

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

May 8, 2025

IN RE:)	
CHATTANOOGA GAS COMPANY)	Docket No.
PETITION FOR APPROVAL OF ITS)	
2024 ANNUAL RATE REVIEW)	25-00028
FILING PURSUANT TO)	
TENN. CODE ANN. § 65-5-103(d)(6))	

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

Chattanooga Gas Company (“CGC” or “Company”) files these Responses and Objections to the Informal Discovery Requests of the Consumer Advocate Division of the Office of the Attorney General (“Consumer Advocate”) provided to the Consumer Advocate on May 2 and 5, 2025. Note that while these were informally submitted, they are numbered as “CONSUMER ADVOCATE’S Informal Discovery Requests Set: CA-1” to avoid confusion with the first set of discovery. The numbering of the requests corresponds to the original questions list the Consumer Advocate provided to CGC, the numbers omitted were questions answered during an informal discovery meeting without any additional documentation.

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 informal 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 May 5, 2025, by marking the information as confidential. CGC is acting in good faith reliance on the Consumer Advocate's compliance with the Protective Order.

INFORMAL DISCOVERY REQUESTS

See the following pages for each specific informal discovery response.

Chattanooga Gas Company
Docket No. 25-00028
Chattanooga Gas Company's 2024 Annual Rate Review

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

CA Informal 1-01

QUESTION:

How would I review the specific dues *included* in the filing, including the allocated dues from affiliates? Please step me through the appropriate schedules to obtain that information.

RESPONSE:

Please see CONFIDENTIAL CA Informal 1-01 Attachment A for dues and CONFIDENTIAL CA Informal 1-01 Attachment B for outside services.

Witness: Tiffani Weems
 Manager, Regulatory Reporting
 Southern Company Gas

Chattanooga Gas Company
Docket No. 25-00028
Chattanooga Gas Company's 2024 Annual Rate Review

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

CA Informal 1-04

QUESTION:

What transactions are recorded to account 40810039; Taxes Other than Income – Franchise Corporate?

RESPONSE:

The franchise tax accrual is recorded to account 40810039. The franchise tax liability is calculated based on net worth and book value of tangible property. The 2024 franchise tax liability will be trued-up in 2025, once the actual payment is made.

Please see CA Informal 1-04 Attachment A.

Witness: Tiffani Weems
 Manager, Regulatory Reporting
 Southern Company Gas

Franchise Tax Liability

Sum of Transaction Amount		Column Labels
Row Labels		2024
40810039 - TOIT-Util Op-Franchise Corporate		553,877
Grand Total		553,877

Fiscal Year	Fiscal Period	Company	Account	Account Type	Resource Type	Department	Target Cost Center	Product	Location	Transaction Amount	Journal Name	Journal Batch	Journal Source	Journal Line Description	Journal Date	Journal ID and Line Number	Journal ID	Direct or Allocated Indicator	Debit Credit Indicator	Intercompany - Description
2024	Apr-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	Postage & Mailing Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANAPR24 Manual	MFRANAPR24 Spreadsheet A 3785412 25314762 N	Spreadsheet	reverse Jan - Mar entries and record Apr 2024 YTD franchise tax accrual.	5/3/2024 4525115-27	4525115	Direct		CREDIT	000 - No Intercompany
2024	Apr-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	269,488	- MFRANAPR24 Manual	MFRANAPR24 Spreadsheet A 3785412 25314762 N	Spreadsheet	reverse Jan - Mar entries and record Apr 2024 YTD franchise tax accrual.	5/3/2024 4525115-27	4525115	Direct		DEBIT	000 - No Intercompany
2024	May-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANMAY24 Manual	MFRANMAY24 Spreadsheet A 3826370 25894924 N	Spreadsheet	record May 2024 YTD franchise tax accrual.	5/29/2024 4628013-15	4628013	Direct		CREDIT	000 - No Intercompany
2024	May-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANMAY24 Manual	MFRANMAY24 Spreadsheet A 3826370 25894924 N	Spreadsheet	record May 2024 YTD franchise tax accrual.	5/29/2024 4628013-15	4628013	Direct		DEBIT	000 - No Intercompany
2024	Jun-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANJUN24 Manual	MFRANJUN24 Spreadsheet A 3855343 26388917 N	Spreadsheet	record June 2024 YTD franchise tax accrual.	6/18/2024 4662028-15	4662028	Direct		CREDIT	000 - No Intercompany
2024	Jun-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANJUN24 Manual	MFRANJUN24 Spreadsheet A 3855343 26388917 N	Spreadsheet	record June 2024 YTD franchise tax accrual.	6/18/2024 4662028-15	4662028	Direct		DEBIT	000 - No Intercompany
2024	Jul-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	000 - No Resource Type	0000000 - No Performing Department	000000 - No Target Cost Center	000000 - No Product	1470000 - Tennessee	(254,587)	- Jul-24 Misc Receipts	Receivables A 27232576000001 27232579 N	Receivables	Journal Import Created	7/24/2024 4792037-15	4792037	Direct		CREDIT	000 - No Intercompany
2024	Jul-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	000 - No Resource Type	0000000 - No Performing Department	000000 - No Target Cost Center	000000 - No Product	1470000 - Tennessee		- Jul-24 Misc Receipts	Receivables A 27232576000001 27232579 N	Receivables	Journal Import Created	7/24/2024 4792037-15	4792037	Direct		DEBIT	000 - No Intercompany
2024	Jul-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANJUL24 Manual	MFRANJUL24 Spreadsheet A 3962362 27169557 N	Spreadsheet	record July 2024 YTD franchise tax accrual.	7/22/2024 4783014-15	4783014	Direct		CREDIT	000 - No Intercompany
2024	Jul-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANJUL24 Manual	MFRANJUL24 Spreadsheet A 3962362 27169557 N	Spreadsheet	record July 2024 YTD franchise tax accrual.	7/22/2024 4783014-15	4783014	Direct		DEBIT	000 - No Intercompany
2024	Aug-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANAUG24 Manual	MFRANAUG24 Spreadsheet A 4073383 28188151 N	Spreadsheet	record August 2024 YTD franchise tax accrual.	9/3/2024 4899021-15	4899021	Direct		CREDIT	000 - No Intercompany
2024	Aug-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANAUG24 Manual	MFRANAUG24 Spreadsheet A 4073383 28188151 N	Spreadsheet	record August 2024 YTD franchise tax accrual.	9/3/2024 4899021-15	4899021	Direct		DEBIT	000 - No Intercompany
2024	Sep-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANSEP24 Manual	MFRANSEP24 Spreadsheet A 4187399 28825024 N	Spreadsheet	record September 2024 YTD franchise tax accrual.	10/1/2024 5037148-15	5037148	Direct		CREDIT	000 - No Intercompany
2024	Sep-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANSEP24 Manual	MFRANSEP24 Spreadsheet A 4187399 28825024 N	Spreadsheet	record September 2024 YTD franchise tax accrual.	10/1/2024 5037148-15	5037148	Direct		DEBIT	000 - No Intercompany
2024	Oct-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANOCT24 Manual	MFRANOCT24 Spreadsheet A 4264402 29588754 N	Spreadsheet	record October 2024 YTD franchise tax accrual.	11/4/2024 5134046-15	5134046	Direct		CREDIT	000 - No Intercompany
2024	Oct-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANOCT24 Manual	MFRANOCT24 Spreadsheet A 4264402 29588754 N	Spreadsheet	record October 2024 YTD franchise tax accrual.	11/4/2024 5134046-15	5134046	Direct		DEBIT	000 - No Intercompany
2024	Nov-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANOV24 Manual	MFRANOV24 Spreadsheet A 4305368 30242646 N	Spreadsheet	record November 2024 YTD franchise tax accrual.	12/3/2024 5173418-15	5173418	Direct		CREDIT	000 - No Intercompany
2024	Nov-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANOV24 Manual	MFRANOV24 Spreadsheet A 4305368 30242646 N	Spreadsheet	record November 2024 YTD franchise tax accrual.	12/3/2024 5173418-15	5173418	Direct		DEBIT	000 - No Intercompany
2024	Dec-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location		- MFRANDEC24 Manual	MFRANDEC24 Spreadsheet A 4375372 30938266 N	Spreadsheet	record December 2024 YTD franchise tax accrual.	1/3/2025 5245822-15	5245822	Direct		CREDIT	000 - No Intercompany
2024	Dec-24	CGC - Chattanooga Gas Company	40810039 - TOT-Util Op-Franchise Corporate	E	EFT - Taxes and Fees	CGC8000 - Chattanooga Gas Company	CHTGC - Chattanooga Gas Company - Corporate	000000 - No Product	0000000 - No Location	67,372	- MFRANDEC24 Manual	MFRANDEC24 Spreadsheet A 4375372 30938266 N	Spreadsheet	record December 2024 YTD franchise tax accrual.	1/3/2025 5245822-15	5245822	Direct		DEBIT	000 - No Intercompany

Chattanooga Gas Company
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CONSUMER ADVOCATE'S Informal Discovery Requests Set: CA-1

CA Informal 1-07

QUESTION:

Schedule 32 – Does the affiliate marketer South Star serve customers in the CGC footprint?

RESPONSE:

Yes. Southstar serves 10 interruptible customers at CGC.

Witness: Paul Leath
Regional Director of Operations
Chattanooga Gas Company

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

CA Informal 1-08

QUESTION:

Refer to pdf page 125/128 within Schedule 32, the Cost Allocation Manual and specifically the call center volumes. Explain how these volumes are maintained and used to allocate costs. Further, explain why CGC has approximately 30% of the call volume of AGL, while perhaps only 5% or less of the customers of AGL – explain this apparent discrepancy. There is a similar discrepancy between CGC and NGC between call volume and customer counts.

RESPONSE:

Atlanta Gas Light Company (AGL) experiences a lower call volume at its call centers because most customer calls related to billing, service inquiries, account management and general information are handled directly by marketers. Despite having a larger customer base, this diversion reduces the number of calls AGL handles directly. In contrast, CGC has a smaller proportion of customers contacting marketers, resulting in CGC handling a higher percentage of its calls directly and thus having a higher call volume relative to its customer base. In a deregulated market, such as the state of Georgia, it is normal for customers to contact the marketer directly, as they are the entity chosen to provide the services.

Additionally, the Georgia call center does not handle customer calls for Nicor, as Nicor operates its own call center.

Witness: Tiffani Weems
 Manager, Regulatory Reporting
 Southern Company Gas

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

CONFIDENTIAL

CA Informal 1-09

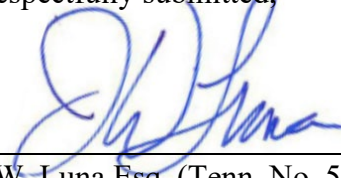
QUESTION:

Refer to pdf page 128/128 within Schedule 32. Why does CGC have more vehicles than employees? 73 vehicles vs. 53 employees?

PUBLIC RESPONSE:

This response is confidential and will be filed under seal pursuant to the Protective Order entered in this matter.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing has been forwarded via electronic mail to the following on May 8, 2025:

Karen H. Stachowski, Deputy Attorney General
Vance Broemel, Managing Attorney
Office of Attorney General
Consumer Advocate Division
P.O. Box 20207
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J.W. Luna