

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

<b>IN RE:</b>	)	
	)	
<b>CHATTANOOGA GAS COMPANY'S</b>	)	
<b>PETITION FOR APPROVAL OF ITS</b>	)	<b>DOCKET NO. 24-00024</b>
<b>2023 ANNUAL RATE REVIEW</b>	)	
<b>FILING PURSUANT TO</b>	)	
<b>TENN. CODE ANN. § 65-5-103(d)(6)</b>	)	
	)	

---

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

---

Chattanooga Gas Company ("CGC" or "Company") files these Responses and Objections to the First Set of Discovery Requests of the Consumer Advocate Division of the Office of the Attorney General ("Consumer Advocate") filed May 3, 2024.

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 23, 2024, by marking the information as confidential. CGC is acting in good faith reliance on the Consumer Advocate’s compliance with the Protective Order.

### **FIRST SET OF DISCOVERY REQUESTS**

See the following pages for each specific discovery response.

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-1

**QUESTION:**

**Identification.** Identify the monthly number of estimated bills issued during the test period.

**RESPONSE:**

CGC objects to this request on the basis that this information was previously provided to the Consumer Advocate as part of CGC's TPUC monthly reports. Subject to and without waiving the foregoing objection, please see CA 1-1 Attachment A for the requested number of estimated bills during the test period.

*Objection, by Counsel.*

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

2023	CA 1-1		CA 1-3
	Number of Estimated Bills	Count of Meter Reads	% of Estimated Bills to Total Bills
January	14	70,245	0.02%
February	15	70,295	0.02%
March	18	70,264	0.03%
April	21	70,117	0.03%
May	74	69,890	0.11%
June	41	69,561	0.06%
July	55	69,373	0.08%
August	34	69,250	0.05%
September	32	69,081	0.05%
October	20	69,178	0.03%
November	45	69,771	0.06%
December	27	70,417	0.04%
Total	<b>396</b>	837,442	<b>0.05%</b>

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-2

**QUESTION:**

Identification. Identify any internal metrics the Company has in place to evaluate its success in minimizing estimated bills.

**RESPONSE:**

The Company's goal is .1% or less in estimated bills to total bills. For 2023, the percentage of estimated bills to total bills was .047%.

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-3

**QUESTION:**

**Identification.** Identify the ratio of estimated bills to total bills issued for the test period.

**RESPONSE:**

CGC objects to this request on the basis that this information was previously provided to the Consumer Advocate as part of CGC's TPUC monthly reports. Subject to and without waiving the foregoing objection, please see CA 1-1 Attachment A for the requested ratio of estimated bills to total bills during the test period.

*Objection, by Counsel.*

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-4

**QUESTION:**

Identification. Identify any internal metrics the Company has in place to evaluate its success in minimizing estimated bills.

**RESPONSE:**

Estimated bill counts are reviewed and monitored monthly by CGC's billing department. The more common reasons for an estimated bill at CGC are caused by failure of the encoder receiver transmitter (ERT) used for automatic meter reading to transmit a read. In many cases, if an ERT fails to transmit a reading, CGC will manually read the meter that month, which attributes to CGC's low estimated bill count.

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-5

**QUESTION:**

Explanation. Provide a narrative description of the process used to true-up customer bills following the issuance of an estimated bill.

**RESPONSE:**

Estimated bills are necessarily trued-up the following month because multiple estimated readings are not allowed by CGC's billing system. If the following month's actual reading is higher than the prior month's estimated read, no further changes are needed. If the following month's actual reading is lower than the previous month's estimated read, the billing system will create a work order for the estimated bill to be cancelled and rebilled with the actual reading.

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas



**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-6

**QUESTION:**

Explanation. Does the Company include any information on a customer bill identifying that the usage was estimated?

**RESPONSE:**

Yes; if a bill was issued using an estimated reading, the bill will state "Estimated" under the Read Type.

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-7

**QUESTION:**

Identification. Identify the number of corrected bills issued by month, by customer class, during the test period.

**RESPONSE:**

Please see Attachment CA 1-7 Attachment A for a count of corrected bills by month for 2023. CGC does not currently track bill corrections by rate schedule.

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

CA 1-7 Number of Corrected Bills	
2023	
January	767
February	322
March	630
April	312
May	464
June	337
July	548
August	369
September	154
October	189
November	817
December	189
Total	5098

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-08

**QUESTION:**

Explanation. Refer to <2024-04-16 Schedule 35.23 Relocation Expenses\_12942935\_1> related to relocation expenses. Provide a comprehensive explanation of the nature of the costs incurred in December 2023.

**RESPONSE:**

Schedule 35.23 Relocation Expenses, reflects the estimated cost of an employee relocation. The employee, an operations supervisor, relocated from Knoxville, Tennessee to Chattanooga, Tennessee. The Employee Relocation Program covers certain moving expenses, temporary housing, and closing costs for current home sale and new home purchase. The Company is seeking recovery for this cost for the historic period but has excluded the cost from the rate reset.

*Witness:*       Tiffani Weems  
                    Manager, Regulatory Reporting  
                    Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-9

**QUESTION:**

Explanation and Identification. Provide a general overview of the Company's plans to amend tax returns associated with the April 2023 IRS Revenue Procedure known as the Natural Gas Safe Harbor Provisions, including the timing of when such amended returns may be submitted. Identify the Company's position regarding how such modifications may impact the Company's ARM filing.

**RESPONSE:**

The Company is continuing to evaluate the options and implications for implementing the Natural Gas Safe Harbor Provisions (NGSH) as well as the impacts it will have on CGC's deferred tax balances. The NGSH Revenue Procedure does not require amendment of prior year returns. Therefore, once adopted, implementation will be applied prospectively and include a Section 481(a) adjustment for historical years. The adoption of the NGSH will result in accounting transactions that are expected to impact the 2024 deferred tax balances and will be included in CGC's 2025 ARM filing for the 2024 historical year.

*Witness:* Tiffani Weems  
Supervisor, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-10

QUESTION:

Explanation and/or Identification. Confirm that any existing customer who cancels service in the spring and requests to initiate service in the fall will not be billed for a Customer Charge in the interim months. If confirmed, provide an explanation of whether the Company has considered requesting this tariff provision. If not confirmed, please reference the tariff provision that permits this billing treatment.

RESPONSE:

CGC confirms that customers who are seasonal, meaning they cancel service in the spring and reconnect in the fall, are not billed a Customer Charge for the months in between active service. CGC has not proposed such a change to its tariff. Chattanooga Gas Company, Gas Tariff, TPUC No. 2 Sheet 8 defines the charges applicable for a seasonal reconnect:

*“(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 service under all other Rate Schedules.”*

*Witness:* Ashley Vette  
Manager of Rates and Tariff Administration  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-11

**QUESTION:**

Explanation. Refer to <2024-04-03 Schedule 35.7 ADIT Workpaper (2023)\_12916817\_1> and confirm that no federal NOL asset is incorporated into the proposed Rate Base in this filing.

**RESPONSE:**

The company has no ADITs associated with federal NOLs as of December 31, 2023, therefore none are incorporated into the proposed Rate Base in this filing.

*Witness:*       Tiffani Weems  
                  Manager, Regulatory Reporting  
                  Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-12

QUESTION:

Source & Support. Refer to the tab "Schedule 2A1" within <2024-04-18z CGC Weems Exhibit TW-1\_12947907\_1>. Provide support for the hard-coded numbers in cells S:104 (\$1,042,647) and S:107 (\$707,037).

RESPONSE:

The hard-coded amount reflected in cell S104 (\$1,042,647) represents the straight-line monthly amortization amounts for the approved 2022 deficiency. Please refer to Docket 23-00029, rebuttal testimony of Tiffani Weems, CGC Weems Exhibit TW-4, Schedule 29.

The hardcoded amount reflected in cell S107 represents the straight-line monthly amortization amounts for the approved 2021 deficiency. Please refer to docket 22-00048, rebuttal testimony of Tiffani Weems, CGC Weems Exhibit TW-4, Schedule 29.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas



**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-13

**QUESTION:**

**Explanation.** Regarding the modification to the Tennessee franchise tax, approved by Tennessee legislators, in HB 1893 and SB 2103, provide the following:

- a. Has CGC requested a refund from the Tennessee Department of Revenue? If so, provide the documentation submitted to the agency; and
- b. Provide a discussion of whether CGC believes any refunds for prior periods should be made and how any refunds for prior periods should be treated for the purposes of calculating its annual ARM mechanism.

**RESPONSE:**

- a. The Company plans to request refunds for tax years 2020-2022 by November 30, 2024.
- b. The Company believes that it is eligible for the following prior year refunds. Considering the interrelationship of Franchise and Gross Receipts Tax, how such refunds will impact future ARM filings has not been determined.

<b>Tax Year</b>	<b>Amount</b>
2020	110,543
2021	96,178
2022	47,866

*Witness:* Tiffani Weems  
Supervisor, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-14

**QUESTION:**

Source & Support. Provide a copy of the Company's state excise tax returns submitted to the Tennessee Department of Revenue for the past two years.

**RESPONSE:**

Please see CA 1-14 Attachment A and CA 1-14 Attachment B for the Company's 2021 and 2022 Tennessee Forms FAE 170 Franchise and Excise Tax Return.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

**TENNESSEE DEPARTMENT OF REVENUE**  
**2021 Franchise and Excise Tax Return**

**1023**  
**FAE**  
**170**

Tax Year Beginning 2021-01-01	Account Number 0317017224	Check all that apply:  a) Amended return <input type="checkbox"/> b) Final return <input type="checkbox"/> c) Public Law 86- 272 to excise tax <input type="checkbox"/> d) Taxpayer has made an election to calculate net worth per the provisions of Tenn. Code Ann. Section 67- 4- 2103(g)- (i) <input type="checkbox"/> e) Taxpayer has filed the prescribed form to revoke its election made per Tenn. Code Ann. Section 67- 4- 2103(g)- (i) <input type="checkbox"/> f) Annualized income installment method election for quarterly estimates <input type="checkbox"/> g) Manufacturer single sales factor election <input type="checkbox"/> h) Taxpayer has filed for federal extension <input type="checkbox"/>
Tax Year Ending 2021-12-31	FEIN 62-1366126	
NAICS 221210	SOS Control Number	

Legal Name Chattanooga Gas Company		Date Tennessee operations began (see instructions)
Mailing Address 241 Ralph McGill Boulevard, NE Bin 10139		
City Atlanta		
State GA	ZIP Code 30308-3374	

**Schedule A - Computation of Franchise Tax**

		<b>Round to the nearest dollar</b>
1. Total net worth Schedule F1, Line 5 or Schedule F2, Line 3 .....	(1)	235,424,552
2. Total real and tangible personal property from Schedule G, Line 15 .....	(2)	273,895,632
3. Franchise tax (25 cents per \$100 or major fraction thereof on the greater of Lines 1 or 2; minimum \$100) .....	(3)	684,739

**Schedule B - Computation of Excise Tax**

4. Income subject to excise tax from Schedule J, Line 34 .....	(4)	-5,922,844
5. Excise tax (6.5% of Line 4) .....	(5)	0
6. Recapture of tax credit (Schedule T, Line 13) and additional excise tax on certified distribution sales .....	(6)	0
7. Total excise tax due (add Lines 5 and 6) .....	(7)	0

**Schedule C - Computation of Total Tax Due or Overpayment**

8. Total franchise and excise taxes (add Lines 3 and 7) .....	(8)	684,739
9. Total credit from Schedule D, Line 10 (cannot exceed Schedule C, Line 8) .....	(9)	0
10. Net tax (subtract Line 9 from Line 8; if Line 9 exceeds Line 8, enter zero here) .....	(10)	684,739
11. Total payments from Schedule E, Line 7 .....	(11)	791,980
12. Penalty (see instructions) .....	(12)	0
13. Interest (see instructions) .....	(13)	0
14. Penalty on estimated franchise and excise tax payments .....	(14)	0
15. Interest on estimated franchise and excise tax payments .....	(15)	0
16. Total amount due (overpaid) (add Lines 10, 12, 13, 14, and 15, subtract Line 11) .....	(16)	-107,241

If overpayment reported on Line 16, complete A and/or B below:

A. Credit to next year's tax \$ 107,241      B. Refund \$ 0

Power of Attorney - Check YES if this taxpayer's signature certifies that this tax preparer has the authority to execute this form on behalf of the taxpayer and is authorized to receive and inspect confidential tax information and to perform any and all acts relating to respective tax matters.  <input type="checkbox"/> YES	Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.			
	Taxpayer's Signature GRACE KOLVEREID		Date	Title SVP, ACCOUNTING
	Tax Preparer's Signature		Preparer's PTIN	Date      Telephone
	Preparer's Address		City	State      ZIP Code
	Preparer's Email Address			

**FOR OFFICE USE ONLY**

--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--	--	--

**F1.00.01 TN170P01**

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule D - Schedule of Credits**

1. Gross Premiums Tax Credit (cannot exceed Schedule C, Line 8) .....	(1)	0
2. Tennessee income tax (cannot exceed Schedule B, Line 5) .....	(2)	0
3. Green Energy Tax Credit from business plans filed prior to July 1, 2015 .....	(3)	0
4. Brownfield Property Credit .....	(4)	0
5. Broadband Internet Access Tax Credit carryover for service providers .....	(5)	0
6. Industrial Machinery and Research and Development Tax Credit from Schedule T, Line 11 .....	(6)	0
7. Job Tax Credit from Schedule X, Line 46 .....	(7)	0
8. Additional Annual Job Tax Credit from Schedule X, Line 38 .....	(8)	0
9. Qualified Production Credit from Schedule QP, Line 12 .....	(9)	0
10. Total credit (add Lines 1 through 9; enter here and on Schedule C, Line 9) .....	(10)	0

**Schedule E - Schedule of Required Quarterly Installments and Payments**

	Required Quarterly Installments	Amount Paid
1. Overpayment from previous year, if available .....	(1)	97,980
2. First quarterly estimate .....	(2a) 0	(2b) 360,000
3. Second quarterly estimate .....	(3a) 0	(3b) 40,000
4. Third quarterly estimate .....	(4a) 0	(4b) 0
5. Fourth quarterly estimate .....	(5a) 0	(5b) 203,000
6. Extension payment .....	(6)	91,000
7. Total payments (add Lines 1 through 6; enter here and on Schedule C, Line 11) .....	(7)	791,980

**Computation of Franchise Tax****Schedule F1 - Non-Consolidated Net Worth**

1. Net worth (total assets less total liabilities) .....	(1)	116,327,959
2. Indebtedness to or guaranteed by parent or affiliated corporation (cannot be a deduction) .....	(2)	119,966,905
3. Total (add Lines 1 and 2) .....	(3)	236,294,864
4. Franchise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) .....	(4)	99.631684 %
5. Total (multiply Line 3 by Line 4; enter here and on Schedule A, Line 1) .....	(5)	235,424,552

**Schedule F2 - Consolidated Net Worth**Schedule F2 is to be completed only if the Consolidated Net Worth Election Registration Application has been filed.

1. Consolidated net worth (total assets less total liabilities of the affiliated group) .....	(1)	0
2. Franchise tax apportionment ratio (Schedule 170NC, 170SF or 170SC) .....	(2)	0.000000 %
3. Total (multiply Line 1 by Line 2; enter here and on Schedule A, Line 1) .....	(3)	0

**Schedule G - Determination of Real and Tangible Property****Book Value of Property Owned - Cost less accumulated depreciation**

	In Tennessee
1. Land .....	(1) 0
2. Buildings, leaseholds, and improvements .....	(2) 0
3. Machinery, equipment, furniture, and fixtures .....	(3) 266,983,860
4. Automobiles and trucks .....	(4) 0
5. Prepaid supplies and other tangible personal property .....	(5) 0
6. Ownership share of real and tangible property of a partnership that does not file a return .....	(6) 0
7. a. Inventories and work in progress .....	(7a) 5,547,116
b. Exempt finished goods inventory in excess of \$30 million .....	(7b) 0
8. Certified pollution control equipment (include copy of certificate) and equipment used to produce electricity at a certified green energy production facility .....	(8) 0
9. Exempt required capital investment .....	(9) 0
10. Subtotal (add Lines 1 through 7a, subtract Lines 7b through 9) .....	(10) 272,530,976

**Rental Value of Property Used but Not Owned**

Net Annual Rental Paid for:

	In Tennessee	
11. Real property .....	170,582	x8 (11) 1,364,656
12. Machinery and equipment used in manufacturing and processing .....	0	x3 (12) 0
13. Furniture, office machinery, and equipment .....	0	x2 (13) 0
14. Delivery or mobile equipment .....	0	x1 (14) 0
15. Tennessee total (add Lines 10 through 14; enter here and on Schedule A, Line 2) .....		(15) 273,895,632

**Schedule H - Gross Receipts**

1. Gross receipts or sales per federal income tax return .....	(1)	88,279,253
--	-----	------------

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Computation of Excise Tax****Schedule J1 - Computation of Net Earnings for Entities Treated as Partnerships****Additions:**

1. Ordinary Income or Loss (federal Form 1065, Line 22)	(1)	0
2. Income items specifically allocated to partners, including guaranteed payments to partners	(2)	0
3. Any net loss or expense distributed to a publicly traded REIT	(3)	0
4. Total additions (add Lines 1 through 3)	(4)	0

**Deductions:**

5. Expense items specifically allocated to partners not deducted elsewhere	(5)	0
6. Amount subject to self-employment taxes distributable or paid to each partner or member net of any pass-through expense deducted elsewhere on this return (if negative, enter zero) (include on Schedule K, Line 3)	(6)	0
7. Amount of contribution to qualified pension or benefit plans of any partner or member, including all IRC 401 plans (include on Schedule K, Line 3)	(7)	0
8. Any net gain or income distributed to a publicly traded REIT	(8)	0
9. Any loss on the sale of an asset sold within 12 months after the date of distribution	(9)	0
10. Total deductions (add Lines 5 through 9)	(10)	0
11. Total (subtract Line 10 from Line 4; enter here and on Schedule J, Line 1)	(11)	0

**Schedule J2 - Computation of Net Earnings for a Single Member LLC Filing as an Individual****Additions:**

1. Business Income or loss from federal Form 1040, Schedule C	(1)	0
2. Business Income or loss from federal Form 1040, Schedule D	(2)	0
3. Business Income or loss from federal Form 1040, Schedule E	(3)	0
4. Business Income or loss from federal Form 1040, Schedule F	(4)	0
5. Business Income or loss from federal Form 4797	(5)	0
6. Other: federal Form _____, Schedule _____	(6)	0
7. Total additions (add Lines 1 through 6)	(7)	0

**Deductions:**

8. Amount subject to self-employment taxes distributable or paid to the single member (if negative, enter zero; include on Schedule K, Line 3)	(8)	0
9. Total (subtract Line 8 from Line 7; enter here and on Schedule J, Line 1)	(9)	0

**Schedule J3 - Computation of Net Earnings for Entities Treated as Subchapter S Corporations****Additions:**

1. Ordinary income or loss (federal Form 1120S, Line 21)	(1)	0
2. Income items to extent includable in federal income were it not for "S" status election	(2)	0
3. Total additions (add Lines 1 and 2)	(3)	0

**Deductions:**

4. Expense items to extent includable in federal expenses were it not for "S" status election	(4)	0
5. Any loss on the sale of an asset sold within 12 months after the date of distribution	(5)	0
6. Total deductions (add Lines 4 and 5)	(6)	0
7. Total (subtract Line 6 from Line 3; enter here and on Schedule J, Line 1)	(7)	0

**Schedule J4 - Computation of Net Earnings for Entities Treated as Corporations and Other Entities****Additions:**

1. Taxable income or loss before net operating loss deduction and special deductions (federal Form 1120, Line 28)	(1)	-1,730,958
2. a. REIT taxable income before net operating loss deduction and special deductions (federal Form 1120-REIT, Line 20)	(2a)	0
b. REIT deduction for dividends paid (federal Form 1120-REIT, Line 21b)	(2b)	0
c. REIT taxable income after dividends paid deduction (subtract Line 2b from Line 2a)	(2c)	0
3. Unrelated business taxable income (federal Form 990-T, Line 5)	(3)	0
4. Other: federal Form _____	(4)	0
5. Contribution carryover from prior period(s)	(5)	0
6. Capital gains offset by capital loss carryover or carryback	(6)	0
7. Total additions (add Lines 1 through 6)	(7)	-1,730,958

**Deductions:**

8. Contributions in excess of amount allowed by federal government	(8)	2,853
9. Portion of current year's capital loss not included in federal taxable income	(9)	0
10. Total deductions (add Lines 8 and 9)	(10)	2,853
11. Total (subtract Line 10 from Line 7; enter here and on Schedule J, Line 1)	(11)	-1,733,811

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule J - Computation of Net Earnings Subject to Excise Tax**

1. Federal income or loss (enter amount from Schedule J1, J2, J3, or J4) ..... (1) -1,733,811

**Additions:**

2. Intangible expenses paid, accrued, or incurred to an affiliated business entity or entities deducted for federal income tax purposes ..... (2) 0

3. Any depreciation under the provisions of IRC Section 168 not permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation ..... (3) 0

4. Gain on the sale of an asset sold within 12 months after the date of distribution to a nontaxable entity ..... (4) 0

5. Tennessee excise tax expense (to the extent reported for federal income tax purposes) ..... (5) 0

6. Gross premiums tax deducted in determining federal income and used as an excise tax credit ..... (6) 0

7. Interest income on obligations of states and their political subdivisions, less allowable amortization ..... (7) 0

8. Depletion not based on actual recovery of cost ..... (8) 0

9. Excess fair market value over book value of property donated ..... (9) 0

10. Excess rent to/from an affiliate ..... (10) 0

11. Net loss or expense received from a pass-through entity subject to the excise tax (attach schedule)..... (11) 0

12. An amount equal to five percent of IRC Section 951A global intangible low- taxed income deducted on Line 26 ..... (12) 0

13. Business interest expense deducted in arriving at the amount reported on Sch. J, Line 1. Only complete if federal Form 8990 was filed. See instructions ..... (13) 0

14. Total additions (add Lines 2 through 13) ..... (14) 0

**Deductions:**

15. Any depreciation under the provisions of IRC Section 168 permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation ..... (15) 3,003,689

16. Any excess gain (or loss) from the basis adjustment resulting from Tennessee permanently decoupling from federal bonus depreciation ..... (16) 1,207,239

17. Dividends received from corporations at least 80% owned ..... (17) 0

18. Donations to qualified public school support groups and nonprofit organizations ..... (18) 0

19. Any expense other than income taxes not deducted in determining federal taxable income for which a credit against the federal income tax was allowed ..... (19) 0

20. Adjustments related to the safe harbor lease election (see instructions) ..... (20) 0

21. Nonbusiness earnings (from Schedule M, Line 8) ..... (21) 0

22. Intangible expenses paid, accrued, or incurred to an affiliated entity or entities (from Form IE, Line 4) Attach Form IE - Intangible Expense Disclosure ..... (22) 0

23. Intangible income from an affiliated business entity or entities if the corresponding intangible expenses have not been deducted by the affiliate(s) under Tenn. Code Ann. Section 67-4-2006(b)(2)(N) ..... (23) 0

24. Net gain or income received from a pass-through entity subject to the excise tax (attach schedule)..... (24) 0

25. Deductible Grants from governmental units and Eligible Relief Payments Received ..... (25) 0

26. IRC Section 951A global intangible low- taxed income ..... (26) 0

27. a. Business interest expense currently deductible. See instructions ..... (27a) 0

b. Business interest expense carryforward available for future tax years ..... (27b) 0

28. Total deductions (add Lines 15 through 27a)..... (28) 4,210,928

**Computation of Taxable Income**

29. Total business income (loss) (add Lines 1 and 14, subtract Line 28; if loss, enter on Schedule K, Line 1) ..... (29) -5,944,739

30. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) ..... (30) 99.631684 %

31. Apportioned business income (loss) (multiply Line 29 by Line 30) ..... (31) -5,922,844

32. Nonbusiness earnings directly allocated to Tennessee (from Schedule M, Line 9) ..... (32) 0

33. Loss carryover from prior years (from Schedule U) ..... (33) 0

34. Subject to excise tax (add Line 31 and 32, subtract Line 33; enter here and on Schedule B, Line 4) ..... (34) -5,922,844

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule K - Determination of Loss Carryover Available**

1. Net loss from Schedule J, Line 29 .....	(1)	-5,944,739
<b>Additions:</b>		
2. Amounts reported on Schedule J, Lines 17 and 21 .....	(2)	0
3. Amounts reported on Schedule J1, Lines 6 and 7, and Schedule J2, Line 8 .....	(3)	0
4. Reduced loss (add Lines 1 through 3; if net amount is positive, enter zero) .....	(4)	-5,944,739
5. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) .....	(5)	99.631684 %
6. Current year loss carryover available (multiply Line 4 by Line 5) .....	(6)	-5,922,844

**Schedule M - Nonbusiness Earnings**

Allocation and apportionment schedules may be used only by taxpayers doing business outside the state of Tennessee within the meaning of Tenn. Code Ann. sections 67-4-2010 and 67-4-2110. The burden is on the taxpayer to show that the taxpayer has the right to apportion.

If all earnings are business earnings as defined below, do not complete this schedule. Any nonbusiness earnings, less related expenses, are subject to direct allocation and should be reported in this schedule.

"Business Earnings" - 1) earnings arising from transactions and activity in the regular course of the taxpayer's trade or business, or 2) earnings from tangible and intangible property if the acquisition, use, management, or disposition of the property constitutes an integral part of the taxpayer's regular trade or business operations.

Earnings which arise from the conduct of the trade or trades or business operations of a taxpayer are business earnings, and the taxpayer must show by clear and cogent evidence that particular earnings are classifiable as nonbusiness earnings. A taxpayer may have more than one regular trade or business in determining whether income is business earnings.

"Nonbusiness Earnings" - all earnings other than business earnings

Description of Nonbusiness Earnings (If further description is necessary, see below)	Gross Amounts	*Less Related Expenses	Net Amounts	Net Amounts Allocated Directly to Tennessee
1. _____	0	0	0	0
2. _____	0	0	0	0
3. _____	0	0	0	0
4. _____	0	0	0	0
5. _____	0	0	0	0
6. _____	0	0	0	0
7. _____	0	0	0	0
8. Total nonbusiness earnings (Enter here and on Schedule J, Line 21)			0	
9. Nonbusiness earnings allocated directly (Enter here and on Schedule J, Line 32)				0

If necessary, describe source of nonbusiness earnings and explain why such earnings do not constitute business earnings as defined above. Enumerate these items to correspond with items listed above.

\* As a general rule, the allowable deductions for expenses of a taxpayer are related to both business and nonbusiness earnings. Items such as administrative costs, taxes, insurance, repairs, maintenance, and depreciation are to be considered. In the absence of evidence to the contrary, it is assumed that the expenses related to nonbusiness rental earnings will be an amount equal to 50% of such earnings and that expenses related to other nonbusiness earnings will be an amount equal to 5% of such earnings (see TENN. COMP. R. & REGS. 1320-06-01.23(3)).

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule N - Apportionment - Standard**

Property	In Tennessee		Total Everywhere	
	a. Beginning of Taxable year	b. End of Taxable year	a. Beginning of Taxable year	b. End of Taxable year
Use original cost of assets				
1. Land, buildings, leaseholds, and improvements .....	0	0	0	0
2. Machinery, equipment, furniture, and fixtures .....	352,904,727	380,884,325	352,904,727	380,884,325
3. Automobiles and trucks .....	0	0	0	0
4. Inventories and work in progress .....	5,067,842	5,547,116	9,994,337	14,637,832
5. Prepaid supplies and other property .....	0	0	0	0
6. Ownership share of real and tangible property of a partnership that does not file a return .....	0	0	0	0
7. Excise tax total (add Lines 1 through 6) .....	a. 357,972,569	b. 386,431,441	a. 362,899,064	b. 395,522,157
8. Exempt inventory .....	0	0	0	0
9. Franchise tax total (subtract Line 8 from Line 7) .....	a. 357,972,569	b. 386,431,441	a. 362,899,064	b. 395,522,157
10. Excise tax average value (add Lines 7(a) & (b), divide by two)		372,202,005		379,210,611
11. Franchise tax average value (add Lines 9(a) & (b), divide by 2)		372,202,005		379,210,611
12. Rented property (rent paid x 8) .....		1,364,656		1,364,656
Use triple weighted sales factor	a. In Tennessee	b. Total Everywhere	c. Franchise Ratio	d. Excise Ratio
13. Excise tax property factor (add Lines 10 and 12) .....	373,566,661	380,575,267		98.158418 %
14. Franchise tax property factor (add Lines 11 and 12) .....	373,566,661	380,575,267	98.158418 %	
15. Payroll factor .....	4,699,325	4,699,325	100.000000 %	100.000000 %
16. Sales factor (business gross receipts) .....	89,201,413	89,201,413	100.000000 %	100.000000 %
17. Total ratios (add Lines 13- 15 and (Line 16 x three)) .....			498.158418 %	498.158418 %
18. Apportionment ratio (divide Line 17 by five, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Sch. F1, Line 4. Enter excise tax apportionment ratio on Sch. J, Line 30.) .....			99.631684 %	99.631684 %

**Schedule O - Apportionment - Common Carriers (railroads, motor carriers, pipelines and barges)**

	In Tennessee	Total Everywhere	Ratio
1. Total franchise mileage (odometer miles) .....	0	0	0.000000 %
2. Tennessee gross intrastate receipts and interstate gross receipts everywhere .....	0	0	0.000000 %
3. Total ratios (add Lines 1 and 2) .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 30.) .....			0.000000 %

**Schedule P - Apportionment - Air Carriers**

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue .....	0	0	0.000000 %
2. Air miles flown (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both) .....	0	0	0.000000 %
3. Total ratios (add Lines 1 and 2) .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 30.) .....			0.000000 %

**Schedule R - Apportionment - Air Express Carriers**

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue .....	0	0	0.000000 %
2. Air miles flown and ground miles traveled (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both. Include only ground miles traveled with respect to actual common carriage of persons or property for hire.) .....	0	0	0.000000 %
3. Total ratios .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 30.) .....			0.000000 %

**Schedule S - Apportionment - Manufacturer Single Sales Factor**

	In Tennessee	Total Everywhere	Ratio
1. Sales factor (business gross receipts) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 30.) .....	0	0	0.000000 %



Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

## Schedule T - Industrial Machinery and Research and Development Equipment Tax Credit

### Part 1: Tax Credit Computation

Franchise and excise taxes may be reduced by a credit on industrial machinery and research and development equipment purchased during the tax period covered by the return and located in Tennessee. The credit is generally computed at 1% of the purchase price of qualified industrial machinery and research and development equipment. The credit taken on any return cannot exceed 50% of the current year's franchise and excise tax liability, but any unused credit may be carried forward 15 years under Tenn. Code Ann. Section 67-4-2009(3).

1. Purchase price of industrial machinery and research and development equipment .....	(1)	0
2. Percentage allowed (generally 1%*) .....	(2)	1 %
3. Current year credit (multiply Line 1 by Line 2) .....	(3)	0
4. Credit available from prior year(s) (from Schedule V) .....	(4)	0
5. Total credit available (add Lines 3 and 4) .....	(5)	0
6. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5) .....	(6)	684,739
7. Limitation on credit (50% of Line 6) .....	(7)	342,370
8. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5) .....	(8)	684,739
9. Credits from Schedule D, Lines 1 through 5 and Schedule D, Line 8 .....	(9)	0
10. Tax before Industrial Machinery Credit (subtract Line 9 from Line 8) .....	(10)	684,739
11. Amount available in current year (enter the smaller value of Lines 5, 7, or 10 here, and on Schedule D, Line 6) .....	(11)	0

### Part 2: Recapture of Tax Credit

The Industrial Machinery Tax Credit previously established on this form must be partially recaptured if the equipment on which it was based was sold or removed from the state before the end of the equipment's life as established for federal income tax purposes. The recapture amount is a percentage of useful life remaining at the time of sale or removal multiplied by the credit originally established on this form. Previously established credits have either offset tax or populated the carryover table Schedule V. Complete the Industrial Machinery Credit Recapture Worksheet and then enter the applicable recapture amounts on Lines 12 and 13 below.

12. Reduction to credit carryover table, Schedule V, from recapture worksheet, Part 2, Line 16 .....	(12)	0
13. Recapture of credit from recapture worksheet, Part 2, Line 17 (enter here and on Schedule B, Line 6) .....	(13)	0

\*The percentage allowed on Part 1, Line 2 above is 1%, unless the taxpayer has met the requirements of Tenn. Code Ann. Section 67-4-2009(3)(l) and has been approved by the Commissioner of Revenue for an enhanced rate based on the investment amount. The statutory minimum investment requirements and applicable rates for the enhanced credit are shown on the following chart:

Minimum Required Capital Investment	Rate of Credit
\$100,000,000	3%
\$250,000,000	5%
\$500,000,000	7%
\$1,000,000,000	10%

Taxable Year	Taxpayer Name	Account No./FEIN
2021-01-01 TO 2021-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule U - Schedule of Loss Carryover**

Year	Period Ended (MM/YY)	Original Return or as Amended	Used in Prior Year(s)	Expired	Loss Carryover Available
1		0	0	0	0
2		0	0	0	0
3		0	0	0	0
4		0	0	0	0
5		0	0	0	0
6		0	0	0	0
7		0	0	0	0
8		0	0	0	0
9		0	0	0	0
10		0	0	0	0
11		0	0	0	0
12		0	0	0	0
13		0	0	0	0
14		0	0	0	0
15		0	0	0	0
Total Amount (Enter here and on Schedule J, Line 33) .....					0

**Schedule V - Schedule of Industrial Machinery and Research and Development Equipment Credit Carryover**

Year	Period Ended (MM/YY)	Original Return or as Amended	Used In Prior Year(s)	Expired or Recaptured	Industrial Machinery Credit Carryover Available
1		0	0	0	0
2		0	0	0	0
3		0	0	0	0
4		0	0	0	0
5		0	0	0	0
6		0	0	0	0
7		0	0	0	0
8		0	0	0	0
9		0	0	0	0
10		0	0	0	0
11		0	0	0	0
12		0	0	0	0
13		0	0	0	0
14		0	0	0	0
15		0	0	0	0
Total Amount (Enter here and on Schedule T, Line 4) .....					0

## TENNESSEE DEPARTMENT OF REVENUE

## 2022 Franchise and Excise Tax Return

1023  
FAE  
170

Tax Year Beginning	Account Number	Check all that apply:
2022-01-01	0317017224	
Tax Year Ending	FEIN	
2022-12-31	62-1366126	
NAICS	SOS Control Number	
221210		

Legal Name		a) Amended return <input type="checkbox"/> b) Final return <input type="checkbox"/> c) Public Law 86- 272 applied to excise tax <input type="checkbox"/> d) Taxpayer has made an election to calculate net worth per the provisions of Tenn. Code Ann. Section 67- 4- 2103(g)- (i) <input type="checkbox"/> e) Taxpayer has filed the prescribed form to revoke its election made per Tenn. Code Ann. Section 67- 4- 2103(g)- (i) <input type="checkbox"/> f) Annualized income installment method for quarterly estimates election <input type="checkbox"/> g) Manufacturer single sales factor election <input type="checkbox"/> h) Revoke manufacturer single sales factor election <input type="checkbox"/> i) Taxpayer has filed for federal extension <input type="checkbox"/>
Chattanooga Gas Company		
Mailing Address		
241 Ralph McGill Boulevard, NE		
Bin 10139		
City		
Atlanta		
State	ZIP Code	Date Tennessee operations began (see instructions)
GA	30308-3374	

## Schedule A - Computation of Franchise Tax

		Round to the nearest dollar
1. Total net worth Schedule F1, Line 5 or Schedule F2, Line 3 .....	(1)	272,989,020
2. Total real and tangible personal property from Schedule G, Line 15 .....	(2)	292,135,611
3. Franchise tax (25 cents per \$100 or major fraction thereof on the greater of Lines 1 or 2; minimum \$100) .....	(3)	730,339

## Schedule B - Computation of Excise Tax

4. Income subject to excise tax from Schedule J, Line 36 .....	(4)	-488,392
5. Excise tax (6.5% of Line 4) .....	(5)	0
6. Recapture of tax credit (Schedule T, Line 13) and additional excise tax on certified distribution sales .....	(6)	0
7. Total excise tax due (add Lines 5 and 6) .....	(7)	0

## Schedule C - Computation of Total Tax Due or Overpayment

8. Total franchise and excise taxes (add Lines 3 and 7) .....	(8)	730,339
9. Total credit from Schedule D, Line 9 (cannot exceed Schedule C, Line 8) .....	(9)	0
10. Net tax (subtract Line 9 from Line 8; if Line 9 exceeds Line 8, enter zero here) .....	(10)	730,339
11. Total payments from Schedule E, Line 7 .....	(11)	797,241
12. Penalty (see instructions) .....	(12)	0
13. Interest (see instructions) .....	(13)	0
14. Penalty on estimated franchise and excise tax payments .....	(14)	0
15. Interest on estimated franchise and excise tax payments .....	(15)	0
16. Total amount due (overpaid) (add Lines 10, 12, 13, 14, and 15, subtract Line 11) .....	(16)	-66,902

If overpayment reported on Line 16, complete A and/or B below:

A. Credit to next year's tax \$ 66,902 B. Refund \$ 0

Power of Attorney - Check YES if this taxpayer's signature certifies that this tax preparer has the authority to execute this form on behalf of the taxpayer and is authorized to receive and inspect confidential tax information and to perform any and all acts relating to respective tax matters.  <input type="checkbox"/> YES	Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.				
	Taxpayer's Signature GRACE KOLVEREID		Date	Title SVP, ACCOUNTING	
	Tax Preparer's Signature		Preparer's PTIN	Date	Telephone
	Preparer's Address		City	State	ZIP Code
	Preparer's Email Address				

FOR OFFICE USE ONLY

--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--	--	--

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule D - Schedule of Credits**

1. Gross Premiums Tax Credit (cannot exceed Schedule C, Line 8).....	(1)	0
2. Green Energy Tax Credit from business plans filed prior to July 1, 2015 .....	(2)	0
3. Brownfield Property Credit .....	(3)	0
4. Broadband Internet Access Tax Credit carryover for service providers.....	(4)	0
5. Industrial Machinery and Research and Development Tax Credit from Schedule T, Line 11 .....	(5)	0
6. Job Tax Credit from Schedule X, Line 46.....	(6)	0
7. Additional Annual Job Tax Credit from Schedule X, Line 38.....	(7)	0
8. Qualified Production Credit from Schedule QP, Line 12 .....	(8)	0
9. Total credit (add Lines 1 through 8; enter here and on Schedule C, Line 9) .....	(9)	0

**Schedule E - Schedule of Required Quarterly Installments and Payments**

	Required Quarterly Installments	Amount Paid
1. Overpayment from previous year, if available .....	(1)	107,241
2. First quarterly estimate .....	(2a) 0	(2b) 500,000
3. Second quarterly estimate .....	(3a) 0	(3b) 0
4. Third quarterly estimate .....	(4a) 0	(4b) 0
5. Fourth quarterly estimate .....	(5a) 0	(5b) 90,000
6. Extension payment .....	(6)	100,000
7. Total payments (add Lines 1 through 6; enter here and on Schedule C, Line 11) .....	(7)	797,241

**Computation of Franchise Tax****Schedule F1 - Non-Consolidated Net Worth**

1. Net worth (total assets less total liabilities) .....	(1)	135,254,318
2. Indebtedness to or guaranteed by parent or affiliated corporation (cannot be a deduction) .....	(2)	139,485,307
3. Total (add Lines 1 and 2) .....	(3)	274,739,625
4. Franchise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) .....	(4)	99.362813 %
5. Total (multiply Line 3 by Line 4; enter here and on Schedule A, Line 1) .....	(5)	272,989,020

**Schedule F2 - Consolidated Net Worth**Schedule F2 is to be completed only if the Consolidated Net Worth Election Registration Application has been filed.

1. Consolidated net worth (total assets less total liabilities of the affiliated group) .....	(1)	0
2. Franchise tax apportionment ratio (Schedule 170NC, 170SF or 170SC) .....	(2)	0.000000 %
3. Total (multiply Line 1 by Line 2; enter here and on Schedule A, Line 1) .....	(3)	0

**Schedule G - Determination of Real and Tangible Property****Book Value of Property Owned - Cost less accumulated depreciation**

	In Tennessee
1. Land .....	(1) 0
2. Buildings, leaseholds, and improvements .....	(2) 0
3. Machinery, equipment, furniture, and fixtures .....	(3) 283,023,848
4. Automobiles and trucks .....	(4) 0
5. Prepaid supplies and other tangible personal property .....	(5) 0
6. Ownership share of real and tangible property of a partnership that does not file a return .....	(6) 0
7. a. Inventories and work in progress .....	(7a) 6,898,563
b. Exempt finished goods inventory in excess of \$30 million .....	(7b) 0
8. Certified pollution control equipment (include copy of certificate) and equipment used to produce electricity at a certified green energy production facility .....	(8) 0
9. Exempt required capital investment .....	(9) 0
10. Subtotal (add Lines 1 through 7a, subtract Lines 7b through 9) .....	(10) 289,922,411

**Rental Value of Property Used but Not Owned**

Net Annual Rental Paid for:	In Tennessee	
11. Real property .....	276,650	x8 (11) 2,213,200
12. Machinery and equipment used in manufacturing and processing .....	0	x3 (12) 0
13. Furniture, office machinery, and equipment .....	0	x2 (13) 0
14. Delivery or mobile equipment .....	0	x1 (14) 0
15. Tennessee total (add Lines 10 through 14; enter here and on Schedule A, Line 2) .....		(15) 292,135,611

**Schedule H - Gross Receipts**

1. Gross receipts or sales per federal income tax return .....	(1)	121,507,718
--	-----	-------------

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Computation of Excise Tax****Schedule J1 - Computation of Net Earnings for Entities Treated as Partnerships****Additions:**

1. Ordinary Income or Loss (federal Form 1065, Line 22) .....	(1)	0
2. Income items specifically allocated to partners, including guaranteed payments to partners .....	(2)	0
3. Any net loss or expense distributed to a publicly traded REIT .....	(3)	0
4. Total additions (add Lines 1 through 3) .....	(4)	0

**Deductions:**

5. Expense items specifically allocated to partners not deducted elsewhere .....	(5)	0
6. Amount subject to self-employment taxes distributable or paid to each partner or member net of any pass-through expense deducted elsewhere on this return (if negative, enter zero) (include on Schedule K, Line 3) .....	(6)	0
7. Amount of contribution to qualified pension or benefit plans of any partner or member, including all IRC 401 plans (include on Schedule K, Line 3) .....	(7)	0
8. Any net gain or income distributed to a publicly traded REIT .....	(8)	0
9. Any loss on the sale of an asset sold within 12 months after the date of distribution .....	(9)	0
10. Total deductions (add Lines 5 through 9) .....	(10)	0
11. Total (subtract Line 10 from Line 4; enter here and on Schedule J, Line 1) .....	(11)	0

**Schedule J2 - Computation of Net Earnings for a Single Member LLC Filing as an Individual****Additions:**

1. Business Income or loss from federal Form 1040, Schedule C .....	(1)	0
2. Business Income or loss from federal Form 1040, Schedule D .....	(2)	0
3. Business Income or loss from federal Form 1040, Schedule E .....	(3)	0
4. Business Income or loss from federal Form 1040, Schedule F .....	(4)	0
5. Business Income or loss from federal Form 4797 .....	(5)	0
6. Other: federal Form _____, Schedule _____ .....	(6)	0
7. Total additions (add Lines 1 through 6) .....	(7)	0

**Deductions:**

8. Amount subject to self-employment taxes distributable or paid to the single member (if negative, enter zero; include on Schedule K, Line 3) .....	(8)	0
9. Total (subtract Line 8 from Line 7; enter here and on Schedule J, Line 1) .....	(9)	0

**Schedule J3 - Computation of Net Earnings for Entities Treated as Subchapter S Corporations****Additions:**

1. Ordinary income or loss (federal Form 1120S, Line 21) .....	(1)	0
2. Income items to extent includable in federal income were it not for "S" status election .....	(2)	0
3. Total additions (add Lines 1 and 2) .....	(3)	0

**Deductions:**

4. Expense items to extent includable in federal expenses were it not for "S" status election .....	(4)	0
5. Any loss on the sale of an asset sold within 12 months after the date of distribution .....	(5)	0
6. Total deductions (add Lines 4 and 5) .....	(6)	0
7. Total (subtract Line 6 from Line 3; enter here and on Schedule J, Line 1) .....	(7)	0

**Schedule J4 - Computation of Net Earnings for Entities Treated as Corporations and Other Entities****Additions:**

1. Taxable income or loss before net operating loss deduction and special deductions (federal Form 1120, Line 28) .....	(1)	4,155,724
2. a. REIT taxable income before net operating loss deduction and special deductions (federal Form 1120-REIT, Line 20) .....	(2a)	0
b. REIT deduction for dividends paid (federal Form 1120-REIT, Line 21b) .....	(2b)	0
c. REIT taxable income after dividends paid deduction (subtract Line 2b from Line 2a) .....	(2c)	0
3. Unrelated business taxable income (federal Form 990-T, Line 5) .....	(3)	0
4. Other: federal Form _____ .....	(4)	0
5. Contribution carryover from prior period(s) .....	(5)	0
6. Capital gains offset by capital loss carryover or carryback .....	(6)	0
7. Total additions (add Lines 1 through 6) .....	(7)	4,155,724

**Deductions:**

8. Contributions in excess of amount allowed by federal government .....	(8)	0
9. Portion of current year's capital loss not included in federal taxable income .....	(9)	0
10. Total deductions (add Lines 8 and 9) .....	(10)	0
11. Total (subtract Line 10 from Line 7; enter here and on Schedule J, Line 1) .....	(11)	4,155,724

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule J - Computation of Net Earnings Subject to Excise Tax**

1. Adjusted federal income or loss (enter amount from Schedule J1, J2, J3, or J4) ..... (1) 4,155,724

**Additions:**

2. Intangible expenses paid, accrued, or incurred to an affiliated business entity or entities deducted for federal income tax purposes ..... (2) 0

3. Any depreciation under the provisions of IRC Section 168 not permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation ..... (3) 0

4. Gain on the sale of an asset sold within 12 months after the date of distribution to a nontaxable entity ..... (4) 0

5. Tennessee excise tax expense (to the extent reported for federal income tax purposes) ..... (5) 0

6. Gross premiums tax deducted in determining federal income and used as an excise tax credit ..... (6) 0

7. Interest income on obligations of states and their political subdivisions, less allowable amortization ..... (7) 0

8. Depletion not based on actual recovery of cost ..... (8) 0

9. Excess fair market value over book value of property donated ..... (9) 0

10. Excess rent to/from an affiliate ..... (10) 0

11. Net loss or expense received from a pass-through entity subject to the excise tax (attach schedule) ..... (11) 0

12. An amount equal to five percent of IRC Section 951A global intangible low-taxed income deducted on Line 27 ..... (12) 0

13. Business interest expense deducted in arriving at the amount reported on Sch. J, Line 1. Only complete if federal Form 8990 was filed. See instructions ..... (13) 0

14. Research and experimental expenditures deducted under IRC Section 174 in arriving at the amount reported on Sch. J, Line 1 ..... (14) 0

15. Total additions (add Lines 2 through 14) ..... (15) 0

**Deductions:**

16. Any depreciation under the provisions of IRC Section 168 permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation ..... (16) 2,864,405

17. Any excess gain (or loss) from the basis adjustment resulting from Tennessee permanently decoupling from federal bonus depreciation ..... (17) 1,782,843

18. Dividends received from corporations at least 80% owned ..... (18) 0

19. Donations to qualified public school support groups and nonprofit organizations ..... (19) 0

20. Any expense other than income taxes not deducted in determining federal taxable income for which a credit against the federal income tax was allowed ..... (20) 0

21. Adjustments related to the safe harbor lease election (see instructions) ..... (21) 0

22. Nonbusiness earnings (from Schedule M, Line 8) ..... (22) 0

23. Intangible expenses paid, accrued, or incurred to an affiliated entity or entities (from Form IE, Line 4) Attach Form IE - Intangible Expense Disclosure ..... (23) 0

24. Intangible income from an affiliated business entity or entities if the corresponding intangible expenses have not been deducted by the affiliate(s) under Tenn. Code Ann. Section 67-4-2006(b)(2)(N) ..... (24) 0

25. Net gain or income received from a pass-through entity subject to the excise tax (attach schedule) ..... (25) 0

26. Deductible Grants from governmental units ..... (26) 0

27. IRC Section 951A global intangible low-taxed income ..... (27) 0

28. a. Business interest expense currently deductible. See instructions ..... (28a) 0

b. Business interest expense carryforward available for future tax years ..... (28b) 0

29. Research and experimental expenditures currently deductible. See instructions ..... (29) 0

30. Total deductions (add Lines 16 through 29, excluding 28b) ..... (30) 4,647,248

**Computation of Taxable Income**

31. Total business income (loss) (add Lines 1 and 15, subtract Line 30; if loss, enter on Schedule K, Line 1) ..... (31) -491,524

32. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) ..... (32) 99.362813 %

33. Apportioned business income (loss) (multiply Line 31 by Line 32) ..... (33) -488,392

34. Nonbusiness earnings directly allocated to Tennessee (from Schedule M, Line 9) ..... (34) 0

35. Loss carryover from prior years (from Schedule U) ..... (35) 0

36. Subject to excise tax (add Line 33 and 34, subtract Line 35; enter here and on Schedule B, Line 4) ..... (36) -488,392

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

Schedule K - Determination of Loss Carryover Available

1. Net loss from Schedule J, Line 31	(1)	-491,524
Additions:		
2. Amounts reported on Schedule J, Lines 18 and 22	(2)	0
3. Amounts reported on Schedule J1, Lines 6 and 7, or Schedule J2, Line 8	(3)	0
4. Reduced loss (add Lines 1 through 3; if net amount is positive, enter zero)	(4)	-491,524
5. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%)	(5)	99.362813 %
6. Current year loss carryover available (multiply Line 4 by Line 5)	(6)	-488,392

Schedule M - Nonbusiness Earnings

Allocation and apportionment schedules may be used only by taxpayers doing business outside the state of Tennessee within the meaning of Tenn. Code Ann. sections 67-4-2010 and 67-4-2110. The burden is on the taxpayer to show that the taxpayer has the right to apportion.

If all earnings are business earnings as defined below, do not complete this schedule. Any nonbusiness earnings, less related expenses, are subject to direct allocation and should be reported in this schedule.

"Business Earnings" - 1) earnings arising from transactions and activity in the regular course of the taxpayer's trade or business, or 2) earnings from tangible and intangible property if the acquisition, use, management, or disposition of the property constitutes an integral part of the taxpayer's regular trade or business operations.

Earnings which arise from the conduct of the trade or trades or business operations of a taxpayer are business earnings, and the taxpayer must show by clear and cogent evidence that particular earnings are classifiable as nonbusiness earnings. A taxpayer may have more than one regular trade or business in determining whether income is business earnings.

"Nonbusiness Earnings" - all earnings other than business earnings

Description of Nonbusiness Earnings (If further description is necessary, see below)	Gross Amounts	*Less Related Expenses	Net Amounts	Net Amounts Allocated Directly to Tennessee
1.	0	0	0	0
2.	0	0	0	0
3.	0	0	0	0
4.	0	0	0	0
5.	0	0	0	0
6.	0	0	0	0
7.	0	0	0	0
8. Total nonbusiness earnings (Enter here and on Schedule J, Line 22)			0	
9. Nonbusiness earnings allocated directly (Enter here and on Schedule J, Line 34)				0

If necessary, describe source of nonbusiness earnings and explain why such earnings do not constitute business earnings as defined above. Enumerate these items to correspond with items listed above.

\* As a general rule, the allowable deductions for expenses of a taxpayer are related to both business and nonbusiness earnings. Items such as administrative costs, taxes, insurance, repairs, maintenance, and depreciation are to be considered. In the absence of evidence to the contrary, it is assumed that the expenses related to nonbusiness rental earnings will be an amount equal to 50% of such earnings and that expenses related to other nonbusiness earnings will be an amount equal to 5% of such earnings (see TENN. COMP. R. & REGS. 1320-06-01.23(3)).

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

**Schedule N - Apportionment - Standard**

Property	In Tennessee		Total Everywhere	
Use original cost of assets	a. Beginning of Taxable year	b. End of Taxable year	a. Beginning of Taxable year	b. End of Taxable year
1. Land, buildings, leaseholds, and improvements .....	0	0	0	0
2. Machinery, equipment, furniture, and fixtures .....	380,884,325	402,980,839	380,884,325	402,980,839
3. Automobiles and trucks .....	0	0	0	0
4. Inventories and work in progress .....	5,547,116	6,898,563	14,637,832	24,158,341
5. Prepaid supplies and other property .....	0	0	0	0
6. Ownership share of real and tangible property of a partnership that does not file a return .....	0	0	0	0
7. Excise tax total (add Lines 1 through 6) .....	a. 386,431,441	b. 409,879,402	a. 395,522,157	b. 427,139,180
8. Exempt inventory .....	0	0	0	0
9. Franchise tax total (subtract Line 8 from Line 7) .....	a. 386,431,441	b. 409,879,402	a. 395,522,157	b. 427,139,180
10. Excise tax average value (add Lines 7(a) & (b), divide by two)		398,155,422		411,330,669
11. Franchise tax average value (add Lines 9(a) & (b), divide by 2)		398,155,422		411,330,669
12. Rented property (rent paid x 8) .....		2,213,200		2,213,200
Use triple weighted sales factor	a. In Tennessee	b. Total Everywhere	c. Franchise Ratio	d. Excise Ratio
13. Excise tax property factor (add Lines 10 and 12) .....	400,368,622	413,543,869		96.814063 %
14. Franchise tax property factor (add Lines 11 and 12) .....	400,368,622	413,543,869	96.814063 %	
15. Payroll factor .....	5,132,515	5,132,515	100.000000 %	100.000000 %
16. Sales factor (business gross receipts) .....	123,541,275	123,541,275	100.000000 %	100.000000 %
17. Total ratios (add Lines 13- 15 and (Line 16 x three)) .....			496.814063 %	496.814063 %
18. Apportionment ratio (divide Line 17 by five, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Sch. F1, Line 4. Enter excise tax apportionment ratio on Sch. J, Line 32.) .....			99.362813 %	99.362813 %

**Schedule O - Apportionment - Common Carriers (railroads, motor carriers, pipelines and barges)**

	In Tennessee	Total Everywhere	Ratio
1. Total franchise mileage (odometer miles) .....	0	0	0.000000 %
2. Tennessee gross intrastate receipts and interstate gross receipts everywhere .....	0	0	0.000000 %
3. Total ratios (add Lines 1 and 2) .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero)(Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 32.) .....			0.000000 %

**Schedule P - Apportionment - Air Carriers**

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue .....	0	0	0.000000 %
2. Air miles flown (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both) .....	0	0	0.000000 %
3. Total ratios (add Lines 1 and 2) .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero)(Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 32.) .....			0.000000 %

**Schedule R - Apportionment - Air Express Carriers**

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue .....	0	0	0.000000 %
2. Air miles flown and ground miles traveled (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both. Include only ground miles traveled with respect to actual common carriage of persons or property for hire.) .....	0	0	0.000000 %
3. Total ratios .....			0.000000 %
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero)(Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 32.) .....			0.000000 %

**Schedule S - Apportionment - Manufacturer Single Sales Factor**

	In Tennessee	Total Everywhere	Ratio
1. Sales factor (business gross receipts)(Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 32.) .....	0	0	0.000000 %



Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

## Schedule T - Industrial Machinery and Research and Development Equipment Tax Credit

### Part 1: Tax Credit Computation

Franchise and excise taxes may be reduced by a credit on industrial machinery and research and development equipment purchased during the tax period covered by the return and located in Tennessee. The credit is generally computed at 1% of the purchase price of qualified industrial machinery and research and development equipment. The credit taken on any return cannot exceed 50% of the current year's franchise and excise tax liability, but any unused credit may be carried forward 15 years under Tenn. Code Ann. Section 67-4-2009(3).

1. Purchase price of industrial machinery and research and development equipment .....	(1)	0
2. Percentage allowed (generally 1%*) .....	(2)	1 %
3. Current year credit (multiply Line 1 by Line 2) .....	(3)	0
4. Credit available from prior year(s) (from Schedule V) .....	(4)	0
5. Total credit available (add Lines 3 and 4) .....	(5)	0
6. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5) .....	(6)	730,339
7. Limitation on credit (50% of Line 6) .....	(7)	365,170
8. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5) .....	(8)	730,339
9. Credits from Schedule D, Lines 1 through 4 and Schedule D, Line 7 .....	(9)	0
10. Tax before Industrial Machinery Credit (subtract Line 9 from Line 8) .....	(10)	730,339
11. Amount available in current year (enter the smaller value of Lines 5, 7, or 10 here, and on Schedule D, Line 5) .....	(11)	0

### Part 2: Recapture of Tax Credit

The Industrial Machinery Tax Credit previously established on this form must be partially recaptured if the equipment on which it was based was sold or removed from the state before the end of the equipment's life as established for federal income tax purposes. The recapture amount is a percentage of useful life remaining at the time of sale or removal multiplied by the credit originally established on this form. Previously established credits have either offset tax or populated the carryover table Schedule V. Complete the Industrial Machinery Credit Recapture Worksheet and then enter the applicable recapture amounts on Lines 12 and 13 below.

12. Reduction to credit carryover table, Schedule V, from recapture worksheet, Part 2, Line 16 .....	(12)	0
13. Recapture of credit from recapture worksheet, Part 2, Line 17 (enter here and on Schedule B, Line 6) .....	(13)	0

\*The percentage allowed on Part 1, Line 2 above is 1%, unless the taxpayer has met the requirements of Tenn. Code Ann. Section 67-4-2009(3)(I) and has been approved by the Commissioner of Revenue for an enhanced rate based on the investment amount. The statutory minimum investment requirements and applicable rates for the enhanced credit are shown on the following chart:

Minimum Required Capital Investment	Rate of Credit
\$100,000,000	3%
\$250,000,000	5%
\$500,000,000	7%
\$1,000,000,000	10%

Taxable Year	Taxpayer Name	Account No./FEIN
2022-01-01 TO 2022-12-31	Chattanooga Gas Company	0317017224 62-1366126

Schedule U - Schedule of Loss Carryover

Year	Period Ended (MM/YY)	Original Return or as Amended	Used in Prior Year(s)	Expired	Loss Carryover Available
1	12/16	305,106	305,106	0	0
2	12/18	220,332	0	0	220,332
3	12/19	3,607,659	0	0	3,607,659
4	12/20	6,390,840	0	0	6,390,840
5	12/21	5,922,844	0	0	5,922,844
6	12/22	488,392	0	0	488,392
7		0	0	0	0
8		0	0	0	0
9		0	0	0	0
10		0	0	0	0
11		0	0	0	0
12		0	0	0	0
13		0	0	0	0
14		0	0	0	0
15		0	0	0	0
Total Amount (Enter here and on Schedule J, Line 35) .....					16,630,067

Schedule V - Schedule of Industrial Machinery and Research and Development Equipment Credit Carryover

Year	Period Ended (MM/YY)	Original Return or as Amended	Used In Prior Year(s)	Expired or Recaptured	Industrial Machinery Credit Carryover Available
1		0	0	0	0
2		0	0	0	0
3		0	0	0	0
4		0	0	0	0
5		0	0	0	0
6		0	0	0	0
7		0	0	0	0
8		0	0	0	0
9		0	0	0	0
10		0	0	0	0
11		0	0	0	0
12		0	0	0	0
13		0	0	0	0
14		0	0	0	0
15		0	0	0	0
Total Amount (Enter here and on Schedule T, Line 4) .....					0

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-15

**QUESTION:**

Explanation. Refer to tab "Schedule 2A1" of <2024-04-18z CGC Weems Exhibit TW-1\_12947907\_1>. Describe the nature of account 2820700, "Regulatory Liability Reclass".

**RESPONSE:**

Account 28207000 "Regulatory Liability Reclass" represents the income tax gross up calculated on the Company's tax regulatory liability balance for excess deferred income taxes.

*Witness:*       Tiffani Weems  
                  Manager, Regulatory Reporting  
                  Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-16

**QUESTION:**

Explanation. Refer to <2024 -04-03 Schedule 35.7 ADIT Workpaper (2023)\_12916817\_1> and provide definitions for each of the book/tax timing differences listed below:

OTHER ACTUALIZING
OTHER ACTUALIZING - STATE
133201T STATE AMENDED & RAR ADJ - TEMP TN

**RESPONSE:**

Other Actualizing and Other Actualizing – State

Items represent immaterial tax return deductions that reduce rate base for various timing differences that were actualized with the filing of historical tax returns.

133201T STATE AMENDED & RAR ADJ - TEMP TN

In accordance with Accounting Standard ASC 740 (formerly FAS109), at fiscal year ending September 30, 2001, CGC recorded a deferred tax liability representing future income tax payments.

The deferred tax asset referenced above was created as an offset to the deferred tax liability that was created when FAS 109 was implemented. Since the Company had not recovered the tax expense associated with this deferred tax liability, a regulatory deferred tax asset was established to allow the Company to recover the deferred taxes that it would pay in the future. The Company has not begun amortizing the deferred tax asset for recovery nor has recovery been proposed in the current proceeding.

*Witness:*       Tiffani Weems  
                    Manager, Regulatory Reporting  
                    Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-17

**QUESTION:**

Source & Support. Refer to the EDIT Summary tab within Schedule 35.5b and to the Excess Deferred Tax balance listed within the Schedule 2A tab within Exhibit TW-1. Please reconcile the excess deferred tax balances listed with Schedule 35.5b with the appropriate corresponding balance(s) referenced on Schedule 2A.

**RESPONSE:**

Please see CA 1-17 Attachment A for a copy of Schedule 35.5b with the requested reconciliation.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

Balance of Excess Deferreds	2019	2020	2021	2022	2023
Federal Depreciation Difference EDIT	\$ (13,340,203)	(12,954,876)	(12,519,874)	(12,043,297)	(11,580,056)
Federal Basis Difference EDIT	(765,800)	(762,630)	-		
Offset Basis Difference EDIT	49,501	49,320	-		
Total Excess Deferred Income Tax Balance	\$ (14,056,502)	\$ (13,668,186)	\$ (12,519,874)	\$ (12,043,297)	\$ (11,580,056)

Amortization of TCJA Excess Deferreds					
Protected Amortization			\$ (435,002)	\$ (476,577)	\$ (463,241)
Amort. of Unprotected (includes accelerated amort. of Basis Adj. EDITs)			(959,020)	-	
Total TCJA Amortization of Excess Deferreds Protected & Unprotected			\$ (1,394,022)	\$ (476,577)	\$ (463,241)

Grossed-up Balance of Excess Deferreds					
Protected Tax Reform Regulatory Tax Liability			\$ (16,949,670)	\$ (16,304,470)	\$ (15,677,325)
Unprotected Tax Reform Regulatory Tax Liability (incl. Basis Adj. EDITs)			(0)	(0)	(0)
Pre-Tax Reform Regulatory Tax Liability			(1,580,170)	(1,507,515)	(1,434,861)
Total Grossed-up Balance of Excess Deferreds <del>(account 259999)</del>			\$ (18,529,840)	\$ (17,811,985)	\$ (17,112,186)
					Ties to Account 25400300, Tax related Regulatory Liability
					(4) Check to GL

Tax Rates					
Fed	21.00%				\$ (11,580,056)
TN	6.50%				(1,059,860)
Fed C	-1.37%				\$ (12,639,916)
26.135%					Pre-Gross up Tax Amount
					\$ 4,472,270 Ties to Account 28207000, Gross up on Tax Related Regulatory Liability
					\$ 2 Check to GL

(a) Pre-Tax Reform Regulatory Tax Liability Amortization	
Dec-22	(1,507,515)
Dec-23	(1,434,861)
Activity	(72,654)
After Tax Rate	73.865%
Tax Exp Credit	(53,666)
Components	
State	(18,081)
Federal	(35,585)
	(0)

[illegible]

Chattanooga Gas Company  
Annual Review Mechanism ("ARM")  
Schedule 35.5  
Excess Deferred Income Taxes - 2020 Balances

PowerTax Deferred Tax Summary Report  
Rpt # 257  
2020 Q4 Revised Utility Companies  
008-Chattanooga Gas Company

Grouped By: Total Tax Classes Jurisdiction: Federal	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Balance	Current DFIT	Ending APB11 DFIT Balance	End FAS109 Liability @ Stat Rate	Regulatory Asset Before Gross-Up	Regulatory Liab Before Gross-Up	Regulatory Asset After Gross-Up	Regulatory Liab After Gross-Up
Tax Year: 2020											
Federal											
CHG Fed Method/Life	\$111,916,642	\$2,890,659	\$114,807,301	\$37,435,704	\$174,504	\$37,610,208	\$24,109,533	\$0			
Depreciation Difference	\$111,916,642	\$2,890,659	\$114,807,301	\$37,435,704	\$174,504	\$37,610,208	\$24,109,533	\$0	(\$13,502,770)	\$0	(\$18,280,337)
CHG Fed AFUDC Debt	(\$2,176,761)	(\$709,574)	(\$2,886,336)	(\$620,902)	(\$144,477)	(\$765,379)	(\$606,130)	\$0	\$159,249	\$0	\$215,594
CHG Fed AFUDC Equity	\$2,237,103	\$226,004	\$2,463,106	\$699,279	\$40,340	\$739,619	\$517,252	\$0	(\$222,367)	\$0	(\$301,045)
CHG Fed Engineering Costs	\$4,989,339	\$1,567,503	\$6,556,842	\$1,388,203	\$319,717	\$1,707,920	\$1,376,937	\$0	(\$330,983)	\$0	(\$448,092)
CHG Fed In Service Date Adds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG Fed Internal Dev. Software (Boo	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG Fed Internal Software Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG Fed Pension Differences	(\$14,821)	\$0	(\$14,821)	(\$5,188)	\$0	(\$5,188)	(\$3,112)	\$0	\$2,075	\$0	\$2,809
CHG Fed Purchased Software (Books)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG Fed Relocation Costs	\$6,675,356	\$2,678,010	\$9,353,366	\$2,069,700	\$545,702	\$2,615,401	\$1,964,207	\$0	(\$651,194)	\$0	(\$881,601)
Book Overhead	\$11,710,215	\$3,761,942	\$15,472,156	\$3,531,092	\$761,282	\$4,292,374	\$3,249,153	\$0	(\$1,043,221)	\$0	(\$1,412,334)
CHG Fed 3050 481a Bonus	\$19,280	(\$1,087)	\$18,193	\$6,741	(\$380)	\$6,361	\$3,816	\$0	(\$2,544)	\$0	(\$3,444)
CHG Fed 481(a) - Deductible G & A C	\$62,246	(\$7,818)	\$54,428	\$21,786	(\$2,736)	\$19,050	\$11,430	\$0	(\$7,620)	\$0	(\$10,316)
CHG Fed CIAC	(\$3,067,935)	(\$1,255,188)	(\$4,323,124)	(\$1,010,313)	(\$225,765)	(\$1,236,078)	(\$907,856)	\$0	\$328,222	\$0	\$444,354
CHG Fed Contra Difference	\$6,359	\$6,091	\$12,450	\$2,226	\$2,132	\$4,358	\$2,615	\$0	(\$1,743)	\$0	(\$2,360)
CHG Fed Deductible G & A Costs	\$662,850	\$264,720	\$927,570	\$162,112	\$50,946	\$233,058	\$194,790	\$0	(\$38,269)	\$0	(\$51,809)
CHG Fed FMV Adj	(\$577)	\$577	\$0	(\$121)	\$121	\$0	\$0	\$0	\$0	\$0	\$0
CHG Fed G & A SALARY O/H	\$74,760	(\$58,187)	\$16,574	\$23,610	(\$20,129)	\$3,481	\$3,481	\$0	\$0	\$0	\$0
Tax Overhead	(\$2,243,037)	(\$1,050,891)	(\$3,293,928)	(\$773,960)	(\$195,812)	(\$969,771)	(\$691,725)	\$0	\$278,047	\$0	\$376,425
Total Tax Classes	\$121,383,819	\$5,601,710	\$126,985,529	\$40,192,836	\$739,974	\$40,932,810	\$26,666,961	\$0	(\$14,265,849)	\$0	(\$19,313,408)
Jurisdiction Totals:	\$121,383,819	\$5,601,710	\$126,985,529	\$40,192,836	\$739,974	\$40,932,810	\$26,666,961	\$0	(\$14,265,849)	\$0	(\$19,313,408)
		(\$58,187)		\$23,610	(\$20,129)				(\$762,630)		(\$1,032,465)
Jurisdiction: State	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Balance	Current DFIT	Ending APB11 DFIT Balance	End FAS109 Liability @ Stat Rate	Regulatory Asset Before Gross-Up	Regulatory Liab Before Gross-Up	Regulatory Asset After Gross-Up	Regulatory Liab After Gross-Up
Tax Year: 2020											
State											
CHG St Method/Life	\$77,199,882	\$6,519,106	\$83,718,988	\$5,017,992	\$423,742	\$5,441,734	\$5,441,734	\$1	(\$1)	\$1	(\$1)
Depreciation Difference	\$77,199,882	\$6,519,106	\$83,718,988	\$5,017,992	\$423,742	\$5,441,734	\$5,441,734	\$1	(\$1)	\$1	(\$1)
CHG St AFUDC Debt	(\$2,176,761)	(\$709,574)	(\$2,886,336)	(\$141,489)	(\$46,122)	(\$187,612)	(\$187,612)	\$0	\$0	\$0	\$0
CHG St AFUDC Equity	\$2,237,103	\$226,004	\$2,463,106	\$145,412	\$14,690	\$160,102	\$160,102	\$0	\$0	\$0	\$0
CHG St Engineering Costs	\$4,989,339	\$1,567,503	\$6,556,842	\$324,307	\$101,888	\$426,195	\$426,195	\$0	\$0	\$0	\$0
CHG St In Service Date Adds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Internal Dev. Software (Book	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Internal Software Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Pension Differences	(\$14,821)	\$0	(\$14,821)	(\$963)	\$0	(\$963)	(\$963)	\$0	\$0	\$0	\$0
CHG St Purchased Software (Books)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Relocation Costs	\$6,675,356	\$2,678,010	\$9,353,366	\$433,898	\$174,071	\$607,969	\$607,969	\$0	\$0	\$0	\$0
Book Overhead	\$11,710,215	\$3,761,942	\$15,472,156	\$761,164	\$244,526	\$1,005,690	\$1,005,690	\$0	\$0	\$0	\$0
CHG St 3050 481a Bonus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St 481(a) - Deductible G & A Co	\$106,084	(\$11,622)	\$94,461	\$6,895	(\$755)	\$6,140	\$6,140	\$0	\$0	\$0	\$0
CHG St CIAC	(\$3,171,086)	(\$1,246,220)	(\$4,417,306)	(\$206,121)	(\$81,004)	(\$287,125)	(\$287,125)	\$0	\$0	\$0	\$0
CHG St Contra Difference	\$6,359	\$6,091	\$12,450	\$413	\$396	\$809	\$809	\$0	\$0	\$0	\$0
CHG St Deductible G & A Costs	\$691,865	\$262,197	\$954,062	\$44,971	\$17,043	\$62,014	\$62,014	\$0	\$0	\$0	\$0
CHG St FMV Adj	(\$577)	\$577	\$0	(\$37)	\$37	\$0	\$0	\$0	\$0	\$0	\$0
CHG St G & A SALARY O/H	\$74,760	(\$58,187)	\$16,574	\$4,876	(\$3,799)	\$1,077	\$1,077	\$0	\$0	\$0	\$0
Tax Overhead	(\$2,292,595)	(\$1,047,163)	(\$3,339,758)	(\$149,002)	(\$63,083)	(\$217,084)	(\$217,084)	\$0	\$0	\$0	\$0
Total Tax Classes	\$86,617,501	\$9,233,885	\$95,851,386	\$5,630,155	\$600,186	\$6,230,340	\$6,230,340	\$1	(\$1)	\$1	(\$2)
Jurisdiction Totals:	\$86,617,501	\$9,233,885	\$95,851,386	\$5,630,155	\$600,186	\$6,230,340	\$6,230,340	\$1	(\$1)	\$1	(\$2)
		(\$58,187)		\$4,876	(\$3,799)						
Jurisdiction: State Offset	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Balance	Current DFIT	Ending APB11 DFIT Balance	End FAS109 Liability @ Stat Rate	Regulatory Asset Before Gross-Up	Regulatory Liab Before Gross-Up	Regulatory Asset After Gross-Up	Regulatory Liab After Gross-Up
Tax Year: 2020											
State Offset											
CHG St Off Method/Life	\$77,199,882	\$6,519,106	\$83,718,988	(\$1,628,775)	(\$64,317)	(\$1,693,092)	(\$1,142,764)	\$550,438	\$0	\$745,194	\$0
Depreciation Difference	\$77,199,882	\$6,519,106	\$83,718,988	(\$1,628,775)	(\$64,317)	(\$1,693,092)	(\$1,142,764)	\$550,438	\$0	\$745,194	\$0
CHG St Off AFUDC Debt	(\$2,176,761)	(\$709,574)	(\$2,886,336)	(\$40,359)	\$9,391	(\$30,968)	(\$10,351)	\$0	\$0	\$0	\$0
CHG St Off AFUDC Equity	\$2,237,103	\$226,004	\$2,463,106	(\$45,453)	(\$2,622)	(\$48,075)	(\$33,621)	\$0	\$19,568	\$0	\$19,568
CHG St Off Engineering Costs	\$4,989,339	\$1,567,503	\$6,556,842	(\$90,233)	(\$20,782)	(\$111,015)	(\$89,501)	\$21,514	\$0	\$29,126	\$0
CHG St Off In Service Date Adds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off Internal Dev. Software (	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off Internal Software Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off Pension Differences	(\$14,821)	\$0	(\$14,821)	\$337	\$0	\$337	\$202	(\$135)	(\$183)	\$0	\$0
CHG St Off Purchased Software (Book	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off Relocation Costs	\$6,675,356	\$2,678,010	\$9,353,366	(\$134,530)	(\$35,471)	(\$170,001)	(\$127,673)	\$42,328	\$0	\$57,304	\$0
Book Overhead	\$11,710,215	\$3,761,942	\$15,472,156	(\$229,521)	(\$49,483)	(\$279,004)	(\$211,195)	\$67,809	\$0	\$91,802	\$0
CHG St Off 3050 481a Bonus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off 481(a) - Deductible G &	\$106,084	(\$11,622)	\$94,461	(\$2,413)	\$264	(\$2,149)	(\$1,289)	\$0	\$0	\$0	\$0
CHG St Off CIAC	(\$3,171,086)	(\$1,246,220)	(\$4,417,306)	\$68,017	\$14,471	\$82,488	\$60,296	(\$22,192)	(\$30,043)	\$0	\$0
CHG St Off Contra Difference	\$6,359	\$6,091	\$12,450	(\$145)	(\$139)	(\$8)	(\$170)	\$0	\$153	\$0	\$0
CHG St Off Deductible G & A Costs	\$691,865	\$262,197	\$954,062	(\$12,497)	(\$3,254)	(\$15,752)	(\$13,023)	\$2,729	\$3,694	\$0	\$0
CHG St Off FMV Adj	(\$577)	\$577	\$0	\$8	(\$8)	\$0	\$0	\$0	\$0	\$0	\$0
CHG St Off G & A SALARY O/H	\$74,760	(\$58,187)	\$16,574	(\$1,222)	\$1,296	(\$226)	(\$226)	\$0	\$0	\$0	\$0
Tax Overhead	(\$2,292,595)	(\$1,047,163)	(\$3,339,758)	\$51,447	\$12,631	\$64,078	\$45,588	(\$18,490)	\$0	(\$25,032)	\$0
Total Tax Classes	\$86,617,501	\$9,233,885	\$95,851,386	(\$1,806,849)	(\$101,169)	(\$1,908,018)	(\$1,308,371)	\$599,647	\$811,815	\$0	\$0
Jurisdiction Totals:	\$86,617,501	\$9,233,885	\$95,851,386	(\$1,806,849)	(\$101,169)	(\$1,908,018)	(\$1,308,371)	\$599,647	\$811,815	\$0	\$0
								\$599,648	(\$14,265,850)	\$811,817	(\$19,313,410)
Company Totals:	\$294,618,822	\$24,069,480	\$318,688,302	\$44,016,142	\$1,238,990	\$45,255,132	\$31,588,930				
Page 1 of 1											

Note: The 2020 257 report reflects the 2020 tax return.



PowerTax Deferred Tax Summary Report  
Rpt # 257  
2021 Q4 Revised Utility Companies  
008-Chattanooga Gas Company

1/7/2022

3:35 PM

Grouped By: Total Tax Classes

Jurisdiction: Federal	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Balance	Current DFIT	Ending APB11 DFIT Balance	End FAS109 Liability @ Stat Rate	Regulatory Asset Before Gross-Up	Regulatory Liab Before Gross-Up	Regulatory Asset After Gross-Up	Regulatory Liab After Gross-Up
Tax Year: 2021											
Federal											
CHG Fed Method/Life	114,842,496	2,426,386	117,268,883	37,619,694	49,888	37,669,582	24,626,465	-	(13,043,117)	-	(17,658,048)
Depreciation Difference	114,842,496	2,426,386	117,268,883	37,619,694	49,888	37,669,582	24,626,465	-	(13,043,117)	-	(17,658,048)
CHG Fed AFUDC Debt	(2,911,619)	(715,577)	(3,627,196)	(770,712)	(145,738)	(916,450)	(761,711)	-	154,739	-	209,488
CHG Fed AFUDC Equity	2,508,272	262,767	2,771,039	749,140	48,060	797,200	581,918	-	(215,282)	-	(291,454)
CHG Fed Engineering Costs	6,582,634	1,551,296	8,133,930	1,713,386	316,312	2,029,698	1,708,125	-	(321,572)	-	(435,351)
CHG Fed In Service Date Adds	-	-	-	-	-	-	-	-	-	-	-
CHG Fed Internal Dev. Software (Book	-	-	-	-	-	-	-	-	-	-	-
CHG Fed Internal Software Labor	-	-	-	-	-	-	-	-	-	-	-
CHG Fed Pension Differences	(14,821)	-	(14,821)	(5,188)	-	(5,188)	(3,112)	-	2,075	-	2,809
CHG Fed Purchased Software (Books)	-	-	-	-	-	-	-	-	-	-	-
CHG Fed Relocation Costs	9,102,532	2,369,037	11,471,570	2,562,813	481,029	3,043,842	2,409,030	-	(634,813)	-	(859,423)
Book Overhead	15,266,998	3,467,523	18,734,522	4,249,440	699,663	4,949,103	3,934,250	-	(1,014,854)	-	(1,373,930)
CHG Fed 3050 481a Bonus	18,173	(1,092)	17,081	6,361	(382)	5,978	3,587	-	(2,391)	-	(3,237)
CHG Fed 481(a) - Deductible G & A C	54,428	894	55,323	19,050	313	19,363	11,618	-	(7,745)	-	(10,486)
CHG Fed CIAC	(4,551,439)	(237,122)	(4,788,561)	(1,284,025)	143,792	(1,140,233)	(1,005,598)	-	134,635	-	182,271
CHG Fed Contra Difference	12,450	-	12,450	4,358	-	4,358	2,615	-	(1,743)	-	(2,360)
CHG Fed Deductible G & A Costs	788,066	113,918	901,984	203,762	19,423	223,185	189,417	-	(33,769)	-	(45,717)
CHG Fed FMV Adj	-	-	-	-	-	-	-	-	-	-	-
CHG Fed G & A SALARY O/H	17,869	5,073	22,942	3,752	1,065	4,818	4,818	-	-	-	-
Tax Overhead	(3,660,453)	(118,329)	(3,778,782)	(1,046,742)	164,211	(882,531)	(793,544)	-	88,986	-	120,472
Total Tax Classes	126,449,042	5,775,581	132,224,623	40,822,392	913,762	41,736,155	27,767,171	-	(13,968,984)	-	(18,911,507)
Jurisdiction Totals:	126,449,042	5,775,581	132,224,623	40,822,392	913,762	41,736,155	27,767,171	-	(13,968,984)	-	(18,911,507)
		5,073		3,752	1,065						
Jurisdiction: State	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Ba	Current DFIT	Ending APB11 DFIT Balar	End FAS109 Liability @ S	Regulatory Asset Before C	Regulatory Liab Before Gr	Regulatory Asset After Gr	Regulatory Liab After Gross-Up
Tax Year: 2021											
State											
CHG St Method/Life	83,754,183	5,714,722	89,468,905	5,444,022	371,457	5,815,479	5,815,479	1	(1)	1	(2)
Depreciation Difference	83,754,183	5,714,722	89,468,905	5,444,022	371,457	5,815,479	5,815,479	1	(1)	1	(2)
CHG St AFUDC Debt	(2,911,619)	(715,577)	(3,627,196)	(189,255)	(46,512)	(235,768)	(235,768)	-	-	-	-
CHG St AFUDC Equity	2,508,272	262,767	2,771,039	163,038	17,080	180,118	180,118	-	-	-	-
CHG St Engineering Costs	6,582,634	1,551,296	8,133,930	427,871	100,834	528,705	528,705	-	-	-	-
CHG St In Service Date Adds	-	-	-	-	-	-	-	-	-	-	-
CHG St Internal Dev. Software (Book	-	-	-	-	-	-	-	-	-	-	-
CHG St Internal Software Labor	-	-	-	-	-	-	-	-	-	-	-
CHG St Pension Differences	(14,821)	-	(14,821)	(963)	-	(963)	(963)	-	-	-	-
CHG St Purchased Software (Books)	-	-	-	-	-	-	-	-	-	-	-
CHG St Relocation Costs	9,102,532	2,369,037	11,471,570	591,665	153,987	745,652	745,652	-	-	-	-
Book Overhead	15,266,998	3,467,523	18,734,522	992,355	225,389	1,217,744	1,217,744	-	-	-	-
CHG St 3050 481a Bonus	-	-	-	-	-	-	-	-	-	-	-
CHG St 481(a) - Deductible G & A Co	94,461	(2,952)	91,509	6,140	(192)	5,948	5,948	-	-	-	-
CHG St CIAC	(4,645,621)	(228,151)	(4,873,772)	(301,965)	(14,830)	(316,795)	(316,795)	-	-	-	-
CHG St Contra Difference	12,450	-	12,450	809	-	809	809	-	-	-	-
CHG St Deductible G & A Costs	814,558	111,394	925,952	52,946	7,241	60,187	60,187	-	-	-	-
CHG St FMV Adj	-	-	-	-	-	-	-	-	-	-	-
CHG St G & A SALARY O/H	17,869	5,073	22,942	1,161	330	1,491	1,491	-	-	-	-
Tax Overhead	(3,706,283)	(114,636)	(3,820,919)	(240,908)	(7,451)	(248,360)	(248,360)	-	-	-	-
Total Tax Classes	95,314,899	9,067,609	104,382,508	6,195,468	589,395	6,784,863	6,784,863	1	(1)	2	(2)
Jurisdiction Totals:	95,314,899	9,067,609	104,382,508	6,195,468	589,395	6,784,863	6,784,863	1	(1)	2	(2)
		5,073		1,161	330						
Jurisdiction: State Offset	Beginning Difference	Current Difference	Ending Difference	Beginning APB11 DFIT Ba	Current DFIT	Ending APB11 DFIT Balar	End FAS109 Liability @ S	Regulatory Asset Before C	Regulatory Liab Before Gr	Regulatory Asset After Gr	Regulatory Liab After Gross-Up
Tax Year: 2021											
State Offset											
CHG St Off Method/Life	83,754,183	5,714,722	89,468,905	(1,693,682)	(53,202)	(1,746,885)	(1,221,251)	525,634	-	711,615	-
Depreciation Difference	83,754,183	5,714,722	89,468,905	(1,693,682)	(53,202)	(1,746,885)	(1,221,251)	525,634	-	711,615	-
CHG St Off AFUDC Debt	(2,911,619)	(715,577)	(3,627,196)	50,096	9,473	59,569	49,511	(10,058)	-	(13,617)	-
CHG St Off AFUDC Equity	2,508,272	262,767	2,771,039	(48,694)	(3,124)	(51,818)	(37,825)	13,993	-	18,945	-
CHG St Off Engineering Costs	6,582,634	1,551,296	8,133,930	(111,370)	(20,560)	(131,930)	(111,028)	20,902	-	28,298	-
CHG St Off In Service Date Adds	-	-	-	-	-	-	-	-	-	-	-
CHG St Off Internal Dev. Software (	-	-	-	-	-	-	-	-	-	-	-
CHG St Off Internal Software Labor	-	-	-	-	-	-	-	-	-	-	-
CHG St Off Pension Differences	(14,821)	-	(14,821)	337	-	337	202	(135)	-	(183)	-
CHG St Off Purchased Software (Book	-	-	-	-	-	-	-	-	-	-	-
CHG St Off Relocation Costs	9,102,532	2,369,037	11,471,570	(166,583)	(31,267)	(197,850)	(156,587)	41,263	-	55,863	-
Book Overhead	15,266,998	3,467,523	18,734,522	(276,214)	(45,478)	(321,692)	(255,726)	65,966	-	89,306	-
CHG St Off 3050 481a Bonus	-	-	-	-	-	-	-	-	-	-	-
CHG St Off 481(a) - Deductible G &	94,461	(2,952)	91,509	(2,149)	67	(2,082)	(1,249)	833	-	1,127	-
CHG St Off CIAC	(4,645,621)	(228,151)	(4,873,772)	85,604	(9,551)	76,054	66,527	(9,527)	-	(12,987)	-
CHG St Off Contra Difference	12,450	-	12,450	(283)	-	(283)	(170)	113	-	153	-
CHG St Off Deductible G & A Costs	814,558	111,394	925,952	(13,847)	(1,205)	(15,052)	(12,639)	2,413	-	3,267	-
CHG St Off FMV Adj	-	-	-	-	-	-	-	-	-	-	-
CHG St Off G & A SALARY O/H	17,869	5,073	22,942	(244)	(69)	(313)	(313)	-	-	-	-
Tax Overhead	(3,706,283)	(114,636)	(3,820,919)	69,081	(10,758)	58,323	52,156	(6,168)	-	(8,350)	-
Total Tax Classes	95,314,899	9,067,609	104,382,508	(1,900,815)	(109,438)	(2,010,253)	(1,424,821)	585,432	-	792,570	-
Jurisdiction Totals:	95,314,899	9,067,609	104,382,508	(1,900,815)	(109,438)	(2,010,253)	(1,424,821)	585,432	-	792,570	-

version	company_short	normalization_schema	amortization_type	jurisdiction	tax_year	beginning_differe nce	current_differe e	ending_differe e	beg_dft_apb11	current_dft_apb 11	end_dft_apb11	end_dft_fas109	reg_asset	reg_liability	reg_asset_with_g rossup	reg_liability_with _grossup
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Method/Life	Depreciation Difference	Federal	2022	117,312,388	2,630,747	119,943,135	37,679,616	48,439	37,728,055	25,188,058	0	(12,539,997)	0	(16,976,914)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed AFUDC Debt	Book Difference	Federal	2022	(3,792,058)	289,512	(3,502,546)	(951,077)	65,287	(885,790)	(735,535)	(0)	150,255	(0)	203,418
Gas:2022 Q4 Revised Provision	CGC	CHG Fed AFUDC Equity	Book Difference	Federal	2022	2,945,305	133,238	3,078,543	833,805	20,926	854,732	646,494	0	(208,238)	0	(281,917)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Engineering Costs	Book Difference	Federal	2022	8,096,851	1,474,515	9,571,367	2,021,924	300,280	2,322,204	2,009,987	0	(312,217)	0	(422,686)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed In Service Date Adds	Book Difference	Federal	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Internal Dev. Software (Boo	Book Difference	Federal	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Internal Software Labor	Book Difference	Federal	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Pension Differences	Book Difference	Federal	2022	(14,821)	-	(14,821)	(5,188)	-	(5,188)	(3,112)	-	2,075	-	2,809
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Purchased Software (Books)	Book Difference	Federal	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Relocation Costs	Book Difference	Federal	2022	9,568,682	455,202	10,023,884	2,644,258	79,294	2,723,552	2,105,016	0	(618,537)	0	(837,388)
Gas:2022 Q4 Revised Provision	CGC	(8164)CHG Fed Contra Difference	Tax Difference	Federal	2022	12,450	-	12,450	4,358	-	4,358	2,615	-	(1,743)	-	(2,360)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed 3050 481a Bonus	Tax Difference	Federal	2022	17,081	(1,154)	15,927	5,978	(404)	5,575	3,345	-	(2,230)	-	(3,039)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed 481(a) - Deductible G & A C	Tax Difference	Federal	2022	55,323	2,953	58,276	19,363	1,034	20,397	12,238	-	(8,159)	-	(11,045)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed CIAC	Tax Difference	Federal	2022	(3,134,982)	126,248	(3,008,734)	(792,981)	39,917	(753,064)	(631,834)	(0)	121,230	(0)	164,123
Gas:2022 Q4 Revised Provision	CGC	CHG Fed Deductible G & A Costs	Tax Difference	Federal	2022	994,993	192,448	1,187,441	242,717	36,458	279,176	249,363	0	(29,813)	0	(40,362)
Gas:2022 Q4 Revised Provision	CGC	CHG Fed FMV Adj	Tax Difference	Federal	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG Fed G & A SALARY O/H	Tax Difference	Federal	2022	34,744	12,689	47,433	7,296	2,665	9,961	9,961	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Method/Life	Depreciation Difference	GAS State	2022	89,512,410	5,621,572	95,133,982	5,818,307	365,402	6,183,709	6,183,709	1	(1)	2	(2)
Gas:2022 Q4 Revised Provision	CGC	CHG St AFUDC Debt	Book Difference	GAS State	2022	(3,792,058)	289,512	(3,502,546)	(246,484)	18,818	(227,665)	(227,666)	(0)	0	(0)	0
Gas:2022 Q4 Revised Provision	CGC	CHG St AFUDC Equity	Book Difference	GAS State	2022	2,945,305	133,238	3,078,543	191,445	8,660	200,105	200,105	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Engineering Costs	Book Difference	GAS State	2022	8,096,851	1,474,515	9,571,367	526,295	95,844	622,139	622,139	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St In Service Date Adds	Book Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Internal Dev. Software (Book	Book Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Internal Software Labor	Book Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Pension Differences	Book Difference	GAS State	2022	(14,821)	-	(14,821)	(963)	-	(963)	(963)	-	(0)	-	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Purchased Software (Books)	Book Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Relocation Costs	Book Difference	GAS State	2022	9,568,682	455,202	10,023,884	621,964	29,588	651,552	651,552	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St 3050 481a Bonus	Tax Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St 481(a) - Deductible G & A Co	Tax Difference	GAS State	2022	91,509	(894)	90,616	5,948	(58)	5,890	5,890	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St CIAC	Tax Difference	GAS State	2022	(3,220,193)	135,217	(3,084,976)	(209,313)	8,789	(200,523)	(200,523)	(0)	0	(0)	0
Gas:2022 Q4 Revised Provision	CGC	CHG St Contra Difference	Tax Difference	GAS State	2022	12,450	-	12,450	809	-	809	809	(0)	(0)	(0)	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Deductible G & A Costs	Tax Difference	GAS State	2022	1,018,962	189,925	1,208,887	66,233	12,345	78,578	78,578	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St FMV Adj	Tax Difference	GAS State	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St G & A SALARY O/H	Tax Difference	GAS State	2022	34,744	12,689	47,433	2,258	825	3,083	3,083	0	(0)	0	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Method/Life	Depreciation Difference	GAS State Offset	2022	89,512,410	5,621,572	95,133,982	(1,747,508)	(50,001)	(1,797,509)	(1,298,579)	498,930	(0)	675,463	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off AFUDC Debt	Book Difference	GAS State Offset	2022	(3,792,058)	289,512	(3,502,546)	61,820	(4,244)	57,576	47,810	(9,767)	0	(13,222)	0
Gas:2022 Q4 Revised Provision	CGC	CHG St Off AFUDC Equity	Book Difference	GAS State Offset	2022	2,945,305	133,238	3,078,543	(54,197)	(1,360)	(55,558)	(42,022)	13,536	(0)	18,325	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Engineering Costs	Book Difference	GAS State Offset	2022	8,096,851	1,474,515	9,571,367	(131,425)	(19,518)	(150,943)	(130,649)	20,294	(0)	27,475	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off In Service Date Adds	Book Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Internal Dev. Software (	Book Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Internal Software Labor	Book Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Pension Differences	Book Difference	GAS State Offset	2022	(14,821)	-	(14,821)	337	-	337	202	(135)	-	(183)	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Purchased Software (Book	Book Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Relocation Costs	Book Difference	GAS State Offset	2022	9,568,682	455,202	10,023,884	(171,877)	(5,154)	(177,031)	(136,826)	40,205	(0)	54,430	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off 3050 481a Bonus	Tax Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off 481(a) - Deductible G &	Tax Difference	GAS State Offset	2022	91,509	(894)	90,616	(2,082)	20	(2,062)	(1,237)	825	-	1,116	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off CIAC	Tax Difference	GAS State Offset	2022	(3,220,193)	135,217	(3,084,976)	53,482	(2,799)	50,684	42,110	(8,574)	0	(11,607)	0
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Contra Difference	Tax Difference	GAS State Offset	2022	12,450	-	12,450	(283)	-	(283)	(170)	113	-	153	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off Deductible G & A Costs	Tax Difference	GAS State Offset	2022	1,018,962	189,925	1,208,887	(16,322)	(2,312)	(18,634)	(16,501)	2,133	(0)	2,888	(0)
Gas:2022 Q4 Revised Provision	CGC	CHG St Off FMV Adj	Tax Difference	GAS State Offset	2022	-	-	-	-	-	-	-	-	-	-	-
Gas:2022 Q4 Revised Provision	CGC	CHG St Off G & A SALARY O/H	Tax Difference	GAS State Offset	2022	34,744	12,689	47,433	(474)	(173)	(647)	(647)	0	(0)	0	(0)

(16,979,933)

[illegible]

**Annual Review Mechanism ("ARM")**  
**Schedule 35.5**  
**Excess Deferred Income Taxes - Unprotected Balances**

Name	2017 Rate Case EDIT	2017 Tax Return Actualization	Final 2017 Unprotected EDIT Balance
PP Treatment of TN excise tax as credit on gross receipts re	253,514	0	253,514
State Amortization	(42,173)	0	(42,173)
NSP	672	0	672
Bad Debt Reserve	(26,902)	0	(26,902)
Pension - Other	(104,717)	0	(104,717)
Accrued Bonus	(28,415)	0	(28,415)
Accrued Post Retirement Benefits	129,575	0	129,575
Miscellaneous Accrued Taxes	(128,720)	0	(128,720)
Charitable Contribution Basis Difference	(1,006)	0	(1,006)
Insurance Reserve	(4,091)	0	(4,091)
Unearned Revenue	(98)	0	(98)
OCI - (Re-established after PPA)	226,079	(210,652)	15,427
Chattanooga Rate Case	42,080	0	42,080
Charitable Contributions Carryforward		(259)	(259)
Amortization	474,417	0	474,417
VEBA Plans		(317,763)	(317,763)
Federal NOL Carryforward	(72,275)	0	(72,275)
Reconciling Item with GL	(143,056)	0	(143,056)
Other Basis - Unprotected	844,806	0	844,806
OCI Offset	1,085,286	0	1,085,286
Federal Impact of State Actualization		(35,705)	(35,705)
Total Unprotected EDIT Balance	2,504,975	(564,379)	1,940,596 (a)
		2018 Amortization	(500,995)
		2019 Amortization	(500,995)
		2020 Amortization	(514,569)
		2021 Amortization	(424,037)
		Balance @ 9/30/2021	0
2020 Ending Balance - Federal Basis Difference EDIT to Unprotected			534,983
Federal Basis Difference EDIT to Unprotected			(571,973)
Offset Basis Difference EDIT to Unprotected			36,990
		Balance @ 9/30/2021	0
		Ending Unprotected EDIT Balance	0
		Gross up Rate	0.3538212
		Gross up	0
		Total Reg Liability	0

(a) Unprotected EDIT balance adjusted for the 2017 tax return.

Chattanooga Gas Company  
Annual Review Mechanism ("ARM")  
Rate Base-13 Month Average Workpaper  
Twelve Months Ending December 31, 2023  
Schedule 2A

Line No.	Description		December	January	February	March	April	May	June	July	August	September	October	November	December	13-MA
<b>Additions</b>																
1	Plant-In-Service	a/	\$ 411,003,007	\$ 412,850,784	\$ 417,869,810	\$ 419,232,600	\$ 420,473,371	\$ 421,570,976	\$ 425,976,775	\$ 427,936,616	\$ 430,780,395	\$ 438,410,636	\$ 438,808,291	\$ 444,169,232	\$ 446,079,096	<b>427,320,122</b>
2	Construction Work in Progress (CWIP)	a/	36,574,695	37,359,982	36,194,925	38,092,726	36,083,933	37,094,349	40,782,846	38,888,549	42,658,803	33,697,569	34,441,674	36,945,034	40,620,317	<b>37,648,877</b>
3	2021 Deficiency	a/	5,656,293	4,949,257	4,242,220	3,535,183	2,828,147	2,121,110	1,414,073	707,037	(0)	-	-	-	-	<b>1,957,948</b>
4	2022 Deficiency	a/	12,511,761	12,511,761	12,511,761	12,511,761	12,511,761	12,511,761	12,511,761	12,511,761	12,511,761	11,469,114	10,426,468	9,383,821	8,341,174	<b>11,709,725</b>
5	Deferred LNG Maintenance, net of ADITs	a/	171,322	157,045	142,768	128,492	114,215	99,938	85,661	71,384	57,107	42,831	28,554	14,277	(0)	<b>85,661</b>
6		a/														<b>-</b>
7	Prepaid Pension Cash Contributions, Net of ADITs	a/	198,285	181,761	165,237	148,714	132,190	115,666	99,142	82,619	66,095	49,571	33,047	16,524	0	<b>99,142</b>
8	Material and Supplies	a/	504,818	502,247	511,319	512,938	512,938	506,554	506,688	505,356	509,600	506,728	509,496	507,819	509,770	<b>508,175</b>
9	Prepayments	a/	14,816	12,755	16,543	11,557	122,658	107,770	89,029	104,347	90,161	75,916	61,671	41,074	20,478	<b>59,136</b>
10	Stored Gas Inventory	a/	21,377,236	16,984,203	13,328,684	9,180,460	9,254,609	9,820,837	10,484,742	11,356,680	12,151,781	13,055,542	14,317,889	13,349,337	11,560,134	<b>12,786,318</b>
11	Deferred Rate Case Expense	a/	267,427	240,013	212,598	185,183	157,768	130,354	102,939	75,524	48,109	20,695	0	0	0	<b>110,816</b>
12	<b>Total Additions</b>		<b>\$ 488,279,661</b>	<b>\$ 485,749,808</b>	<b>\$ 485,195,866</b>	<b>\$ 483,539,614</b>	<b>\$ 482,191,590</b>	<b>\$ 484,079,315</b>	<b>\$ 492,053,655</b>	<b>\$ 492,239,872</b>	<b>\$ 498,873,812</b>	<b>\$ 497,328,600</b>	<b>\$ 498,627,090</b>	<b>\$ 504,427,118</b>	<b>\$ 507,130,969</b>	<b>\$ 492,285,921</b>
<b>Deductions</b>																
13	Accumulated Depreciation	a/	(153,236,150)	(154,238,651)	(155,316,434)	(156,310,310)	(155,721,545)	(155,962,969)	(157,154,662)	(156,926,534)	(157,417,988)	(156,790,325)	(157,162,958)	(158,475,194)	(159,040,285)	<b>\$ (156,442,616)</b>
14	2021 Deficiency ADITs	a/	(1,478,272)	(1,293,488)	(1,108,704)	(923,920)	(739,136)	(554,352)	(369,568)	(184,784)	0	-	-	-	-	<b>\$ (511,710)</b>
15	2022 Deficiency ADITs	a/	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(3,269,949)	(2,997,453)	(2,724,957)	(2,452,462)	(2,179,966)	<b>\$ (3,060,337)</b>
16	Accumulated Deferred Income Tax-ADIT	a/	(29,223,890)	(29,102,840)	(29,395,937)	(29,779,867)	(29,781,050)	(29,766,507)	(30,232,323)	(30,227,173)	(30,789,442)	(31,085,388)	(31,180,553)	(31,603,186)	(31,223,769)	<b>(30,260,917)</b>
17	Regulated Liability-EDIT	a/	(17,811,983)	(17,751,017)	(17,690,051)	(17,628,766)	(17,567,694)	(17,506,622)	(17,445,549)	(17,384,477)	(17,323,405)	(17,187,662)	(17,128,629)	(17,069,596)	(17,112,182)	<b>(17,431,356)</b>
18	Deferred Tax Cuts & Jobs Act Regulatory Liability	a/														<b>-</b>
19	Customer Advances for Construction	a/														<b>-</b>
20	Reserve for Uncollectibles	a/	(606,629)	(645,495)	(544,675)	(531,815)	(528,026)	(516,016)	(522,895)	(515,297)	(521,627)	(516,070)	(579,722)	(575,373)	(379,767)	<b>(537,185)</b>
21	Reserve for Health Insurance	a/	0	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
22	Other Reserves	a/	(29,604)	(25,934)	(26,237)	(26,238)	(25,735)	(25,738)	(25,745)	(25,753)	(25,760)	(36,645)	(10,819)	(14,647)	(14,649)	<b>(24,116)</b>
23	Customer Deposits	a/	(1,891,346)	(1,901,355)	(1,757,893)	(1,797,558)	(1,815,264)	(1,806,917)	(1,794,613)	(1,813,100)	(1,909,292)	(2,040,335)	(2,349,298)	(2,488,741)	(2,348,130)	<b>(1,977,988)</b>
24	Accrued Interest on Customer Deposits	a/	(1,766)	(9,953)	(17,322)	(25,365)	(32,840)	(40,040)	(46,620)	(53,150)	(59,965)	(66,550)	(73,278)	(79,666)	(5,367)	<b>(39,375)</b>
25	<b>Total Deductions</b>		<b>\$ (207,549,589)</b>	<b>\$ (208,238,682)</b>	<b>\$ (209,127,202)</b>	<b>\$ (210,293,787)</b>	<b>\$ (209,481,238)</b>	<b>\$ (209,449,110)</b>	<b>\$ (210,861,924)</b>	<b>\$ (210,400,218)</b>	<b>\$ (211,317,427)</b>	<b>\$ (210,720,428)</b>	<b>\$ (211,210,215)</b>	<b>\$ (212,758,864)</b>	<b>\$ (212,304,115)</b>	<b>\$ (210,285,600)</b>
26	<b>Total Rate Base</b>		<b>\$ 280,730,072</b>	<b>\$ 277,511,126</b>	<b>\$ 276,068,665</b>	<b>\$ 273,245,827</b>	<b>\$ 272,710,352</b>	<b>\$ 274,630,205</b>	<b>\$ 281,191,731</b>	<b>\$ 281,839,655</b>	<b>\$ 287,556,385</b>	<b>\$ 286,608,173</b>	<b>\$ 287,416,875</b>	<b>\$ 291,668,253</b>	<b>\$ 294,826,854</b>	<b>\$ 282,000,321</b>
27	245511 Taxes Payable-Tennessee S	a/	\$ (288,502)	\$ (397,774)	\$ (419,041)	\$ (397,925)	\$ (318,258)	\$ (108,862)	\$ (87,559)	\$ (43,018)	\$ (69,179)	\$ (42,334)	\$ (84,128)	\$ (88,657)	\$ (174,629)	<b>\$ (193,836)</b>
28	245512 Taxes Payable- Tennessee U	a/	(3,345)	6,902	6,874	6,890	6,893	6,900	6,893	6,893	6,893	5,251	(1,332)	(1,358)	(1,345)	<b>4,078</b>
29	246010 Franchise Requirements 1	a/	(1,096,364)	(672,958)	(1,250,402)	(1,701,134)	(311,901)	(557,522)	(731,672)	(176,544)	(366,040)	(534,449)	(652,528)	(452,431)	(829,709)	<b>(717,973)</b>
30	<b>Franchise Fee and Sale Tax Withheld Balance</b>		<b>\$ (1,388,211)</b>	<b>\$ (1,063,830)</b>	<b>\$ (1,662,570)</b>	<b>\$ (2,092,168)</b>	<b>\$ (623,266)</b>	<b>\$ (659,483)</b>	<b>\$ (812,337)</b>	<b>\$ (212,669)</b>	<b>\$ (428,327)</b>	<b>\$ (571,533)</b>	<b>\$ (737,987)</b>	<b>\$ (542,446)</b>	<b>\$ (1,005,683)</b>	<b>\$ (907,732)</b>

a/ Historic Base Period 13-Month Average Sch 2A1

Exhibit TW-1

		Chattanooga Gas Company													
		Annual Review Mechanism ("ARM")													
		Allocated Plant, Accumulated Depreciation, Deferred Income Tax-Worksheet													
		Twelve Months Ending December 31, 2023													
		Schedule 2A1													
		FY22 December	FY23 January	FY23 February	FY23 March	FY23 April	FY23 May	FY23 June	FY23 July	FY23 August	FY23 September	FY23 October	FY23 November	FY22 December	
g	10100000 Plant in Service Account	397,591,294	398,417,528	398,446,800	400,435,113	399,758,931	402,640,746	407,112,534	407,551,080	408,651,797	413,093,890	414,515,580	415,700,480	417,558,907	406,338,629
g	10100010 Plant in Service-Topside	189,772	205,572	205,572	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199	2,481,199
g	10600000 Completed Const not Classified	5,267,835	5,803,047	5,803,047	7,569,603	8,943,718	8,744,101	7,877,036	10,816,210	9,671,981	9,776,268	16,170,549	17,143,748	16,505,667	10,172,622
g	10600005 Completed Const not Classified - Topside	0	0	0	0	0	0	0	0	0	0	7,712,310	7,712,310	5,922,494	94,200
		<b>403,363,865</b>	<b>404,126,447</b>	<b>407,930,843</b>	<b>408,384,716</b>	<b>411,233,640</b>	<b>413,714,663</b>	<b>419,152,177</b>	<b>419,152,177</b>	<b>419,438,485</b>	<b>429,368,740</b>	<b>433,566,538</b>	<b>433,566,538</b>	<b>433,566,538</b>	<b>417,788,219</b>
g	10100000 Plant in Service Account	21,561,209	21,601,048	28,588,741	37,789,833	37,409,299	31,013,238	32,752,819	30,209,563	36,973,880	34,946,672	35,977,360	36,001,719	38,259,047	37,532,432
g	10100020 Plant in Service-Lines	238,102,880	238,678,435	238,678,435	240,789,438	240,789,438	241,167,789	243,265,372	240,503,484	243,889,783	245,984,473	247,207,583	247,207,583	247,207,583	240,789,438
g	10100060 Plant in Service - Cloud Software-Curent	7,721,261	7,488,669	7,488,669	7,728,793	7,728,793	7,728,793	7,728,793	8,418,719	7,793,239	7,793,239	7,806,596	7,806,596	7,806,596	7,773,787
g	10100070 Plant in Service - Cloud Software-Noncurrent	49,258,718	52,813,878	45,927,237	45,084,308	45,084,308	45,084,308	45,460,327	49,109,197	45,460,327	45,460,327	45,538,471	45,538,471	45,538,471	46,354,371
		<b>314,642,177</b>	<b>319,653,184</b>	<b>324,968,172</b>	<b>321,371,116</b>	<b>323,368,331</b>	<b>324,983,371</b>	<b>329,186,352</b>	<b>328,286,352</b>	<b>330,534,993</b>	<b>330,534,993</b>	<b>332,468,255</b>	<b>334,366,389</b>	<b>339,802,628</b>	<b>332,468,371</b>
	Allocation Rate	2.43%	2.73%	3.09%	3.27%	3.28%	3.24%	3.29%	3.28%	3.24%	2.86%	2.39%	2.39%	2.86%	9.521,912
	Total Utility Plant	<b>7,614,587,177</b>	<b>8,724,837,172</b>	<b>9,859,807,015</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>	<b>10,370,854</b>
g	10700000 Construction Work in Progress Account	32,674,315	33,047,123	31,397,615	33,004,281	34,221,078	35,379,078	35,364,538	33,711,113	37,218,503	37,131,263	30,098,900	31,956,801	34,987,121	33,861,702
g	10700010 Construction Work in Progress-Topside	76,070	-106,219	-8,592	73,045	-2,491,591	-2,329,216	-167,504	-27,071	-945,791	-8,361,380	-459,332	-459,332	-459,332	(1,185,032)
g	10700020 Construction Work in Progress-Lines	1,250	-171	-171	-171	-171	-171	-171	-171	-171	-171	-171	-171	-171	(22)
g	10700100 Construction Work in Progress Engineering and Supervision	0	0	0	0	0	0	0	0	0	0	0	0	0	(18,995)
		<b>32,781,538</b>	<b>32,940,733</b>	<b>31,388,852</b>	<b>33,077,155</b>	<b>31,687,788</b>	<b>33,048,689</b>	<b>35,187,763</b>	<b>33,683,471</b>	<b>36,272,582</b>	<b>36,789,732</b>	<b>29,580,569</b>	<b>31,407,469</b>	<b>34,548,458</b>	<b>32,685,028</b>
g	10700000 Construction Work in Progress Account	3,334,559	3,312,381	1,580,045	1,576,397	401,584	433,071	433,071	443,064	434,013	421,088	438,676	438,676	438,676	1,048,028
g	10700010 Construction Work in Progress-Topside	1,244,008	(889,683)	(889,683)	1,106,630	1,106,630	1,208,494	1,208,494	1,208,494	1,208,494	1,208,494	1,208,494	1,208,494	1,208,494	1,208,494
g	10700020 Construction Work in Progress-Lines	152,851,558	157,748,669	154,505,775	149,775,578	160,641,497	164,505,584	170,567,400	177,597,981	183,945,481	188,414,054	192,076,202	197,334,281	207,636,734	173,684,596
g	10700100 Construction Work in Progress Engineering and Supervision	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g	10700030 Construction Work in Progress-Cloud Software	-167,293	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430	-128,430
		<b>157,682,775</b>	<b>161,615,088</b>	<b>161,615,088</b>	<b>163,352,477</b>	<b>169,877,689</b>	<b>167,303,353</b>	<b>180,842,393</b>	<b>187,792,714</b>	<b>192,038,053</b>	<b>198,792,714</b>	<b>198,792,714</b>	<b>198,792,714</b>	<b>198,792,714</b>	<b>173,438,547</b>
	Allocation Rate	2.43%	2.73%	3.09%	3.27%	3.28%	3.24%	3.29%	3.28%	3.24%	2.86%	2.39%	2.39%	2.86%	9,980,818
	Total Construction Work in Progress	<b>3,823,055</b>	<b>4,419,249</b>	<b>4,898,073</b>	<b>5,015,871</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>	<b>4,898,073</b>
		<b>38,674,893</b>	<b>37,359,982</b>	<b>36,186,925</b>	<b>38,102,126</b>	<b>36,585,933</b>	<b>37,954,349</b>	<b>40,785,846</b>	<b>38,581,544</b>	<b>41,176,655</b>	<b>41,680,826</b>	<b>40,478,637</b>	<b>36,344,872</b>	<b>37,348,877</b>	<b>37,648,877</b>
g	15400000 Plant Materials and Supplies-Meismo	594,818	502,247	511,319	512,938	512,938	506,564	506,688	505,556	508,600	508,728	508,496	507,819	508,778	508,175
g	16410030 Gas Underground Storage	11,550,545	8,234,348	5,588,003	2,607,826	3,052,008	4,918,462	4,208,789	4,918,462	5,558,926	6,201,857	6,889,287	6,349,075	4,894,162	5,674,022
g	16410035 Gas Underground Storage(SONAT)	0	0	0	1,544,433	1,203,509	1,305,137	1,498,361	1,749,657	1,995,340	2,195,280	2,197,093	1,937,096	1,801,133	1,814,038
g	16410060 Wels Underground Storage	4,413,907	3,922,222	2,634,037	1,544,433	1,203,509	1,305,137	1,498,361	1,749,657	1,995,340	2,195,280	2,197,093	1,937,096	1,801,133	1,814,038
g	16420000 Inventory-Liquefied Natural Gas Stored	5,412,783	5,227,634	5,106,644	5,028,201	4,944,073	4,862,792	4,777,400	4,688,561	4,597,515	4,688,405	5,231,509	5,063,166	4,864,819	4,958,727
g	16420100 Inventory-LNG Presentation Reclass	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		<b>21,882,654</b>	<b>17,486,451</b>	<b>13,840,964</b>	<b>9,893,388</b>	<b>9,787,447</b>	<b>10,327,381</b>	<b>10,981,430</b>	<b>11,862,938</b>	<b>12,681,381</b>	<b>13,862,289</b>	<b>14,627,388</b>	<b>13,857,158</b>	<b>12,889,934</b>	<b>13,294,493</b>
g	16500000 Prepayments Account	14,816	12,755	10,543	12,658	11,567	10,770	80,029	79,916	79,916	79,916	61,671	41,074	20,478	56,136
g	18200050 O&A-Rate Case Expenses	267,427	240,013	212,598	185,183	157,768	130,354	102,559	75,824	48,109	20,695	0	0	0	110,816
g	14400100 Accum Prov Unclal	(417,214)	(434,000)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)	(442,166)
g	24000000 Misc Cur and Accrued Liabilities (MICAL)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g	14300795 On A&P-Provision for Other - Damage Main	(189,615)	(210,895)	(99,220)	(36,629)	(36,629)	(45,132)	(61,026)	(85,062)	(135,151)	(150,349)	(183,282)	(192,750)	(196,960)	(124,648)
g	24000080 MICAL-Health Reimbursement Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g	23000085 AP-Unallocated Check	29,604	25,894	26,237	26,238	25,735	25,738	25,745	25,753	25,765	26,645	14,647	14,648	14,649	24,116
g	10800000 Accum Deer	(150,817,354)	(151,564,132)	(152,138,617)	(152,840,109)	(153,034,968)	(153,602,599)	(153,655,053)	(153,666,317)	(153,547,266)	(153,651,044)	(154,687,347)	(155,150,731)	(155,438,129)	(153,413,430)
g	10800020 Accum Deer Plant in Service-Topside	0	0	0	0	0	0	0	0	0	0	0	0	0	(1,777)
g	10800030 Accum Deer Plant Use-AR	29,822,532	29,822,532	29,822,532	30,218,564	30,218,564	30,218,564	30,513,141	30,513,141	30,513,141	30,473,731	30,473,731	30,473,731	30,473,731	30,308,596
g	10800050 Removal Work in Progress (RWIP)	649,800	879,947	883,446	883,446	883,446	883,446	883,446	883,446	883,446	883,446	883,446	883,446	883,446	883,446
g	10800060 Accum Res FixedAsset Rem Cost	(29,822,532)	(29,822,532)	(29,822,532)	(30,218,564)	(30,218,564)	(30,218,564)	(30,513,141)	(30,513,141)	(30,513,141)	(30,473,731)	(30,473,731)	(30,473,731)	(30,473,731)	(30,308,596)
		<b>(189,167,648)</b>	<b>(189,684,184)</b>	<b>(191,274,171)</b>	<b>(191,811,481)</b>	<b>(192,033,098)</b>	<b>(192,764,230)</b>	<b>(193,174,187)</b>	<b>(193,652,482)</b>	<b>(193,650,413)</b>	<b>(193,651,686)</b>	<b>(195,684,638)</b>	<b>(194,130,664)</b>	<b>(194,431,117)</b>	<b>(192,482,785)</b>
g	10800000 Accum Deer	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g	10800020 Accum Deer Plant in Service-Topside	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g	10800030 Accum Deer Plant Use-AR	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659	123,458,659
g	11100010 Accum Amortization - Cloud Software	(3,013,175)	(4,214,071)	(4,315,489)	(5,033,288)	(6,426,989)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)	(7,132,257)
	Allocation Rate	2.43%													

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-18

QUESTION:

Identify and Source & Support. Identify and provide a copy of all workpapers used to prepare the Company's ARM filing that have not been previously supplied. Specifically, provide either a statement that all workpapers and schedules used by the Company to prepare the ARM filing have already been supplied or provide a copy of all schedules and workpapers used by the Company to prepare the ARM that have not been previously supplied.

RESPONSE:

With the exception of additional workpapers provided during discovery, all workpapers and schedules used by the Company to prepare the ARM filing have already been supplied.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-19

**QUESTION:**

Source & Support. Refer to <2024-04-15 CONFIDENTIAL Schedule 32\_12942343\_1>, Cost Allocation Manual ("CAM") as of December 31, 2023. Identify any changes in allocation procedures or methodologies between this CAM and the one previously in effect.

**RESPONSE:**

There were no changes in allocation procedures and methodologies between this CAM and the previous one in effect.

*Witness:*       Tiffani Weems  
                    Manager, Regulatory Reporting  
                    Southern Company Gas



**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-20

**QUESTION:**

Source & Support and Explanation. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges to Account 920-A&G Salaries from Department "ASC1470:Govt Affairs AGLC-CGC". Provide the following:

- a. An organizational chart for this department;
- b. The job descriptions for each manager level employee and above within this department;
- c. The dollar amounts associated with each job title charged to account 920; and
- d. For each employee whose time is split between 426.x and 920 or any other above the line account, provide a comprehensive explanation and all available support underlying how the split between the below the line and above the line accounts were determined.

**RESPONSE:**

It is the Company's understanding that this discovery request relates to department ASC 1637 rather than ASC 1470. All costs associated with department ASC 1637 are removed through ratemaking adjustments in CGC Weems Exhibit TW-1, Schedules 24 and 27. Further details of these costs can be located in supplemental workpapers 35.2c and 35.10c. This is a highly conservative adjustment as the costs recorded in ASC 1637 associated with lobbying and other related non-regulatory activities are de minimis.

*Witness:* Tiffani Weems  
Manager, Regulatory Accounting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-21

**QUESTION:**

Identification. Is there a Chattanooga Gas Company political action committee, or any similar organization with the objective to engage policymakers on items of interest? If so, please identify the job titles of the members and associated labor distribution for 2023.

**RESPONSE:**

Yes, there is a Chattanooga Gas Company political action committee called the "Chattanooga Gas PAC" to support state candidates. There are no members of the committee. There are three officers of the committee: Jim Fletcher, Chairman (Southern Company Gas Vice President External Affairs Southeast); W. Cofield Widner, Treasurer (Southern Company Gas, Director External Affairs); and Mark Skerjan, Secretary (Southern Company Gas, Director, Legislative Policy and Analysis). All officer appointments are by the President of Southern Company Gas.

*Witness:* Paul Leath  
Regional Director of Operations  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-22

QUESTION:

Source & Support, Identification, and Explanation. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges from Departments starting with the prefix "AGL". Provide answers to the following:

- a. Confirmation that these costs originated from Atlanta Gas and Light;
- b. Narrative Explanation of how these costs relate to the provision of service by CGC; and
- c. A statement detailing how the company assigns costs between these Southern Company affiliates along with any formal cost sharing documentation between these affiliates.
  - i. If not contained in the CAM, provide a copy of any applicable contract that is relied upon to assign these affiliate costs.
  - ii. Identify the specific provisions of the CAM or the applicable provision of the document provided in subpart (c)(i) that confers the authority and support for the methodology used to assign these costs to CGC.

RESPONSE:

- a. Charges from departments starting with the prefix "AGL" originate from Atlanta Gas Light (AGL). These costs are charged to AGL Services Company (ASC) and then allocated to the CGC based on ASC Target Cost Center allocation methodologies.
- b. AGL, given its proximity to Chattanooga, may provide a variety of services on behalf of ASC to CGC. In general, AGL provides customer services and employee services (i.e. Field Training) and certain Fleet and Engineering assistance. In 2023, AGL personnel assisted with maintenance of fleet equipment, and protection services, such as corrosion control and system integrity.
- c. As noted in Section III, Part C, of the ASC Cost Allocation Manual (CAM), ASC reserves the right to arrange for services from affiliated experts, consultants, attorneys and others connected with services supplied in their respective service agreements, if deemed necessary.

Upon further review of these costs, the Company discovered that \$217.30 from department AGL1801 was charged to CGC in May 2023 in error. The Company will remove this amount from the deficiency and rate reset.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-23

**QUESTION:**

Source & Support, Identification, and Explanation. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges from Departments starting with the prefix 'GPC'. Provide answers to the following:

- a. Confirmation that these costs originated from Georgia Power Company;
- b. A narrative explanation of how these costs relate to the provision of service by CGC; and
- c. A statement detailing how the company assigns costs between these Southern Company affiliates along with any formal cost sharing documentation between these affiliates.
  - i. If not contained in the CAM, provide a copy of any applicable contract that is relied upon to assign these affiliate costs.
  - ii. Identify the specific provisions of the CAM or the applicable provision of the document provided in subpart (c)(i) that confers the authority and the support for the methodology used to assign these costs to CGC.

**RESPONSE:**

- a. Charges from departments starting with the prefix "GPC" originate from Georgia Power Company (GPC). However, these costs are charged to Southern Company Services (SCS) projects and then allocated to CGC based on the Target Cost Center methodologies.
- b. GPC personnel provide certain corporate/building security services such as managing access to facilities, facilities planning, and maintenance and operations. Additionally, the Technology Organization provides certain network management and infrastructure services.
- c. As noted in Section III, Part C, of the ASC Cost Allocation Manual (CAM), ASC reserves the right to arrange for services from affiliated experts, consultants, attorneys, and others connected with services supplied in their respective service agreements, if deemed necessary.

*Witness:*       Tiffani Weems  
                    Manager, Regulatory Reporting  
                    Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-24

**QUESTION:**

Source & Support, Identification, and Explanation. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges from Departments starting with the suffix "NGC". Provide answers to the following:

- a. Confirm these costs originated from Nicor Gas Company;
- b. How do these costs relate to the provision of service by CGC; and
- c. A statement detailing how the company assigns costs between these Southern Company affiliates along with any formal cost sharing documentation between these affiliates.
  - i. If not contained in the CAM, provide a copy of any applicable contract that is relied upon to assign these affiliate costs.
  - ii. Identify the specific provisions of the CAM or the applicable provision of the document provided in subpart (c)(i) that confers the authority and support for the methodology used to assign these costs to CGC.

**RESPONSE:**

- a. Charges from departments starting with the prefix "NGC" originate from Nicor Gas Company.
- b. Nicor Gas Company (NGC) provides certain customer operations related services to Chattanooga Gas Company and other affiliates. Such services would include but are not limited to, remittance processing or the handling of receipts and payments records and contact centers or managing inbound call centers.
- c. As noted in Section III, Part C, of the ASC Cost Allocation Manual (CAM), ASC reserves the right to arrange for services from affiliated experts, consultants, attorneys and others connected with services supplied in their respective service agreements, if deemed necessary.

Upon further review of these costs, the Company discovered that \$4,379 from department NGC3134 was charged to CGC in error. The Company will remove this amount from the deficiency and rate reset.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-25

**QUESTION:**

Identification and Source & Support. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges from the following Department to account 923, "SCS0433:Workplace Enablement" and provide the following:

- a. The contract with the external vendor that supports these charges;
- b. If no contract exists, provide a comprehensive explanation of the nature of these charges; and
- c. Identification of the goals and objectives of this department.

**RESPONSE:**

- a. Not applicable.
- b. SCS Workplace Enablement is responsible for budgeting for enterprise PC procurement, PC refresh processes and refresh model oversight, PC leasing oversight, corporate wireless device account management, tower lease administration, and provides invoice reconciliation services for the Technology Organization. The department provides the following services.
  - PC Procurement:
    - PC Refresh
    - New Demand
    - Bulk Orders
    - Order Status
    - Quotes
    - Order Consultation
    - Returns/RMAs
    - PC Asset Management Reporting
  - Wireless Devices
    - Cell phone requests (non-SOLINC)
    - iPad requests
    - Activations
    - Troubleshooting
  - Invoice Reconciliation:



- Invoice processing
  - Assistance and training for Maximo and Oracle Cloud
  - Ad-hoc invoice/PO reporting requests
  - SCS Tower lease administration
- c. SCS Workplace Enablement is a component of Southern Company Services' Digital Workplace Solutions. The goal of SCS Digital Workplace Solutions is to provide secure, reliable, and effective technology leadership, solutions, and services. This is achieved by providing applications, hardware, and services to the enterprise that enable employees to do their jobs efficiently and effectively.

*Witness:* Tiffani Weems  
Manager, Regulatory Reporting  
Southern Company Gas

**Chattanooga Gas Company**  
**Docket No. 24-00024**  
**Chattanooga Gas Company's 2023 Annual Rate Review**

**CONSUMER ADVOCATE'S Discovery Requests Set: CA-1**

CA 1-26

**QUESTION:**

Identification and Source. Refer to <2024-04-17 Schedule 21.1 - CGC and AGSC Trial Balance\_12945291\_1>, CGC Trial Balance. Specifically, refer to the allocated charges from the following Departments, "ASC1459: EVP Chief Ext Pub Affrs Offcr" and "ASC1461: External Affairs & Public Policy." Provide the job description(s) and salaries of the employee(s) whose time is being recorded in account 920 from each of these departments.

**RESPONSE:**

CGC objects to this request to the extent it is seeking the disclosure of confidential, proprietary, or trade secret information from CGC. Notwithstanding and without waiving the foregoing objections, please see CA 1-26 Attachment A for the requested job descriptions for the four roles in the requested departments. CGC does not make individual employee salary information available beyond the employee and relevant managerial and personnel department employees. Recognizing the highly personal nature compensation information, CGC will provide the requested information regarding employee salaries, subject to the foregoing objections, on a confidential basis subject to the protective order in this docket and with the request that it be limited only to those who need to review this information.

*Objections, by Counsel.*

*Witness:*       Tiffani Weems  
                  Manager, Regulatory Reporting  
                  Southern Company Gas

## **CGC 2024 ARM Filing**

### **Assistant to EVP**

Manages, directs, or supervises a group of employees working on technical projects utilizing specialized project management techniques. Accountable for the development of effective technical project plans and strategies and may be recognized as the subject matter expert. Evaluates the resources needed to accomplish business objectives within the agreed timeframe. Establishes and oversees the staffing plan for each project, using a combination of internal and contract expertise. Keeps abreast of technology tools to utilize and maximize project Management methodologies to efficiently manage projects. Selects, approves, and oversees the management of shared resources and subordinate Project Managers, who coordinate cross-functional teams to achieve targets, milestones, and results. Must possess a thorough understanding of programs, systems, business operations, and relevant functional areas and expert communication skills to build consensus and commitment, negotiate terms, and resolve problems. Oversees the coordination of cross-functional teams through meetings, tasks and reporting, and measures progress according to plans and interim and final targets and goals. Oversees the management of communications, documentation, and resources to bring projects to completion both on time and within budget. Project Management Certification is typically required.

Typically heads and manages multiple units, sections, or a large/complex or business critical department comprised of professionals and /or large numbers of operational support staff. Has input to strategy and recommends and implements policies. May work in a remote area, where greater autonomy and latitude for action may exist. Manages 2 or more specialized units or departments comprised of supervisors/managers, professionals and/or large numbers of operational support staff. Develops policies, procedures, methods/tactics to ensure cost control and operational efficiency. Manages department/units working with cross-functional teams to execute short, and long-term objectives. Contributes to defining short term strategic plans and has responsibility for managerial planning, integration, and control. Decisions and actions are often more tactical and transactional than those of a director. Resolves complex operational and tactical problems and interprets and executes divisional policies. Plans, monitors, and controls schedules, performance, quality, compliance, systems, resources, and costs to achieve short term functional goals and objectives. Qualifications: Typically requires a Bachelor's degree plus 8+ years of prior related business and managerial experience.

**CGC 2024 ARM Filing****Top Corporate Affairs Executive**

Has primary responsibility for designing, developing and implementing policies and programs to enhance the public reputation of the organization, direct the development and management of an integrated communications function (internally and externally), and represent the organization in legislative and regulatory matters. May be responsible for community relations.

Top executive responsible for overseeing the Corporate Affairs function for the entire firm. Oversees the flow of internal and external communications between an independent corporation and external groups, including public relations, community relations, government relation, shareholders and the financial investing community. May make presentations to the financial community and investors, develop strategies, and implement programs to keep the financial community current on company performance and industry trends. Participates in the preparation of communications to shareholders to best present the company's strategies and plans to the market. Executive covers activities related to firm-wide, function, area, or focus area leadership.

Corporate Affairs. The Corporate Affairs function is responsible for developing, implementing, and maintaining internal and external policies and programs to ensure that the firm is represented positively to the media, the general public, and stakeholders. This may include public and media relations, community relations, and internal employee communications.

## **CGC 2024 ARM Filing**

### **Director External Affairs**

Develops and maintains policies and programs to ensure organizational awareness of government legislation and/or regulatory issues that affect the organization and respond to same. Ensures that the organization's interests are represented and protected in legislative proceedings and in the development of market rules and procedures. Prepares and organizes forums and gatherings with government officials to exchange ideas and information on business activities and potential legislation that may affect the organization. Acts as a resource on regulatory matters with regard to product changes. Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives. Looks beyond existing methodologies and own discipline to define and resolve complex problems. Develops plans and delivers results in fast-changing businesses and/or regulatory environments. Provides input to functional or departmental strategy. Manages large teams of professionals and/or junior managers.

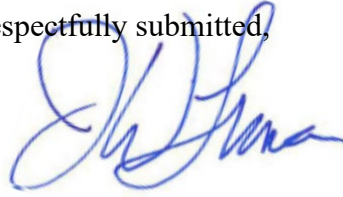
## CGC 2024 ARM Filing

**Executive Secretary/Executive Assistant**

Responsible for providing full administrative support to a function head. This responsibility may include the following duties, amongst others: greeting, screening & entertaining visitors, writing routine communications to a variety of audiences via e-mail, traditional mail, or other formats, screening telephone calls from a variety of callers including, executives, customers, media, and other sources, management of the executive's schedule, making all travel arrangements, coordinating and scheduling meetings, organizing hospitality or other events sponsored by the executive, tracking and coordination of expenses, basic administration of the budget for the function, documenting meetings, and general administrative follow-up on behalf of the executive. Routinely exposed to highly confidential information of a material nature (financial condition, acquisitions, divestitures, mergers, takeover bids, executive changes, and similar information) and is required to maintain absolute discretion in these matters. Depending on the work volume and scope of work, may with approval, engage and supervise temporary staff. May also periodically engage and supervise temporary staff. May, on occasion, require travel outside the Headquarters work location.

Independently delivers service or support at the expert (Paraprofessional) level. Handles a large, complex, or high-impact caseload and spends a large portion of overall effort troubleshooting problems, training, and assisting junior staff. May work as a group leader over a small workgroup within a single functional area, assisting with supervisory and training duties, while also performing the same support work. Possesses advanced knowledge and skills in the support area, coupled with a seasoned understanding of the operational environment. Demonstrates effective written and verbal communication skills applying tact and discretion at all levels. Demonstrates reliability, initiative, creativity, outstanding customer service, technical/project support, and problem-solving skills. Independently applies a variety of complex support methods/skills with significant creativity and autonomy to develop customized solutions. Works on complex or high impact cases, problems, projects, or assignments. Solves problems which require the regular use of creativity and understanding of operational impact. Independently resolves highly complex service/support problems, escalating out- of- policy matters. Recommends tactical solutions to improve efficiency and troubleshoots problems for all levels of staff and management. Qualifications: high school diploma /GED plus 5-8 years of related experience. Some college or certifications may be required.

Respectfully submitted,



---

J.W. Luna Esq. (Tenn. No. 5780)  
Butler Snow LLP  
150 3<sup>rd</sup> Avenue South, Suite 1600  
Nashville, TN 37201  
Telephone: (615) 651-6749  
[JW.Luna@butlersnow.com](mailto:JW.Luna@butlersnow.com)

and

Floyd R. Self, Esq. (Tenn. No. 41716)  
Berger Singerman LLP  
313 North Monroe Street, Suite 301  
Tallahassee, FL 32301  
Telephone: (850) 521-6727  
[fself@bergersingerman.com](mailto:fself@bergersingerman.com)

*Attorneys for Chattanooga Gas Company*

## **CERTIFICATE OF SERVICE**

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

Victoria B. Glover, Esq.  
Assistant Attorney General  
Karen H. Stachowski, Esq.  
Senior Assistant Attorney General  
Office of Tennessee Attorney General  
Consumer Advocate Division  
P.O. Box 20207  
Nashville, TN 37202-0207  
[victoria.glover@ag.tn.gov](mailto:victoria.glover@ag.tn.gov)  
[karen.stachowski@ag.tn.gov](mailto:karen.stachowski@ag.tn.gov)

Elizabeth Wade, Esq.  
Chief Regulatory Counsel  
Kasey Chow, Esq.  
Senior Counsel  
Southern Company Gas  
Ten Peachtree Place, N.W.  
Atlanta, GA 30309  
[ewade@southernco.com](mailto:ewade@southernco.com)  
[kchow@southernco.com](mailto:kchow@southernco.com)

Jason Willard  
Director, External Affairs  
Chattanooga Gas Company  
2207 Olan Mills Drive  
Chattanooga, TN 37421  
[jrwillar@southernco.com](mailto:jrwillar@southernco.com)

this the 17th day of May, 2024.



---