

23-00029

April 20, 2023

Chairman Herb Hilliard
ATTN: Ectory Lawless, Docket Clerk
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Electronically Filed in TPUC Docket
Room on April 20, 2023 at 11:46 a.m.

Re: Chattanooga Gas Company's Petition for Approval of Its 2022 Annual Rate Review Filing Pursuant to T.C.A. § 65-5-103(d)(6)

Dear Chairman Hilliard:

Enclosed is CGC's Petition for Approval of its 2022 Annual Rate Review filing pursuant to T.C.A. § 65-5-103(d)(6).

Attached please find the following documents for filing:

1. Petition (with Verification of Paul Leath as Exhibit A)
2. Proposed Procedural Schedule (Exhibit B to the Petition) and agreed upon by the Consumer Advocate
3. Direct Testimony and exhibits of 3 witnesses:
 - a. Paul Leath (No Exhibits)
 - b. Tiffani Weems (2 Exhibits)
 - c. Ashley Vette (4 Exhibits – including redline and clean versions of Revised Tariff Sheets)
4. Prescribed ARM Schedules, 107 separately numbered, presented electronically on two flash drives, one containing the confidential documents and the other containing the non-confidential public documents (note, some of the Schedules are also part of the ARM Model that is separately filed as Weems Exhibit TW-1)

Numerous supporting documents and work papers are included in the Exhibits and other supporting documents and workpapers are supported by the witnesses and are provided for filing. All documents and workpapers required by the Settlement Agreement Orders in Docket No. 19-00047, 20-00049, 21-00048, and 22-00032 are provided in this filing.

Please note that the PRP Actual Costs for 2022 agreed to be provided in the annual ARM filing pursuant to Docket No. 20-00131 is not included and will be supplemented. These documents have no impact on the ARM Model provided herein.

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Please also note that there are a few documents which contain confidential information provided in accordance with TPUC practice and subject to a pending Protective Order to be issued by the Hearing Officer. CGC requests that the Hearing officer enter the Protective Order issued in last year's Docket No. 22-00032. The confidential documents are clearly marked and found at Schedules 23.2, 27, 32, 34, 34.1, 34.2, 34.3, 34.4, 35.01a, 35.01b, 35.01c, 35.01d, 35.02a, 35.02b, 35.02c, 35.02d, 35.02e, 35.02f, 35.14, 35.15, and 35.17.

In addition to this electronic filing, and pursuant to conversations with Ms. Lawless we will deliver to her an original and 4 hard copies of the petition, testimonies and a check for the filing fee in this matter along with two flash drives containing the electronic documents in PDF and/or Excel format, one flash drive with public documents and one with confidential documents.

A courtesy copy of this filing is being provided to the Consumer Advocate.

Yours truly,

Butler Snow LLP



J.W. Luna

JWL/cb
Enclosures

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

April 20, 2023

| | | |
|---|---|------------------------|
| IN RE: |) | |
| CHATTANOOGA GAS COMPANY |) | Docket No. |
| PETITION FOR APPROVAL OF ITS |) | |
| 2022 ANNUAL RATE REVIEW |) | <u>23-00029</u> |
| FILING PURSUANT TO |) | |
| TENN. CODE ANN. § 65-5-103(d)(6) |) | |

**DIRECT TESTIMONY OF ASHLEY K. VETTE
ON BEHALF OF
CHATTANOOGA GAS COMPANY**

1 **I. WITNESS INTRODUCTION.**

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

3 A. My name is Ashley K. Vette, and I am the Manager of Rates and Tariff
4 Administration for Southern Company Gas. Southern Company Gas is the parent
5 holding company of four natural gas distribution companies including Chattanooga
6 Gas Company (“Company” or “CGC”) as well as companies in Georgia, Illinois,
7 and Virginia. In my role I have rates and tariff responsibilities for Chattanooga Gas
8 Company. My business address is Ten Peachtree Place NE, Atlanta, Georgia 30309.

9 **Q. For whom are you testifying?**

10 A. I am testifying on behalf of Chattanooga Gas Company.

11 **II. BACKGROUND AND EXPERIENCE.**

12 **Q. Please summarize your education background and experience.**

13 A. I assumed my current role as Manager of Rates and Tariff Administration in 2021
14 and I have nearly 11 years of experience with Southern Company Gas. My tenure
15 at Southern Company Gas also includes two years as a Senior Rate Analyst and
16 seven years as a Senior Internal Auditor. Prior to joining Southern Company Gas
17 (formerly AGL Resources, Inc.), I worked as a public accountant auditing financial
18 statements for small to mid-sized utility companies in the Southeast. I received a
19 Bachelor of Science in Business Administration with a focus in Accountancy as
20 well as a Master of Accountancy from Auburn University, and I am a Certified
21 Public Accountant in the state of Georgia.

22 **Q. Have you previously testified before the Tennessee Public Service Commission**
23 **or any other state regulatory commissions?**

1 A. Yes. I testified before the Tennessee Public Utility Commission in Docket 21-
2 00094. I have also provided testimony for the State Corporation Commission of
3 Virginia.

4 **III. PURPOSE OF TESTIMONY.**

5 **Q. What is the purpose of your testimony?**

6 A. The purpose of my testimony is to provide the Commission with an overview of
7 the rate adjustments proposed by CGC in the 2023 Annual Review Mechanism
8 (ARM) filing for the 2022 calendar year Historic Base Period based upon the
9 settlement agreement approved in the 2019 ARM Docket by the Commission's
10 Order dated October 7, 2019 ("ARM Order") and to support the revenue schedules
11 and the related normalization adjustments included in this year's ARM filing. I
12 also provide the various tariff exhibits for CGC's proposed rates.

13 **Q. Are you including any exhibits in connection with your testimony**

14 A. Yes. The specific exhibits are as follows:

15 Exhibit AV-1 Comparison Current Rates with Proposed Rates

16 Exhibit AV-2 Revised Tariff Sheet

17 Exhibit AV-3 Revised Tariff Sheets - Redlined

18 Exhibit AV-4 ARM Schedules 17 and 17.1 Proof of Revenue

19 **Q. What is the amount of the proposed increase?**

20 A. In Docket 21-00048, CGC agreed to a voluntary four-year cap on the annual
21 increase under the ARM at \$6.8 million. The proposed rates and the revised tariff
22 sheets reflect the voluntary cap.

23 **Q. How is the proposed rate increase allocated to the Rate Schedules.**

1 A. The CGC proposed rate increase is allocated to each Rate Schedule on an equal
2 percentage basis with some differences due to rounding. Consistent with CGC's
3 agreement with Kordsa during the negotiations of its approved Special Contract,
4 the Company has proposed to limit the increase to Kordsa's rates to 5%. In addition,
5 consistent with the terms of CGC's Special Contract with Volkswagen ("VW")
6 approved on March 9, 2015, and extended for an additional five-year term on June
7 1, 2022, CGC is not proposing a rate increase for VW. This Special Contract was
8 not the result of negotiation between CGC and VW, but rather was part of a package
9 of incentives offered by the State of Tennessee and local government officials to
10 have VW locate in Tennessee. Since the reasons for offering VW the incentive
11 package are as valid today as when they were first made to VW, CGC believes it is
12 important to keep the promises made when the incentive package was presented to
13 VW by State and local development officials, which is why CGC does not propose
14 to increase VW's Special Contract Rates.

15 As explained by Ms. Weems, the Company has computed the rate adjustment that
16 is needed to allow CGC to earn its authorized return on equity on a going forward
17 basis using the prescribed ARM procedure. While rates have been computed on
18 Schedule 17 of the ARM model that will produce the revenue increase required for
19 CGC to earn its authorized return on a going forward basis, CGC is not proposing
20 to implement those rates, but has developed rates to produce the \$6.8 million
21 increase in annual revenue. Since the historic base period's deficiency is computed
22 based on the actual rates that are in effect, the reset deficiency in excess of the \$6.8
23 million for this year will be captured in next year's ARM filing. The proposed rates

1 to produce the \$6.8 million increase are presented in comparison with the current
2 rates on my Exhibit AV-1.

3 **Q. What is the proposed percent increase?**

4 A. With the voluntary cap, the average annual base rate increase for customers served
5 at tariff rates is approximately 12.8% as shown on my Exhibit AV-4.

6 **Q. How do the proposed rates impact the bills for customers served under the**
7 **Residential Rate Schedule?**

8 A. The current and proposed Residential (R-1) rates are:

| | Current | | Proposed | |
|-----------------------|-----------|---------|-----------|---------|
| | Winter | Summer | Winter | Summer |
| Customer Charge | \$25.90 | \$21.40 | \$29.20 | \$24.10 |
| Volumetric Rate/Therm | \$0.17787 | | \$0.20090 | |

9

10 **Q. What is the difference in the average impact on a residential customer's bill?**

11 A. The proposed rates will result in an average monthly increase of \$4.19, or
12 approximately 6.22%, effective September 1, 2023.

13 **Q. How are the commercial (C-1) customers impacted?**

14 A. The impact on customers served under the C-1 Rate Schedule would be an average
15 \$8.89 increase in the monthly bill or approximately 7.03%.

16 **Q. Will you please describe Exhibits AV-2 and AV-3?**

17 A. Exhibit AV-2 includes the CGC tariff sheets with all of the proposed changes,
18 including the rates, incorporated; and Exhibit AV-3 is the redline version of the
19 tariff sheets that identifies the changes.

1 **Q. Will you please describe Exhibits AV-4?**

2 A. Exhibit AV-4 are copies of ARM Schedules 17 and 17.1 assuming the voluntary
3 \$6.8 million cap. Schedule 17.1 summarizes the allocation of the proposed total
4 rate increase to the Rate Schedules. Schedule 17 is the Proof of Revenue that shows
5 the billing determinants (number of winter/summer bill where applicable, the
6 winter/summer volumes, the demand determinant where applicable, the system
7 capacity determinant where applicable), the current rates, revenue under current
8 rates, proposed rate, revenue under proposed rates, the increase in revenue for the
9 Rate Schedules, the total proposed revenue increase, and the computed revenue
10 under proposed rates.

11 **Q. Is CGC proposing to change any of the miscellaneous charges?**

12 A. No.

13 **Q. Is CGC proposing to make changes to its tariff other than the rate adjustments**
14 **as shown on Exhibit AV-1?**

15 A. Yes. CGC has proposed changes to Chattanooga Gas Company Rules and
16 Regulations TPUC No. 2 Tariff Sheet No. 9 to allow the Company to transfer gas
17 service from one customer to another at a premise for a period of time without
18 disconnection of service, often referred to as a “Delayed Match.” Additionally,
19 CGC has proposed wording changes to Chattanooga Gas Company Gas Tariff
20 TPUC No.1 Tariff Sheets No. 34, 35 and 38, and Chattanooga Gas Company Rules
21 & Regulations TPUC No. 2 Tariff Sheets No. 1, 4, 6 and 8. These changes clarify
22 and provide better uniformity of certain responsibilities and obligations of
23 customers and the Company.

1 **Q. Are you responsible for any of the ARM Schedules?**

2 A. Yes.

3 **Q Will you identify those ARM schedules?**

4 A. Yes. I am responsible for the following ARM schedules.

| | | | |
|----|---|----------------|---|
| 5 | ‘ | Schedule 5.1 | Revenues |
| 6 | | Schedule 6 | Revenue Summary |
| 7 | | Schedule 6.1 | Revenue Summary – Reconciliation |
| 8 | | Schedule 6.1A | Dept 8100 Income Statement |
| 9 | | Schedule 13 | Margin by Rate Schedule |
| 10 | | Schedule 15 | Summary Historical Jurisdictional Revenue |
| 11 | | Schedule 15.1 | Annualization of 9/1/2022 rate increase |
| 12 | | Schedule 16.1 | Weather Normalization Usage, Rate |
| 13 | | | Schedules R-1, R-4, C-1, and C-2 |
| 14 | | Schedule 16.1A | Weather Normalization Usage Rate Schedules R1, |
| 15 | | | R-4, C-1, and C-2, Weather Normalization Use Per |
| 16 | | | Customer Adopted by Commission Docket 18-0017 |
| 17 | | Schedule 16.2 | Weather Normalized Revenue Rate |
| 18 | | | Schedules R-1, R-4, C-1, and C-2. |
| 19 | | Schedule 16.3 | Weather Normalized Revenue Adjustments |
| 20 | | | Rate Schedules R-1, R-4, C-1, and C-2 |
| 21 | | Schedule 16.4 | Monthly Schedule of Billed Volumes and |
| 22 | | | Revenue by Rate Schedule, Calendar Year 2022 |
| 23 | | Schedule 16.4A | Monthly Schedule of Billed Volumes and Revenue |
| 24 | | | by Rate Schedule, Calendar Year 2022 Adjusted for |
| 25 | | | Special Contract |
| 26 | | Schedule 17 | Proof of Revenue-Proposed Rates |
| 27 | | Schedule 17.1 | Revenue Increase allocated to Rate Schedules |
| 28 | | Schedule 18 | Other Revenues |
| 29 | | Schedule 28 | Normalization Adjustment Other than Weather |
| 30 | | Schedule 35.14 | Special Contract Rate Adjustment (Confidential) |
| 31 | | Schedule 35.15 | Annualization for New Special Contract |
| 32 | | | (Confidential) |

33
34 **Q. Please describe these Schedules.**

35 A. ARM Revenue Schedule 5.1 includes the adjustments to the revenues as recorded

36 on the Company’s books to reflect the base revenues for rate-making purposes as

37 adopted in the Amended Order in Docket No. 18-00017 January 15, 2019, in (“Rate

Case Order”) and which are required by the 2019 ARM Order-. There are four revenue adjustments.

1. Reduce revenues \$4,026,965 to remove the Chattanooga and Cleveland Franchise fees that are a direct pass through and not CGC’s revenue. The Franchise Fee Expense is also excluded from operating expense on Schedule 7. This is consistent with the treatment of Franchise Fees in the Rate Case Order.
2. Reduce Other Revenues by \$670,833 to remove the Asset Management Fee that is not base revenue but is handled through the annual Interruptible Margin Credit Rider (“IMCR”) filing.
3. Increase revenue \$4,258 to remove miscellaneous base revenue adjustments that were recorded during calendar year 2020.
4. Increase Other Revenue \$60,342 to reclassify damage billing as revenue instead of credits to operating expense consistent with the treatment in the Rate Case Order. Operating Expense was increased by the same amount on Schedule 7.

In addition to these revenue adjustments, the cost of the odorant is removed from the cost of gas, since it is not recovered through the Purchased Gas Adjustment (“PGA”), but through base rates. The odorant is included in Other Operating Expense on Schedule 7(c). The adjustments on Schedule 5.1 support the adjustments shown in the Rate Making column on ARM Schedule 5.

Schedule 6 is the Revenue Summary of the calendar year 2022 revenue by Rate Schedule and the weather normalization adjustments for Rates Schedules R-

1 1, R-4, C-1, and C-2. The Rate Schedule revenue is from Schedule 15.1, the weather
2 normalization adjustments are from Schedule 16.3 and the normalized Other
3 Revenue is from Schedule 28. The revenues for the remaining Rate Schedules and
4 Special Contracts are not weather normalized.

5 Schedule 6.1A identifies off-system liquid natural gas (“LNG”) sales.
6 There were no off-system sales of LNG during the Historic Bas Period.

7 Schedule 13 shows the proposed margin increase by rate schedule without
8 the \$6.8 million cap.

9 Schedule 15, Summary Historical Jurisdictional Revenue, identifies the
10 number of customers, the volumes, and revenue for each Rate Schedule for each
11 month of 2022. This information is taken from the Company’s accounting records.

12 Schedule 15.1 the annualization of the rates effective September 1, 2022,
13 reflects the sales and transportation revenue that would have occurred if the rates
14 effective September 1, 2022, had been in effect for the entire year.

15 Schedule 16.1 is the calculation of the weather normalized volumes for Rate
16 Schedules R-1, R-4, C-1, and C-2 that are computed by multiplying the number of
17 bills for the 2019 calendar year Historic Base Period by the average normalized use
18 per bill pursuant to the Rate Case Order in Docket 18-00017.

19 Schedule 16.1A is a copy of Attachment 2 from the Rate Case Order in
20 Docket 18-00017 that has been expanded to show the computation of the average
21 weather normalized usage per customer.

1 Schedule 16.2 is the calculation of the weather normalized volumetric
2 revenue for Rate Schedules R-1, R-4, C-1, and C-2 computed by multiplying the
3 normalized volumes from Schedule 16.1 by the current rates.

4 Schedule 16.3 shows the weather normalized revenue, the revenue per
5 books, and the weather normalization adjustments for Rate Schedules R-1, R-4, C-
6 1, and C-2. These weather normalization adjustments are included on ARM
7 Schedule 5.

8 Schedule 16.4 is the monthly summaries of the number of customers and
9 billed volumes by Rate Schedule for 2022.

10 Schedule 16.4A is the monthly summaries of the number of customers and
11 billed volumes by Rate Schedule for 2022 adjusted to reflect Kordsa moving from
12 tariff rates to Special Contract rates in March 2022.

13 Schedule 17 is the proof of revenue under CGC's primary proposal
14 reflecting the voluntary 4-year cap that shows the revenue under current rates, the
15 revenue under proposed rates, and the increase in revenue as a result of the increase
16 in rates. The target revenue increase is \$6,800,000. The proposed rates produce a
17 \$6,790,201 increase.

18 Schedule 17.1 shows the allocation of the revenue deficiency to the
19 individual Rate Schedules. The deficiency is allocated on an equal percentage
20 across all Rate Schedules.

21 Schedule 18, Other Revenue, is the summary of the Other Revenues for
22 each month of 2022.

1 Schedule 28 reflects the non-weather normalization adjustments computed
2 in accordance with the methodology adopted in the Rate Case Order as follows:

- 3 • Other-Revenues, 4-year average;
- 4 • Uncollectible Expense, 5-year average;
- 5 • Materials and Supplies, 3-year average;
- 6 • Prepayments, 3-year average;
- 7 • Gas Inventory, 3-year average;
- 8 • Reserve for Uncollectible, 3-year average;
- 9 • Reserve of Health Insurance, 3-year average; and
- 10 • Other Reserves, 3-year average;
- 11 • Interest on Customer Deposits is the average balance of
12 Customer Deposits held for over 6 months multiplied by
13 the 3.25% interest rate.

14 Schedule 35.14 shows the impact of the Special Contract effective
15 March 11, 2022, on the Special Contract Revenue.

16 Schedule 35.15 is the impact of the rate revision on the Special Contract
17 rates.

18 Ms. Weems addresses expense normalization adjustments in her direct testimony.

19 **Q. Does this conclude your direct testimony?**

20 **A. Yes.**

21

Chattanooga Gas Company
Annual Rate Mechanism ["ARM"]
Current and Proposed Rates by Rate Schedule
\$6.8 Million Cap Kordsa at 5%

| | | CURRENT BASE RATES EFFECTIVE 9/1/2022 | PROPOSED BASE RATES |
|------------------------------------|------------------------------|--|--------------------------------|
| R-1 | WINTER (NOV - APR) | | |
| Residential | Base Use Charge/Bill | \$25.90 | \$29.20 |
| General Service | Commodity Charge/Therm | \$0.17787 | \$0.20090 |
| | SUMMER (MAY - OCT) | | |
| | Base Use Charge/Bill | \$21.40 | \$24.10 |
| | Commodity Charge/Therm | \$0.17787 | \$0.20090 |
| Non-Metered Gas Light | 18 Therm per Light per Month | \$0.17787 | \$0.20090 |
| R-4 | WINTER (NOV - APR) | | |
| Multi-Family | Base Use Charge/Unit | \$9.50 | \$10.70 |
| Housing Service | Commodity Charge/Therm | \$0.33351 | \$0.37613 |
| | SUMMER (MAY - OCT) | | |
| | Base Use Charge/Bill | \$9.50 | \$10.70 |
| | Commodity Charge/Therm | \$0.29647 | \$0.33435 |
| Air Conditioning | SUMMER (MAY - OCT) | | |
| | Flat Rate / Therm | \$0.06000 | \$0.67670 |
| C-1 | WINTER (NOV - APR) | | |
| Commercial & Industrial | Base Use Charge/Bill | \$47.70 | \$53.80 |
| General Service | Flat Rate / Therms | \$0.28445 | \$0.32051 |
| | SUMMER (MAY - OCT) | | |
| | Base Use Charge/Bill | \$41.10 | \$46.40 |
| | Flat Rate / Therms | \$0.22334 | \$0.25159 |
| Non-Metered Gas Light (C-1 & C-2) | WINTER (NOV - APR) | | |
| | 18 Therm per Light per Month | \$0.28445 | \$0.32051 |
| | SUMMER (MAY - OCT) | | |
| | 18 Therm per Light per Month | \$0.22334 | \$0.25159 |
| Air Conditioning | SUMMER (MAY - OCT) | | |
| | Flat Rate / Therm | \$0.06000 | \$0.67670 |

Current and Proposed Rates by Rate Schedule
\$6.8 Million Cap Kordsa at 5%

| | | | |
|---|---------------------------------|-----------|-----------|
| C-2 | | | |
| Medium Commercial and Industrial General Service | WINTER (NOV - APR) | | |
| | Base Use Charge/Bill | \$114.90 | \$129.60 |
| | First 3,000 Therms | \$0.28842 | \$0.32549 |
| | Next 2,000 Therms | \$0.26331 | \$0.29717 |
| | Next 10,000 Therms | \$0.25650 | \$0.28949 |
| | Over 15,000 Therms | \$0.13292 | \$0.15012 |
| | SUMMER (MAY - OCT) | | |
| | Base Use Charge/Bill | \$114.90 | \$129.60 |
| | First 3,000 Therms | \$0.22656 | \$0.25572 |
| | Next 2,000 Therms | \$0.17995 | \$0.20316 |
| | Next 10,000 Therms | \$0.16779 | \$0.18944 |
| | Over 15,000 Therms | \$0.13290 | \$0.15009 |
| | Air Conditioning | | |
| | SUMMER (MAY - OCT) | | |
| | Flat Rate / Therm | \$0.06000 | \$0.67670 |
| Demand Charge | Rate per Unit of Billing Demand | | |
| | Per Dth | \$9.60 | \$10.80 |
| F-1 | | | |
| Large Volume Firm Service | Base Use Charge | \$459.60 | \$518.30 |
| | Demand Charge / Demand Unit | \$9.60 | \$10.80 |
| | Commodity Charge / Dth | | |
| | 0 | \$1.2380 | \$1.3962 |
| | Next 2,500 Dths | \$1.0570 | \$1.1921 |
| | Next 11,000 Dths | \$0.6000 | \$0.6767 |
| | Over 15,000 Dths | \$0.3700 | \$0.4173 |
| I-1 | | | |
| Interruptible Service | Base Use Charge | \$459.60 | \$518.30 |
| | Commodity Charge/Dth | | |
| | First 1,500 Dths | \$1.2380 | \$1.3962 |
| | Next 2,500 Dths | \$1.0570 | \$1.1921 |
| | Next 11,000 Dths | \$0.6000 | \$0.6767 |
| | Over 15,000 Dths | \$0.3700 | \$0.4173 |

Current and Proposed Rates by Rate Schedule**\$6.8 Million Cap Kordsa at 5%**

| | | | |
|--|--|-----------|-----------|
| T-1 Interruptible Transportation Service | Customer Charge | \$459.60 | \$518.30 |
| | Transportation Charge/Dth | | |
| | First 1,500 Dths | \$1.2380 | \$1.3962 |
| | Next 2,500 Dths | \$1.0570 | \$1.1921 |
| | Next 11,000 Dths | \$0.6000 | \$0.6767 |
| | Over 15,000 Dths | \$0.3700 | \$0.4173 |
| | System Capacity Charge/Dth | \$2.1000 | \$2.4000 |
| T-2 Interruptible Transportation Service with Firm Backup | Customer Charge | \$459.60 | \$518.30 |
| | Demand Charge/Demand Unit | \$9.60 | \$10.80 |
| | Transportation Charge/Dth | | |
| | First 1,500 Dths | \$1.2380 | \$1.3962 |
| | Next 2,500 Dths | \$1.0570 | \$1.1921 |
| | Next 11,000 Dths | \$0.6000 | \$0.6767 |
| | Over 15,000 Dths | \$0.3700 | \$0.4173 |
| T-3 Low Volume Transport General Service | WINTER (NOV - APR) | | |
| | Base Use Charge/Bill | \$114.90 | \$129.60 |
| | First 3,000 Therms | \$0.28842 | \$0.32549 |
| | Next 2,000 Therms | \$0.26331 | \$0.29717 |
| | Next 10,000 Therms | \$0.25650 | \$0.28949 |
| | Over 15,000 Therms | \$0.13292 | \$0.15012 |
| | SUMMER (MAY - OCT) | | |
| | Base Use Charge/Bill | \$114.90 | \$129.60 |
| | First 3,000 Therms | \$0.22656 | \$0.25572 |
| | Next 2,000 Therms | \$0.17995 | \$0.20316 |
| | Next 10,000 Therms | \$0.16779 | \$0.18944 |
| | Over 15,000 Therms | \$0.13290 | \$0.15009 |
| | | | |
| Demand Charge | Rate per Unit of Billing Demand Per Dth | \$9.60 | \$10.80 |

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TENNESSEE PUBLIC UTILITY COMMISSION NO. 1

GAS TARIFF

RATE SCHEDULE R-1
Residential General Service

AVAILABILITY

Available for all gas service furnished to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, irrespective of the fact that a person other than the resident: (1) is contractually bound to the Chattanooga Gas Company (Company) for the charges, or (2) actually pays the charges, or (3) is billed for the charges. Use of gas service in hotel or motel units by transient occupants shall not constitute residential use. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> | <u>Summer</u> |
|---------------------------------|-------------------|-------------------|
| | <u>Net Rate</u> | <u>Net Rate</u> |
| | November-April | May-October |
| <u>Customer Base Use Charge</u> | \$29.20 | \$24.10 |
| <u>Commodity Charge</u> | 20.090¢ Per Therm | 20.090¢ Per Therm |

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter reading.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

ELEVENTH REVISED SHEET NO.5

RATE SCHEDULE R-4
Multi-Family Housing Service

AVAILABILITY

Service under this Rate Schedule is available to customers using gas for Multi-family residential housing who contract for gas service for a period of not less than one year. The provision of service under this Rate Schedule is subject to the Chattanooga Gas Company (Company)'s determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly without the approval of the Company. For the purposes of this Rate Schedule, Multi-family residential housing shall mean five or more permanent residential dwelling units located on the same Premises which are leased, rented, or managed by the same person and served through a central gas meter. Residential and non-residential service shall not be combined in a single meter installation.

| <u>MONTHLY BASE RATE</u> | <u>Winter Net Rate</u> November-April | <u>Summer Net Rate</u> May-October |
|---|--|---------------------------------------|
| <u>Customer Base Use Charge</u> (Per Dwelling Unit Connected) | \$10.70/ Unit | \$10.70/ Unit |
| <u>Commodity Charge</u> Flat Rate Per Month | 37.613¢ Per Therm | 33.435¢ Per Therm |
| <u>Air-Conditioning Commodity Charge Rate</u> Per Month | | 67.670¢ Per Therm |

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any multi-family housing Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during Summer (billing months of May through October) shall be deemed to be air- conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge per dwelling unit as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

RATE SCHEDULE C-1
Small Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes less than or up to 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therm per day shall be, at the option of Chattanooga Gas Company (Company), by written contract for a term of one year or less providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> <u>Net Rate</u> November-April | <u>Summer</u> <u>Net Rate</u> May-October |
|---------------------------------|--|---|
| <u>Customer Base Use Charge</u> | \$53.80 | \$46.40 |
| <u>Commodity Charge</u> | 32.051¢ Per Therm | 25.159¢ Per Therm |
| <u>Air-Conditioning Charge</u> | | |
| <u>Rate Per Month</u> | | 67.670¢ Per Therm |

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

FIFTH REVISED SHEET 11

RATE SCHEDULE C-2

Medium Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes greater than 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therms per day shall be, at the option of Chattanooga Gas Company (Company), by written contract providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> | <u>Summer</u> |
|--|-------------------|-------------------|
| | <u>Net Rate</u> | <u>Net Rate</u> |
| | November-April | May-October |
| <u>Customer Base Use Charge</u> | \$129.60 | \$129.60 |
| First 3,000 Therms Per Month | 32.549¢ Per Therm | 25.572¢ Per Therm |
| Next 2,000 Therms Per Month | 29.717¢ Per Therm | 20.316¢ Per Therm |
| Over 10,000 Therms Per Month | 28.949¢ Per Therm | 18.944¢ Per Therm |
| Over 15,000 Therms Per Month | 15.012¢ Per Therm | 15.009¢ Per Therm |
| <u>Demand Charge</u> | \$10.80 Per Dth | \$10.80 Per Dth |
| Rate Unit of Billing Demand | | |
| <u>Air -Conditioning Charge Rate Per</u> | | |
| Month | ---- | 67.670¢ Per Therm |

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge plus the Demand Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

ELEVENTH REVISED SHEET NO.20

RATE SCHEDULE F-1
Commercial and Industrial Large Volume Firm Sales Service

RESTRICTED AVAILABILITY

This rate is available to those Customers actually taking service under Rate Schedule F-1 as of February 1, 1994. This rate will be available to additional Customers subsequent to February 1, 1994 only upon Chattanooga Gas Company (Company)'s ability to provide adequate gas supply to support the sale on terms and conditions which are satisfactory in the sole judgment of the Company subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer. Once a qualified Customer elects service under this Rate Schedule, service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-2 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

AVAILABILITY

Available to any commercial or industrial Customer for all purposes under the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of not less than 12 months.

| | |
|---------------------------------|------------------|
| MONTHLY BASE RATE | Net Rate |
| <u>Customer Base Use Charge</u> | \$518.30 |
| <u>Demand Charge</u> | |
| Per Unit of Billing Demand | \$10.80 Per Dth |
| <u>Commodity Charge</u> | |
| First 1,500 Dths Per Month | \$1.3962 Per Dth |
| Next 2,500 Dths Per Month | \$1.1921 Per Dth |
| Next 11,000 Dths Per Month | \$0.6767 Per Dth |
| Over 15,000 Dths Per Month | \$0.4173 Per Dth |

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

ISSUED: APRIL 20, 2023
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, 2023

CHATTANOOGA GAS COMPANNY
GAS TARIFF
TPUC NO. 1

TWELFTH REVISED SHEET NO.25

RATE SCHEDULE I-1

Commercial and Industrial Interruptible Sales Service

AVAILABILITY

Gas sales service available on an interruptible basis to large volume Customers provided Chattanooga Gas Company (Company) has interruptible gas delivery capacity in excess of the then existing requirements of other Customers, and further subject to the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more. A Customer may also qualify for this rate schedule on a summer seasonal basis (May-October) provided the daily usage during this period consistently meets or exceeds 100 Dths.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements, and further provided the Customer's use under this rate shall not work a hardship on any other rate payers of the Company, nor adversely affect any other class of the Company's Customers. Further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers unless the Customer pays all cost to provide required facilities. The cost of such facilities shall be adjusted by the applicable income tax gross-up factor.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.
6. Customer agrees to install and maintain in usable condition standby fuel burning facilities to enable Customer, in the event of a curtailment of gas, to continue operations on standby fuel, or to give satisfactory evidence of his ability and willingness to have the delivery of gas hereunder interrupted or curtailed by the Company in accordance with the special terms and conditions as hereinafter set forth.

| MONTHLY BASE RATE | Net Rate |
|---------------------------------|------------------|
| <u>Customer Base Use Charge</u> | \$518.30 |
| <u>Commodity Charge</u> | |
| First 1,500 Dths Per Month | \$1.3962 Per Dth |
| Next 2,500 Dths Per Month | \$1.1921 Per Dth |
| Next 11,000 Dths Per Month | \$0.6767 Per Dth |
| Over 15,000 Dths Per Month | \$0.4173 Per Dth |

ISSUED: APRIL 20,2023
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, 2023

RATE SCHEDULE T-1
Interruptible Transportation Service (Continued)

6. Customer agrees to install and maintain standby fuel burning facilities to enable Customer, in the event of curtailment of service, to continue operations on standby fuel, or to give satisfactory evidence of the ability and willingness to have the service hereunder interrupted or curtailed by the Company in accordance with the terms and conditions set forth herein.

| | |
|---|------------------|
| MONTHLY BASE RATE | *Net Rate |
| <u>Customer Base Use Charge</u> | \$518.30 |
| <u>System Capacity Charge</u> Per Unit of Billing Capacity | \$2.40 Per Dth |
| <u>Commodity Charge</u> First 1,500 Dths Per Month | \$1.3962 Per Dth |
| Next 2,500 Dths Per Month | \$1.1921 Per Dth |
| Next 11,000 Dths Per Month | \$0.6767 Per Dth |
| Over 15,000 Dths Per Month | \$0.4173 Per Dth |

Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

*Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

BILLINGCAPACITY

The billing capacity shall be the greater of (a) or (b) below:

- (a) The capacity for the current month is always the highest use per day in any of the previous 11 billing months plus the current billing month - - bearing in mind that demand days are established only during the billing months of November, December, January, February and March
- (b) The capacity will be 65% of the average daily consumption for the preceding months of April through October.

Whenever a Customer commences taking service under this rate between April 1, and October 31 of any year, the billing capacity for each billing month prior to the November billing shall be 6% of the monthly consumption in each such month. Commencing with the billing month of November, the billing capacity shall be determined either under (a) or (b) above.

DETERMINATIONOFCAPACITYDAY

The capacity day shall be determined at the option of the Company by one of the following methods:

- 1. By measuring the maximum volume of gas taken by the Customer in any one day through the use of volume and pressure recording and measuring equipment installed by the Company.
- 2. When gas is delivered to a Customer through a positive displacement meter without the use of daily recording and measuring equipment, the maximum volume of gas taken in any one day during the billing month shall be 6% of the total volume of gas used by the Customer during such billing month.

Rate Schedule T-2
Interruptible Transport Service with Firm Gas Supply Backup

TRANSPORTATION SERVICE AGREEMENT

Interruptible Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available on an Interruptible basis to eligible large volume Customers. Transportation Service shall be by Transportation Service Agreement in conjunction solely with service under Rate Schedule F-1.

- 1) Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
- 2) The Customer's use under this rate shall not work a hardship on any other rate payers of Chattanooga Gas Company (Company), nor adversely affect any other class of the Company's Customers and further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by Customer.
- 3) Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
- 4) The gas shall be delivered through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
- 5) Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule F-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

| | |
|---------------------------------|------------------|
| MONTHLY BASE RATE | *Net Rate |
| <u>Customer Base Use Charge</u> | \$518.30 |
| <u>Demand Charge</u> | |
| Per Unit of Billing Demand | \$10.80 Per Dth |
| <u>Commodity Charge</u> | |
| First 1,500 Dths Per Month | \$1.3962 Per Dth |
| Next 2,500 Dths Per Month | \$1.1921 Per Dth |
| Next 11,000 Dths Per Month | \$0.6767 Per Dth |
| Over 15,000 Dths Per Month | \$0.4173 Per Dth |

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

RATE SCHEDULE T-3
Low Volume Transport

TRANSPORTATION SERVICE AGREEMENT

Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available to commercial or industrial Customer consistently using 400 Dths on an annual basis. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule C-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATES

| | <u>Winter</u> <u>Net Rate*</u> November-April | <u>Summer</u> <u>Net Rate*</u> May-October |
|---------------------------------|---|--|
| <u>Customer Base Use Charge</u> | \$129.60 | \$129.60 |
| <u>Commodity Charge</u> | | |
| First 3,000 Therms Per Month | 32.549¢ Per Therm | 25.572¢ Per Therm |
| Next 2,000 Therms Per Month | 29.717 ¢ Per Therm | 20.316¢ Per Therm |
| Next 10,000 Therms Per Month | 28.949 ¢ Per Therm | 18.944¢ Per Therm |
| Over 15,000 Therms Per Month | 15.012 ¢ Per Therm | 15.009¢ Per Therm |
| <u>Demand Charge</u> | \$10.80 Per Dth | \$10.80 Per Dth |

The Purchased Gas Adjustment Demand Component applicable to service under the Rate Schedule C-2, computed in accordance with TPUC Administrative Rule 1220-4-7, shall apply to the Rate Schedule T-3 Demand Charge as set out above. Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

AUTHORIZED INCREMENTAL RATE

When the Company determines that volumes of gas are available to be purchased and transported to Customers under this Rate Schedule, then the Company shall, at its option, be authorized to charge the incremental rate Customers for such gas supply distributed to those Customers who have been offered and who have agreed to pay such incremental rate. On days when gas is not being withdrawn from the Company's Liquid Natural Gas (LNG) facility for system supply, the incremental rate shall be the applicable index rate plus the variable pipeline charges. On those days when gas is being withdrawn from the LNG facility, the incremental rate will be increased to reflect the cost of gas used in the liquefaction and vaporization process.

**RATE SCHEDULE V-1 (Continued) Commercial and
Industrial Natural Gas Vehicle Service**

BILLING ADJUSTMENTS

Bills for service under this Rate Schedule shall be adjusted for changes in the cost of purchased gas in accordance with the Tennessee Public Utility Commission Administrative Rule 1220-4-7 (Purchased Gas Adjustment) and shall be subject to other adjustments, charges and/or credits as determined to be applicable by the Tennessee Public Utility Commission..

SPECIAL TERMS AND CONDITIONS

The collection and remittance of any federal or state tax imposed on compressed natural gas dispensed for use as motor fuel from facilities owned by the Customer or from Company provided facilities located on the Customer's premise shall be the responsibility of the Customer.

If a Customer is phasing in the use of compressed natural gas as motor fuel and is acquiring and placing into service vehicles fueled by compressed natural gas over a period of years, the Monthly Facilities Charge may be phased-in over the term of the contract. However, the net present value of the revenue from the phased-in Facilities Charges, discounted at the Company's authorized rate of return, shall be equal to the net present value of the revenue that would be generated over the term of the contract if the Monthly Facilities Charge was not phased-in. Any such phase-in shall be provided in the contract for service.

The gas supplied under any agreement is supplied by the Company and purchased by the Customer upon the express condition that the gas so supplied, after it passes the Point of Delivery, becomes the property of the Customer to be used only as herein provided; and the Company shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse or presence of the said gas on the Customer's premises, or elsewhere, after it passes the Company's Point of Delivery; or for any loss or damage resulting from the presence, character or condition of the piping or appliances of the Customer; or for any loss or damage by reason of the construction, maintenance or use of the service pipe from the entrance upon the Customer's property to the Point of Delivery, nor for the inspection of repairs thereof. The Company expressly reserves the right to include, in the contract with the Customer, provisions regarding the Company's or the Customer's liability and insurance requirements as determined appropriate by the Company.

LIMITING AND CURTAILING GAS SERVICE

Gas service hereunder shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Public Utility Commission.

GENERAL TERMS AND CONDITIONS

Gas service hereunder shall be subject to the Company's Rules and Regulations as filed with the Tennessee Public Utility Commission as well as the contractual provisions contained in the contract for service hereunder.

ISSUED: APRIL 20, 2023

EFFECTIVE: SEPTEMBER 1, 2023

ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

RATE SCHEDULE V-2

Residential Natural Gas Vehicle Service (Continued)

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

BILLING ADJUSTMENTS

Bills for service under this Rate Schedule shall be adjusted for changes in the cost of purchased gas in accordance with the Tennessee Public Utility Commission Administrative Rule 1220-4-7 (Purchased Gas Adjustment) and shall be subject to other adjustments, charges and/or credits as determined to be applicable and approved by the Tennessee Public Utility Commission.

SPECIAL TERMS AND CONDITIONS

The collection and remittance of any federal or state tax or fee imposed on compressed natural gas dispensed for use as motor fuel from facilities located on the Customer's premise shall be the responsibility of the Customer.

The gas supplied under any agreement is supplied by the Company and purchased by the Customer upon the express condition that the gas so supplied, after it passes the Point of Delivery, becomes the property of the Customer to be used only as herein provided; and the Company shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse or presence of the said gas on the Customer's premises, or elsewhere, after it passes the Company's Point of Delivery; or for any loss or damage resulting from the presence, character or condition of the piping or appliances of the Customer; or for any loss or damage by reason of the construction, maintenance or use of the service pipe from the entrance upon the Customer's property to the Point of Delivery, nor for the inspection of repairs thereof. The Company expressly reserves the right to include, in the contract with the Customer, provisions regarding the Company's or the Customer's liability as determined appropriate by the Company.

LIMITING AND CURTAILING GAS SERVICE

Gas service hereunder shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Public Utility Commission.

GENERAL TERMS AND CONDITIONS

Gas service hereunder shall be subject to the Company's Rules and Regulations as filed with the Tennessee Public Utility Commission as well as the contractual provisions contained in the contract for service hereunder.

RATE SCHEDULE TPS

APPLICABILITY

The provisions of this Rate Schedule shall apply to brokers, marketers, and Customers intending to act as their own gas supplier, and other third-party suppliers (collectively "Third Party Suppliers" or "TPS") of natural gas that wish to either act as agents for Transportation Customers or deliver natural gas supplies to Company's City Gate for Transportation Customers. Each Customer that elects a third-party supplier must provide the Company a shipper letter designating the TPS that is to deliver gas to the Company's system on behalf of the Customer. A Customer may designate no more than one TPS each month.

NOMINATIONS FOR SERVICE

Daily, a TPS shall provide the Company the day prior to delivery by at least 12:30 PM Eastern Standard Time an estimate of its deliveries ("nomination") via the Company's Electronic Bulletin Board (EBB) to meet each of their Customers' daily requirements. The TPS shall use its best efforts to match their daily nominations to requirements for the Customers it serves. Failure to provide nominations may result in suspension of service to Customers of the offending TPS. Failure to comply with the Company's nominating procedures may result in curtailment of third party gas deliveries or additional monthly cash-outs to their Customers. The Company reserves the right to determine eligible receipt point(s) for an individual transportation customer based on the relationship between a given receipt point and the customer's meter location, require daily balancing, and shall have the right to curtail service to ensure deliveries on a uniform basis and to correct any imbalances. The Company shall show the reason for any such requirement for daily balancing or curtailments of service upon request of any affected Customer or any regulatory agency. The Company will provide the TPS in all instances with notice that daily balancing will be imposed by posting such daily balancing alerts to its EBB. The Company shall provide such notice as soon as reasonably practicable. It shall be the responsibility of the TPS to notify its Customers of the alert and the supply available to each facility served by the TPS. In the event a Customer delivers to an ineligible receipt point(s) or a receipt point(s) not identified as eligible by the Company, the Customer will be charged the rate of \$50.00 per Dth and all applicable pipeline and/or gas supplier penalties and/or charges because of the Customer's failure to comply with deliveries to the receipt point(s) as directed by the Company.

In making nominations the TPS shall provide the following:

- (1) The Customer for whom the nomination is being made.
- (2) The pipeline company and the pipeline transportation contract identifiers under which gas deliveries will be made to the Company's distribution system.
- (3) The daily quantity of gas, expressed in MMBTU (Dekatherms), to be tendered at each receipt point.
- (4) Maintain connectivity to the Company's EBB at all times in order to receive communication from Company at any and all times.
- (5) The name, address, and telephone number of a contact person that is available to receive communication from Company at any and all times and upon whose written and oral communications Company may exclusively rely.
- (6) Any additional information as may be required by the Company in order to perform its functions on the pipeline transportation system.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

TWELFTH REVISED SHEET NO.49A

WEATHER NORMALIZATION ADJUSTMENT
(WNA) RIDER

FILING WITH COMMISSION

The Company will file as directed by the Commission (a) a copy of each computation of the Weather Normalization Adjustment, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, and (c) a schedule showing the factors or value derived from the Relevant Rate Order used in calculating such Weather Normalization Adjustment.

| RATE SCHEDULE | WEIGHTED BASE RATE (THERM) | HEAT SENSITIVE FACTOR- HSF (THERM) | BASELOAD- BL (THERM) |
|--|----------------------------------|--|-------------------------|
| R-1 RESIDENTIAL Winter (November-April) | \$0.20090 | .15024734 | 13.32898975 |
| (R-4) MULTI-FAMILY HOUSING SERVICE Winter(November - April) | \$0.37613 | .06855402 | 14.46080765 |
| C-1 COMMERCIAL AND INDUSTIRAL GENERAL SERVICE Winter (November-April) | \$0.32051 | .29116094 | 16.52451922 |
| (C-2) MEDIUM COMMERCIAL AND INDUSTRIAL GENERAL SERVICE Winter (November - April) | \$0.31214 | 2.11686991 | 700.30683132 |

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TPUC NO. 2

RULES AND REGULATIONS FOR THE COMPANY'S GAS SERVICE

IN
HAMILTON AND BRADLEY COUNTIES, TENNESSEE

EFFECTIVE DATE: SEPTEMBER 1, 2023

APPLICABILITY

These rules and regulations apply to the supplying of gas service, including the sale, transportation, delivery, or distribution of natural gas or its equivalent by Chattanooga Gas Company (Company) within the Certificated areas in Bradley and Hamilton Counties.

DEFINITIONS

As herein used:

| | |
|---------------------------------|---|
| “Applicant” | means any person who has made application to Company for gas service. |
| BTU | means British Thermal Unit measured at a pressure of 14.73 PSIA at 60 degrees Fahrenheit on a dry basis. |
| Business Day | means any day from Monday through Friday inclusive, excluding any holiday observed by the Company. |
| Citygate | means a point at which the facilities of an interstate pipeline company interconnect with the facilities of the Company. |
| Commercial Service | applies to Customers engaged in selling, warehousing, or distributing a commodity, in some business activity or in a profession, or in some other form of economic or social activity (office, stores, clubs, hotels, etc.), and to service which does not directly come in one of the other classifications of service |
| Commission | means the Tennessee Public Utility Commission. |
| Company | means Chattanooga Gas Company. |
| Compressed Natural Gas (CNG) | Natural gas stored inside containers at a pressure greater than atmospheric air pressure. CNG is normally placed in pressure-containing vessels (bottles) where it can be used as portable fuel source (i.e. in CNG vehicles and other applications not attached to a pipeline.) |
| Customer | Means any individual, firm, or organization utilizing gas service supplied by the Company. The word “utilizing” means to use or make use of, benefit from, or take advantage of, in any way whatsoever. |
| Customer Piping | means all piping and fittings beyond the outlet side of the last meter or regulator of the Company used in supplying gas to the Customer |
| Dekatherm (Dt or Dth) | means 10 Therms or one million Btus (1MMBtus). |
| Distribution Service | means the delivery of Natural Gas by and through the Intrastate facilities of the Company, regardless of the identity of the party who has title to the Natural Gas. |
| Distribution System | means the gas pipes, apparatus, instruments, and metering and regulating equipment owned and operated by the Company for the distribution of gas for delivery to Customers up to but not beyond the point of delivery. |
| Electronic Bulletin Board (EBB) | an interactive electronic communication system that, among other things, allows parties to view gas-related information, make nominations, offer bids, and receive confirmations. |

DEFINITIONS(Continued)

| | |
|------------------------|---|
| Firm Customer | means a Customer who purchases a Gas Service on a Firm basis. |
| Firm Service | means a type of Gas Service that ordinarily is not subject to interruption or curtailment. |
| Gas or Natural Gas | means any mixture of hydrocarbons or of hydrocarbons and noncombustible gases in a gaseous state, consisting predominantly of methane. |
| Gas Day | means the period of 24 consecutive hours beginning at 10:00 a.m., Standard time. |
| Gas Service | means any service offered in connection with the delivery or sale of Gas. |
| Imbalance | mean the difference at any time, whether positive or negative, between the volumes of Gas received by the Company on behalf of a Customer and the volumes of Gas delivered by the Company to the Customer's premises. |
| Industrial Service | applies to Customers engaged in a process which creates or changes raw or unfinished materials into another form or product. (Factories, mills, machine shop, mines, oil wells, refineries, pumping plants, creameries, canning or packing plants, shipyards, etc., i.e., in extractive, fabricating or processing activities.) |
| Interruptible Customer | means a Customer who purchases a Gas Service on an Interruptible basis. |
| Interruptible Schedule | means each of the Company's Rate Schedules or contracts under which Gas Service is provided on an Interruptible basis. |
| Interruptible | means a type of Gas Service that is subject to interruption or curtailment. |
| LNG | means Liquefied Natural Gas. |
| Main | means the gas pipe other than Service Line. |
| Month | means the period beginning on the first Day of a calendar month and ending on the beginning of the first Day of the next succeeding calendar month |
| Person | means any corporation, whether public or private; company; individual; firm; partnership; or association. |
| PGA Rider | means the Company's Purchased Gas Adjustment Rider. |
| PSIA | means pounds per square inch absolute. |
| Receipt Point | means the point at which gas is received from a pipeline, such as the interconnection between an interstate pipeline and the local distribution system. |

| | |
|---------------------|--|
| Residence | means a parcel or tract of land upon which a residence, building, structure, or other facility containing a particular set of gas-consuming appliances is located. |
| Residential Service | applies to Customers supplied for residential purposes on an individual basis in a single family dwelling or building, or in an individual flat or apartment in a multiple family dwelling or building or portion thereof occupied as the home, residence or sleeping place of one or more persons. |
| Service Line | All piping and appurtenances between the Company's main and the inlet side of the Metering Equipment, except where a Master Metering Arrangement is employed. Where a Master Metering Arrangement is employed, the Service Line consist of all piping and appurtenances between the Company's main and the inlet side of each regulator or meter of the Company but does not extend beyond the exterior wall of the structure receiving Gas. |
| SNG or Southern | means Southern Natural Gas Company. |
| Tariff | means all Rate Schedules, Terms of Service, and Rules and Regulations approved by the Commission relative to Gas Service provided by the Company. |
| Tennessee Pipeline | means Tennessee Gas Pipeline Company. |
| Therm | means 100,000 Btus |
| Point of Delivery | means the outlet side of the last meter(s) or regulator(s) of the Company used in supplying gas to the Customer. |
| Service | means gas service. |
| Special Contract | means a contract specifically approved by the Commission for Service provided under terms and/or conditions not otherwise provided in the Tariff. |

APPARATUS-EASEMENTS

Customer Property: The Customer shall have the entire control and ownership of all Customer Piping, fixtures, fittings, detection systems, safety devices, and appliances on the Customer's side of the Point of Delivery ("Customer Property") and shall be responsible for all maintenance and use of Customer Property. The Company reserves the right to discontinue service if Customer Property is in an unsatisfactory condition. The Company also reserves the right, but has no obligation, to install, relocate, and perform work on Customer Property incidental to the delivery of natural gas to the premises, either by itself or through a third-party contractor, and either at the Company's expense or the Customer's expense, at the request of the Customer, by agreement with the Customer, or to remedy a safety condition. The Company is not responsible for damages resulting from its work on any Customer Property absent willful or gross negligence on the Company's part. Customer Property shall remain the property and responsibility of the Customer even in the event that the Company or any other entity performs work on Customer Property. Customer Property shall terminate at the Point of Delivery, in a manner satisfactory to the Company, for connection with the Company's lines or apparatus.

Company Property: All service lines, apparatus, instruments, meters and materials supplied at the expense of the Company shall remain its property, and any other property installed at the expense of the Company, shall belong to the Company. Measurements resulting from or generated by the Company's metering equipment do not provide notice to the Company, or otherwise constitute actual or constructive knowledge on the part of the Company, that a dangerous condition is present on a Customer's premises.

Inspection by Company: The Company is willing to assist the Customer by advice as to the installation of Customer Property and to examine the Customer's installation, and may refuse to make connection or to commence or continue service whenever such installation is not in proper condition; but no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective installation made by the Customer.

Right of Way: The Customer shall make or procure satisfactory conveyance to the Company, without cost to the Company right of way easement(s) across and upon the property owned and controlled by the Customer and any intervening property for the Company's lines and apparatus are, necessary or incidental to the furnishing of service to the Customer.

Installation: For the purpose of determining the amount of gas used, a meter or meters shall be installed and maintained by the Company upon the Customer's premises; and, except as to outside locations heretofore or hereafter approved by the Company, the Customer shall provide free of expense to the Company, near the service entrance, a clean, dry, safe place for the meter and any necessary appurtenant device, which may be furnished by the Company. Where several buildings are supplied on one property, a centralized meter location may be required. When, in the Company's judgement, it is determined that protective material or devices, including but not limited to the installation of bollards or guardrails, are necessary to prevent damage to a new or initial meter set installation, including because of a hazardous condition on the customer's premises, the Company shall install such protective material or device at the Customer's expense. When it is determined by the Company that protective material or devices are required to prevent damage to existing meters or other existing Company facilities from a hazardous condition, the Company will install such protective material or device or will relocate its meter, regulator and service line facilities at its expense.

Notice to Discontinue: Notice by Customer to discontinue the supply of gas must be given the Company at least 24 hours in advance. The Customer will be held responsible for all gas consumed until such notice is given, including a reasonable time for securing the final reading of the meter.

TESTS AND ADJUSTMENTS

The Company, at any time upon the request of the Customers, will test the meter of such Customer within five days after receipt of such request, provided the Customer will accept the result of such test as a basis for the settlement of the Customer's account. If any such test shall show the average error of the meter to be less than 2%, the Customer shall pay the expense of the test; except that where the meter has not been tested at the request of the Customer within five (5) year

TEST AND ADJUSTMENTS (CONT)

period immediately preceding such request, the test will be made without charge to the Customer. The Company may at any time at its own expense test any of its meters. If on test of a Customer's meter, either by the Company or by the Commission, such meter shall be found to have a percentage of error greater than 2%, the following provisions for the adjustment of bill shall be observed.

Fast Meters: When a meter is found to be fast in excess of 2%, the Company shall refund to the Customer an amount equal to the excess charged for the gas incorrectly metered. The period over which the correction is to be made shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months. No part of the minimum service charge shall be refunded.

Slow Meters: When a meter is found to be slow in excess of 2%, the Company may make a charge to the Customer for the gas incorrectly metered. The period over which the correction is to be computed shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months.

Failure to Register: If a meter is found not to register for any period, the Company will estimate and charge for the gas used by averaging the amounts registered over similar periods and under similar conditions preceding or subsequent thereto, or over corresponding periods in previous years.

Other Over Charges: If a customer has been overcharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, or other similar reasons, the amount of the overcharge shall be adjusted, refunded, or credited to the customer.

Other Undercharges: When a customer has been undercharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter or other similar reasons, the amount of the undercharge may be billed to the customer.

Company's Rights: The properly authorized employees of the Company shall at all times have the right of access to the premises into which gas has been introduced, for the purpose of examining the general service or to read, inspect, test, repair, replace or remove its meter or other equipment, or for such other purposes as may be necessary for the protection of the Company. In case of any willful, intentional, or unnecessary injury to or interference with the meter or other property of the Company or any connection made to Customer Property, house lines or services, a Customer's willful interference or refusal to cooperate with the Company's efforts to relocate its facilities or Customer Property due to an identified safety concern or to install protective material or devices, or in the case of any intentional damage by a customer to Company facilities or installed protective material, the Company shall have the right to discontinue gas service to the premises, including by shutting off the service valve to the meter, disconnecting the service line from the main, and/or removing the Company's facilities from the premises. If, for any reason, the Company has shut off the supply of gas to a premise, the gas supply shall remain shut off until activated by a person authorized by the Company.

CUSTOMER SECURITY DEPOSITS

Prior to rendering service, deposits will be required from those residential Customers whose credit history dictates that a deposit is needed. All other residential Customers will not be required to provide a deposit.

Prior to rendering service, payment security will be required of all commercial and industrial Customers. Commercial and industrial Customers shall be given the option of either providing an adequate Cash Deposit, Letter of Credit in a form acceptable to the Company issued by a financial institution acceptable to the Company, surety bond in a form acceptable to the Company issued by a surety company acceptable to the Company or a Letter of Guarantee in a form acceptable to the Company issued by a corporation acceptable to the Company.

Any deposit which is required to be provided by a Customer shall only be refunded upon the Customer's discontinuation of his service.

The Company may require a deposit not more in amount than the maximum charge for two (2) consecutive billing periods.

MISCELLANEOUS REGULATIONS

The Customer Agrees:

- (1) To indemnify and save harmless the Company from any and all liability to anyone whomsoever for damages and expenses (including reasonable attorney's fees), or related to claims, actions, or lawsuits (including, but not limited to, those seeking recovery for death or injury, or damage to property) related in any way (whether directly or indirectly or to any degree) to, or on account of, any condition after the Point of Delivery or on the Customer's premises, including where injury or damage is shown to have been occasioned solely by the ordinary negligence of the Company. The Customer's duty to indemnify the Company does not apply where injury or damage is shown to have been occasioned solely by the gross negligence or willful conduct of the Company.
- (2) To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's gross negligence or willful conduct.
- (3) To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- (4) It is understood that the Company shall be under no duty to inspect, repair or maintain non- Company owned lines, connections, equipment or appliances located on the premises of the Customer. The Customer, having entire control of piping, fixtures, fittings, detection systems, safety devices, and appliances beyond the Point of Delivery, is solely responsible for any leakage, waste, or theft of gas which may occur after it leaves the outlet side of the last meter or regulator of the Company used in supplying gas to the Customer.
- (5) It is understood that the Company shall not be liable to any Customer, occupant, or third party for any loss, injury or damages whatsoever resulting from use of the Customer's equipment or from the use of gas delivered by the Company or from the connection of the Company's facilities with Customer Piping, detection systems, safety devices, or appliances.
- (6) Company shall have the right to terminate gas service after reasonable notice has been given for any Customer who may be in arrears for a period of seventeen (17) days or longer in paying for gas furnished and/or used by Customer at Customer's present or subsequent address, it being understood hereby that said seventeen (17) day period commences on date the bill as above defined was rendered.
- (7) There is a charge for seasonal turn-ons and heating light-up service of \$65.00 for customers served under Residential Rate Schedule (R-1) and \$50.00 for customers served under all other Rate Schedules.
- (8) There is a \$65.00 charge for reconnection of service where service has been suspended for non-payment of a gas bill for customers served under Residential Rate Schedule (R-1) and \$50.00 for customers served under all other Rate Schedules.
- (9) Service Establishment Charges
 - A. For establishing an account for gas service to a Customer at a premise:
 - i. where there is an existing meter set at such premises installed to serve an occupant of the premises \$20.00

MISCELLANEOUS REGULATIONS (Continued)

- ii. when there is no existing meter set at such premises, or where an existing meter set at such premises has been used only for temporary service to a builder, contractor or developer prior to occupancy of the premises \$30.00
 - B. The above charges do not apply to restorations of service subject to paragraph (5) or (7) above, nor to temporary service to a builder, contractor or developer prior to occupancy of the premises, nor to a rental unit subject to a contract with the landlord providing that gas service shall continue during periods when the unit is not occupied by a tenant and that the landlord shall be responsible for the payment of bills for gas service until an account is established in the name of a new tenant.
- (10) As a convenience to the Customer, the Company may at the Customer's option, receive payment through a third-party service provider that processes payment by telephone. The third-party service provider may collect directly from the Customer a separate charge for processing the payment
 - (11) If the Customer requests service as stated in (5), (6), or (7) above at times other than the regular office hours of the Company the above stated service charges shall be at one and one-half (1 1/2) times the above stated regular rate.
 - (12) There is a \$20.00 service charge for Customer checks returned to the Company by the banks because of "Insufficient Funds".
 - (13) Notwithstanding any other provisions of these rules, the Company shall postpone the physical termination of gas service to a residential Customer for a period of thirty (30) days in the event a physician, public health officer, or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the Customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension the Customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The Company shall supply Customers with names of agencies providing assistance.
 - (14) All Customers shall be provided with the option of a Third-Party Notification Service and shall be notified annually by the Company of its availability. The Third-Party Notification Service will provide any Customer with the opportunity to designate a Third Party who will receive a duplicate of any termination notice.
 - (15) Company shall increase the present level of Contributions-In-Aid-of-Construction and Customer Advances-for-Construction by the Income Tax Gross-up Factor of 16.30%.
 - (16) If, for any reason, the Company has shut off the supply of gas to a premise, the gas supply shall remain shut off until activated by a person authorized by the Company.
 - (17) The Company can allow the transfer of active gas service from one party to another at a premise over a period of time with no actual disconnection or interruption of service, otherwise known as "Delayed Match."

Company shall have the right to make other or additional rules and regulations at any time, and the furnishing of gas hereunder shall not constitute a waiver of any prior or present claim or right held by Company against Customer

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TENNESSEE PUBLIC UTILITY COMMISSION NO. 1

GAS TARIFF

RATE SCHEDULE R-1
Residential General Service

AVAILABILITY

Available for all gas service furnished to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, irrespective of the fact that a person other than the resident: (1) is contractually bound to the Chattanooga Gas Company (Company) for the charges, or (2) actually pays the charges, or (3) is billed for the charges. Use of gas service in hotel or motel units by transient occupants shall not constitute residential use. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> | <u>Summer</u> |
|-----------------------------------|---|---------------------------------|
| | <u>Net Rate</u> | <u>Net Rate</u> |
| | November-April | May-October |
| <u>Customer Base Use Charge</u> | \$25.80 <u>29.20</u> | \$21.40 <u>24.10</u> |
| <u>Commodity Charge Per Therm</u> | 17.78 <u>20.09</u> ¢ Per Therm | 17.78 <u>20.09</u> ¢ |

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Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter reading.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

~~TENTH-ELEVENTH~~ REVISED SHEET NO.5

RATE SCHEDULE R-4
Multi-Family Housing Service

AVAILABILITY

Service under this Rate Schedule is available to customers using gas for Multi-family residential housing who contract for gas service for a period of not less than one year. The provision of service under this Rate Schedule is subject to the Chattanooga Gas Company (Company)'s determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly without the approval of the Company. For the purposes of this Rate Schedule, Multi-family residential housing shall mean five or more permanent residential dwelling units located on the same Premises which are leased, rented, or managed by the same person and served through a central gas meter. Residential and non-residential service shall not be combined in a single meter installation.

MONTHLY BASE RATE

Winter Net Rate Summer Net Rate
November-April May-October

Customer Base Use Charge(Per Dwelling Unit
Connected)

~~\$9.50~~10.70/
Unit

~~\$9.50~~10.70/
Unit

Commodity Charge
Flat Rate Per Month

~~33.35~~37.613¢ Per
Therm

~~29.647~~33.435¢ Per
Therm

Air-Conditioning Commodity Charge Rate
Per Month

~~60.000~~67.670¢ Per

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any multi-family housing Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during Summer (billing months of May through October) shall be deemed to be air- conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge per dwelling unit as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
GAS TARIFF

TPUC NO. 1

~~THIRTEENTH~~FOURTEENTH REVISED SHEET NO.10

RATE SCHEDULE C-1
Small Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes less than or up to 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therm per day shall be, at the option of Chattanooga Gas Company (Company), by written contract for a term of one year or less providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> <u>Net Rate</u> November-April | <u>Summer</u> <u>Net Rate</u> May-October |
|---------------------------------|--|---|
| <u>Customer Base Use Charge</u> | \$ 47.40 <u>53.80</u> | \$ 41.10 <u>46.40</u> |
| <u>Commodity Charge</u> | 28.44 <u>32.05</u> ¢ Per Therm | 22.33 <u>25.15</u> ¢ Per Therm |
| <u>Air-Conditioning Charge</u> | | |
| <u>Rate Per Month</u> | | 60.00 <u>67.67</u> ¢ Per Therm |

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

~~FOURTH~~FIFTH REVISED SHEET 11

RATE SCHEDULE C-2

Medium Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes greater than 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therms per day shall be, at the option of Chattanooga Gas Company (Company), by written contract providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

| | <u>Winter</u> <u>Net Rate</u> November-April | <u>Summer</u> <u>Net Rate</u> May-October |
|--|--|---|
| <u>Customer Base Use Charge</u> | \$114.99 <u>129.60</u> | \$114.99 <u>129.60</u> |
| First 3,000 Therms Per Month | 28.84 <u>32.549</u> ¢ Per Therm | 22.65 <u>25.572</u> ¢ Per Therm |
| Next 2,000 Therms Per Month | 26.33 <u>29.717</u> ¢ Per Therm | 17.99 <u>20.316</u> ¢ Per Therm |
| Over 10,000 Therms Per Month | 25.65 <u>28.949</u> ¢ Per Therm | 16.77 <u>18.944</u> ¢ Per Therm |
| Over 15,000 Therms Per Month | 13.29 <u>15.012</u> ¢ Per Therm | 13.29 <u>15.009</u> ¢ Per Therm |
| <u>Demand Charge</u> | \$9.60 <u>10.80</u> Per Dth | \$9.60 <u>10.80</u> Per Dth |
| Rate Unit of Billing Demand | | |
| <u>Air -Conditioning Charge Rate Per Month</u> | ---- | 60.00 <u>67.670</u> ¢ Per Therm |



Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge plus the Demand Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

~~TENTH~~ELEVENTH REVISED SHEET NO.20

RATE SCHEDULE F-1
Commercial and Industrial Large Volume Firm Sales Service

RESTRICTED AVAILABILITY

This rate is available to those Customers actually taking service under Rate Schedule F-1 as of February 1, 1994. This rate will be available to additional Customers subsequent to February 1, 1994 only upon Chattanooga Gas Company (Company)'s ability to provide adequate gas supply to support the sale on terms and conditions which are satisfactory in the sole judgment of the Company subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer. Once a qualified Customer elects service under this Rate Schedule, service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-2 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

AVAILABILITY

Available to any commercial or industrial Customer for all purposes under the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of not less than 12 months.

MONTHLY BASE RATE
Customer Base Use Charge

Net Rate
~~\$459.60~~ \$18.30

Demand Charge
Per Unit of Billing Demand

~~\$9.60~~ \$10.80 Per Dth

Commodity Charge
First 1,500 Dths Per Month
Next 2,500 Dths Per Month
Next 11,000 Dths Per Month
Over 15,000 Dths Per Month

~~\$1.23~~ \$1.3962 Per Dth
~~\$1.05~~ \$1.1921 Per Dth
~~\$0.60~~ \$0.6767 Per Dth
~~\$0.37~~ \$0.4173 Per Dth

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Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

ISSUED: APRIL 20, 202~~3~~²
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, 202~~3~~²

CHATTANOOGA GAS COMPANNY
GAS TARIFF
TPUC NO. 1

- ~~ELEVENTH~~TWELFTH REVISED SHEET NO.25

RATE SCHEDULE I-1

Commercial and Industrial Interruptible Sales Service

AVAILABILITY

Gas sales service available on an interruptible basis to large volume Customers provided Chattanooga Gas Company (Company) has interruptible gas delivery capacity in excess of the then existing requirements of other Customers, and further subject to the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more. A Customer may also qualify for this rate schedule on a summer seasonal basis (May-October) provided the daily usage during this period consistently meets or exceeds 100 Dths.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements, and further provided the Customer's use under this rate shall not work a hardship on any other rate payers of the Company, nor adversely affect any other class of the Company's Customers. Further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers unless the Customer pays all cost to provide required facilities. The cost of such facilities shall be adjusted by the applicable income tax gross-up factor.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.
6. Customer agrees to install and maintain in usable condition standby fuel burning facilities to enable Customer, in the event of a curtailment of gas, to continue operations on standby fuel, or to give satisfactory evidence of his ability and willingness to have the delivery of gas hereunder interrupted or curtailed by the Company in accordance with the special terms and conditions as hereinafter set forth.

MONTHLY BASE RATE

Net Rate

Customer Base Use Charge

~~\$459.60~~\$18.30

Commodity Charge

First 1,500 Dths Per Month

~~\$1.2380~~\$1.3962 Per Dth

Next 2,500 Dths Per Month

~~\$1.0570~~\$1.1921 Per Dth

Next 11,000 Dths Per Month -

~~\$0.6000~~\$0.6767 Per Dth

Over 15,000 Dths Per Month -

~~\$0.3700~~\$0.4173 Per Dth

ISSUED: APRIL 20, 202~~2~~3 -
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, ~~2022~~2023

RATE SCHEDULE T-1
Interruptible Transportation Service (Continued)

6. Customer agrees to install and maintain standby fuel burning facilities to enable Customer, in the event of curtailment of service, to continue operations on standby fuel, or to give satisfactory evidence of the ability and willingness to have the service hereunder interrupted or curtailed by the Company in accordance with the terms and conditions set forth herein.

| <u>MONTHLYBASERATE</u> | <u>*NetRate</u> |
|---|--|
| <u>CustomerBaseUseCharge</u> | \$ 459.60 <u>518.30</u> |
| <u>SystemCapacityCharge</u> Per Unit of Billing Capacity | \$2. 4040 Per Dth |
| <u>CommodityCharge</u> | |
| First 1,500 Dths Per Month | \$ 1.2380 <u>1.3962</u> Per Dth |
| Next 2,500 Dths Per Month | \$ 1.0570 <u>1.1921</u> Per Dth |
| Next 11,000 Dths Per Month | \$ 0.6000 <u>.6767</u> Per Dth |
| Over 15,000 Dths Per Month | \$ 0.3700 <u>.4173</u> Per Dth |

Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

*Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

BILLINGCAPACITY

The billing capacity shall be the greater of (a) or (b) below:

- (a) The capacity for the current month is always the highest use per day in any of the previous 11 billing months plus the current billing month - - bearing in mind that demand days are established only during the billing months of November, December, January, February and March
- (b) The capacity will be 65% of the average daily consumption for the preceding months of April through October.

Whenever a Customer commences taking service under this rate between April 1, and October 31 of any year, the billing capacity for each billing month prior to the November billing shall be 6% of the monthly consumption in each such month. Commencing with the billing month of November, the billing capacity shall be determined either under (a) or (b) above.

DETERMINATIONOFCAPACITYDAY

The capacity day shall be determined at the option of the Company by one of the following methods:

1. By measuring the maximum volume of gas taken by the Customer in any one day through the use of volume and pressure recording and measuring equipment installed by the Company.
2. When gas is delivered to a Customer through a positive displacement meter without the use of daily recording and measuring equipment, the maximum volume of gas taken in any one day during the billing month shall be 6% of the total volume of gas used by the Customer during such billing month.

Rate Schedule T-2
Interruptible Transport Service with Firm Gas Supply Backup

TRANSPORTATION SERVICE AGREEMENT

Interruptible Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available on an Interruptible basis to eligible large volume Customers. Transportation Service shall be by Transportation Service Agreement in conjunction solely with service under Rate Schedule F-1.

- 1) Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
- 2) The Customer's use under this rate shall not work a hardship on any other rate payers of Chattanooga Gas Company (Company), nor adversely affect any other class of the Company's Customers and further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by Customer.
- 3) Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
- 4) The gas shall be delivered through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
- 5) Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule F-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATE

***Net Rate**

Customer Base Use Charge

~~\$459.60~~ \$18.30

Demand Charge

Per Unit of Billing Demand
Dth

~~\$9.60~~ \$10.80 Per

Commodity Charge

First 1,500 Dths Per Month
Next 2,500 Dths Per Month
Next 11,000 Dths Per Month
Over 15,000 Dths Per Month

~~\$1.2380~~ \$1.3962 Per Dth
~~\$1.0570~~ \$1.1921 Per Dth
~~\$0.6000~~ \$0.6767 Per Dth
~~\$0.3700~~ \$0.4173 Per Dth

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

RATE SCHEDULE T-3
Low Volume Transport**TRANSPORTATION SERVICE AGREEMENT**

Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available to commercial or industrial Customer consistently using 400 Dths on an annual basis. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule C-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATES

| | <u>Winter</u> <u>Net Rate*</u> November-April | <u>Summer</u> <u>Net Rate*</u> May-October |
|---------------------------------|---|--|
| <u>Customer Base Use Charge</u> | \$114.90 <u>129.60</u> | \$114.90 <u>129.60</u> |
| <u>Commodity Charge</u> | | |
| First 3,000 Therms Per Month | 28.84 <u>32.549</u> ¢ Per Therm | 22.65 <u>25.572</u> ¢ Per Therm |
| Next 2,000 Therms Per Month | 26.33 <u>29.717</u> ¢ Per Therm | 17.99 <u>20.316</u> ¢ Per Therm |
| Next 10,000 Therms Per Month | 25.65 <u>28.949</u> ¢ Per Therm | 16.77 <u>18.944</u> ¢ Per Therm |
| Over 15,000 Therms Per Month | 13.29 <u>15.012</u> ¢ Per Therm | 13.29 <u>15.009</u> ¢ Per Therm |
| <u>Demand Charge</u> | \$9.60 <u>10.80</u> Per Dth | \$9.60 <u>10.80</u> Per Dth |

The Purchased Gas Adjustment Demand Component applicable to service under the Rate Schedule C-2, computed in accordance with TPUC Administrative Rule 1220-4-7, shall apply to the Rate Schedule T-3 Demand Charge as set out above. Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

AUTHORIZED INCREMENTAL RATE

When the Company determines that volumes of gas are available to be purchased and transported to Customers under this Rate Schedule, then the Company shall, at its option, be authorized to charge the incremental rate Customers for such gas supply distributed to those Customers who have been offered and who have agreed to pay such incremental rate. On days when gas is not being withdrawn from the Company's Liquid Natural Gas (LNG) facility for system supply, the incremental rate shall be the applicable index rate plus the variable pipeline charges. On those days when gas is being withdrawn from the LNG facility, the incremental rate will be increased to reflect the cost of gas used in the liquefaction and vaporization process.

**RATE SCHEDULE V-1 (Continued) Commercial and
Industrial Natural Gas Vehicle Service**

BILLING ADJUSTMENTS

Bills for service under this Rate Schedule shall be adjusted for changes in the cost of purchased gas in accordance with the Tennessee Public Utility Commission Administrative Rule 1220-4-7 (Purchased Gas Adjustment) and shall be subject to other adjustments, charges and/or credits as determined to be applicable by the Tennessee Public Utility Commission..

SPECIAL TERMS AND CONDITIONS

The collection and remittance of any federal or state tax imposed on compressed natural gas dispensed for use as motor fuel from facilities owned by the Customer or from Company provided facilities located on the Customer's premise shall be the responsibility of the Customer.

If a Customer is phasing in the use of compressed natural gas as motor fuel and is acquiring and placing into service vehicles fueled by compressed natural gas over a period of years, the Monthly Facilities Charge may be phased-in over the term of the contract. However, the net present value of the revenue from the phased-in Facilities Charges, discounted at the Company's authorized rate of return, shall be equal to the net present value of the revenue that would be generated over the term of the contract if the Monthly Facilities Charge was not phased-in. Any such phase-in shall be provided in the contract for service.

The gas supplied under any agreement is supplied by the Company and purchased by the Customer upon the express condition that the gas so supplied, after it passes the ~~metering equipment of the Company, or other p~~Point of ~~d~~Delivery, becomes the property of the Customer to be used only as herein provided; and the Company shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse or presence of the said gas on the Customer's premises, or elsewhere, after it passes the Company's ~~metering equipment or other p~~Point of ~~d~~Delivery; or for any loss or damage resulting from the presence, character or condition of the piping or appliances of the Customer; or for any loss or damage by reason of the construction, maintenance or use of the service pipe from the entrance upon the Customer's property to the ~~metering equipment or p~~Point of ~~d~~Delivery, nor for the inspection of repairs thereof. The Company expressly reserves the right to include, in the contract with the Customer, provisions regarding the Company's or the Customer's liability and insurance requirements as determined appropriate by the Company.

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LIMITING AND CURTAILING GAS SERVICE

Gas service hereunder shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Public Utility Commission.

GENERAL TERMS AND CONDITIONS

Gas service hereunder shall be subject to the Company's Rules and Regulations as filed with the Tennessee Public Utility Commission as well as the contractual provisions contained in the contract for service hereunder.

ISSUED: APRIL 20, 2023

EFFECTIVE: SEPTEMBER 1, 2023

ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

RATE SCHEDULE V-2

THIRD REVISED SHEET NO.35A

Residential Natural Gas Vehicle Service (Continued)

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

BILLING ADJUSTMENTS

Bills for service under this Rate Schedule shall be adjusted for changes in the cost of purchased gas in accordance with the Tennessee Public Utility Commission Administrative Rule 1220-4-7 (Purchased Gas Adjustment) and shall be subject to other adjustments, charges and/or credits as determined to be applicable and approved by the Tennessee Public Utility Commission.

SPECIAL TERMS AND CONDITIONS

The collection and remittance of any federal or state tax or fee imposed on compressed natural gas dispensed for use as motor fuel from facilities located on the Customer's premise shall be the responsibility of the Customer.

The gas supplied under any agreement is supplied by the Company and purchased by the Customer upon the express condition that the gas so supplied, after it passes the ~~metering equipment of the Company, or other p~~Point of ~~d~~Delivery, becomes the property of the Customer to be used only as herein provided; and the Company shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse or presence of the said gas on the Customer's premises, or elsewhere, after it passes the Company's ~~metering equipment or other p~~Point of ~~d~~Delivery; or for any loss or damage resulting from the presence, character or condition of the piping or appliances of the Customer; or for any loss or damage by reason of the construction, maintenance or use of the service pipe from the entrance upon the Customer's property to the ~~metering equipment or p~~Point of ~~d~~Delivery, nor for the inspection of repairs thereof. The Company expressly reserves the right to include, in the contract with the Customer, provisions regarding the Company's or the Customer's liability as determined appropriate by the Company.

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LIMITING AND CURTAILING GAS SERVICE

Gas service hereunder shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Public Utility Commission.

GENERAL TERMS AND CONDITIONS

Gas service hereunder shall be subject to the Company's Rules and Regulations as filed with the Tennessee Public Utility Commission as well as the contractual provisions contained in the contract for service hereunder.

RATE SCHEDULE TPS

APPLICABILITY

The provisions of this Rate Schedule shall apply to brokers, marketers, and Customers intending to act as their own gas supplier, and other third-party suppliers (collectively “Third Party Suppliers” or “TPS”) of natural gas that wish to either act as agents for Transportation Customers or deliver natural gas supplies to Company’s City Gate for Transportation Customers. Each Customer that elects a third-party supplier must provide the Company a shipper letter designating the TPS that is to deliver gas to the Company’s system on behalf of the Customer. A Customer may designate no more than one TPS each month.

NOMINATIONS FOR SERVICE

Daily, a TPS shall provide the Company the day prior to delivery by at least 12:30 PM Eastern Standard Time an estimate of its deliveries (“nomination”) via the Company’s Electronic Bulletin Board (EBB) to meet each of their Customers’ daily requirements. The TPS shall use its best efforts to match their daily nominations to requirements for the Customers it serves. Failure to provide nominations may result in suspension of service to Customers of the offending TPS. Failure to comply with the Company’s nominating procedures may result in curtailment of third party gas deliveries or additional monthly cash-outs to their Customers. The Company reserves the right to determine eligible receipt point(s) for an individual transportation customer based on the relationship between a given receipt point and the customer’s meter location, require daily balancing, and shall have the right to curtail service to ensure deliveries on a uniform basis and to correct any imbalances. The Company shall show the reason for any such requirement for daily balancing or curtailments of service upon request of any affected Customer or any regulatory agency. The Company will provide the TPS in all instances with notice that daily balancing will be imposed by posting such daily balancing alerts to its EBB. The Company shall provide such notice as soon as reasonably practicable. It shall be the responsibility of the TPS to notify its Customers of the alert and the supply available to each facility served by the TPS. In the event a Customer delivers to an ineligible receipt point(s) or a receipt point(s) not identified as eligible by the Company, the Customer will be charged the rate of \$50.00 per Dth and all applicable pipeline and/or gas supplier penalties and/or charges because of the Customer's failure to comply with deliveries to the receipt point(s) as directed by the Company.

In making nominations the TPS shall provide the following:

- (1) The Customer for whom the nomination is being made.
- (2) The pipeline company and the pipeline transportation contract identifiers under which gas deliveries will be made to the Company’s distribution system.
- (3) The daily quantity of gas, expressed in MMBTU (Dekatherms), to be tendered at each receipt point.
- (4) Maintain connectivity to the Company’s EBB at all times in order to receive communication from Company at any and all times.
- (5) The name, address, and telephone number of a contact person that is available to receive communication from Company at any and all times and upon whose written and oral communications Company may exclusively rely.
- (6) Any additional information as may be required by the Company in order to perform its functions ~~as a Delivery Point Operator~~ on the pipeline transportation system.

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CHATTANOOGA GAS COMPANY
GAS TARIFF
TPUC NO. 1

~~ELEVENTH~~TWELFTH REVISED SHEET NO.49A

WEATHER NORMALIZATION ADJUSTMENT
(WNA) RIDER

FILING WITH COMMISSION

The Company will file as directed by the Commission (a) a copy of each computation of the Weather Normalization Adjustment, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, and (c) a schedule showing the factors or value derived from the Relevant Rate Order used in calculating such Weather Normalization Adjustment.

| RATE SCHEDULE | WEIGHTED BASE RATE (THERM) | HEAT SENSITIVE FACTOR- HSF (THERM) | BASELOAD- BL (THERM) |
|--|--------------------------------------|--|-------------------------|
| R-1 RESIDENTIAL Winter (November-April) | \$0.1778 <u>\$0.20090</u> | .15024734 | 13.32898975 |
| (R-4) MULTI-FAMILY HOUSING SERVICE Winter(November - April) | \$0.3335 <u>\$0.37613</u> | .06855402 | 14.46080765 |
| C-1 COMMERCIAL AND INDUSTIRAL GENERAL SERVICE Winter (November-April) | \$0.2844 <u>\$0.32051</u> | .29116094 | 16.52451922 |
| (C-2) MEDIUM COMMERCIAL AND INDUSTRIAL GENERAL SERVICE Winter (November - April) | \$0.2765 <u>\$0.31214</u> | 2.11686991 | 700.30683132 |



CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TPUC NO. 2

RULES AND REGULATIONS FOR THE COMPANY'S GAS SERVICE

IN
HAMILTON AND BRADLEY COUNTIES, TENNESSEE

EFFECTIVE DATE: SEPTEMBER 1, 2023

APPLICABILITY

These rules and regulations apply to the supplying of gas service, including the sale, transportation, delivery, or distribution of natural gas or its equivalent by ~~are applicable to Customers served by the~~ Chattanooga Gas Company (Company) within the Certificated areas in Bradley and Hamilton Counties.

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DEFINITIONS

As herein used:

| | | |
|------------------------------------|---|---|
| "Applicant" | means any person who has made application to Company for gas service. | |
| BTU | means British Thermal Unit measured at a pressure of 14.73 PSIA at 60 degrees Fahrenheit on a dry basis. | |
| Business Day | means any day from Monday through Friday inclusive, excluding any holiday observed by the Company. | |
| Citygate | means a point at which the facilities of an interstate pipeline company interconnect with the facilities of the Company. | |
| Commercial Service | applies to Customers engaged in selling, warehousing, or distributing a commodity, in some business activity or in a profession, or in some other form of economic or social activity (office, stores, clubs, hotels, etc.), and to service which does not directly come in one of the other classifications of service | |
| Commission | means the Tennessee Public Utility Commission. | |
| Company | means Chattanooga Gas Company. | |
| Compressed Natural Gas (CNG) | Natural gas stored inside containers at a pressure greater than atmospheric air pressure. CNG is normally placed in pressure-containing vessels (bottles) where it can be used as portable fuel source (i.e. in CNG vehicles and other applications not attached to a pipeline.) | |
| Consumer or Customer | Means any individual, firm, or organization <u>utilizing gas service supplied by the Company. The word "utilizing" means to use or make use of, benefit from, or take advantage of, in any way whatsoever, who purchases service at one or location under one rate classification contract.</u> | T |
| <u>Customer Piping</u> | <u>means all piping and fittings beyond the outlet side of the last meter or regulator of the Company used in supplying gas to the Customer</u> | T |
| Dekatherm (Dt or Dth) | means 10 Therms or one million Btus (1MMBtus). | |
| Delivery Point | point at which gas leaves a transporter's system completing a sale or transportation service transaction between the pipeline company and a sale or transportation service Customer. | T |
| Delivery Point Operator | the entity that manages and controls the facilities and the gas moving through those facilities at the Delivery Point. | T |
| Distribution Service | means the delivery of Natural Gas by and through the Intrastate facilities of the Company, regardless of the identity of the party who has title to the Natural Gas. | |
| Distribution System | means the gas pipes, <u>apparatus, instruments, and metering and regulating equipment</u> owned and operated by the Company for the distribution of gas for delivery to Customers up to but not beyond the point of delivery. | T |

Electronic Bulletin
Board (EBB)

an interactive electronic communication system that, among other things, allows parties to view gas-related information, make nominations, offer bids, and receive confirmations.

DEFINITIONS(Continued)

| | |
|------------------------|---|
| Firm Customer | means a Customer who purchases a Gas Service on a Firm basis. |
| Firm Service | means a type of Gas Service that ordinarily is not subject to interruption or curtailment. |
| Gas or Natural Gas | means any mixture of hydrocarbons or of hydrocarbons and noncombustible gases in a gaseous state, consisting predominantly of methane. |
| Gas Day | means the period of 24 consecutive hours beginning at 10:00 a.m., Standard time. |
| Gas Service | means any service offered in connection with the delivery or sale of Gas. |
| Imbalance | mean the difference at any time, whether positive or negative, between the volumes of Gas received by the Company on behalf of a Customer and the volumes of Gas delivered by the Company to the Customer's premises. |
| Industrial Service | applies to Customers engaged in a process which creates or changes raw or unfinished materials into another form or product. (Factories, mills, machine shop, mines, oil wells, refineries, pumping plants, creameries, canning or packing plants, shipyards, etc., i.e., in extractive, fabricating or processing activities.) |
| Interruptible Customer | means a Customer who purchases a Gas Service on an Interruptible basis. |
| Interruptible Schedule | means each of the Company's Rate Schedules or contracts under which Gas Service is provided on an Interruptible basis. |
| Interruptible | means a type of Gas Service that is subject to interruption or curtailment. |
| LNG | means Liquefied Natural Gas. |
| Main | means the gas pipe other than Service Line. |
| Month | means the period beginning on the first Day of a calendar month and ending on the beginning of the first Day of the next succeeding calendar month |
| Person | means any corporation, whether public or private; company; individual; firm; partnership; or association. |
| PGA Rider | means the Company's Purchased Gas Adjustment Rider. |
| PSIA | means pounds per square inch absolute. |
| Receipt Point | means the point at which gas is received from a pipeline, such as the interconnection between an interstate pipeline and the local distribution system. |

CHATTANOOGA GAS COMPANY
RULES & REGULATIONS
TPUC NO. 2

SECOND REVISED SHEET NO. 1B

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|-------------------------|--|
| Residence | means a parcel or tract of land upon which a residence, building, structure, or other facility containing a particular set of gas-consuming appliances is located. |
| Residential Service | applies to Customers supplied for residential purposes on an individual basis in a single family dwelling or building, or in an individual flat or apartment in a multiple family dwelling or building or portion thereof occupied as the home, residence or sleeping place of one or more persons. |
| Service Line | All piping and appurtenances between the Company's main and the inlet side of the Metering Equipment, except where a Master Metering Arrangement is employed. Where a Master Metering Arrangement is employed, the Service Line consist of all piping and appurtenances between the Company's main and the inlet side of each regulator or meter of the Company but does not extend beyond the exterior wall of the structure receiving Gas. |
| SNG or Southern | means Southern Natural Gas Company. |
| Tariff | means all Rate Schedules, Terms of Service, and Rules and Regulations approved by the Commission relative to Gas Service provided by the Company. |
| Tennessee Pipeline | means Tennessee Gas Pipeline Company. |
| Therm | means 100,000 Btus |
| Point of Delivery | means the <u>outlet outgoing</u> side of the <u>last</u> meter(s) or regulator(s) <u>installed and maintained by</u> of the Company <u>for the purpose of measuring gas delivered used in supplying gas to the</u> Customer. |
| Service | means gas service. |
| Special Contract | means a contract specifically approved by the Commission for Service provided under terms and/or conditions not otherwise provided in the Tariff. |
| Service Stub | means gas pipe laid from main to Customer's property line. |
| Service Line | means the gas pipe laid from Customer's line to Point of Delivery. |

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CHATTANOOGA GAS COMPANY
RULES & REGULATIONS
TPUC NO. 2

SIXTH REVISED SHEET NO. 4

APPARATUS-EASEMENTS

~~Customer's Lines: Customer Piping belongs to and is the responsibility of the Customer. All house lines and equipment except the Company's meters and accessories on the Customer's side of the point of delivery, necessary to utilize service furnished by the Company, must be installed and maintained by and at the expense of the Customer. Customer Property: The Customer shall have the entire control and ownership of all Customer Piping, fixtures, fittings, detection systems, safety devices, and appliances on the Customer's side of the Point of Delivery ("Customer Property") and shall be responsible for all maintenance and use of Customer Property. The Company reserves the right to discontinue service if Customer Property is in an unsatisfactory condition.~~ The Company also reserves the right, but has no obligation, to install, relocate, and perform ~~other~~ work on Customer Property Piping incidental to the delivery of natural gas to the premises, either by itself or through a third-party contractor, and either at the Company's expense or the Customer's expense, at the request of the Customer, by agreement with the Customer, or to remedy a safety condition. The Company is not responsible for damages resulting from its work on any Customer Property Piping absent willful or gross negligence on the Company's part. Customer Property Piping shall remain the property and responsibility of the Customer even in the event that the Company or any other entity performs work on Customer Property Piping. ~~Customer Property~~The Customer's lines shall terminate at the Point of Delivery~~point of delivery~~, in a manner satisfactory to the Company, for connection with the Company's lines or apparatus.

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Company Property: All service lines, apparatus, instruments, meters and materials supplied at the expense of the Company shall remain its property, and any other property installed at the expense of the Company, shall belong to the Company. ~~Measurements resulting from or generated by the Company's metering equipment do not provide notice to the Company, or otherwise constitute actual or constructive knowledge on the part of the Company, that a dangerous condition is present on a Customer's premises.~~

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Inspection by Company: The Company is willing to assist the Customer by advice as to the installation of ~~the Customer's Property apparatus~~ and to examine the Customer's installation, and may refuse to make connection or to commence or continue service whenever such installation is not in proper condition; but no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective installation made by the Customer.

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Right of Way: The Customer shall make or procure satisfactory conveyance to the Company, without cost to the Company right of way easement(s) across and upon the property owned and controlled by the Customer and any intervening property for the Company's lines and apparatus are, necessary or incidental to the furnishing of service to the Customer.

Installation: For the purpose of determining the amount of gas used, a meter or meters shall be installed and maintained by the Company upon the Customer's premises; and, except as to outside locations heretofore or hereafter approved by the Company, the Customer shall provide free of expense to the Company, near the service entrance, a clean, dry, safe place for the meter and any necessary appurtenant device, which may be furnished by the Company. Where several buildings are supplied on one property, a centralized meter location may be required. When, in the Company's judgement, it is determined that protective material or devices, including but not limited to the installation of bollards or guardrails, are necessary to prevent damage to a new or initial meter set installation, including because of a hazardous condition on the customer's premises, the Company shall install such protective material or device at the Customer's expense. When it is determined by the Company that protective material or devices are required to prevent damage to existing meters or other existing Company facilities from a hazardous condition, the Company will install such protective material or device or will relocate its meter, regulator and service line facilities at its expense.

Notice to Discontinue: Notice by Customer to discontinue the supply of gas must be given the Company at least 24 hours in advance. The Customer will be held responsible for all gas consumed until such notice is given, including a reasonable time for securing the final reading of the meter.

TESTS AND ADJUSTMENTS

The Company, at any time upon the request of the Customers, will test the meter of such Customer within five days after receipt of such request, provided the Customer will accept the result of such test as a basis for the settlement of the Customer's account. If any such test shall show the average error of the meter to be less than 2%, the Customer shall pay the expense of the test; except that where the meter has not been tested at the request of the Customer within five (5) year

TEST AND ADJUSTMENTS (CONT)

period immediately preceding such request, the test will be made without charge to the Customer. The Company may at any time at its own expense test any of its meters. If on test of a Customer's meter, either by the Company or by the Commission, such meter shall be found to have a percentage of error greater than 2%, the following provisions for the adjustment of bill shall be observed.

Fast Meters: When a meter is found to be fast in excess of 2%, the Company shall refund to the Customer an amount equal to the excess charged for the gas incorrectly metered. The period over which the correction is to be made shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months. No part of the minimum service charge shall be refunded.

Slow Meters: When a meter is found to be slow in excess of 2%, the Company may make a charge to the Customer for the gas incorrectly metered. The period over which the correction is to be computed shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months.

Failure to Register: If a meter is found not to register for any period, the Company will estimate and charge for the gas used by averaging the amounts registered over similar periods and under similar conditions preceding or subsequent thereto, or over corresponding periods in previous years.

Other Over Charges: If a customer has been overcharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, or other similar reasons, the amount of the overcharge shall be adjusted, refunded, or credited to the customer.

Other Undercharges: When a customer has been undercharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter or other similar reasons, the amount of the undercharge may be billed to the customer.

Company's Rights: The properly authorized employees of the Company shall at all times have the right of access to the premises into which gas has been introduced, for the purpose of examining the general service or to read, inspect, test, repair, replace or remove its meter or other equipment, or for such other purposes as may be necessary for the protection of the Company. In case of any willful, intentional, or unnecessary injury to or interference with the meter or other property of the Company or any connection made to Customer Property Piping, house lines or services, a Customer's willful interference or refusal to cooperate with the Company's efforts to relocate its facilities or Customer Property Piping due to an identified safety concern or to install protective material or devices, or in the case of any intentional damage by a customer to Company facilities or installed protective material, the Company shall have the right to discontinue gas service to the premises, including by shutting off the service valve to the meter, disconnecting the service line from the main, and/or removing the Company's facilities from the premises. If, for any reason, the Company has shut off the supply of gas to a premise, the gas supply shall remain shut off until activated by a person authorized by the Company.

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CUSTOMER SECURITY DEPOSITS

Prior to rendering service, deposits will be required from those residential Customers whose credit history dictates that a deposit is needed. All other residential Customers will not be required to provide a deposit.

Prior to rendering service, payment security will be required of all commercial and industrial Customers. Commercial and industrial Customers shall be given the option of either providing an adequate Cash Deposit, Letter of Credit in a form acceptable to the Company issued by a financial institution acceptable to the Company, surety bond in a form acceptable to the Company issued by a surety company acceptable to the Company or a Letter of Guarantee in a form acceptable to the Company issued by a corporation acceptable to the Company.

Any deposit which is required to be provided by a Customer shall only be refunded upon the Customer's discontinuation of his service.

The Company may require a deposit not more in amount than the maximum charge for two (2) consecutive billing periods.

MISCELLANEOUS REGULATIONS

The Customer Agrees:

- (1) To indemnify and save harmless the Company from any and all liability to anyone whomsoever for damages and expenses (including reasonable attorney's fees), or related to claims, actions, or lawsuits (including, but not limited to, those seeking recovery for death or injury, or damage to property) related in any way (whether directly or indirectly or to any degree) to, or on account of, any condition after the Point of Delivery or on the Customer's premises, including where injury or damage is shown to have been occasioned solely by the ordinary negligence of the Company. The Customer's duty to indemnify the Company does not apply where injury or damage is shown to have been occasioned solely by the gross negligence or willful conduct of the Company. T
- (2) To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's gross negligence or willful conduct. T
- ~~(32)~~ To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- ~~(43)~~ It is understood that the Company shall be under no duty to inspect, repair or maintain non- Company owned lines, connections, equipment or appliances located on the premises of the Customer. The Customer, having entire control of piping, fixtures, fittings, detection systems, safety devices, and appliances beyond the Point of Delivery, is solely responsible for any leakage, waste, or theft of gas which may occur after it leaves the outlet side of the last meter or regulator of the Company used in supplying gas to the Customer. T
- ~~(5)~~ It is understood that the Company shall not be liable to any Customer, occupant, or third party for any loss, injury or damages whatsoever resulting from use of the Customer's equipment or from the use of gas delivered by the Company or from the connection of the Company's facilities with Customer Piping, detection systems, safety devices, or appliances. T
- ~~(64)~~ Company shall have the right to terminate gas service after reasonable notice has been given for any Customer who may be in arrears for a period of seventeen (17) days or longer in paying for gas furnished and/or used by Customer at Customer's present or subsequent address, it being understood hereby that said seventeen (17) day period commences on date the bill as above defined was rendered.
- ~~(75)~~ There is a charge for seasonal turn-ons and heating light-up service of \$65.00 for customers served under Residential Rate Schedule (R-1) and \$50.00 for customers served under all other Rate Schedules.
- ~~(86)~~ There is a \$65.00 charge for reconnection of service where service has been suspended for non-payment of a gas bill for customers served under Residential Rate Schedule (R-1) and \$50.00 for customers served under all other Rate Schedules.
- ~~(97)~~ Service Establishment Charges
- A. For establishing an account for gas service to a Customer at a premise:
- i. where there is an existing meter set at such premises installed to serve an occupant of the premises \$20.00

MISCELLANEOUS REGULATIONS (Continued)

- ii. when there is no existing meter set at such premises, or where an existing meter set at such premises has been used only for temporary service to a builder, contractor or developer prior to occupancy of the premises \$30.00

B. The above charges do not apply to restorations of service subject to paragraph (5) or (7) above, nor to temporary service to a builder, contractor or developer prior to occupancy of the premises, nor to a rental unit subject to a contract with the landlord providing that gas service shall continue during periods when the unit is not occupied by a tenant and that the landlord shall be responsible for the payment of bills for gas service until an account is established in the name of a new tenant.

(108) As a convenience to the Customer, the Company may at the Customer's option, receive payment through a third-party service provider that processes payment by telephone. The third-party service provider may collect directly from the Customer a separate charge for processing the payment

(119) If the Customer requests service as stated in (5), (6), or (7) above at times other than the regular office hours of the Company the above stated service charges shall be at one and one-half (1 1/2) times the above stated regular rate.

(129) There is a \$20.00 service charge for Customer checks returned to the Company by the banks because of "Insufficient Funds".

(134) Notwithstanding any other provisions of these rules, the Company shall postpone the physical termination of gas service to a residential Customer for a period of thirty (30) days in the event a physician, public health officer, or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the Customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension the Customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The Company shall supply Customers with names of agencies providing assistance.

(142) All Customers shall be provided with the option of a Third-Party Notification Service and shall be notified annually by the Company of its availability. The Third-Party Notification Service will provide any Customer with the opportunity to designate a Third Party who will receive a duplicate of any termination notice.

(153) Company shall increase the present level of Contributions-In-Aid-of-Construction and Customer Advances-for-Construction by the Income Tax Gross-up Factor of 16.30%.

(164) If, for any reason, the Company has shut off the supply of gas to a premise, the gas supply shall remain shut off until activated by a person authorized by the Company.

(175) The Company can allow the transfer of active gas service from one party to another at a premise over a period of time with no actual disconnection or interruption of service, otherwise known as "Delayed Match."

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Company shall have the right to make other or additional rules and regulations at any time, and the furnishing of gas hereunder shall not constitute a waiver of any prior or present claim or right held by Company against Customer

Chattanooga Gas Company
Annual Review Mechanism ("ARM")
Revenue Increase Allocation
Twelve Months Ended December 31, 2022
Schedule 17.1

| | | | | | | | | | | Normalized Revenue Historic Base Period | | |
|-------------------------------|---|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|------------|-------------------------|
| 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 | Revenue Per Rate Schedule Docket 22-00032 | % of Total by Rate Schedule | Subject to Increase | % 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% | \$ 23,643,544 | 44.4% | \$ 23,999,098 | 12.78% | \$ 3,066,764 |
| 2 | Multi-Family (R-4) | 28,579 | a/ 0.1% | 28,858 | 0.1% | 38,267 | 0.1% | 43,892 | 0.1% | 44,046 | 12.78% | 5,628 |
| 3 | Commercial (C-1) | 3,648,001 | a/ 11.1% | 3,583,778 | 10.5% | 4,771,387 | 10.3% | 5,523,636 | 10.4% | 5,583,268 | 12.78% | 713,467 |
| 4 | Commercial (C-2) | 8,592,933 | a/ 26.1% | 9,142,723 | 26.7% | 12,437,568 | 27.0% | 14,301,064 | 26.8% | 14,046,066 | 12.78% | 1,794,900 |
| 5 | Industrial (F-1/T-2) | 2,114,124 | a/ 6.4% | 2,574,922 | 7.5% | 3,477,196 | 7.5% | 4,063,479 | 7.6% | 4,074,220 | 12.78% | 520,631 |
| 6 | Industrial (I-1) | 36,274 | a/ 0.1% | - | 0.0% | - | 0.0% | - | 0.0% | - | 12.78% | - |
| 7 | Industrial (T-1) | 1,082,153 | a/ 3.3% | 1,035,144 | 3.0% | 1,339,950 | 2.9% | 1,568,302 | 2.9% | 1,568,118 | 12.78% | 200,384 |
| 8 | Industrial (F-1/T-2/T-1) | 1,333,342 | a/ 4.1% | 1,732,479 | 5.1% | 2,179,275 | 4.7% | 2,173,067 | 4.1% | 2,110,692 | 12.78% | 269,718 |
| 9 | Industrial (T-3) | 1,329,837 | a/ 4.0% | 1,100,769 | 3.2% | 1,494,623 | 3.2% | 1,773,354 | 3.3% | 1,711,511 | 12.78% | 218,708 |
| 10 | Special Contract Subject to increase a/ | | a/ | | | | | 201,844 | 0.4% | 195,974 | 5.00% | 9,799 |
| 11 | Total Sales and Transport Margin | \$ 32,911,534 | a/ 100.0% | \$ 34,275,409 | 100.00% | \$ 46,117,324 | 100.00% | \$ 53,292,182 | 100.0% | \$ 53,332,992 | | \$ 6,800,000 |
| 12 | Other Revenue | 687,351 | b/ | 745,199 | | 1,003,751 | | 1,103,643 | | 1,336,932 | | - |
| 13 | Total Margin | \$ 33,598,885 | a/ | \$ 35,020,608 | | \$ 47,121,075 | | \$ 54,395,825 | | \$ 54,669,924 | | \$ 6,800,000 |

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

a/ Please also reference Schd 35.14 Cell N75 (Confidential)

Total Sales and Transportation Margin \$ 53,332,992
Less Special Contract (195,974)
Non-Special Contract Margin (current rates) \$ 53,137,018
% Increase Non-Special Contract 12.78%

Increase in Revenue Deficiency Schedule 1 \$ 6,800,000
Less Special Contract Increase at 5% (9,799)
Increase allocated to Non-Special Contract \$ 6,790,201