Adjustment	445,572

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006	1007	1008	1009	1010	1011	1012	1013	1014	1015	1016	1017	1018	1019	1020	1021	1022	1023	1024	1025	1026	1027	1028	1029	1030	1031	1032	1033	1034	1035	1036	1037	1038	1039	1040	1041	1042	1043	1044	1045	1046	1047	1048	1049	1050	1051	1052	1053	1054	1055	1056	1057	1058	1059	1060	1061	1062	1063	1064	1065	1066	1067	1068	1069	1070	1071	1072	1073	1074	1075	1076	1077	1078	1079	1080	1081	1082	1083	1084	1085	1086	1087	1088	1089	1090	1091	1092	1093	1094	1095	1096	1097	1098	1099	1100	1101	1102	1103	1104	1105	1106	1107	1108	1109	1110	1111	1112	1113	1114	1115	1116	1117	1118	1119	1120	1121	1122	1123	1124	1125	1126	1127	1128	1129	1130	1131	1132	1133	1134	1135	1136	1137	1138	1139	1140	1141	1142	1143	1144	1145	1146	1147	1148	1149	1150	1151	1152	1153	1154	1155	1156	1157	1158	1159	1160	1161	1162	1163	1164	1165	1166	1167	1168	1169	1170	1171	1172	1173	1174	1175	1176	1177	1178	1179	1180	1181	1182	1183	1184	1185	1186	1187	1188	1189	1190	1191	1192	1193	1194	1195	1196	1197	1198	1199	1200	1201	1202	1203	1204	1205	1206	1207	1208	1209	1210	1211	1212	1213	1214	1215	1216	1217	1218	1219	1220	1221	12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**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Depreciation and Amortization - Active Services Lines
Twelve Months Ending December 31, 2021
Schedule 14.3**

DOT Report Total Service Lines		81,571	
Customers at			
Rate Schedule			
Residential General Service R-1	60,636		
Residential Multi-Family Housing Service R-4	2		
Small Commercial and Industrial General Service C-1	6,750		
Medium Commercial and Industrial General Service C-2	1,924		
Industrial F-1, I-1, T-1, T-2, T-3, & Special Contract	117		
Total Customers 12/31/2021		69,429	a/
Inactive Services with meters available for immediate use		2,240	
Inactive Service lines to be evaluated for retirement			
Depreciation per Service Line at 2.92% Depr Rate		9,902	
Depreciation Adjustment at 2.92% Depr Rate		\$ 24.73	
		244,926	

a/ Schedule 16.4 Number of Customers, Volume, & Base Revenue

Dependent variables were re-scaled to range from 0 to 100 (where 0 indicates no effect and 100 indicates full effect).

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Weather Normalized Usage Rate Schedules R-1, R-4, C-1, & C-2
Twelve Months Ending December 31, 2021
Schedule 16.1**

Line	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7
	Residential R-1		Number of Bills b/		Average Annual Use Per Bill Dkt 18-00017 Therms a/		Normalize Usage Therms Col 3 X Col 5
1			718,888		51.88		37,295,909
	Multi-Family R-4	Number of Winter Units	Number of Summer Units b/	Average Normalized Use Per Unit Winter Dkt 18-00017 Therms a/	Average Normalized Use per Unit Summer Dkt 18-00017 Therms a/	Normalized Winter Usage Therms Col 2 X Col 4	Normalized Summer Usage Therms Col 3 X Col 5
2		1,110	1,099	48.56	15.13	53,902	16,628
	Commercial C-1	Number Winter Bills	Number Summer Bills b/	Average Normalized Use Per Unit Winter Dkt 18-00017 Therms a/	Average Normalized Use Per Unit Winter Dkt 18-00017 Therms a/	Normalized Winter Usage Therms Col 2 X Col 4	Normalized Summer Usage Therms Col 3 X Col 5
3		39,949	39,952	158.53	22.75	6,333,124	908,911
	Commercial C-2	Number Winter Bills	Number Summer Bills b/	Average Normalized Use Per Unit Winter Dkt 18-00017 Therms a/	Average Normalized Use Per Unit Winter Dkt 18-00017 Therms a/	Normalized Winter Usage Therms Col 2 X Col 4	Normalized Summer Usage Therms Col 3 X Col 5
4		11,864	11,689				
	Therms						
5	0-3000			1,373.0	508.3	16,289,509	5,941,402
6	3,001-5,000			163.3	60.5	1,937,154	706,600
7	5,001-15,000			213.2	78.9	2,529,879	922,730
8	Over 15,000			68.3	25.3	809,718	295,381
						21,566,261	7,866,113

a/ Weather Normalization Schedule 16.1A
b/ Non Gas Revenue Schedule 15

a/ Attachment 2 TPUC 1/15/2019 Order Docket 18-00017

[illegible]

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Weather Normalized Revenue Rate Schedules R-1, R-4, C-1, & C-2
Twelve Months Ending December 31, 2021
Schedule 16.2

Line	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8
	Residential R-1	Normalized Usage Therms Sch 16.1		Current Volumetric Rate/Therm Rates Effective 9/1/21	Current Volumetric Rate/Therm Rates Effective 9/1/21		Normalized Volumetric Revenue Col 2 X Col 5	Total Normalized Volumetric Revenue Col 6 + Col 7
1		37,295,909			\$ 0.15465			\$ 5,767,812
	Multi-Family R-4	Normalized Winter Usage Therm Sch 16.1	Normalized Summer Usage Therms Sch 16.1	Winter Current Volumetric Rate/Therm	Summer Current Volumetric Rate/Therm	Normalized Winter Volumetric Revenue Col 2 X Col 4	Normalized Summer Volumetric Revenue Col 3 X Col 5	Total Normalized Volumetric Revenue Col 6 + Col 7
2		53,902	16,628	\$0.29085	\$0.25855	\$ 15,677	\$ 4,299	\$19,976
	Commercial C-1	Normalized Winter Usage-Therms Sch 16.1	Normalized Summer Usage-Therms Sch 16.1	Winter Current Volumetric Rate/Therm	Summer Current Volumetric Rate/Therm	Normalized Winter Volumetric Revenue Col 2 X Col 4	Normalized Winter Volumetric Revenue Col 2 X Col 4	Total Normalized Volumetric Revenue Col 6 + Col 7
3		6,333,124	908,911	\$0.24807	\$0.19477	\$ 1,571,058	\$177,029	\$1,748,087
	Commercial C-2	Normalized Winter Usage - Therms Sch 16.1	Normalized Summer Usage-Therms Sch 16.1	Winter Current Volumetric Rate	Summer Current Volumetric Rate	Normalized Winter Volumetric Revenue Col 2 X Col 4	Normalized Summer Volumetric Revenue Col 3 X Col 5	Total Normalized Volumetric Revenue Col 6 + Col 7
4	0-3000	16,289,509	5,941,402	\$ 0.25114	\$ 0.19719	\$ 4,090,947	\$ 1,171,585	\$ 5,262,532
5	3,001-5,000	1,937,154	706,600	\$ 0.22924	\$ 0.15654	\$ 444,073	\$ 110,611	\$ 554,684
6	5,001-15,000	2,529,879	922,730	\$ 0.22330	\$ 0.14594	\$ 564,922	\$ 134,663	\$ 699,585
7	Over 15,000	809,718	295,381	\$ 0.11553	\$ 0.11551	\$ 93,547	\$ 34,119	\$ 127,666
8	Total C-2	21,566,261	7,866,113			\$ 5,193,489	\$ 1,450,979	\$ 6,644,468

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Weather Normalized Revenue Adjustments Rate Schedules R-1, R-4, C-1, & C-2
Twelve Months Ending December 31, 2021
Schedule 16.3

Line	Col 1	Col 2	Col 3	Col 4
	Residential R-1	Volumetric Revenue Base Period Rates Effective 9-1-2021	Weather Normalized Base Revenue Sch 16.2	Weather Normalization Adjustment Col 2-Col 3
1	R-1 Adjustment	\$ 5,956,053	\$5,767,812	(\$188,240)
	Multi-Family R-4	Volumetric Base Revenue	Weather Normalized Base Revenue Sch 16.2	Weather Normalization Adjustment Col 2-Col 3
2	R-4 Adjustment	\$22,757	\$19,976	(\$2,780)
	Commercial C-1	Volumetric Base Revenue	Weather Normalized Base Revenue Sch 16.2	Weather Normalization Adjustment Col 2-Col 3t
3	C-1 Adjustment	\$1,685,796	\$1,748,087	\$62,291
	Commercial C-2	Volumetric Base Revenue	Weather Normalized Base Revenue Sch 16.2	Weather Normalization Adjustment Col 2-Col 3t
4	C-2 Adjustment	\$6,217,945	\$ 6,644,468	\$426,523
5	-			\$297,793
6	Forfeited Discount Factor Dkt 18-00017			0.8796%
7	Adjustment Forfeited Discount Revenue	(L5 X L6)	\$	2,619
8	Uncollectible Factor Dkt 18-00017			0.3825%
9	Uncollectible Adjustment	(L5+L7) X L9	\$	1,149
10	Excise Tax Rate Dkt 18-00017			6.50%
11	Excise Tax Adjustment	(L5+L7-L9) X L10	\$	19,452
12	Federal Income Tax Rate Dkt 18-00017			21%
13	Income Tax Adjustment	(L5+L7-L9-L11) X L12	\$	58,760

\$ 5,956,300.53

Weather Normalization Adjustment L5

\$297,793

Total Weather Normalization and Rate increase Dkth 18-00017

\$297,793

[illegible]

Description	Historic Base Period		Current Winter Rates		Current Summer Rates		Present Total Revenue	Proposed Winter Rates		Proposed Summer Rates		Proposed Total
	Winter Nov-Apr	Summer Apr-Oct	Total	9/1/2021 Revenue	9/1/2021 Revenue	9/1/2021 Revenue		Rates Nov-Apr	Revenue	Rates May-Oct	Revenue	
Residential R-1												
Number of BtUs	361,226	357,862	718,888 w/ \$	22.60 \$	8,163,708 \$	18.70 \$	6,888,270 \$	14,851,987 \$	26.50 \$	9,572,458 \$	21.90 \$	17,405,287 \$
Volumes Themes Weather Normalized			37,295,969 w/ \$	0.15465 \$	0 \$	0.15465 \$	5,767,872.4 \$	0.18120 \$	0.18120 \$	0.18120 \$	7,832,798 \$	6,758,018.19 \$
Total Revenue												24,163,308 \$
Increase												3,543,908 \$
% Increase												17.35%
DCS-Farmy R-4												
Number of Units	1,110	1,099	2,209 w/ \$	8.30 \$	9,213.00 \$	8.30 \$	5,121.70 \$	18,335 \$	9.70 \$	10,787 \$	9.70 \$	10,880 \$
Volumes Themes Weather Normalized	53,902	16,828	70,729 w/ \$	0.29085 \$	15,677.28 \$	0.29855 \$	4,299.14 \$	19,076 \$	0.34046 \$	18,361 \$	0.30265 \$	5,032 \$
Total Revenue												44,811 \$
Increase												6,949 \$
% Increase												15.51%
Commercial C-1												
Number of BtUs	39,949	36,952	79,901 w/ \$	41.60 \$	1,681,881 \$	35.80 \$	1,430,287 \$	3,092,188 \$	48.70 \$	1,945,519 \$	41.90 \$	1,673,995 \$
Volumes Themes Weather Normalized	6,333,124	908,911	7,242,036 w/ \$	0.24887 \$	1,571,058 \$	0.19477 \$	177,029 \$	1,748,087 \$	0.29039 \$	1,836,076 \$	0.22750 \$	207,222.73 \$
Total Revenue					3,232,939 \$		1,607,316 \$	4,846,280 \$		3,784,595 \$		1,881,218 \$
Increase												825,968 \$
% Increase												17.95%
Commercial C-2												
Number of BtUs	11,864	11,889	23,553 w/ \$	100.20 \$	1,186,773 \$	100.20 \$	1,171,238 \$	2,360,011 \$	117.30 \$	1,361,647 \$	117.30 \$	1,371,120 \$
Volumes Themes Weather Normalized	204,883	207,896	412,779 w/ \$	8.40 \$		8.40 \$		3,467,339 \$	9.80 \$		9.80 \$	
Total Revenue												4,045,238 \$
Increase												1,465,794 \$
% Increase												36.25%
Commercial T-3												
Number of BtUs	294	290	589 w/ \$	100.20 \$	29,490 \$	100.20 \$	29,359 \$	59,016 \$	117.30 \$	34,488 \$	117.30 \$	34,804 \$
Volumes Themes Weather Normalized	28,880	27,542	56,222 w/ \$	8.40 \$		8.40 \$		472,261 \$	9.80 \$		9.80 \$	
Total Revenue												69,290 \$
Increase												2,094,944 \$
% Increase												18.80%
Industrial F-1/T-2												
Number of BtUs	216	216	432 w/ \$	400.80 \$	86,573 \$	400.80 \$	86,573 \$	173,146 \$	469.20 \$	101,347 \$	469.20 \$	101,347 \$
Volumes Themes Weather Normalized	62,744	62,428	125,172 w/ \$	8.40 \$		8.40 \$		1,387,443 \$	9.80 \$		9.80 \$	
Total Revenue												1,807,835 \$
Increase												281,866 \$
% Increase												15.54%
Industrial F-1/T-2 (Revenue Schedule 16.4A and Confidential Schedule 35.1b)												
Number of BtUs	78	78	156 w/ \$	400.80 \$	31,262 \$	400.80 \$	31,262 \$	62,525 \$	469.20 \$	36,598 \$	469.20 \$	36,598 \$
Volumes Themes Weather Normalized	32,334	32,334	64,668 w/ \$	8.40 \$		8.40 \$		543,211 \$	9.80 \$		9.80 \$	
Total Revenue												633,746 \$
Increase												89,493 \$
% Increase												14.11%
Intermittent Sales (F-3)												
Number of BtUs	-	-	- w/ \$	400.80 \$	- \$	400.80 \$	- \$	- \$	469.20 \$	- \$	469.20 \$	- \$
Volumes Themes Weather Normalized	-	-	- w/ \$	8.40 \$	- \$	8.40 \$	- \$	- \$	9.80 \$	- \$	9.80 \$	- \$
Total Revenue												- \$
Increase												- \$
% Increase												- %
Intermittent Industrial Transportation (F-3)												
Number of BtUs	104	102	206 w/ \$	400.80 \$	41,863 \$	400.80 \$	40,862 \$	82,965 \$	469.20 \$	46,787 \$	469.20 \$	47,858 \$
Volumes Themes Weather Normalized	53,053	51,358	104,411 w/ \$	1.80 \$		1.80 \$		187,940 \$	2.10 \$		2.10 \$	
Total Revenue												1,508,979 \$
Increase												232,148 \$
% Increase												15.39%

Non Gas Revenue Schedule 15
Weather Normalized Usage Schedule 16.1
Customers, Volume, & Base Revenue Schedule 16.4

Target Margin Increase
Spence Contract Target
Total Target Margin Increase
Margin Increase/Decrease
Spence Contract Increase

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Increase Allocation
Twelve Months Ended December 31, 2021
Schedule 17.1**

Line No.	Description	Revenue Per Rate Schedule Docket 18-00017	% of Total by Rate Schedule	Revenue Per Rate Schedule Docket 20-00049	% of Total by Rate Schedule	Revenue Per Rate Schedule Docket 21-00048	% of Total by Rate Schedule	Normalized Revenue Historic Base Period	% Increase	Target Equal % Increase
Sales & Transportation Margin										
1	Residential (R-1)	\$ 14,746,292	a/ 44.8%	\$ 15,076,735	44.0%	\$ 20,379,057	44.2%	\$ 20,619,799	17.06%	\$ 3,517,350
2	Multi-Family (R-4)	28,579	a/ 0.1%	28,858	0.1%	38,267	0.1%	38,311	17.06%	6,535
3	Commercial (C-1)	3,648,001	a/ 11.1%	3,583,778	10.5%	4,771,387	10.3%	4,840,255	17.06%	825,656
4	Commercial (C-2)	8,592,933	a/ 26.1%	9,142,723	26.7%	12,437,568	27.0%	12,471,817	17.06%	2,127,457
5	Industrial (F-1/T-2)	2,114,124	a/ 6.4%	2,574,922	7.5%	3,477,196	7.5%	3,548,800	17.06%	605,358
6	Industrial (I-1)	36,274	a/ 0.1%	-	0.0%	-	0.0%	-	17.06%	-
7	Industrial (T-1)	1,082,153	a/ 3.3%	1,035,144	3.0%	1,339,950	2.9%	1,364,430	17.06%	232,746
8	Industrial (F-1/T-2/T-1)	1,333,342	a/ 4.1%	1,732,479	5.1%	2,179,275	4.7%	1,895,498	17.06%	323,336
9	Industrial (T-3)	1,329,837	a/ 4.0%	1,100,769	3.2%	1,494,623	3.2%	1,545,969	17.06%	263,713
10	Special Contract Subject to increase a/							192,228	5.00%	9,611
11	Total Sales and Transport Margin	\$ 32,911,534	a/ 100.0%	\$ 34,275,409	100.00%	\$ 46,117,324	100%	\$ 46,517,108		\$ 7,911,764
12	Other Revenue	687,351	b/	745,199		1,003,751		1,103,643		-
13	Total Margin	\$ 33,598,885	a/	\$ 35,020,608		\$ 47,121,075		\$ 47,620,751		\$ 7,911,764

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Note: Normalized Other Revenue Dkt 21-00048 Schedule 5 P4

Increase in Revenue Deficiency Schedule 1
Less Special Contract Increase at
Increase allocated to Non-Special Contract

\$ 7,911,764
5% (9,611.41)
\$ 7,902,152.89

a/ Please also reference Schd 35.14 Cell M34 and Schd 3.15 Cell P100

Total Sales and Transportation Margir
Less Special Contract
Non-Special Contract Margin (current rates)
% Increase Non-Special Contract

\$ 46,517,108
(192,228)
\$ 46,324,879
17.06%

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Other Revenue
Twelve Months Ending December 31, 2021
Schedule 18

Line No.	Description	2020													2021												
		January	February	March	April	May	June	July	August	September	October	November	December	2019 Total	January	February	March	April	May	June	July	August	September	October	November	December	2020 Total
1	Forfeited Discounts	53,186	40,535	55,722	62,597	54,106	61,100	55,370	53,621	10,550	868	19,175	18,488	485,319	57,186	47,628	59,952	47,661	30,809	31,456	26,610	21,701	25,606	20,185	26,302	35,448	430,544
2	Returned Check Charges	1,180	1,040	940	840	440	660	580	560	660	540	920	1,020	9,380	1,060	1,100	1,320	1,140	780	920	780	1,120	1,000	1,140	1,220	1,180	12,760
3	Reconnect Charges	7,605	6,930	1,875	195	-	-	-	-	505	9,840	4,070	2,365	33,385	2,080	3,970	8,785	8,575	5,055	4,425	3,560	1,920	3,205	4,510	7,825	4,040	57,950
4	Seasonal Reconnect Charges	1,515	1,320	785	780	440	295	650	605	2,930	6,585	10,710	4,610	31,225	1,370	1,025	520	540	845	800	635	780	3,390	10,875	13,250	2,805	36,835
5	Turn-On Charges	9,645	8,640	8,100	8,625	7,170	8,325	9,630	8,760	10,530	15,290	18,440	16,765	129,920	12,600	11,525	12,810	10,900	11,300	12,660	12,040	11,260	12,940	15,160	21,760	13,620	158,575
6	Meter Set Charges	4,300	3,490	3,075	2,450	1,850	2,075	2,350	2,340	2,850	3,760	4,985	5,255	38,780	3,900	3,330	3,523	2,070	2,490	2,700	2,340	3,060	3,120	3,270	4,620	4,500	38,923
7	Miscellaneous Charges	1,988	1,826	1,954	1,895	1,829	1,857	1,860	1,805	1,919	1,887	1,792	1,681	22,292	1,858	1,694	1,966	1,692	1,558	1,745	1,584	1,683	1,489	1,580	1,610	1,518	19,978
8	Damage Billing	16,855	21,797	25,506	16,955	9,671	23,566	34,258	25,315	28,638	15,740	86,604	21,964	326,869	4,689	20,795	21,912	31,365	137,706	14,661	24,266	(48,330)	20,478	18,320	31,280	41,357	318,498
9	Total	96,274	85,578	97,957	94,337	75,507	97,878	104,698	93,006	58,582	54,509	146,696	72,148	1,077,171	84,743	91,067	110,787	#####	190,544	69,367	71,815	(6,805)	71,229	75,039	107,867	104,468	1,074,063
10	Allowance for Funds - Debt	17,702	16,353	13,328	(20,471)	11,690	12,971	12,104	15,512	17,639	20,038	22,163	22,729	161,760	25,716	1,082	20,238	20,715	20,605	18,689	18,618	20,076	22,446	24,933	24,547	27,128	244,793
11	Allowance for Funds - Equity	37,260	34,340	28,053	(43,085)	24,605	27,280	25,425	32,756	37,127	42,177	46,649	47,839	340,428	54,126	2,267	43,520	43,601	43,370	39,338	39,187	42,256	47,245	52,480	51,666	57,677	516,734
12	Total AFUDC	54,962	50,693	41,381	(63,556)	36,295	40,251	37,530	48,269	54,767	62,216	68,812	70,568	502,187	79,842	3,349	63,758	64,316	63,976	58,027	57,805	62,332	69,691	77,413	76,212	84,805	761,527

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Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Chattanooga Gas Company - Income Statement - FERC vs Actual
Twelve Months Ending December 31, 2021
Schedule 19.1a

Statement of Income	Column F	Column G	Column G - Column F
2021-12-31	GLB	GLB	
Chattanooga Gas Company	2021-12-31	2021-12-31	
FERC vs ACTUAL	FERC	ACTUAL	FERC Ledger to ACTUAL Ledger Variance
			FERC Filed (Manual Input)
Utility Operating Income			
480 Residential Sales	37,783,777.01	37,783,777.01	-
481 Commercial & Industrial Sales	34,582,961.26	34,582,961.26	-
482 Other Sales to Public Authorities	-	-	-
483 Sales for Resale	-	-	-
484 Interdepartmental Sales	-	-	-
Total Gas Service Revenues	72,366,738.27	72,366,738.27	-
487 Forfeited Discounts	430,543.87	430,543.87	-
488 Misc. Service Revenues	3,331,451.44	3,331,451.44	-
489 Rev. from Trans. of Gas of Others	10,766,984.43	10,766,984.43	-
492 Incidental Gasoline and Oil Sales	-	-	-
493 Rent from Gas Property	-	-	-
495 Other Gas Revenues	-	-	-
Total Other Operating Revenues	14,528,979.74	14,528,979.74	-
400 TOTAL Gas Operating Revenues	86,895,718.01	86,895,718.01	-
Utility Operating Expenses			
401 Operation Expenses	60,057,048.93	53,475,456.32	(6,581,593.61)
402 Maintenance Expenses	3,042,707.04	2,991,924.72	(50,782.32)
403 Depreciation Expense	9,647,189.97	9,022,290.53	(624,897.44)
404-405 Amort. & Depl. of Utility Plant	-	-	-
406 Amort. of Utility Plant Acq. Adj.	-	-	-
406 Amort. of Property Losses, Unrecovered Plant and	-	-	-
407.1 Regulatory Study Costs	-	-	-
407.2 Amort. of Conversion Expenses	-	-	-
407.3 Regulatory Debits	-	-	-
407.4 (Less) Regulatory Credits	-	-	-
408.1 Taxes Other Than Income Taxes	3,712,859.30	3,525,780.25	(187,079.05)
409.1 Income Taxes - Federal	(1,163,571.00)	(1,163,571.00)	-
409.2 Income Taxes - Federal	(1,410,168.88)	(1,564,080.77)	(153,911.88)
409.1 Income Taxes - Other	(1,026,168.00)	(1,026,168.00)	-
409.2 Income Taxes - Other	(81,634.14)	(113,173.88)	(31,539.74)
409.1 Income Taxes - Other	(1,107,800.14)	(1,139,339.88)	(31,539.74)
410.1 Provision for Deferred Income Taxes	3,137,673.00	3,137,673.00	-
411.1 (Less) Provision for Deferred Income Taxes-Cr.	-	-	-
411.4 Investment Tax Credit Adj. - Net	-	-	-
411.6 (Less) Gains from Disp. of Utility Plant	-	-	-
411.7 Losses from Disp. of Utility Plant	-	-	-
411.8 (Less) Gains from Disposition of Allowances	-	-	-
411.9 Losses from Disposition of Allowances	-	-	-
Total Utility Operating Expenses	77,079,511.01	69,409,706.17	(7,669,804.84)
Allocated Costs	-	7,485,930.93	-
Net Operating Income (Loss)	11,199,738.51	11,383,613.42	183,873.91
Other Income (Deductions)			
415 Nonutility Operating Income	-	-	-
416 Mailing, jobbing & contract work	-	-	-
416 Costs & Exps for Merchandising	-	-	-
417	-	-	-
417.1	-	-	-
418 Nonoperating rental income	-	-	-
418.1 Equity earnings subsidiary co.	-	-	-
419 Interest and Dividend Income (419.1)	7.44	7.44	-
419.1 Allowance for Other Funds Used During Construction (419.1)	516,733.68	516,733.68	-
421 Miscellaneous Nonoperating Income (421)	740,894.91	740,894.91	-
421.1 Gain on Disposition of Property (421.1)	(1,560.18)	-	1,560.18
416-421.1 Other Income	1,286,075.85	1,257,636.03	1,560.18
Other deductions	-	-	-
425 Loss on Disposition of Property (421.2)	-	-	-
426.1-426.5 Miscellaneous Amortization	(166.05)	(148.52)	17.53
426.1-426.5 Miscellaneous Income Deductions	(166.05)	(148.52)	17.53
Total Other Income Deductions	(166.05)	(148.52)	17.53
Taxes Applicable to Other Income and Deductions	1,255,909.80	1,257,487.51	1,577.71
408.2 Taxes Other Than Income Taxes	-	-	-
409.2 Income Taxes Fed Other Inc. and Ded (409.2)	(246,597.89)	(400,509.77)	(153,911.88)
409.2 Income Taxes-Federal (409.2)	(246,597.89)	(400,509.77)	(153,911.88)
409.2 Total Income Taxes-Federal (409.2)	(246,597.89)	(400,509.77)	(153,911.88)
409.2 Income Taxes-Other (409.2)	(81,634.14)	(113,173.88)	(31,539.74)
Provision for Deferred Inc. Taxes (410.2)	-	-	-
(Less) Provision for Deferred Income Taxes-Cr. (411.2)	-	-	-
Investment Tax Credit Adj. -Net (411.5)	-	-	-
(Less) Investment Tax Credits (420)	-	-	-
409.2 Total Taxes on Other Inc. and Ded.	(328,232.03)	(513,683.65)	(185,451.62)
Net Other Income (Deductions)	927,677.77	743,693.66	(183,984.11)
Interest Charges			
427 Interest on Long-Term Debt	-	-	-
428 Amort. of Debt Disc. and Expense	-	-	-
429 Amortization of Loss on Recaptured Debt	-	-	-
429 (Less) Amort. of Premium on Debt-Credit (429)	-	-	-
429.1 (Less) Amortization of Gain on Recaptured Debt-Credit (429.1)	-	-	-
430 Interest on Debt to Assoc. Companies	4,022,290.99	4,022,290.99	-
431 Other Interest Expense	67,908.74	67,908.74	-
432 (Less) Allow. for Borrowed Funds Used During Construction-Cr.	(244,793.04)	(244,793.04)	-
Net Interest Charges	3,845,406.69	3,845,406.69	-
Income Before Extraordinary Items	-	-	-
Extraordinary Income (434)	-	-	-
(Less) Extraordinary Deductions (435)	-	-	-
Net Extraordinary Items	-	-	-
Income Taxes-Federal and Other (409.3)	-	-	-
Extraordinary Items After Taxes	-	-	-
Net Income (Loss)	8,282,010.59	8,282,010.59	0.00

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Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Capital Expenditures by Category
Twelve Months Ending December 31, 2021
Schedule 22

Line No.	Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
Capital Expenditures Classified as:														
1	A - Safety	(66,217.01)	52,262.58	48,074.40	153,799.03	226,501.15	134,351.13	131,664.78	98,810.35	258,678.71	161,563.17	422,160.97	763,379.41	2,385,029
2	B - Regulatory	392,460.91	(267,242.75)	67,679.68	90,317.17	188,361.38	187,191.67	128,722.80	114,041.86	344,934.74	290,636.73	2,360,830.68	(334,528.69)	3,563,406
3	C - Reliability/Integrity	397,453.95	700,668.12	768,599.51	837,369.20	1,508,133.36	950,308.52	925,726.57	843,247.22	1,122,676.16	2,062,754.74	1,446,257.51	4,510,550.77	16,073,746
4	D - Obsolescence/Upgrades	4,291.80	74,023.83	10,106.69	3,404.95	41,685.85	194,056.61	12,386.64	23,145.29	2,439.54	(1,296.76)	29,775.87	94,068.81	488,089
5	E - Productivity	1,000,485.17	630,962.90	499,944.20	547,572.65	414,068.59	628,565.08	364,367.56	492,377.22	754,303.34	979,684.39	605,347.74	997,743.77	7,915,423
6	F - Business Projects/Programs	30,961.92	26,246.37	50,102.82	13,441.68	47,370.13	32,748.58	35,560.68	48,090.42	38,966.23	35,518.62	58,518.32	50,196.00	467,722
7	Total Expenditures	1,759,436.74	1,216,921.05	1,444,507.30	1,645,904.68	2,426,120.46	2,127,221.59	1,598,429.03	1,619,712.36	2,521,998.72	3,528,860.89	4,922,891.09	6,081,410.07	30,893,414

* Please see Schedule 14.1 for monthly plant additions by plant account for the historic base period.

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Allocated Cost Adjustment
Twelve Months Ending December 31, 2021

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
AGSC Allocated Factor															
1	Allocated Costs	a/	702,504	635,413	715,471	621,839	542,932	600,554	520,690	495,490	554,795	633,449	618,528	844,266	7,485,931
2	447011 Non-Service Cost Pension Allocated	a/	(25,081)	(25,050)	49,716	-	-	-	-	-	-	-	-	-	(415)
3			677,423.40	610,363.49	765,186.54	621,838.72	542,932.02	600,553.77	520,690.48	495,489.61	554,794.77	633,449.12	618,527.99	844,266.33	7,485,516
Total Amount Subject to Allocation AGSC															
4	Allocated Costs	b/	29,799,518	25,111,752	32,489,633	23,232,248	23,772,648	24,422,155	22,171,686	20,834,931	23,599,270	26,955,233	25,021,706	34,796,546	312,207,324
5	447011 Non-Service Cost Pension Allocated	b/	(1,648,077)	(1,648,077)	3,296,154	-	-	-	-	-	-	-	-	-	-
6			28,151,441	23,463,675	35,785,787	23,232,248	23,772,648	24,422,155	22,171,686	20,834,931	23,599,270	26,955,233	25,021,706	34,796,546	312,207,324
7	% Allocated to CGC		2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	2.40%
AGSC Incentive Compensation Adjustment															
Allocated Expense - AGSC															
8	AIP	c/	(109,622)	(103,533)	(62,573)	(46,654)	(33,168)	(38,148)	(44,729)	(33,626)	(54,188)	(49,223)	(89,123)	(100,504)	(765,092)
9	LTI	c/	(7,071)	(7,492)	(186,454)	727	(7,923)	(26,622)	(7,800)	(8,119)	(7,171)	(44,026)	(8,044)	(7,799)	(317,794)
10	AIP/LTI Payroll Tax	c/	(4,691)	(11,567)	(7,515)	(2,588)	(2,180)	(3,058)	(2,882)	(2,029)	(2,664)	(3,470)	(3,672)	(3,916)	(50,234)
Allocated Expense - SCS															
11	AIP	c/	(12,002)	(12,311)	(9,481)	(14,005)	(19,357)	(14,846)	(19,544)	(13,943)	(24,330)	(15,561)	(17,434)	(29,427)	(202,240)
12	LTI	c/	(2,621)	(1,661)	(76,006)	(7,507)	(5,736)	(11,896)	(5,736)	(2,510)	(3,186)	(20,913)	(2,863)	(6,266)	(146,902)
13	AIP/LTI Payroll Tax	c/	(59)	(1,934)	(1,856)	(1,313)	(1,497)	(1,467)	(1,991)	(922)	(1,600)	(1,655)	(1,120)	(3,117)	(18,531)
14	Allocated Cost- Incentive Pay Adjustment		(136,066)	(138,497)	(343,885)	(71,340)	(69,861)	(96,037)	(82,683)	(61,149)	(93,140)	(134,848)	(122,257)	(151,029)	(1,500,792)
AGSC Pension/OPEB Adjustment															
15	Total Pension Expense	d/	(22,778)	(24,695)	55,645	6,424	5,431	5,955	5,667	6,351	6,278	5,813	7,574	6,002	63,667
16	Pension Payments														268,442
17	Total Pension Adjustment														332,109
18	670503 Other Post Retirement Benefits	d/	(606)	(655)	6,681	2,338	1,995	2,148	2,052	2,078	2,054	2,053	2,159	2,120	24,416
19	OPEB Payments	d/	2,532	1,210	1,795	2,267	2,669	(46,946)	727	4,453	2,767	2,574	3,828	9,198	(12,925)
20	Total OPEB Adjustment		1,926	554	8,476	4,606	4,664	(44,798)	2,778	6,531	4,820	4,627	5,988	11,318	11,491
21	Total Pension/OPEB Adjustment		(20,852)	(24,140)	64,121	11,030	10,095	(38,842)	8,445	12,882	11,098	10,441	13,562	17,320	343,601
AGSC Lobbying Expense, Charitable Contributions & Social Club Membership Adjustment															
22	a. Lobbying Expense	e/	(19,376)	(18,171)	(12,983)	(12,184)	(11,480)	(13,724)	(12,832)	(12,885)	(16,871)	(13,985)	(17,792)	(36,881)	(199,163)
23	b. Charitable Contribution	e/	-	-	-	-	-	-	-	-	-	-	-	-	-
24	c. Social Club Membership	e/	-	-	-	-	-	-	-	-	-	-	-	-	-
25	d. Athletic Events	e/	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Total Adjustment		(19,376)	(18,171)	(12,983)	(12,184)	(11,480)	(13,724)	(12,832)	(12,885)	(16,871)	(13,985)	(17,792)	(36,881)	(199,163)
AGSC Advertising Expense Adjustment															
27	Allocated Advertising and Outreach Adjustment	f/	(910)	(318)	(3,296)	(2,709)	(2,923)	(2,725)	(697)	(1,348)	(2,180)	(981)	(3,885)	(6,369)	(28,341)
AGSC Fines & Penalties Adjustment															
28	Fines and Penalties	g/	-	-	-	(9)	-	-	(4)	-	-	-	-	-	(13)

a/ Chattanooga Gas Company detailed Income Statement Schedule 1f

b/ AGL Services Company Income Statement Schedule 20

c/ Incentive Compensation Adjustment Schedule 27

d/ Pension and Other Post-Employment Benefits Adjustment Schedule 2f

e/ Lobbying Expense, charitable contribution, social club membership Adjustment Schedule 24

f/ Advertising Expense Adjustment Schedule 26

g/ Fine and Penalties Schedule 35.9

(1,384,708)

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Lobbying, Charitable Contribution, Social Club Membership, Athletic Events
Twelve Months Ending December 31, 2021
Schedule 24

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Incurred															
Total Charges															
1	a. Lobbying Expense	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
2	b. Charitable Contributions	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
3	c. Association Membership	a/	2,243	5,518	4,406	1,897	1,560	1,317	3,006	3,311	2,576	2,341	2,576	3,246	33,997
4	d. Athletic Events	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
			2,243	5,518	4,406	1,897	1,560	1,317	3,006	3,311	2,576	2,341	2,576	3,246	33,997
Charges Excluded from Cost of Service															
5	a. Lobbying Expense	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
6	b. Charitable Contributions	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
7	c. Association Membership	a/	-	-	(132)	-	(132)	-	(132)	-	-	(132)	-	-	(529)
8	d. Athletic Events	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	(132)	-	(132)	-	(132)	-	-	(132)	-	-	(529)
Allocated from Service Company															
Total Charges															
9	a. Lobbying Expense	a/	19,376	18,171	12,983	12,184	11,480	13,724	12,832	12,885	16,871	13,985	17,792	36,881	199,163
10	b. Charitable Contributions	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
11	c. Association Membership	a/	10,055	3,171	1,871	2,693	989	963	1,247	1,649	501	1,679	1,370	2,258	28,446
12	d. Athletic Events	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
			29,431	21,341	14,853	14,877	12,469	14,687	14,079	14,534	17,372	15,665	19,162	39,138	227,609
Charges Excluded from Cost of Service															
13	a. Lobbying Expense	a/	(19,376)	(18,171)	(12,983)	(12,184)	(11,480)	(13,724)	(12,832)	(12,885)	(16,871)	(13,985)	(17,792)	(36,881)	(199,163)
14	b. Charitable Contributions	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
15	c. Association Membership	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
16	d. Athletic Events	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
			(19,376)	(18,171)	(12,983)	(12,184)	(11,480)	(13,724)	(12,832)	(12,885)	(16,871)	(13,985)	(17,792)	(36,881)	(199,163)
Total Adjustment			(19,376)	(18,171)	(13,115)	(12,184)	(11,612)	(13,724)	(12,964)	(12,885)	(16,871)	(14,117)	(17,792)	(36,881)	(199,691)

a/ Lobbying WP Schedule 24.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Lobbying Workpaper
Twelve Months Ending December 31, 2021
Schedule 24.1

Line No.	Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Incurred														
Total Charges														
1	a. Lobbying Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
2	b. Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
3	c. Association Membership	2,243	5,518	4,406	1,897	1,560	1,317	3,006	3,311	2,576	2,341	2,576	3,246	33,997
4	670800 Association and Club Dues-Comp	a/ 2,168	5,168	4,331	1,622	1,485	1,242	1,422	1,242	1,242	1,242	1,242	1,242	23,650
5	670805 AssociationandClub Dues-Employee	a/ 75	75	75	275	75	75	325	810	75	(160)	75	745	2,520
6	670806 General Dues and Subscriptions	a/ -	275	-	-	-	-	1,259	1,259	1,259	1,259	1,259	1,259	7,828
7	d. Athletic Events	a/ -	-	-	-	-	-	-	-	-	-	-	-	-
Charges Excluded from Cost of Service														
8	a. Lobbying Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
9	b. Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
10	c. Association Membership	-	-	132	-	132	-	132	-	-	132	-	-	529
11	American Gas Association	b/ -	-	3,477	-	3,477	-	3,477	-	-	3,477	-	-	13,908
12	% lobbying	b/ 3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	-
13	Total Dues to Associations - Lobby related activities	-	-	132	-	132	-	132	-	-	132	-	-	529
14	d. Athletic Events	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Direct Charges Adjustment	-	-	132	-	132	-	132	-	-	132	-	-	529
Allocated from Service Company														
Total Charges														
16	a. Lobbying Expense	19,376	18,171	12,983	12,184	11,480	13,724	12,832	12,885	16,871	13,985	17,792	36,881	199,163
17	Government Affairs (AGLC-CGC)													
18	Fixed Compensation	c/ 9,393	8,948	10,642	10,178	9,703	10,178	10,173	10,173	10,178	9,703	10,178	12,522	121,971
19	670591 LTI Awards - Other	c/ -	-	-	-	-	-	-	-	-	-	-	-	-
20	670590 AIP Bonus	c/ 9,449	8,259	5,957	3,548	2,957	4,100	3,737	3,115	5,845	4,691	7,388	9,209	68,256
21	670594 Other/Sales Bonuses	c/ -	-	-	-	-	-	-	-	-	-	-	15,500	15,500
22	Benefits	c/ 2,591	2,257	(1,244)	910	1,060	231	833	892	471	2,001	(354)	1,997	11,645
23	Office Administration and Supply	c/ -	-	-	-	-	-	-	39	-	-	-	-	39
24	Development and Training	c/ -	960	-	-	-	-	-	-	695	-	-	-	1,655
25	Dues and Subscriptions	c/ -	-	-	-	-	-	-	-	-	-	1,000	-	1,000
26	Travel and Entertainment	c/ -	16	150	71	89	180	213	1,163	358	455	639	501	3,834
27	Miscellaneous Operation Exp	c/ -	-	-	-	-	1,500	-	35	2,088	-	2,000	288	5,911
28	Admin & Gen Exp Capitalized	c/ (1,865)	(1,964)	(2,109)	(2,017)	(1,926)	(2,017)	(2,017)	(2,025)	(2,153)	(1,926)	(2,017)	(2,109)	(24,147)
29	Benefits Capitalized	c/ (1,071)	(1,020)	(1,211)	(1,158)	(1,106)	(1,158)	(1,158)	(1,158)	(1,158)	(1,106)	(1,158)	(1,211)	(13,672)
30	Taxes Other Than Income	c/ 566	524	517	529	536	529	888	529	408	(11)	(18)	44	5,039
31	672552 Allocated Ext Relations - SCS	c/ 312	190	281	124	167	181	163	122	140	177	134	139	2,131
32	b. Charitable Contributions	c/ -	-	-	-	-	-	-	-	-	-	-	-	-
33	c. Association Membership	10,055	3,171	1,871	2,693	989	963	1,247	1,649	501	1,679	1,370	2,258	28,446
34	670800 Association and Club Dues-Comp	d/ 356,644	62,266	41,177	47,500	14,790	7,175	873	41,684	2,966	35,395	10,911	33,402	654,783
35	670805 AssociationandClub Dues-Employee	d/ 5,415	25,376	36,519	7,248	9,377	13,689	26,331	22,955	9,649	7,347	39,277	10,240	213,424
36	670806 General Dues and Subscriptions	d/ 55,808	34,245	9,793	45,869	19,115	18,311	25,893	4,705	8,689	28,725	5,230	49,419	305,803
37	Total Costs	417,867	121,887	87,489	100,617	43,283	39,175	53,098	69,344	21,304	71,467	55,418	93,061	1,174,009
38	Allocation Factor	e/ 2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	-
39	Total Allocated Costs	10,055	3,171	1,871	2,693	989	963	1,247	1,649	501	1,679	1,370	2,258	28,446
40	d. Athletic Events	-	-	-	-	-	-	-	-	-	-	-	-	-
		29,431	21,341	14,853	14,877	12,469	14,687	14,079	14,534	17,372	15,665	19,162	39,138	227,609
Charges Excluded from Cost of Service														
41	a. Lobbying Expense	19,376	18,171	12,983	12,184	11,480	13,724	12,832	12,885	16,871	13,985	17,792	36,881	199,163
42	b. Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
43	c. Association Membership	-	-	-	-	-	-	-	-	-	-	-	-	-
44	d. Athletic Events	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Allocated Charges Adjustment	19,376	18,171	12,983	12,184	11,480	13,724	12,832	12,885	16,871	13,985	17,792	36,881	199,163

a/ Chattanooga Gas Company detailed Income Statement Schedule 19
b/ America Gas Association Invoice
c/ Lobbying WP - Dept 1637 - Schedule 24.2
d/ AGL Services Company Income Statement Schedule 20
e/ Allocated Cost Adjustment Schedule 23.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Department 1637 Government Affairs
Twelve Months Ending December 31, 2021
Schedule 24.2

	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element	Total Project Element
	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan	Total Plan
	FY21	FY21	FY21	FY21	FY21	FY21	FY21	FY21	FY21	FY21	FY21	FY21
	Final	Final	Final	Final	Final	Final	Final	Final	Final	Final	Final	Final
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	January	February	March	April	May	June	July	August	September	October	November	December
600119 Vacation Pay Accrual	(156)	(146)	(156)	(151)	(156)	(151)	(156)	(156)	(151)	(156)	(151)	1,723
600120 Pay-AandG Salaries	9,550	9,095	10,799	10,329	9,860	10,329	10,329	10,329	10,329	9,860	10,329	10,799
Fixed Compensation	9,393	8,948	10,642	10,178	9,703	10,178	10,173	10,173	10,178	9,703	10,178	12,522
670590 AIP Bonus	9,449	8,259	5,957	3,548	2,957	4,100	3,737	3,115	5,845	4,691	7,388	9,209
670594 Other/Sales Bonuses	-	-	-	-	-	-	-	-	-	-	-	15,500
Bonus	9,449	8,259	5,957	3,548	2,957	4,100	3,737	3,115	5,845	4,691	7,388	24,709
Variable Compensation	9,449	8,259	5,957	3,548	2,957	4,100	3,737	3,115	5,845	4,691	7,388	24,709
Payroll Expenses	18,843	17,207	16,599	13,726	12,660	14,278	13,910	13,287	16,023	14,395	17,566	37,231
670551 Cell Phone	-	-	-	-	-	-	-	-	-	-	-	-
Facilities	-	-	-	-	-	-	-	-	-	-	-	-
670530 Retirement Savings Plus Plan	464	464	475	479	479	479	718	479	479	479	479	718
401K Benefits	464	464	475	479	479	479	718	479	479	479	479	718
670509 Health - Distributed	958	604	845	1,108	1,228	398	721	1,123	765	2,065	(96)	2,501
Health Benefits	958	604	845	1,108	1,228	398	721	1,123	765	2,065	(96)	2,501
670601 COVID Telework Reimbursement	-	-	105	-	-	-	105	-	-	105	-	315
Other Benefits	-	-	105	-	-	-	105	-	-	105	-	315
670459 Pension - Distributed	1,169	1,188	(2,669)	(678)	(648)	(646)	(711)	(709)	(773)	(648)	(737)	(1,222)
Pension Benefits	1,169	1,188	(2,669)	(678)	(648)	(646)	(711)	(709)	(773)	(648)	(737)	(1,222)
Benefits	2,591	2,257	(1,244)	910	1,060	231	833	892	471	2,001	(354)	1,997
670100 Office and Administrative	-	-	-	-	-	-	-	39	-	-	-	39
OFFICE ADMIN EXP Office admin exp	-	-	-	-	-	-	-	39	-	-	-	39
Office Administration and Supply	-	-	-	-	-	-	-	39	-	-	-	39
670102 Development and Training-Acctg.	-	960	-	-	-	-	-	-	695	-	-	1,655
Development and Training	-	960	-	-	-	-	-	-	695	-	-	1,655
670800 Association and Club Dues-Comp	-	-	-	-	-	-	-	-	-	-	-	-
670805 AssociationandClub Dues-Employee	-	-	-	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-	-	-	-	1,000	1,000
670855 Travel Expense	-	-	76	3	89	136	213	1,119	253	437	639	501
670856 Meals and Entertainment	-	16	74	67	-	44	-	105	-	18	-	369
Travel and Entertainment	-	16	150	71	89	180	213	1,163	358	455	639	501
670120 Civic Participation-Other	-	-	-	-	-	-	-	35	-	-	1,750	1,785
670122 Civic Participation-Commun Dev	-	-	-	-	-	1,500	-	-	-	-	-	1,500
670840 Miscellaneous Expense	-	-	-	-	-	-	-	-	2,088	-	250	2,626
Miscellaneous Operation Exp	-	-	-	-	-	1,500	-	35	2,088	-	2,000	288
Operation Expenses	21,434	20,440	15,505	14,707	13,809	16,189	14,957	15,417	19,636	16,851	20,851	40,018
Operations and Maintenance Exp.	21,434	20,440	15,505	14,707	13,809	16,189	14,957	15,417	19,636	16,851	20,851	40,018
670150 Admin&Gen Salaries-Capitalized	(1,865)	(1,776)	(2,109)	(2,017)	(1,926)	(2,017)	(2,017)	(2,017)	(2,017)	(1,926)	(2,017)	(2,109)
Admin & Gen Exp Capitalized	(1,865)	(1,964)	(2,109)	(2,017)	(1,926)	(2,017)	(2,017)	(2,025)	(2,153)	(1,926)	(2,017)	(2,109)
670174 LTI Awards Capitalized	(260)	(248)	(294)	(281)	(268)	(281)	(281)	(281)	(281)	(268)	(281)	(294)
670510 EmployeeBenefitsCapitalized	(321)	(306)	(363)	(348)	(332)	(348)	(348)	(348)	(348)	(332)	(348)	(363)
670511 OtherPostRetirementBenefitsCap	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
670512 Pensions-Capitalized	(125)	(119)	(141)	(135)	(129)	(135)	(135)	(135)	(135)	(129)	(135)	(141)
670513 ATP1 Capitalized	(364)	(346)	(411)	(393)	(376)	(393)	(393)	(393)	(393)	(376)	(393)	(411)
Benefits Capitalized	(1,071)	(1,020)	(1,211)	(1,158)	(1,106)	(1,158)	(1,158)	(1,158)	(1,158)	(1,106)	(1,158)	(1,211)
Capitalized Expenses	(2,936)	(2,984)	(3,320)	(3,176)	(3,031)	(3,176)	(3,176)	(3,183)	(3,311)	(3,031)	(3,176)	(3,320)
671004 Allocated Ext Relations-Dis Op	(19,064)	(17,980)	(12,701)	(12,060)	(11,313)	(13,542)	(12,669)	(12,762)	(16,732)	(13,809)	(17,658)	(36,741)
Allocated Distribution Ops	(19,064)	(17,980)	(12,701)	(12,060)	(11,313)	(13,542)	(12,669)	(12,762)	(16,732)	(13,809)	(17,658)	(36,741)
AGSC Allocated	(19,064)	(17,980)	(12,701)	(12,060)	(11,313)	(13,542)	(12,669)	(12,762)	(16,732)	(13,809)	(17,658)	(36,741)
AGSC Allocated Costs	(19,064)	(17,980)	(12,701)	(12,060)	(11,313)	(13,542)	(12,669)	(12,762)	(16,732)	(13,809)	(17,658)	(36,741)
Allocated Costs	(19,064)	(17,980)	(12,701)	(12,060)	(11,313)	(13,542)	(12,669)	(12,762)	(16,732)	(13,809)	(17,658)	(36,741)
427100 General Tax Expense-Payroll	700	652	669	674	674	1,034	674	553	128	128	196	6,757
427111 GeneralTaxExpensePayroll-Capit	(135)	(128)	(152)	(146)	(139)	(146)	(146)	(146)	(139)	(146)	(152)	(1,718)
Payroll Taxes	566	524	517	529	536	529	888	529	408	(11)	(18)	5,039
Taxes Other Than Income	566	524	517	529	536	529	888	529	408	(11)	(18)	5,039
Total Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Operating Income	0	(0)	(0)	-	-	-	(0)	(0)	-	(0)	-	(0)
440082 Lobbying-State-Non-PR	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(60,000)
449600 Government Affairs	-	(640)	(342)	-	-	-	(409)	-	(71)	(392)	(25)	(1,879)
Other Income - Net	(5,000)	(5,640)	(5,342)	(5,000)	(5,000)	(5,000)	(5,409)	(5,000)	(23,500)	(5,071)	(5,392)	(80,379)
Other Income	(5,000)	(5,640)	(5,342)	(5,000)	(5,000)	(5,000)	(5,409)	(5,000)	(23,500)	(5,071)	(5,392)	(80,379)
Earnings b/f Interest & Taxes	(5,000)	(5,640)	(5,342)	(5,000)	(5,000)	(5,000)	(5,409)	(5,000)	(23,500)	(5,071)	(5,392)	(80,379)
Earnings Before Taxes	(5,000)	(5,640)	(5,342)	(5,000)	(5,000)	(5,000)	(5,409)	(5,000)	(23,500)	(5,071)	(5,392)	(80,379)
Net Income from Continuing Operations	(5,000)	(5,640)	(5,342)	(5,000)	(5,000)	(5,000)	(5,409)	(5,000)	(23,500)	(5,071)	(5,392)	(80,379)

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Lobbying Portion of Organization Dues WP
Twelve Months Ending December 31, 2021
Schedule 24.3**

2021								
GL	Account	Transaction/Expense Description	Payee	Amount	Period	Purpose for the Expense	Lobbying %	
GL8	670800	2021 AGA Dues	AMERICAN GAS ASSOCIATION	3,477	3	Dues for 2020 Membership year - 2020Q1	3.80%	132
GL8	670800	2021 AGA Dues	AMERICAN GAS ASSOCIATION	3,477	5	Dues for 2020 Membership year - 2020Q2	3.80%	132
GL8	670800	2021 AGA Dues	AMERICAN GAS ASSOCIATION	3,477	7	Dues for 2020 Membership year - 2020Q3	3.80%	132
GL8	670800	2021 AGA Dues	AMERICAN GAS ASSOCIATION	3,477	10	Dues for 2020 Membership year - 2020Q4	3.80%	132
				13,908	Lobbying Portion of Organization Dues			529

*Removal of the lobbying portion of Association and Club Dues-Comp

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Pension and Other Post-Employment Benefits Adjustment
Twelve Months Ending December 31, 2021
Schedule 25

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Incurred															
Adjusted Cost of Service															
1	Total Pension Expense	a/	(23,303)	(23,303)	(26,187)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(291,175)
2	Pension Payments	a/	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	22,144
3	Total Pension Adjustment		(21,458)	(21,458)	(24,342)	(22,419)	(22,419)	(22,419)	(22,419)	(22,419)	(22,419)	(22,419)	(22,419)	(22,419)	(269,031)
Adjusted Cost of Service															
4	670503 Other Post Retirement Benefits	b/	(1,394)	(1,394)	(1,621)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(17,639)
5	OPEB Payments	b/	5,905	12,294	12,811	10,984	11,591	(85,539)	9,494	9,104	9,185	8,550	8,172	45,933	58,485
6	Total OPEB Adjustment		4,510	10,899	11,189	9,514	10,121	(87,009)	8,024	7,634	7,715	7,080	6,702	44,464	40,846
Allocated from Service Company															
Adjusted Cost of Service															
7	Total Pension Expense	a/	(22,778)	(24,695)	55,645	6,424	5,431	5,955	5,667	6,351	6,278	5,813	7,574	6,002	63,667
8	Pension Payments														268,442
9	Total Pension Adjustment														332,109
Adjusted Cost of Service															
10	670503 Other Post Retirement Benefits	b/	(606)	(655)	6,681	2,338	1,995	2,148	2,052	2,078	2,054	2,053	2,159	2,120	24,416
11	OPEB Payments	b/	2,532	1,210	1,795	2,267	2,669	(46,946)	727	4,453	2,767	2,574	3,828	9,198	(12,925)
12	Total OPEB Adjustment		1,926	554	8,476	4,606	4,664	(44,798)	2,778	6,531	4,820	4,627	5,988	11,318	11,491
13	Total Pension/OPEB Adjustment		6,436	11,454	19,665	14,120	14,786	(131,806)	10,803	14,165	12,536	11,708	12,690	55,781	115,415

a/ Pension Detail Workpaper Schedule 25.1

b/ Other Post Retirement Benefits Workpaper Schedule 25.3

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Pension Detail Workpaper
Twelve Months Ending December 31, 2021
Schedule 25.1

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Incurred															
Total Charges															
1	670450 Pensions	a/ \$	23,303	\$ 23,303	\$ 26,187	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 24,265	\$ 291,175
2	670451 Non-Qualified Pension Plan	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
			23,303	23,303	26,187	24,265	24,265	24,265	24,265	24,265	24,265	24,265	24,265	24,265	291,175
Adjusted Cost of Service															
3	Total Pension Expense		(23,303)	(23,303)	(26,187)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(24,265)	(291,175)
4	Pension Payments	b/	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	22,144
5	Total Pension Adjustment		\$ (21,458)	\$ (21,458)	\$ (24,342)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (22,419)	\$ (269,031)
Allocated from Service Company															
Total Charges															
6	670450 Pensions	c/ \$	885,346	\$ 885,346	\$ 952,572	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 907,755	\$ 10,893,059
7	670451 Non-Qualified Pension Plan	c/	154,042	154,042	89,223	132,435	132,435	132,435	132,435	120,990	120,990	120,990	120,990	120,990	1,531,999
8	670459 Pension - Distributed	c/	910,532	910,532	(3,511,264)	(563,400)	(563,400)	(563,400)	(563,400)	(563,400)	(563,400)	(563,400)	(563,400)	(563,400)	(6,760,800)
9	670490 Pension Benefits Offset	c/	(910,532)	(910,532)	3,511,264	563,400	563,400	563,400	563,400	563,400	563,400	563,400	563,400	563,400	6,760,800
9	670537 Qual Pension Non-Svc (AGSC)	e/	-	-	(4,151,388)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(1,383,796)	(16,605,550)
10	670538 Non-Qual Pension Non-Svc (AGSC)	e/	-	-	612,964	204,321	204,321	204,321	204,321	186,664	186,664	186,664	186,664	186,664	2,363,570
11	Total Pension Expense		\$ 1,039,388	\$ 1,039,388	\$ (2,496,629)	\$ (139,284)	\$ (139,284)	\$ (139,284)	\$ (139,284)	\$ (168,386)	\$ (168,386)	\$ (168,386)	\$ (168,386)	\$ (168,386)	\$ (1,816,922)
12	670512 Pensions-Capitalized	c/	(92,799)	(90,064)	(105,733)	(100,732)	(98,512)	(102,896)	(102,018)	(98,654)	(98,648)	(78,993)	(138,030)	(78,978)	(1,186,056)
Adjusted Cost of Service															
13	Net Pension Expense		(946,589)	(949,324)	2,602,362	240,017	237,796	242,180	241,302	267,041	267,034	247,379	306,416	247,364	3,002,978
14	Allocation Factor	d/	2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
15	AGSC Pension Adjustment		\$ (22,778)	\$ (24,695)	\$ 55,645	\$ 6,424	\$ 5,431	\$ 5,955	\$ 5,667	\$ 6,351	\$ 6,278	\$ 5,813	\$ 7,574	\$ 6,002	\$ 63,667
16	Pension Cash Contribution (1/5)														268,442
17	Total AGSC Pension Adjustment														\$ 332,109
18	Total Adjustment														\$ 63,079

a/ Chattanooga Gas Company detailed Income Statement Schedule 19

b/ Pension Payment Workpaper Schedule 35.4

c/ AGL Services Company Income Statement Schedule 20

d/ Allocated Cost Adjustment Schedule 23.1

e/ In 2021 costs were moved from other income on the I/S to O&M on the I/S for purposes of allocations to be consistent with how SCS allocates their costs.

**Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Deferred Pension Contribution
Twelve Months Ending December 31, 2021
Schedule 25.2**

Line No.	Description	Total
1	Net Cash Contributions Allocated to CGC (2019) a/	1,342,212
2	5 Year Amortization a/	268,442
3	December 2020 Rate Base Deferral	805,327
	January	782,957
	February	760,587
	March	738,216
	April	715,846
	May	693,476
	June	671,106
	July	648,736
	August	626,365
	September	603,995
	October	581,625
	November	559,255
	December 2021 Rate Base Deferral	536,885
	13-Month Average	671,106
4	Deferred Tax Impacts	(175,394)
5	Net Rate Base	495,712

a/ 2019 Deferred Pension Contribution and amortization as approved in Docket 20-00049

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Other Post Retirement Benefits Workpaper
Twelve Months Ending December 31, 2021
Schedule 25.3

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Incurred															
1	Total Charges														
	670503 Other Post Retirement Benefits	a/	1,394	1,394	1,621	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	17,639
Adjusted Cost of Service															
2	670503 Other Post Retirement Benefits		(1,394)	(1,394)	(1,621)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(1,470)	(17,639)
3	OPEB Payments	b/	5,905	12,294	12,811	10,984	11,591	(85,539)	9,494	9,104	9,185	8,550	8,172	45,933	58,485
4	Total OPEB Adjustment		4,510	10,899	11,189	9,514	10,121	(87,009)	8,024	7,634	7,715	7,080	6,702	44,464	40,846
Allocated from Service Company															
Total Charges															
5	670503 Other Post Retirement Benefits	c/	25,186	25,186	54,025	34,799	34,799	34,799	34,799	34,799	34,799	34,799	34,799	34,799	417,587
	670539 Other Post Ret Non-Svc (AGSC)	c/	-	-	(366,474)	(122,158)	(122,158)	(122,158)	(122,158)	(122,158)	(122,158)	(122,158)	(122,158)	(122,158)	(1,465,896)
Adjusted Cost of Service															
6	OPEB Expense		(25,186)	(25,186)	312,449	87,359	87,359	87,359	87,359	87,359	87,359	87,359	87,359	87,359	1,048,309
7	OPEB Payments	b/	105,216	46,499	83,950	84,707	116,879	(1,909,098)	30,953	187,258	117,681	109,541	154,866	379,111	(492,437)
8	Total AGSC OPEB Adjustment		80,031	21,313	396,398	172,066	204,238	(1,821,739)	118,312	274,617	205,040	196,900	242,225	466,470	555,873
9	Allocation Factor	d/	2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
10	Total AGSC OPEB Adjustment		1,926	554	8,476	4,606	4,664	(44,798)	2,778	6,531	4,820	4,627	5,988	11,318	11,491
11	Total Adjustment		6,436	11,454	19,665	14,120	14,786	(131,806)	10,803	14,165	12,536	11,708	12,690	55,781	52,337

a/ Chattanooga Gas Company detailed Income Statement Schedule 19
b/ Schedule 35.3 Other Post Retirement Benefits Payments Workpaper
c/ AGL Services Company Income Statement Schedule 20
d/ Allocated Cost Adjustment Schedule 23.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Advertising Expense
Twelve Months Ending December 31, 2021
Schedule 26

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
Chattanooga Gas Company															
1	a. Institutional Advertising	a/	-	1,500	-	9,000	-	1,500	2,015	8,437	8,400	43,560	6,000	725	81,137
2	b. Conservation	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
3	c. Informational	a/	-	-	-	-	1,225	-	-	13,995	-	(13,995)	1,628	-	2,853
4	d. Promotional	a/	5,500	(19,907)	4,000	3,800	1,500	2,500	7,711	16,410	(6,410)	41,545	123,447	17,977	198,073
5	e. Promotional for Sale of Appliances		-	-	-	-	-	-	-	-	-	-	-	-	-
6	Total		5,500	(18,407)	4,000	12,800	2,725	4,000	9,726	38,842	1,990	71,110	131,074	18,702	282,063
Amount Included in ARM Filing															
7	a. Institutional Advertising	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
8	b. Conservation	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
9	c. Informational	a/	-	-	-	-	1,225	-	-	13,995	-	(13,995)	1,628	-	2,853
10	d. Promotional	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
11	e. Promotional for Sale of Appliances	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total		-	-	-	-	1,225	-	-	13,995	-	(13,995)	1,628	-	2,853
13	Promotional Advertising Adjustment		(5,500)	18,407	(4,000)	(12,800)	(1,500)	(4,000)	(9,726)	(24,847)	(1,990)	(85,105)	(129,447)	(18,702)	(279,210)
Allocated Advertising Expense															
14	a. Institutional Advertising	a/	1,100	2,172	30,300	26,300	4,305	9,932	2,600	9,968	8,250	5,955	114,105	16,630	231,617
15	b. Conservation	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
16	c. Informational	a/	-	-	-	-	258	-	-	-	698	996	1,190	2,285	5,428
17	d. Promotional	a/	36,709	10,060	123,861	74,909	123,690	100,866	27,072	46,714	84,475	35,786	43,070	245,876	953,090
18	e. Promotional for Sale of Appliances	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Total		37,809	12,232	154,161	101,209	128,253	110,798	29,672	56,682	93,424	42,738	158,365	264,791	1,190,135
Amount Included in ARM Filing															
20	a. Institutional Advertising	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
21	b. Conservation	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
22	c. Informational	a/	-	-	-	-	258	-	-	-	698	996	1,190	2,285	5,428
23	d. Promotional	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
24	e. Promotional for Sale of Appliances	a/	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Total		-	-	-	-	258	-	-	-	698	996	1,190	2,285	5,428
26	Promotional Advertising Adjustment		(37,809)	(12,232)	(154,161)	(101,209)	(127,995)	(110,798)	(29,672)	(56,682)	(92,725)	(41,741)	(157,175)	(262,506)	(1,184,707)
27	Allocation Factor	b/	2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
28	Promotional Advertising Adjustment		(910)	(318)	(3,296)	(2,709)	(2,923)	(2,725)	(697)	(1,348)	(2,180)	(981)	(3,885)	(6,369)	(28,341)

a/ Allocated Advertising Workpaper Schedule 26.1

b/ Allocated Cost Adjustment Schedule 23.1

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Advertising-Allocated Workpaper
Twelve Months Ending December 31, 2021
Schedule 26.1

Line No.	Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
Chattanooga Gas Company														
1	660001 Residential Sales Promotor	a/	-	-	-	-	-	-	-	-	2,900	-	1,274	4,174
2	660003 Misc Sales Promotor	a/	5,500	700	4,000	3,800	1,500	2,500	9,010	2,000	2,700	3,400	2,900	45,910
3	660004 Advertising TV and Radic	a/	-	-	-	-	-	-	-	-	-	-	-	-
4	660005 Advertising-Prin	a/	-	-	-	-	-	-	-	-	-	-	-	-
5	660006 Marketing- Direct Mail and Emai	a/	-	-	-	-	-	-	5,300	-	-	6,486	(966)	10,820
6	660012 Sponsorships Events and Tradeshow	a/	-	-	-	-	-	-	-	-	-	-	-	-
7	660013 Seminar and Conference Fees	a/	-	-	-	-	-	-	-	-	-	-	-	-
8	660016 Education and Outreach Program	a/	-	-	-	-	1,225	-	13,995	-	(13,995)	1,628	-	2,853
9	660130 Advertising- Other	a/	-	-	-	-	-	-	-	-	-	-	-	-
10	660240 Branding	a/	-	-	-	-	-	-	-	-	35,245	106,477	9,769	151,491
11	660260 Direct Mail Postage	a/	-	-	-	-	-	-	9,110	(9,110)	-	7,584	-	7,584
12	660300 Marketing Expenses-Genera	a/	-	-	-	-	-	-	-	-	-	-	-	-
13	660400 Vendor and Agency Suppor	a/	-	(20,607)	-	-	-	(1,299)	-	-	-	-	-	(21,906)
14	Marketing Admin and Support		5,500	(19,907)	4,000	3,800	2,725	2,500	7,711	30,405	(6,410)	27,550	125,074	17,977
15	Advertising		5,500	(19,907)	4,000	3,800	1,500	2,500	7,711	16,410	(6,410)	41,545	123,447	17,977
16	670120 Civic Participation-Othe	a/	-	-	-	-	-	1,015	-	-	-	-	125	1,140
17	670121 Civic Participation-Educator	a/	-	-	-	-	-	-	-	-	-	-	-	-
18	670122 Civic Participation-Commun Dev	a/	-	1,500	-	9,000	-	1,500	1,000	8,437	8,400	43,560	6,000	79,997
19	670750 Institution or Goodwill Adv. E	a/	-	-	-	-	-	-	-	-	-	-	-	-
20	Advertising		5,500	(18,407)	4,000	12,800	1,500	4,000	9,726	24,847	1,990	85,105	129,447	18,702
21	a. Institutional Advertising		-	1,500	-	9,000	-	1,500	2,015	8,437	8,400	43,560	6,000	81,137
22	b. Conservator		-	-	-	-	-	-	-	-	-	-	-	-
23	c. Informational		-	-	-	1,225	-	-	13,995	-	(13,995)	1,628	-	2,853
24	d. Promotional		5,500	(19,907)	4,000	3,800	1,500	2,500	7,711	16,410	(6,410)	41,545	123,447	198,073
25	e. Promotional for Sale of Appliances		-	-	-	-	-	-	-	-	-	-	-	-
26	Institutional and Promotional Advertising		5,500	(18,407)	4,000	12,800	2,725	4,000	9,726	38,842	1,990	71,110	131,074	18,702
Allocated Expenses														
27	660001 Residential Sales Promotor	b/	-	-	-	-	-	-	-	-	-	-	-	-
28	660005 Advertising-Prin	b/	-	-	-	-	-	-	-	-	-	-	-	-
29	660008 Market Research and Analysis	b/	3,165	-	-	-	-	-	-	-	-	-	28,000	31,165
30	660009 Marketing-Channel Programs	b/	-	-	24,974	-	-	-	-	-	-	-	-	24,974
31	660110 Advertising-Trade Shows	b/	-	-	-	-	-	810	-	-	-	-	-	810
32	660012 Sponsorships Events and Tradeshow	b/	-	-	30,000	-	2,000	-	-	5,000	-	-	-	37,000
33	660013 Seminar and Conference Fees	b/	-	-	-	-	258	-	-	698	996	1,190	2,285	5,428
34	660014 Membership Dues and Subscription	b/	-	-	-	-	-	-	-	-	-	-	-	-
35	660016 Education and Outreach Program	b/	-	-	-	-	-	-	-	-	-	-	-	-
36	660030 Online Marketing	b/	-	-	-	-	-	-	-	-	-	-	-	-
37	660180 Premiums and Promotions	b/	-	-	225	-	429	205	308	-	-	-	47,800	48,968
38	660230 Fulfillment Postage	b/	-	-	-	-	-	-	-	-	-	-	-	-
39	660240 Branding	b/	-	-	-	-	-	-	-	-	-	-	-	-
40	660300 Marketing Expenses-Genera	b/	36,355	3,910	(9,889)	21,810	8,166	10,695	14,820	17,116	35,055	12,281	2,460	145,631
41	660400 Vendor and Agency Suppor	b/	(2,811)	6,150	133,525	28,125	115,524	89,742	12,047	29,290	49,420	23,505	40,610	549,572
42	Marketing Admin and Support		36,709	10,060	153,861	74,909	125,948	100,866	27,072	47,524	90,174	36,783	44,260	996,328
43	Advertising		\$ 36,709	\$ 10,060	#####	\$ 74,909	#####	\$ 100,866	\$ 27,072	\$ 47,524	\$ 89,475	\$ 35,786	\$ 43,070	\$ 245,876
44	670120 Civic Participation-Othe	b/	1,100	2,172	300	1,300	2,305	7,816	2,600	9,158	3,250	5,955	112,105	164,691
27	670121 Civic Participation-Educator	b/	-	-	-	-	616	-	-	-	-	-	-	616
28	670122 Civic Participation-Commun Dev	b/	-	-	-	25,000	-	1,500	-	-	-	2,000	-	28,500
29	670750 Institution or Goodwill Adv. E	b/	-	-	-	-	-	-	-	-	-	-	-	-
30	Advertising		37,809	12,232	154,161	101,209	127,995	110,798	29,672	56,682	92,725	41,741	157,175	1,184,707
31	a. Institutional Advertising		1,100	2,172	30,300	26,300	4,305	9,932	2,600	9,968	8,250	5,955	114,105	231,617
32	b. Conservator		-	-	-	-	-	-	-	-	-	-	-	-
33	c. Informational		-	-	-	-	258	-	-	698	996	1,190	2,285	5,428
34	d. Promotional		36,709	10,060	123,861	74,909	123,690	100,866	27,072	46,714	84,475	35,786	43,070	953,090
35	e. Promotional for Sale of Appliances		-	-	-	-	-	-	-	-	-	-	-	-
36	Institutional and Promotional Advertising		37,809	12,232	154,161	101,209	128,253	110,798	29,672	56,682	93,424	42,738	158,365	1,190,135

a/ Chattanooga Gas Company detailed Income Statement Schedule 1:
b/ AGI Services Company Income Statement Schedule 2f

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Incentive Compensation and Other Payroll
Twelve Months Ending December 31, 2021
Schedule 27

Line No.	Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
1	Chattanooga Gas Company													
2	670590 AIP Bonus	a/ 59,056	51,688	53,146	22,238	18,553	29,593	23,849	19,914	37,610	29,937	47,926	61,526	455,036
3	Total	59,056	51,688	53,146	22,238	18,553	29,593	23,849	19,914	37,610	29,937	47,926	61,526	455,036
4	Adjustment to 100%	33,940	29,706	30,543	12,781	10,663	17,008	13,706	11,445	21,615	17,205	27,544	35,360	261,515
5	Exclusion of AIP in Excess of 100%	25,116	21,982	22,602	9,458	7,890	12,586	10,143	8,469	15,995	12,732	20,382	26,166	193,521
6	Amount Included in ARM Filing													
7	AIP	f/ 22,627	19,804	20,362	8,520	7,108	11,338	9,137	7,630	14,410	11,470	18,362	23,573	174,343
8	Total	22,627	19,804	20,362	8,520	7,108	11,338	9,137	7,630	14,410	11,470	18,362	23,573	174,343
9	Incentive Compensation Adjustment	(47,743)	(41,786)	(42,864)	(17,978)	(14,999)	(23,924)	(19,280)	(16,099)	(30,405)	(24,202)	(38,745)	(49,739)	(367,864)
10	Payroll Taxes													
8	427100 General Tax Expense-Payro	a/ 24,391	23,382	26,357	26,383	25,235	24,745	28,209	26,069	26,153	29,639	27,386	31,268	319,219
9	Payroll Expenses	a/ 363,116	353,413	379,722	367,145	329,575	354,108	369,971	346,534	354,563	340,341	378,771	456,295	4,393,545
10	Payroll Tax Factor	6.72%	6.62%	6.94%	7.19%	7.06%	6.99%	7.62%	7.52%	7.38%	8.71%	7.23%	6.85%	
11	Variable Pay Payroll Tax	(3,207)	(2,765)	(2,982)	(1,292)	(1,148)	(1,672)	(1,470)	(1,211)	(2,243)	(2,108)	(2,801)	(3,408)	(26,307)
12	Allocated Expense - AGSC													
12	670590 AIP Bonus	b/ 5,644,465	4,931,406	3,625,805	2,159,802	1,799,378	1,923,026	2,359,701	1,752,142	2,857,061	2,595,644	4,467,091	5,133,083	39,248,403
13	Less Lobby Incentive Compensation Eliminator	c/ (9,440)	(8,259)	(5,367)	(3,548)	(2,367)	(4,100)	(3,737)	(3,115)	(5,845)	(4,691)	(3,115)	(8,209)	(68,256)
14	LTI Awards	b/ 293,844	288,019	8,719,972	(27,156)	346,912	1,082,612	332,155	341,379	305,027	1,873,428	325,415	321,421	14,203,028
15	Total	5,928,859	5,211,165	12,339,820	2,128,898	2,143,333	3,001,537	2,688,118	2,090,406	3,156,243	4,464,381	4,785,118	5,445,295	53,383,174
16	Allocation Factor	d/ 2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
17	Allocated AIP	135,598	128,066	77,401	57,709	41,028	47,187	55,329	41,595	67,029	60,888	110,242	124,320	946,393
18	Adjustment to 100%	77,930	73,601	44,483	33,166	23,579	27,119	31,798	23,905	38,523	34,993	63,358	71,448	543,904
19	Exclusion of AIP in Excess of 100%	57,668	54,465	32,918	24,543	17,449	20,068	23,531	17,690	28,507	25,895	46,888	52,872	402,489
20	Allocated Amount Included in ARM Filing													
21	AIP	f/ 109,622	103,533	62,573	46,654	33,168	38,148	44,729	33,626	54,188	49,223	89,123	100,504	765,092
22	LTI	7,071	7,492	186,454	(727)	7,923	26,622	7,800	8,119	7,171	44,026	8,044	7,799	317,794
23	Total	116,693	111,025	249,027	45,927	41,091	64,770	52,530	41,745	61,359	93,249	97,167	108,303	1,082,885
24	Incentive Compensation Adjustment	(116,693)	(111,025)	(249,027)	(45,927)	(41,091)	(64,770)	(52,530)	(41,745)	(61,359)	(93,249)	(97,167)	(108,303)	(1,082,885)
25	Payroll Taxes													
25	427100 General Tax Expense-Payro	b/ 592,550	1,373,449	659,006	643,227	584,381	589,219	604,521	513,086	506,748	465,647	507,839	620,715	7,659,387
26	Payroll Expenses	b/ 14,740,596	13,183,356	21,837,838	11,414,189	11,012,780	12,457,831	11,019,306	10,553,857	11,671,213	12,512,673	13,436,520	17,165,408	161,005,567
27	Payroll Tax Factor	4.02%	10.42%	3.02%	5.64%	5.31%	4.72%	5.49%	4.86%	4.34%	3.72%	3.78%	3.62%	
28	Variable Pay Payroll Tax	(4,691)	(11,567)	(7,515)	(2,588)	(2,180)	(3,058)	(2,882)	(2,029)	(2,664)	(3,470)	(3,672)	(3,916)	(50,234)
29	Allocated Expense - SCS													
30	670640 Incentives SCS	b/ 721,824	645,401	4,099,457	923,437	1,292,650	1,225,634	1,266,897	826,006	1,407,290	1,703,596	982,475	1,748,631	16,843,298
31	AIP	e/ 612,916	581,537	544,850	642,970	1,041,485	741,870	1,022,642	720,452	1,271,771	813,677	866,638	1,490,372	10,351,180
32	LTI	e/ 108,908	63,864	3,554,607	280,466	251,165	483,764	244,255	105,554	135,520	889,919	115,837	258,259	6,492,118
33	Allocation Factor	d/ 2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
34	Allocated AIP	14,749	15,128	11,650	17,210	23,786	18,243	24,016	17,134	29,898	19,121	21,423	36,161	248,519
35	Adjustment to 100%	8,240	8,451	6,508	9,614	13,288	10,192	13,417	9,572	16,703	10,682	11,968	20,202	138,837
36	Exclusion of AIP in Excess of 100%	6,509	6,676	5,142	7,595	10,498	8,051	10,599	7,562	13,195	8,439	9,455	15,959	109,681
37	Allocated Amount Included in ARM Filing													
37	AIP	f/ 12,002	12,311	9,481	14,005	19,357	14,846	19,544	13,943	24,330	15,561	17,434	29,427	202,240
38	LTI	2,621	1,661	76,006	7,507	5,736	11,896	5,736	2,510	3,186	20,913	2,863	6,266	146,902
39	Total	14,623	13,972	85,487	21,512	25,093	26,742	25,280	16,453	27,516	36,474	20,297	35,693	349,142
40	Incentive Compensation Adjustment	(14,623)	(13,972)	(85,487)	(21,512)	(25,093)	(26,742)	(25,280)	(16,453)	(27,516)	(36,474)	(20,297)	(35,693)	(349,142)
41	Payroll Taxes													
41	670658 Payroll Tax SCS	b/ 16,063	334,310	143,278	201,387	227,468	200,230	257,077	184,766	228,207	193,042	203,186	372,044	2,561,059
42	SCS Fixed Compensation	b/ 3,258,344	1,770,321	2,500,203	2,375,996	2,521,191	2,424,117	1,996,661	2,472,915	2,516,810	2,550,898	2,699,021	2,511,243	29,597,720
43	SCS Bonus	b/ 721,824	645,401	4,099,457	923,437	1,292,650	1,225,634	1,266,897	826,006	1,407,290	1,703,596	982,475	1,748,631	16,843,298
44	Payroll Tax Factor	0.40%	13.84%	2.17%	6.10%	5.96%	5.49%	7.88%	5.60%	5.82%	4.54%	5.52%	8.73%	
45	Variable Pay Payroll Tax	(59)	(1,934)	(1,856)	(1,313)	(1,497)	(1,467)	(1,991)	(922)	(1,600)	(1,655)	(1,120)	(3,117)	(18,531)

a/ Chattanooga Gas Company detailed Income Statement Schedule 1

b/ AGL Services Company Income Statement Schedule 2c

c/ Lobbying Dept 1637 Workpaper Schedule 24.2

d/ Allocated Cost Adjustment Schedule 23.1

e/ SCS Incentive Compensation Workpaper Schedule 35.1

f/ This adjustment has been updated to reflect the changes to the 2021 at risk Incentive Compensation Plan (AIP or PPP). To remain consistent with prior orders, the Company removes the portion based on financial metrics. Therefore, the Company is now removing 2/3 as opposed to 1/2 of the Incentive Compensation Expense

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Normalization Adjustment Other than Weather
Twelve Months Ending December 31, 2021
Schedule 28

Non-Prescribed ARM Adjustments

		Group Insurance - Medical 5 YR Avg
1	Historic Base Period	490,691
2	Previous Year	190,375
3	2nd Previous Year	718,183
4	3rd Previous Year	164,087
5	4th Previous Year	458,871
6	Average	404,441
7	Adjusted Historic Base Year	490,691
8	Adjustment	(86,249) b/

Prescribed ARM Adjustments

Description		Other Revenues 4 YR Avg	Uncollectible Expense 5 Yr. Avg
9	Historic Base Period	1,074,063	273,086
10	Previous Year	1,077,171	325,527
11	2nd Previous Year	1,005,177	248,739
12	3rd Previous Year	1,086,656	316,560
13	4th Previous Year	-	137,686
14	Average	1,060,767	260,320
15	Adjusted Historic Base Year	1,074,063	273,086
16	Adjustment	(13,296)	(12,766)

Rate Base Normalization Adjustments		Material and Supplies	Prepayments	Gas Inventory	Reserve for Uncollectible
17	Historic Base Period	80,710	9,233,359	341,475	
18	Previous Year	487,141	27,568	7,757,841	288,440
19	2nd Previous Year	407,669	48,334	8,871,344	210,505
20					
21	Average	467,171	52,204	8,620,848	280,140
22	Adjustment	(39,532)	(28,506)	(612,511)	(61,335)

		Reserve for Health Insurance	Other Reserves
23	Historic Base Period	97,113.00	126,154.04
24	Previous Year	84,344.54	145,665.24
25	2nd Previous Year	69,395.85	60,601.38
26			
27	Average	83,617.79	110,806.88
28	Adjustment	(13,495.21)	(15,347.15)

		Interest on Customer Deposits	
29	12/31/2020 Balance Over 6 Months	1,086,256.36	91.6%
30	12/31/2020 Balance less than 6 Months	100,177.54	8.4%
		1,186,434	
31	Average Balance	\$ 1,230,135	
32	Ratio of Balance Over 6 Months	91.56%	
33	13MA Balance Over 6 Months	\$ 1,126,267	
34	Prime Interest Rate as of 12/31/2021	3.25%	
35	Normalized Interest	\$ 36,604	
36	Base Period Interest on Customer Deposits	\$ 34,933	
37	Adjustment	\$ 1,671	

Three year amortization of ARM Costs		
38	162025 Rate Case Expenses	241,932
39	Amortized over three years	80,644

40	AGSC COVID Telework Reimbursement	
	670601 COVID Telework Reimbursement	8,668
	Restructuring-Severance	
50	670885 Restructuring-Severance	35,000

a/ Prescribed ARM Normalization Adjustments were either stipulated in the initial order or in subsequent ARM filing;

b/ Approve in Docket 20-00049. The company is self-insured and can have material variations. This adjustment is to normalize those costs

Chattanooga Gas Company
A member of the Southern Company

Outside Services	-	30,987	88,393	117,562	6,422	-	-	242,919
Other Distribution & Storage Expense	424,671	269,821	-	-	25,914	-	-	717,116
Administrative & General Expense	-	-	20,500	-	2,866	-	-	23,366
Miscellaneous Employee Benefits	-	-	1,580	-	-	73,219	-	74,799
Medical and Uncollectible Normalization	-	-	-	-	-	-	88,015	88,015
	\$22,939	\$62,500	\$2,500	\$4,500	\$6,500	\$2,500	\$8,500	\$105,000

^{iv} LNG Storage Expenses (BOC Catalyst Repair, Compressor Materials) not expected in 2022

^d Firing expenses not expected in 2022

of Charleston - Bridge Inspection costs not expected in 2022
 F. Charleston Motor Project
 of Employee Retention Expenses

if not otherwise noted, estimates not expected in 2022

It must be clearly stated that, regardless of the type of contract, the contractor is responsible for the quality of the work.

Chattanooga Gas Company
Twelve Months Ending December 31, 2021
LNG Maintenance Liquefaction Equipment - Workpaper
Chattanooga Gas Company
Schedule 28.2

Line No.	Account		Amount
1	625400 LNG Maint Liquefaction Equip	a/	995,531
2	Expense Removal and Deferral	b/	927,758
3	2020 Amortization		231,940
4	2021 Amortization		231,940
5	YE 2021 Expense Deferral Balance		463,879
			-

a/ 2020 Chattanooga Gas Company detailed Income Statement Schedule 19

b/ The Company incurred LNG maintenance expense in 2020 that is not expected to be incurred again for the next four to eight years

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Carrying Charges and Average Balance ARM Asset/(Liability)
Twelve Months Ending December 31, 2021
Schedule 29

Line No.	Description		Historic Base Period with Rate Making Adjustments
1	Gas Sales & Transportation Revenues	c/	83,140,722
2	AFUDC -Interest	c/	244,793
3	AFUDC-Equity	c/	516,734
4	Other Revenues	c/	1,074,063
5	Total Operating Revenues [L1:L4]		84,976,311
6	Purchased Gas Expense	c/	41,229,539
7	Operating & Maintenance Expense-Labor	c/	4,025,681
8	Operating & Maintenance Expense-Non Labor	c/	14,661,033
9	Total Operating & Maintenance Expense [L6:L8]		59,916,253
10	Depreciation Expense	c/	8,777,367
11	Amortization -Prior Year Earnings Deficiency/(Surplus)	c/	5,484,339
12	Interest on Customer Deposits	c/	34,933
13	Taxes Other than Income	c/	3,499,473
14	State Excise (Income) Tax	c/	103,317
15	Federal Income Tax	c/	(1,980,481)
16	Total Operating Expense [L9:L15]		75,835,201
17	Utility Operating Income		9,141,111
18	Interest Expense [L20 X L21]		4,894,621
19	Net Income Equity-Earnings [L17-L18]		4,246,489
20	Rate Base	d/	213,453,604
21	Weighted Cost of Debt -Annual	e/	2.29%
22	Weighted Cost of Equity -Annual	e/	4.82%
23	Required Net Income [L20XL22]		\$ 10,298,154
24	Earning Deficiency (Excess) [L23-L19]		6,051,665
25	Overall ROR Annual	e/	7.12%
26	Annual Carrying Charges [L25 XL24]		430,733
28	1/2 Year		50%
29	Carrying Charge [L26 X L28]		\$ 215,367
30	Historic Period Earning Deficiency (Excess) + Carrying Charges [L24+L29]		\$ 6,267,032
31	Tax Gross Up Factor	f/	1.35382116
32	Annual Reconciliation Balance [L30 X L31]		\$ 8,484,440.20
33	13Month Average Amortized over 12 Months		\$ 4,242,220

a/ Excludes expenses disallowed for ratemaking

b/Based on Revenues, ratemaking expense, and synchronized interest

c/ Income Statement Historic Base Period Schedule 5

d/ Rate Base Schedule 2

e/ Capital Structure and Rate of Return Summary Schedule 11

f/ Revenue Conversion and Income Tax Gross-up Factors Schedule 12

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Fines and Penalties
Twelve Months Ending December 31, 2021
Schedule 35.9

Line No.	Description		January	February	March	April	May	June	July	August	September	October	November	December	Total
	Direct Incurred														
	Total Charges														
1	670841 Fines and Penalties	a/	149	-	-	-	-	-	-	-	-	-	-	-	149
2	Charges Excluded from Cost of Service														
3	670841 Fines and Penalties		(149)	-	-	-	-	-	-	-	-	-	-	-	(149)
	Allocated from Service Company														
	Total Charges														
4	670841 Fines and Penalties	b/	-	-	-	354	-	-	166	-	-	-	-	-	521
5	Allocation Factor	c/	2.41%	2.60%	2.14%	2.68%	2.28%	2.46%	2.35%	2.38%	2.35%	2.35%	2.47%	2.43%	
6	Fines and Penalties Allocated		-	-	-	9	-	-	4	-	-	-	-	-	13
7	Charges Excluded from Cost of Service														
7	670841 Fines and Penalties		-	-	-	(9)	-	-	(4)	-	-	-	-	-	(13)
8	Total Adjustment		(149)	-	-	(9)	-	-	(4)	-	-	-	-	-	(162)

a/ Chattanooga Gas Company detailed Income Statement Schedule 15

b/ AGL Services Company Income Statement Schedule 20

c/ Allocated Cost Adjustment Schedule 23.1

Model Inputs

Data Item	Inputs	Current Period:
Company	Chattanooga Gas Company	December 31, 2021
Historic Period	Twelve Months Ending December 31, 2021 Annual Review Mechanism ("ARM")	

Income Tax Rates

State Income Tax Rate	6.50%
Federal Income Tax Rate	21.00%
Statutory Composite Rate	26.135%

Cost of Capital

	Ratio	Cost	WACC
Short-Term Debt	6.30%	3.01%	0.19%
Long-Term Debt	44.47%	4.73%	2.10%
Equity	49.23%	9.80%	4.82%
Total	100.00%		7.12%

Revenue Conversion Factor

Revenue Conversion Factor per DN 18-00017	1.34717
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Lead/Lag Days

Revenues	43.76
Purchased Gas	40.94
O&M Labor	14.01
Pension & OPEB Cash Contributions	0.00
Miscellaneous Employee Benefits	4.47
401K Benefits	12.07
Health/Life Insurance Expense	8.98
Allocated Cost	21.94
Uncollectible	43.76
Other Operating Expense	31.49
Taxes-Other than Income Tax	171.16
State Excise (Income) Tax-Current	37.88
State Excise (Income) Tax-Deferred	0.00
FIT-Current	37.88
FIT-Deferred	0.00
Depreciation and Amortization	0.00
Interest on Customer Deposits	0.00
Interest Short-Term Debt	-51.36
Interest Long-Term Debt	45.76

Interest Costs

Rate Base	213,453,604	
Short-Term Interest	404,772	8.3%
Long-Term Interest	4,489,849	91.7%
	4,894,621	

Removal of Non-allocable Plant

Plant in Service and Accumulated Reserve	31-Dec-21
Adjustment for Non-Allocable Plant	\$ (21,863,195)
Allocation Factor	2.40%
Non-Allocated Plant Adjustment	\$ (524,194)
Construction Work in Progress	31-Dec-21
Allocated CWIP Adjustment	\$ 321,870
Total Adjustment to Rate Base for Non-Allocable Plant	\$ (202,325) a/

a/ Please see Schedule 35.12 for the support and calculation of the non-allocable plant.

Removal of Accrual

660320 Outside Services- Marketing	(55,000)
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Data Request Corrections

In Accordance with Docket 21-00048; CA-2-020 - removal of certain legal charges, see response for further details on the adjustment.	(3,177)
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