

25-00021

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I. WITNESS INTRODUCTION

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

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

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

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

11 **II. BACKGROUND AND EXPERIENCE.**

12 **Q. Please describe your professional background and education.**

13 A. I assumed my current position as Manager of Rates and Tariff Administration in
14 2021 and I have nearly 13 years of experience with Southern Company Gas. My
15 tenure at Southern Company Gas also includes two years as a regulatory analyst
16 and seven years as an internal auditor. Prior to joining Southern Company Gas
17 (formerly AGL Resources, Inc.) in 2012, I was an external auditor for small to mid-
18 sized utility companies in the southeast. I am a Certified Public Accountant in the
19 state of Georgia, and I hold a Master of Accountancy degree and Bachelor of
20 Science in Business Administration degree with a focus in Accountancy from
21 Auburn University.

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

A. Yes. I testified before the Tennessee Public Utility Commission in Dockets 24-
2 00024, 24-00066, 23-00029 and 21-00094. I have also provided testimony for the
3 State Corporation Commission of Virginia.

4 **III. PURPOSE OF TESTIMONY**

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

6 A. The purpose of my testimony is to provide the Commission with an overview of
7 the projected rate impact of CGC's Pipe Replacement Program ("PRP) under the
8 current seven-year implementation schedule and the proposed three-year extension.

9 **IV. PROJECTED RATEPAYER IMPACTS**

10 **Q. Are you familiar with the current PRP timeline?**

11 A. Yes. Under the current timeline, the PRP would run through 2028. Through this
12 Petition, CGC is requesting to extend that timeline by three additional years, with
13 completion in 2031.

14 **Q. What is your understanding of the basis for this request?**

15 A. At the most basic level, CGC is requesting the extension of the PRP timeline to
16 avoid significantly higher rate impacts through 2028 versus what are projected if
17 the PRP is extended for three additional years.

18 **Q. Are you familiar with the projected ratepayer impacts under the current**
19 **seven-year and proposed ten-year timelines?**

20 A. Yes.

21 **Q. Could you please summarize those impacts?**
23

22 A. Yes. As depicted in the table below, the ratepayer impacts under the current seven-
 1 year implementation schedule would be significantly higher for residential,
 2 commercial, and industrial customers during the next three years versus extending
 3 the project for three additional years. For example, the typical residential customer
 4 projected monthly bill would be higher by an additional \$0.75 in 2026, \$2.19 in
 5 2027, and \$2.01 in 2028 than if the project is extended the requested three
 additional years.

Residential (Rate Schedule R-1)								
Year Effective	2025	2026	2027	2028	2029	2030	2031	2032
7 Year PRP	\$1.24	\$5.26	\$5.17	\$4.17	\$4.33	\$2.02	\$3.21	\$5.11
10 Year PRP	\$1.24	\$5.26	\$4.42	\$1.98	\$2.32	\$2.51	\$2.98	\$4.75
Monthly Bill Impact Difference with 10 Yr	\$ -	\$ -	(\$0.75)	(\$2.19)	(\$2.01)	\$0.50	(\$0.23)	(\$0.36)
% Difference			- 14%	- 53%	- 46%	25%	- 7%	- 7%

Commercial (Rate Schedule C-1)								
Year Effective	2025	2026	2027	2028	2029	2030	2031	2032
7 Year PRP	\$2.61	\$11.12	\$10.92	\$8.82	\$9.16	\$4.26	\$6.78	\$10.79
10 Year PRP	\$2.61	\$11.12	\$9.35	\$4.18	\$4.91	\$5.31	\$6.30	\$10.04
Monthly Bill Impact Difference with 10 Yr	\$ -	\$ -	(\$1.58)	(\$4.64)	(\$4.25)	\$1.05	(\$0.48)	(\$0.76)
% Difference			- 14%	- 53%	- 46%	25%	- 7%	- 7%

Industrial (Rate Schedule F-1 T-2)								
Year Effective	2025	2026	2027	2028	2029	2030	2031	2032
7 Year PRP	\$412	\$1,754	\$1,723	\$1,391	\$1,444	\$672	\$1,069	\$1,702
10 Year PRP	\$412	\$1,754	\$1,474	\$660	\$774	\$838	\$994	\$1,583
Monthly Bill Impact Difference with 10 Yr	\$ -	\$ -	(\$249)	(\$731)	(\$671)	\$166	(\$75)	(\$120)
% Difference			- 14%	- 53%	- 46%	25%	- 7%	- 7%

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7 Q. Does this conclude your direct testimony?

8 A. Yes.