

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

May 25, 2023

IN RE:)	
)	
CHATTANOOGA GAS COMPANY'S)	
PETITION FOR APPROVAL OF ITS)	DOCKET NO. 23-00029
2022 ANNUAL RATE REVIEW)	
FILING PURSUANT TO)	
TENN. CODE ANN. § 65-5-103(d)(6))	

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

Chattanooga Gas Company ("CGC" or "Company") files these Responses and Objections to the Informal Discovery Requests of the Consumer Advocate Division of the Office of the Attorney General ("Consumer Advocate") emailed on May 10, 2023, with responses provided to the Consumer Advocate on May 22 and 23, 2023. Note that while these were informally submitted, they are numbered as "CA 2-XX" to avoid confusion with the first set of discovery.

To assist the Hearing Officer in evaluating this matter, CGC is setting forth its objections and Responses in two parts. Part I sets forth general objections applicable to CGC's discovery Responses. Part II sets forth objections to specific discovery requests propounded by the Consumer Advocate.

I. GENERAL OBJECTIONS

CGC objects generally to any definitions or instructions to the extent that they are inconsistent with and request information that is beyond the scope of the Tennessee Rules of Civil

Procedure. CGC's Responses will comply with the requirements of the Tennessee Rules of Civil Procedure.

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

CGC further objects to these discovery requests to the extent they seek information that is beyond the scope of legitimate discovery in this case or that is subject to any privilege, including the attorney-client privilege and/or attorney work product doctrine. However, without waiving any of these General Objections, the Company will respond to the Consumer Advocate's discovery requests by providing responsive, non-privileged information.

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

Further, CGC is proceeding in the traditional course of providing information that it deems to be confidential pursuant to the terms of the TPUC's Protective Order issued on April 24, 2023, by marking the information as confidential. CGC is acting in good faith reliance on the Consumer Advocate's compliance with the Protective Order.

INFORMAL DISCOVERY REQUESTS

See the following pages for each specific discovery response.

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-01

QUESTION:

Explanation. Refer to the Direct Testimony of Tiffani Weems, File <CGC Weems Exhibit TW-1.xlsx>. Specifically refer to Tab "Schedule 7a" regarding O&M Expenses. Please explain why capitalized expenses are not included in the Total O&M Expense amount of \$27,226,601 in Cell G17 as they were in TPUC Docket No. 22-00032.

RESPONSE:

Capitalize expenses are included in O&M Expenses. With the transition of the Enterprise Foundations capitalized expenses are now embedded within the O&M accounts, netting against the totals to lower O&M expense. There is no longer separate accounts or resource types breaking out the capitalized costs. Please see CA 2-1 Attachment A, Capitalized Expenses Detail.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-02

QUESTION:

Explanation. Refer to the Direct Testimony of Tiffani Weems, File <CGC Weems Exhibit TW-1.xlsx>. Specifically refer to Tab "Schedule 7a" regarding O&M Expenses. Please explain why capitalized expenses are not included in the Total O&M Expense amount of \$27,226,601 in Cell G17 as they were in TPUC Docket No. 22-00032.

RESPONSE:

Capitalize expenses are included in O&M Expenses. With the transition of the Enterprise Foundations capitalized expenses are now embedded within the O&M accounts, netting against the totals to lower O&M expense. There is no longer separate accounts or resource types breaking out the capitalized costs. Please see CA 2-1 Attachment A, Capitalized Expenses Detail.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-03

QUESTION:

Explanation. Refer to the Direct Testimony of Tiffani Weems, File <CGC Weems Exhibit TW-1.xlsx>. Specifically refer to Tab "Schedule 7a" regarding O&M Expenses. Please explain why capitalized expenses are not included in the Total O&M Expense amount of \$27,226,601 in Cell G17 as they were in TPUC Docket No. 22-00032.

RESPONSE:

Capitalize expenses are included in O&M Expenses. With the transition of the Enterprise Foundations capitalized expenses are now embedded within the O&M accounts, netting against the totals to lower O&M expense. There is no longer separate accounts or resource types breaking out the capitalized costs. Please see CA 2-1, Attachment A, Capitalized Expenses Detail.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-04

QUESTION:

Explanation. Refer to the Direct Testimony of Tiffani Weems, File <CGC Weems Exhibit TW-1.xlsx>. Specifically refer to Tab "Schedule 7a" regarding O&M Expenses. Please explain why capitalized expenses are not included in the Total O&M Expense amount of \$27,226,601 in Cell G17 as they were in TPUC Docket No. 22-00032.

RESPONSE:

Capitalize expenses are included in O&M Expenses. With the transition of the Enterprise Foundations capitalized expenses are now embedded within the O&M accounts, netting against the totals to lower O&M expense. There is no longer separate accounts or resource types breaking out the capitalized costs. Please see CA 2-1 Attachment A, Capitalized Expenses Detail.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-05

QUESTION:

Reconcile. Refer to the Direct Testimony of Tiffani Weems, File <Schedule 35.02a Incentive Compensation - PPP (WP) (CONFIDENTIAL).xlsx>. Specifically refer to Tab "Summary (OACS) - CGC". Refer also to the supplied File <CA Informal DR Attachment.xlsx>, a query of the Hyperion formatted Income Statement. Reconcile the values shown in the supplied CA Informal DR Attachment.

RESPONSE:

Please see the Company's response to CA 1-30.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-06

QUESTION:

Reconcile. Refer to the Direct Testimony of Tiffani Weems, File <Schedule 35.18 - Invoice Reconciliation (WP).xlsx.> Specifically refer to Tab "Schedule 35.18a". Refer also to the supplied File <CA Informal DR Attachment.xlsx>, a query of the Hyperion formatted Income Statement. Reconcile the balances shown in Tab "Schedule 35.18a" to the balances shown in the CA Informal DR Attachment.

RESPONSE:

Please see the Company's response to CA 1-33.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Chattanooga Gas Company
Docket No. 23-00029
Chattanooga Gas Company's 2022 Annual Rate Review

CONSUMER ADVOCATE'S Discovery Requests Set: Additional Informal Request

CA 2-07

QUESTION:

Reconcile. Refer to the Direct Testimony of Tiffani Weems, File <CGC Weems Exhibit TW-1.xlsx>. Specifically refer to Tab "Schedule 23.1", line 1 concerning "Allocated Costs". Reconcile the values shown on line 1 to the filed amounts from the Company's 3.03 reports filed with the Commission (summarized below).

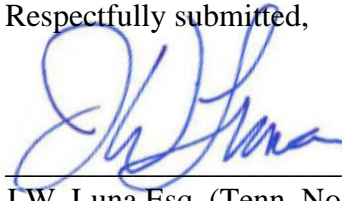
Month	Co. Schedule 23.1/Sch 35.18	3.03 Report to TPUC Page 8	Difference
January	\$ 767,195	\$ 767,195	\$ -
February	\$ 747,332	\$ 747,332	\$ -
March	\$ 868,793	\$ 868,793	\$ -
April	\$ 674,579	\$ 674,579	\$ -
May	\$ 674,371	\$ 674,371	\$ -
June	\$ 657,989	\$ 657,989	\$ -
July	\$ 854,394	\$ 854,394	\$ -
August	\$ 773,864	\$ 625,214	\$ 148,650
September	\$ 737,435	\$ 646,568	\$ 90,867
October	\$ 431,578	\$ 334,013	\$ 97,565
November	\$ 744,278	\$ 621,658	\$ 122,620
December	\$ 1,153,261	\$ 1,018,608	\$ 134,653
YearTotal	\$ 9,085,071	\$ 8,490,714	

RESPONSE:

- a. The 3.03 Reports filed with the Commission capture allocations identified by resource type, ALO, at the operating expense level. However (1) it does not capture direct assigned costs, as these costs do not have an ALO resource type, since they have not been allocated but reflect the resource type associated with the initial charge such as LSN for non-covered labor; and (2) it does not capture any allocated costs that fall below the line.
- b. Please see the Company's response to CA 1-33 for additional information.

Witness: Tiffani Weems
Supervisor, Regulatory Reporting
Southern Company Gas

Respectfully submitted,



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Attorneys for Chattanooga Gas Company

CERTIFICATION OF SERVICE

I HERBY CERTIFY that a true and correct copy of the foregoing was served Via Electronic Mail, on the 25th day of May, 2023, upon:

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