

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

IN RE:)	
)	
CHATTANOOGA GAS COMPANY'S)	
PETITION FOR APPROVAL OF ITS)	DOCKET NO. 22-00032
2021 ANNUAL RATE REVIEW)	
FILING PURSUANT TO)	
TENN. CODE ANN. § 65-5-103(d)(6))	

**CHATTANOOGA GAS COMPANY RESPONSES AND OBJECTIONS TO CONSUMER
ADVOCATE'S THIRD INFORMAL SET OF DISCOVERY REQUESTS**

Chattanooga Gas Company ("CGC" or "Company") files these Responses and Objections to the Third Set of Discovery Requests of the Consumer Advocate Unit in the Financial Division of the Office of the Attorney General ("Consumer Advocate") filed June 2, 2022.

I. GENERAL OBJECTIONS

CGC objects generally to any definitions or instructions to the extent that they are inconsistent with and request information that is beyond the scope of the Tennessee Rules of Civil Procedure. CGC's Responses will comply with the requirements of the Tennessee Rules of Civil Procedure.

Any requests for production of documents are interpreted to describe each item or category of items requested with reasonable particularity as required by Tenn. R. Civ. P. 34.02, and the terms used in the requests are not interpreted "broadly." CGC will produce items and/or data in its possession, custody or control as required by Tennessee Rules of Civil Procedure.

CGC further objects to these discovery requests to the extent they seek information that is beyond the scope of legitimate discovery in this case or that is subject to any privilege, including the attorney-client privilege and/or attorney work product doctrine. However, without waiving

any of these General Objections, the Company will respond to the Consumer Advocate's discovery requests by providing responsive, non-privileged information.

These General Objections are continuing and are incorporated by reference in CGC's Responses to all discovery requests to the extent applicable. The statement of the following additional objections to specific discovery requests shall not constitute a waiver of these General Objections.

Further, CGC is proceeding in the traditional course of providing information that it deems to be confidential pursuant to the terms of the TPUC's Protective Order issued on April 21, 2022, by marking the information as confidential. CGC is acting in good faith reliance on the Consumer Advocate's compliance with the Protective Order.

II. SPECIFIC RESPONSES AND OBJECTIONS

3-1. Reconciliation & Explanation. Refer to two documents (i) **Chattanooga Gas Company's** Response to the Consumer Advocate's DR No. 1-8, Attachment <CA DR 1-08a Attachment.xlsx>, Tab "Margin Review" and (ii) File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,¹ Tab "Schedule 15.1." In the Tab "Margin Review" (Row 35), Gas Lights shows 10 customers for each month of 2021. However, the CGC ARM Model, Schedule 15.1 (Row 55), only shows 1 Gas Light customer per month for 2021. Reconcile and explain this discrepancy.

CGC RESPONSE:

There are 10 gas lights in service but only one is being billed, the other 9 are Company lights that are not being billed.

¹ Email from Floyd R. Self, counsel for CGC, to Karen H. Stachowski, counsel with Consumer Advocate, *et al.* (May 26, 2022, 3:59 CDT) (on file with Karen H. Stachowski).

- 3-2. Reconciliation & Explanation. Refer to two documents (i) **Chattanooga Gas Company's** Response to the Consumer Advocate's DR No. 1-8, Attachment <CA DR 1-08a Attachment.xlsx>, Tab "Margin Review" and (ii) File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,² Tab "Schedule 15.1". In the Tab "Margin Review" (Cell B58) for C1 Air Conditioning customers, the note states that these customer counts are already included within the C1 data. However, in the CGC ARM Model, Schedule 15.1 (Rows 98-122), these customers are also counted separately and appear to result in double counting of this data. Reconcile and explain this discrepancy.

CGC RESPONSE:

It is confirmed that the C1 Air Conditioning Customers are included in the C-1 customer count on the "Margin Review" Tab line 46 and results in a double counting of these customers on CGC ARM Model, Schedule 15.1 Rows 98-122. This will be corrected/updated in the next version of the ARM Model.

- 3-3. Reconciliation & Explanation. Refer to two documents: (i) **Chattanooga Gas Company's** Response to the Consumer Advocate's DR No. 1-8, Attachment <CA DR 1-08a Attachment.xlsx>, Tab "Margin Review" and (ii) Kingsport's Response to the Consumer Advocate's DR No. 1-6. In the Tab "Margin Review" (Cell L83) shows the July 2021 volumes for T-3 customers of 313,607 therms. In its response to Consumer Advocate's DR No. 1-6, the Company stated that "[t]he 313,607 Dths in Cell J172 is incorrect. The correct Rate Schedule T-2 Volume for July 2021 is 278,059 Dths shown in Cells J194 through J197." Explain how the 313,607 Dths amount could be incorrect if the Company's Attachment in CA DR No. 1-8 states that these revenues (and associated volumes) tie out to the Company's ledger.

² *Id.*

CGC RESPONSE:

In July 2021 there was an error in the upload file use to interface the data into the Margin Report. The billed volumes and the revenues recorded on the Company's ledger were correct.

- 3-4. Source & Support. Refer to two documents (i) **Chattanooga Gas Company's** Response to the Consumer Advocate's DR No. 1-8, Attachment <CA DR 1-08a Attachment.xlsx>, Tab "Margin Review" and (ii) File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,³ Tab "Schedule 15". It appears that there are no capacity determinants included for Rate Schedules T-1 and F1/T2/T1. Therefore, provide the source and support for monthly capacity determinants used by the Company in the CGC ARM Model, Schedule 15 (Rows 295 and 352).

CGC RESPONSE:

The T-1 capacity determinants for customers are separately pulled from the PeopleSoft billing system that was used to bill the industrial customers. The Capacity Determinants as shown on Schedule 15 are from the monthly Volumes and Revenue Reports included in the Company's monthly Report filed with the TPUC with a copy provided to the Consumer Advocate.

- 3-5. Reconciliation & Explanation. Refer to File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,⁴ Tab "Schedule 15". Specifically, refer to Rows 181-184 of Schedule 15 for the volumetric rates for Rate Schedule T-3. It appears that the Company has applied the C-2 volumetric rates to the C-3 rate calculation. Although close, the commodity rates are slightly different between the C-2 and T-3 Rate Schedules. Reconcile and explain this discrepancy.

³ *Id.*

⁴ *Id.*

CGC RESPONSE:

While the rates shown on Schedule 15 Rows 181-184 for the months of January -August 2021 should have been slightly different, there is no impact on the volumetric revenues on line 202 that was taken from the billing records. This will be corrected/updated in the next version of the ARM Model.

- 3-6. Reconciliation & Explanation. Refer to File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,⁵ Tab “Schedule 15”. Specifically, refer to Cells L61 and N61 of Schedule 15 for the customer charge rates for Residential Gas Lights for September and November. It appears that the Company has applied incorrect rates for these two months. Reconcile and explain this discrepancy.

CGC RESPONSE:

The amounts show in Cells L61 and N61 are not the customers charge rates for Residential Gas Lights but is the actual Customer Charge Revenue for Residential Gas Lights and may reflect corrections and adjustments.

- 3-7. Reconciliation & Explanation. Refer to File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,⁶ Tab “Schedule 17”. Specifically, refer to Cell D148 of Schedule 17 regarding the historic winter bills for Rate Schedule T-1. Originally, this Cell included 104 bills in the Company’s filing, but now includes 0 bills. Reconcile and explain this discrepancy.

CGC RESPONSE:

The link was incorrect. Schedule 17 Cell D148 should have linked to Schedule 15.1 Cell R356, but was incorrectly linked to Schedule 15 Cell R356. When the link is corrected Cell D148 again includes 104 bills. This will be corrected/updated in the next version of the ARM Model.

⁵ *Id.*

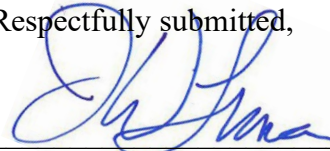
⁶ *Id.*

3-8. Reconciliation & Explanation. Refer to File <2022-05-26z CGC Weems Exhibit TW-1 (ARM Model) (Rev. 5-26-2022).xlsx>,⁷ Tab “Schedule 17”. Specifically, refer to Cell E75 of Schedule 17 regarding the historic summer usage in the 4th step for Rate Schedule T-3. Originally, this Cell included 259,221 therms in the Company’s filing, but now includes 0 therms. Reconcile and explain this discrepancy.

CGC RESPONSE:

The link was incorrect. Schedule 17 Cell E75 should have linked to Schedule 15.1 Cell S197, but was incorrectly linked to Schedule 15 Cell S197. When the link is corrected, Cell E75 reflects the Original 259,221 Therms. This will be corrected/updated in the next version of the ARM Model.

Respectfully submitted,



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⁷ *Id.*

CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing Responses and Objections to the Consumer Advocate's Third Informal Discovery Requests were forwarded via electronic mail on Monday, June 6, 2022, to the following:

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