

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

**April 4, 2025**

<b>IN RE:</b>	)	
	)	
<b>CHATTANOOGA GAS COMPANY</b>	)	
<b>PETITION FOR EXTENSION OF ITS</b>	)	<b>DOCKET NO. 25-00021</b>
<b>PIPE REPLACEMENT PROGRAM</b>	)	
	)	

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

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Chattanooga Gas Company (“CGC” or “Company”) files these Responses and Objections to the Informal Discovery Requests of the Consumer Advocate Division of the Office of the Attorney General (“Consumer Advocate”) filed on March 24, 2025.

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 in anticipation that, if necessary, TPUC will issue a Protective Order in this docket. CGC is acting in good faith reliance that any such information will be maintained as confidential.

### **INFORMAL DISCOVERY REQUESTS**

See the following pages for each specific informal discovery response.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-1

QUESTION:

Refer to page 3 of the *Direct Testimony of Ashley K. Vette* and provide the work papers/supporting documentation for the overview of the projected rate impact of CGC's Pipe Replacement Program ("PRP") under the current seven-year implementation schedule and the proposed three-year extension.

RESPONSE:

In preparing a response to CA Informal 1-1, CGC identified a potential ambiguity in the presentation of the rate impact information in the table on page 3 of Ms. Vette's testimony. CGC intends to file clarifying revisions to the testimony the week of April 7, 2025, and will also provide the CA with the work papers/supporting documentation for the revised rate impact information at that time.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-2

QUESTION:

Does CGC have the resources necessary to complete the project in the current seven-year schedule?

RESPONSE:

If CGC is required to proceed under the current seven-year schedule, CGC will mobilize the resources necessary to complete the PRP on that timeline. This would, however, have rate impacts for CGC's customers—the very basis for CGC's requested extension in this docket. For example, Chattanooga Gas would have to significantly ramp up internal and external contractor resources to complete the PRP program within the current seven-year timeline to complete the estimated \$27 million/year investment required over the next three years.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-3

QUESTION:

Would there be any additional costs, or cost savings, in completing the project in the current seven-year schedule as compared to extending the project by three years?

RESPONSE:

It is anticipated that the requested extension will allow CGC to utilize existing internal and external resources more efficiently. As stated in Mr. Leath's testimony filed with the Petition, the PRP extension would provide flexibility to schedule specific replacement projects in a way that enables CGC to take advantage of grouping segments. This provides the contractors with consistent work when putting projects out to bid, resulting in competitive bids and the ability to take advantage of economies of scale.

Current expectations are that any inflationary costs associated with the proposed extension will be offset by the reduced costs of spreading out the investment levels over the additional three years. As noted in response to CA Informal 1-2, the current seven-year timeline would require a significantly ramp up of internal and external resources. This would include additional engineering, project management, pipeline construction, inspection, permitting, and other necessary resources to achieve the accelerated work levels. The requested extension would avoid these costs.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-4

QUESTION:

Will there be any cost savings (or avoided costs) by extending the project for three years?

RESPONSE:

Please see the response to CA Informal 1-3.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-5

QUESTION:

Has CGC conducted a lifecycle analysis of the cost and rate impact of extending the PRP by three years? If so, provide the analysis.

RESPONSE:

No, CGC does not typically perform a lifecycle analysis of costs and rate impacts.

**Chattanooga Gas Company**  
**Docket No. 25-00021**  
**Chattanooga Gas Company's PRP Extension Request**

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

CA Informal 1-6

QUESTION:

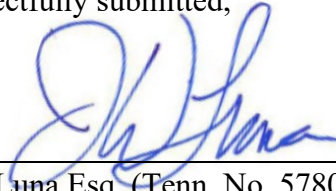
Has CGC conducted a net present value analysis of extending the PRP by 3 years? If so, provide the analysis.

RESPONSE:

No, CGC does not typically perform this type of analysis.



Respectfully submitted,



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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 exact copy of the foregoing has been served via electronic mail on this the 4<sup>th</sup> day April, 2025 to:

Shilina B. Brown  
Senior Assistant Attorney General  
Office of the Tennessee Attorney General  
Consumer Advocate Division  
P.O. Box 20207  
Nashville, TN 37202-0207  
[Shilina.Brown@ag.tn.gov](mailto:Shilina.Brown@ag.tn.gov)

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J.W. Luna

