

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

April 20, 2026

IN RE:)
CHATTANOOGA GAS COMPANY'S)
PETITION FOR APPROVAL OF ITS 2025) **DOCKET NO. 26-00032**
ANNUAL RATE REVIEW FILING)
PURSUAN TO TENN. CODE ANN.
§ 65-5-103(D)(6)

**DIRECT TESTIMONY
OF
ASHLEY VETTE**

**ON BEHALF OF
CHATTANOOGA GAS COMPANY**

1 **I. WITNESS INTRODUCTION**

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

3 A. My name is Ashley Vette, and I am the Manager of Rates and Tariff Administration
4 for Southern Company Gas. Southern Company Gas is the parent holding company
5 of four natural gas distribution companies including Chattanooga Gas Company
6 (“Company” or “CGC”) as well as companies in Georgia, Illinois, and Virginia. In
7 my role I have rates and tariff responsibilities for Chattanooga Gas Company. My
8 business address is 725 West Peachtree Street NW, Atlanta, Georgia 30308.

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 14 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.

22 **Q. Have you previously testified before the Tennessee Public Utility Commission**
23 **or any other state regulatory commissions?**

1 A. Yes. I testified before the Tennessee Public Utility Commission in dockets 25-
2 00028, 25-00021, 24-00024, 24-00066, 23-00029 and 21-00094. I have also
3 provided testimony for the 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 rate adjustments proposed by CGC in the 2026 Annual Review Mechanism
8 (“ARM”) filing for the 2025 calendar year Historic Base Period based upon the
9 settlement agreement approved in the 2019 ARM Docket by the Commission’s
10 Order dated October 7, 2019 (“2019 ARM Order”) and to support the revenue
11 schedules and the related normalization adjustments included in this year’s ARM
12 filing. I also provide the various tariff exhibits for CGC’s proposed rates.

13 **Q. Are you including any exhibits in connection with your testimony**

14 A. Yes. The specific exhibits are as follows:

15 Exhibit AV-1 Comparison Current Rates with Proposed Rates

16 Exhibit AV-2 Revised Tariff Sheet

17 Exhibit AV-3 Revised Tariff Sheets – Redlined

18 **Q. What is the amount of the proposed increase?**

19 A. The proposed rate increase is \$3,747,890.

20 **Q. How is the proposed rate increase allocated to the Rate Schedules.**

21 A. The proposed rate increase is allocated to each Rate Schedule on an equal
22 percentage basis with any differences due to rounding with the exception of CGC’s
23 two Commission-approved CGC Special Contract customers, Kordsa and

1 Volkswagen (“VW”). The Company is proposing to limit the rate increase of its
2 customer Kordsa to five percent which is consistent with the agreed upon terms
3 between CGC and Kordsa for its approved Special Contract and has been proposed
4 in the prior three ARM filings. Additionally, consistent with prior years and with
5 the terms of CGC’s approved Special Contract with VW, CGC is proposing no rate
6 increase for VW since this Special Contract was part of a package of incentives
7 offered by the State of Tennessee and local government officials to have VW locate
8 to Tennessee.

9 As explained in the direct testimony of Ms. Tiffani Weems, the Company
10 has computed the rate adjustment that is needed to allow CGC to earn its authorized
11 return on equity on a going forward basis using the prescribed ARM procedure.
12 The rates have been computed on Schedule 17 of the ARM model to produce the
13 revenue increase required for CGC to earn its authorized return going forward. The
14 proposed rates are presented in comparison with the current rates on my Exhibit
15 AV-1.

16 **Q. What is the proposed percent increase?**

17 A. The average annual base rate increase for customers served at tariff rates is
18 approximately 5.2% as shown on Schedule 17.1 of the ARM model.

19 **Q. How do the proposed rates impact the bills for customers served under the
20 Residential Rate Schedule?**

21 A. The current and proposed Residential (R-1) rates are:
22
23

	Current		Proposed	
	Winter	Summer	Winter	Summer
Customer Charge	\$34.30	\$28.30	\$36.07	\$29.76
Volumetric Rate/Therm	\$0.23775		\$0.24999	

1

2 **Q. What is the difference in the average impact on a residential customer's bill?**

3 A. The proposed rates will result in an average monthly increase of \$2.25, effective
4 September 1, 2026.

5 **Q. How are the commercial (C-1) customers impacted?**

6 A. The impact on customers served under the C-1 Rate Schedule would be an average
7 \$4.75 increase in the monthly bill effective September 1, 2026.

8 **Q. Will you please describe Exhibits AV-2 and AV-3?**

9 A. Exhibit AV-2 includes the CGC tariff sheets with all of the proposed changes,
10 including the rates, incorporated; and Exhibit AV-3 is the redline version of the
11 tariff sheets that identifies the changes.

12 **Q. Is CGC proposing to change any of the miscellaneous charges?**

13 A. No.

14 **Q. Is CGC proposing to make changes to its tariff other than the rate adjustments
15 as shown on Exhibit AV-1?**

16 A. No.

17 **Q. Are you responsible for any of the ARM Schedules?**

18 A. Yes, I am sponsoring the ARM schedules identified on Exhibit TW-2.

19 **Q. Please describe these Schedules.**

1 A. ARM Revenue Schedule 5.1 includes the adjustments to the revenues as recorded
2 on the Company's books to reflect the base revenues for rate-making purposes as
3 adopted in the Amended Order in Docket No. 18-00017 January 15, 2019, in ("Rate
4 Case Order") and which are required by the 2019 ARM Order. There are four
5 revenue adjustments.

6 1. Reduce revenues \$4,234,656 to remove the Chattanooga and
7 Cleveland Franchise fees that are a direct pass through and not
8 CGC's revenue. The Franchise Fee Expense is also excluded from
9 operating expense on Schedule 7. This is consistent with the
10 treatment of Franchise Fees in the Rate Case Order.

11 2. Reduce Other Revenues by \$268,750 to remove the Asset
12 Management Fee that is not base revenue but is handled through the
13 annual Interruptible Margin Credit Rider filing.

14 3. Increase revenue \$7,429 to remove miscellaneous base revenue
15 adjustments that were recorded during calendar year 2025.

16 4. Increase Other Revenue \$266,715 to reclassify damage billing as
17 revenue instead of credits to operating expense consistent with the
18 treatment in the Rate Case Order. Operating Expense was increased
19 by the same amount on Schedule 7.

20 In addition to these revenue adjustments, the cost of the odorant is removed
21 from the cost of gas, since it is not recovered through the Purchased Gas Adjustment
22 ("PGA"), but through base rates. The odorant is included in Other Operating

1 Expense on Schedule 7(c). The adjustments on Schedule 5.1 support the
2 adjustments shown in the Rate Making column on ARM Schedule 5.

3 Schedule 6 is the Revenue Summary of the calendar year 2025 revenue by
4 Rate Schedule and the weather normalization adjustments for Rates Schedules R-
5 1, R-4, C-1, and C-2. The Rate Schedule revenue is from Schedule 15.1, the weather
6 normalization adjustments are from Schedule 16.3 and the normalized Other
7 Revenue is from Schedule 28. The revenues for the remaining Rate Schedules and
8 Special Contracts are not weather normalized.

9 Schedule 6.1A identifies off-system liquid natural gas (“LNG”) sales.
10 There were no off-system sales of LNG during the Historic Base Period.

11 Schedule 13 shows the proposed margin increase by rate schedule.

12 Schedule 15, Summary Historical Jurisdictional Revenue, identifies the
13 number of customers, the volumes, and revenue for each Rate Schedule for each
14 month of 2024. This information is taken from the Company’s accounting records.

15 Schedule 15.1, the annualization of the rates effective September 1, 2025,
16 reflects the sales and transportation revenue that would have occurred if the rates
17 effective September 1, 2025, had been in effect for the entire year.

18 Schedule 16.1 is the calculation of the weather normalized volumes for Rate
19 Schedules R-1, R-4, C-1, and C-2 that are computed by multiplying the number of
20 bills for the 2019 calendar year Historic Base Period by the average normalized use
21 per bill pursuant to the Rate Case Order in Docket 18-00017.

1 Schedule 16.1A is a copy of Attachment 2 from the Rate Case Order in
2 Docket 18-00017 that has been expanded to show the computation of the average
3 weather normalized usage per customer.

4 Schedule 16.2 is the calculation of the weather normalized volumetric
5 revenue for Rate Schedules R-1, R-4, C-1, and C-2 computed by multiplying the
6 normalized volumes from Schedule 16.1 by the current rates.

7 Schedule 16.3 shows the weather normalized revenue, the revenue per
8 books, and the weather normalization adjustments for Rate Schedules R-1, R-4, C-
9 1, and C-2. These weather normalization adjustments are included on ARM
10 Schedule 5.

11 Schedule 16.4 is the monthly summaries of the number of customers and
12 billed volumes by Rate Schedule for 2025.

13 Schedule 17 is the proof of revenue under CGC’s proposal. The proposed
14 rates produce a \$3,747,890 increase. Additionally, to satisfy the request made by
15 the Consumer Advocate Division (“CAD”) as part of the settlement agreement
16 between the Company and CAD in the prior year ARM filing, the percentage
17 change to each individual rate has been provided.

18 Schedule 17.1 shows the allocation of the revenue deficiency to the
19 individual Rate Schedules. The deficiency is allocated on an equal percentage basis
20 across all Rate Schedules.

21 Schedule 18, Other Revenue, is the summary of the Other Revenues for
22 each month of 2025.

1 Schedule 28 reflects the non-weather normalization adjustments computed
2 in accordance with the methodology adopted in the Rate Case Order as follows:

- 3 • Other-Revenues, 4-year average;
- 4 • Uncollectible Expense, 5-year average;
- 5 • Materials and Supplies, 3-year average;
- 6 • Prepayments, 3-year average;
- 7 • Gas Inventory, 3-year average;
- 8 • Reserve for Uncollectible, 3-year average;
- 9 • Reserve of Health Insurance, 3-year average; and
- 10 • Other Reserves, 3-year average;
- 11 • Interest on Customer Deposits is the average balance of
12 Customer Deposits held for over 6 months multiplied by
13 the applicable 6.75% interest rate.

14 As detailed on Exhibit TW-2, I am also sponsoring various workpapers
15 included in Schedule 35. Ms. Weems outlines those workpapers in her direct
16 testimony.

17 **Q. Does this conclude your direct testimony?**

18 A. Yes.

19

	A	B	C	D	E
1			CURRENT BASE RATES EFFECTIVE 9/1/2025		PROPOSED BASE RATES
2	R-1	WINTER (NOV - APR)			
3	Residential	Base Use Charge/Bill	\$34.30		\$36.07
4	General Service	Commodity Charge/Therm	\$0.23775		\$0.24999
5					
6		SUMMER (MAY - OCT)			
7		Base Use Charge/Bill	\$28.30		\$29.76
8		Commodity Charge/Therm	\$0.23775		\$0.24999
9					
10	Non-Metered Gas Light	18 Therm per Light per Month	\$0.23775		\$0.24999
11					
12	R-4	WINTER (NOV - APR)			
13	Multi-Family	Base Use Charge/Unit	\$12.60		\$13.25
14	Housing Service	Commodity Charge/Therm	\$0.44210		\$0.46490
15					
16		SUMMER (MAY - OCT)			
17		Base Use Charge/Bill	\$12.60		\$13.25
18		Commodity Charge/Therm	\$0.39299		\$0.41326
19					
20	Air Conditioning	SUMMER (MAY - OCT)			
21		Flat Rate / Therm	\$0.07976		\$0.08387
22					
23	C-1	WINTER (NOV - APR)			
24	Commercial & Industrial	Base Use Charge/Bill	\$63.30		\$66.56
25	General Service	Flat Rate / Therms	\$0.37759		\$0.39706
26					
27		SUMMER (MAY - OCT)			
28		Base Use Charge/Bill	\$54.60		\$57.42
29		Flat Rate / Therms	\$0.29639		\$0.31168
30					
31	Non-Metered Gas Light (C-1 & C-2)	WINTER (NOV - APR)			
32		18 Therm per Light per Month	\$0.37759		\$0.39706
33					
34		SUMMER (MAY - OCT)			
35		18 Therm per Light per Month	\$0.29639		\$0.31168
36					
37	Air Conditioning	SUMMER (MAY - OCT)			
38		Flat Rate / Therm	\$0.07976		\$0.08387
39					

	A	B	C	D	E
40	C-2				
41	Medium Commercial	WINTER (NOV - APR)			
42	and Industrial General	Base Use Charge/Bill	\$152.60		\$160.49
43	Service	First 3,000 Therms	\$0.38340		\$0.40310
44		Next 2,000 Therms	\$0.35009		\$0.36807
45		Next 10,000 Therms	\$0.34104		\$0.35856
46		Over 15,000 Therms	\$0.17706		\$0.18612
47					
48		SUMMER (MAY - OCT)			
49		Base Use Charge/Bill	\$152.60		\$160.49
50		First 3,000 Therms	\$0.30131		\$0.31678
51		Next 2,000 Therms	\$0.23947		\$0.25175
52		Next 10,000 Therms	\$0.22332		\$0.23477
53		Over 15,000 Therms	\$0.17702		\$0.18608
54					
55	Air Conditioning	SUMMER (MAY - OCT)			
56		Flat Rate / Therm	\$0.07976		\$0.08387
57					
58	Demand Charge	Rate per Unit of Billing Demand			
59		Per Dth	\$12.70		\$13.36
60					
61	F-1	Base Use Charge	\$610.20		\$641.67
62	Large Volume	Demand Charge / Demand Unit	\$12.70		\$13.36
63	Firm Service	Commodity Charge / Dth			
64		First 1,500 Dths	\$1.6441		\$1.7288
65		Next 2,500 Dths	\$1.4038		\$1.4761
66		Next 11,000 Dths	\$0.7976		\$0.8387
67		Over 15,000 Dths	\$0.4924		\$0.5178
68					
69					
70	I-1	Base Use Charge	\$610.20		\$641.67
71	Interruptible Service	Commodity Charge/Dth			
72		First 1,500 Dths	\$1.6441		\$1.7288
73		Next 2,500 Dths	\$1.4038		\$1.4761
74		Next 11,000 Dths	\$0.7976		\$0.8387
75		Over 15,000 Dths	\$0.4924		\$0.5178
76					
77					

	A	B	C	D	E
78	T-1	Customer Charge	\$610.20		\$641.67
79	Interruptible Transportation Service	Transportation Charge/Dth			
80		First 1,500 Dths	\$1.6441		\$1.7288
81		Next 2,500 Dths	\$1.4038		\$1.4761
82		Next 11,000 Dths	\$0.7976		\$0.8387
83		Over 15,000 Dths	\$0.4924		\$0.5178
84					
85		System Capacity Charge/Dth	\$2.8500		\$2.9900
86					
87	T-2	Customer Charge	\$610.20		\$641.67
88	Interruptible Transportation Service with Firm Backup	Demand Charge/Demand Unit	\$12.70		\$13.36
89		Transportation Charge/Dth			
90		First 1,500 Dths	\$1.6441		\$1.7288
91		Next 2,500 Dths	\$1.4038		\$1.4761
92		Next 11,000 Dths	\$0.7976		\$0.8387
93		Over 15,000 Dths	\$0.4924		\$0.5178
94					
95	T-3	WINTER (NOV - APR)			
96	Low Volume Transportation General Service	Base Use Charge/Bill	\$152.60		\$160.49
97		First 3,000 Therms	\$0.38340		\$0.40310
98		Next 2,000 Therms	\$0.35009		\$0.36807
99		Next 10,000 Therms	\$0.34104		\$0.35856
100		Over 15,000 Therms	\$0.17706		\$0.18612
101					
102		SUMMER (MAY - OCT)			
103		Base Use Charge/Bill	\$152.60		\$160.49
104		First 3,000 Therms	\$0.30131		\$0.31678
105		Next 2,000 Therms	\$0.23947		\$0.25175
106		Next 10,000 Therms	\$0.22332		\$0.23477
107		Over 15,000 Therms	\$0.17702		\$0.18608
108					
109	Demand Charge	Rate per Unit of Billing Demand			
110		Per Dth	\$12.70		\$13.36
111					

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TENNESSEE PUBLIC UTILITY COMMISSION NO. 1

GAS TARIFF

RATE SCHEDULE R-1
Residential General Service

AVAILABILITY

Available for all gas service furnished to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, irrespective of the fact that a person other than the resident: (1) is contractually bound to the Chattanooga Gas Company (Company) for the charges, or (2) actually pays the charges, or (3) is billed for the charges. Use of gas service in hotel or motel units by transient occupants shall not constitute residential use. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

	<u>Winter</u>	<u>Summer</u>
	<u>Net Rate</u>	<u>Net Rate</u>
	November-April	May-October
<u>Customer Base Use Charge</u>	\$36.07	\$29.76
<u>Commodity Charge</u>	24.999¢ Per Therm	24.999¢ Per Therm

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter reading.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
 GAS TARIFF
 TPUC NO. 1

FOURTEENTH REVISED SHEET NO.5

RATE SCHEDULE R-4
Multi-Family Housing Service

AVAILABILITY

Service under this Rate Schedule is available to customers using gas for Multi-family residential housing who contract for gas service for a period of not less than one year. The provision of service under this Rate Schedule is subject to the Chattanooga Gas Company (Company)'s determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly without the approval of the Company. For the purposes of this Rate Schedule, Multi-family residential housing shall mean five or more permanent residential dwelling units located on the same Premises which are leased, rented, or managed by the same person and served through a central gas meter. Residential and non-residential service shall not be combined in a single meter installation.

MONTHLY BASE RATE

	<u>Winter Net Rate</u>	<u>Summer Net Rate</u>
	November-April	May-October
<u>Customer Base Use Charge (Per Dwelling Unit Connected)</u>	\$13.25/ Unit	\$13.25/ Unit
<u>Commodity Charge</u>	46.490¢ Per Therm	41.326¢ Per Therm
<u>Air -Conditioning Commodity Charge</u>		8.387¢ Per Therm

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any multi-family housing Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during Summer (billing months of May through October) shall be deemed to be air- conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge per dwelling unit as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
 GAS TARIFF

TPUC NO. 1

SEVENTEENTH REVISED SHEET NO.10

RATE SCHEDULE C-1
Small Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes less than or up to 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therm per day shall be, at the option of Chattanooga Gas Company (Company), by written contract for a term of one year or less providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

<u>MONTHLY BASE RATE</u>	<u>Winter</u> <u>Net Rate</u>	<u>Summer</u> <u>Net Rate</u>
	November-April	May-October
<u>Customer Base Use Charge</u>	\$66.56	\$57.42
<u>Commodity Charge</u>	39.706¢ Per Therm	31.168¢ Per Therm
<u>Air -Conditioning Charge Rate</u> Per Month		8.387¢ Per Therm

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUMBILL

The minimum monthly bill shall be the Customer Base Use Charge as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENTTERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

RATE SCHEDULE C-2
Medium Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes greater than 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therms per day shall be, at the option of Chattanooga Gas Company (Company), by written contract providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

	<u>Winter</u> <u>Net Rate</u> November-April	<u>Summer</u> <u>Net Rate</u> May-October
Customer Base Use Charge	\$160.49	\$160.49
Commodity Charge		
First 3,000 Therms Per Month	40.310¢ Per Therm	31.678¢ Per Therm
Next 2,000 Therms Per Month	36.807¢ Per Therm	25.175¢ Per Therm
Next 10,000 Therms Per Month	35.856¢ Per Therm	23.477¢ Per Therm
Over 15,000 Therms Per Month	18.612¢ Per Therm	18.608¢ Per Therm
Demand Charge		
Rate Unit of Billing Demand	\$13.36 Per Dth	\$13.36 Per Dth
Air -Conditioning Charge Rate Per Month		8.387¢ Per Therm

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge plus the Demand Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

RATE SCHEDULE F-1
Commercial and Industrial Large Volume Firm Sales Service

RESTRICTED AVAILABILITY

This rate is available to those Customers actually taking service under Rate Schedule F-1 as of February 1, 1994. This rate will be available to additional Customers subsequent to February 1, 1994 only upon Chattanooga Gas Company (Company)'s ability to provide adequate gas supply to support the sale on terms and conditions which are satisfactory in the sole judgment of the Company subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer. Once a qualified Customer elects service under this Rate Schedule, service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-2 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

AVAILABILITY

Available to any commercial or industrial Customer for all purposes under the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of not less than 12 months.

MONTHLY BASE RATE

	<u>Net Rate</u>
<u>Customer Base Use Charge</u>	\$641.67
<u>Demand Charge</u>	
Per Unit of Billing Demand	\$13.36 Per Dth
<u>Commodity Charge</u>	
First 1,500 Dths Per Month	\$1.7288 Per Dth
Next 2,500 Dths Per Month	\$1.4761 Per Dth
Next 11,000 Dths Per Month	\$0.83870 Per Dth
Over 15,000 Dths Per Month	\$0.5178 Per Dth

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

RATE SCHEDULE I-1
Commercial and Industrial Interruptible Sales Service

AVAILABILITY

Gas sales service available on an interruptible basis to large volume Customers provided Chattanooga Gas Company (Company) has interruptible gas delivery capacity in excess of the then existing requirements of other Customers, and further subject to the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more. A Customer may also qualify for this rate schedule on a summer seasonal basis (May-October) provided the daily usage during this period consistently meets or exceeds 100 Dths.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements, and further provided the Customer's use under this rate shall not work a hardship on any other rate payers of the Company, nor adversely affect any other class of the Company's Customers. Further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers unless the Customer pays all cost to provide required facilities. The cost of such facilities shall be adjusted by the applicable income tax gross-up factor.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.
6. Customer agrees to install and maintain in usable condition standby fuel burning facilities to enable Customer, in the event of a curtailment of gas, to continue operations on standby fuel, or to give satisfactory evidence of their ability and willingness to have the delivery of gas hereunder interrupted or curtailed by the Company in accordance with the special terms and conditions as hereinafter set forth.

MONTHLY BASE RATE

Customer Base Use Charge

Net Rate

\$641.67

Commodity Charge

First 1,500 Dths Per Month

\$1.7288 Per Dth

Next 2,500 Dths Per Month

\$1.4761 Per Dth

Next 11,000 Dths Per Month

\$0.8387 Per Dth

Over 15,000 Dths Per Month

\$0.5178 Per Dth

RATE SCHEDULE T-1 (Continued)
Interruptible Transportation Service

6. Customer agrees to install and maintain standby fuel burning facilities to enable Customer, in the event of curtailment of service, to continue operations on standby fuel, or to give satisfactory evidence of the ability and willingness to have the service hereunder interrupted or curtailed by the Company in accordance with the terms and conditions set forth herein.

<u>MONTHLY BASE RATE</u>	*Net Rate
<u>Customer Base Use Charge</u>	\$641.67
<u>System Capacity Charge</u> Per Unit of Billing Capacity	\$2.99 Per Dth
<u>Commodity Charge</u>	
First 1,500 Dths Per Month	\$1.7288 Per Dth
Next 2,500 Dths Per Month	\$1.4761 Per Dth
Next 11,000 Dths Per Month	\$0.8387 Per Dth
Over 15,000 Dths Per Month	\$0.5178 Per Dth

Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

*Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

BILLING CAPACITY

The billing capacity shall be the greater of (a) or (b) below:

- a) The capacity for the current month is always the highest use per day in any of the previous 11 billing months plus the current billing month - - bearing in mind that demand days are established only during the billing months of November, December, January, February and March
- b) The capacity will be 65% of the average daily consumption for the preceding months of April through October.

Whenever a Customer commences taking service under this rate between April 1, and October 31 of any year, the billing capacity for each billing month prior to the November billing shall be 6% of the monthly consumption in each such month. Commencing with the billing month of November, the billing capacity shall be determined either under (a) or (b) above.

DETERMINATION OF CAPACITY DAY

The capacity day shall be determined at the option of the Company by one of the following methods:

1. By measuring the maximum volume of gas taken by the Customer in any one day through the use of volume and pressure recording and measuring equipment installed by the Company.
2. When gas is delivered to a Customer through a positive displacement meter without the use of daily recording and measuring equipment, the maximum volume of gas taken in any one day during the billing month shall be 6% of the total volume of gas used by the Customer during such billing month.

Rate Schedule T-2
Interruptible Transport Service with Firm Gas Supply Backup

TRANSPORTATION SERVICE AGREEMENT

Interruptible Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available on an Interruptible basis to eligible large volume Customers. Transportation Service shall be by Transportation Service Agreement in conjunction solely with service under Rate Schedule F-1.

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Customer's use under this rate shall not work a hardship on any other rate payers of Chattanooga Gas Company (Company), nor adversely affect any other class of the Company's Customers and further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be delivered through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule F-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATE

	*Net Rate
<u>Customer Base Use Charge</u>	\$641.67
<u>Demand Charge</u>	
Per Unit of Billing Demand	\$13.36 Per Dth
<u>Commodity Charge</u>	
First 1,500 Dths Per Month	\$1.7288 Per Dth
Next 2,500 Dths Per Month	\$1.4761 Per Dth
Next 11,000 Dths Per Month	\$0.8387 Per Dth
Over 15,000 Dths Per Month	\$0.5178 Per Dth

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

RATE SCHEDULE T-3
Low Volume Transport

TRANSPORTATION SERVICE AGREEMENT

Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available to commercial or industrial Customer consistently using 400 Dths on an annual basis. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule C-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATES

	<u>Winter</u> <u>NetRate*</u> November-April	<u>Summer</u> <u>NetRate*</u> May-October
<u>Customer Base Use Charge</u>	\$160.49	\$160.49
<u>Commodity Charge</u>		
First 3,000 Therms Per Month	40.310¢ Per Therm	31.678¢ Per Therm
Next 2,000 Therms Per Month	36.807¢ Per Therm	25.175¢ Per Therm
Next 10,000 Therms Per Month	35.856¢ Per Therm	23.477¢ Per Therm
Over 15,000 Therms Per Month	18.612¢ Per Therm	18.608¢ Per Therm
<u>Demand Charge</u>	\$13.36 Per Dth	\$13.36 Per Dth

The Purchased Gas Adjustment Demand Component applicable to service under the Rate Schedule C-2, computed in accordance with TPUC Administrative Rule 1220-4-7, shall apply to the Rate Schedule T-3 Demand Charge as set out above. Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission’s Rules and Regulations and applicable taxes and fees shall be added to the above rates.

* Company’s Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

AUTHORIZED INCREMENTAL RATE

When the Company determines that volumes of gas are available to be purchased and transported to Customers under this Rate Schedule, then the Company shall, at its option, be authorized to charge the incremental rate Customers for such gas supply distributed to those Customers who have been offered and who have agreed to pay such incremental rate. On days when gas is not being withdrawn from the Company’s Liquid Natural Gas (LNG) facility for system supply, the incremental rate shall be the applicable index rate plus the variable pipeline charges. On those days when gas is being withdrawn from the LNG facility, the incremental rate will be increased to reflect the cost of gas used in the liquefaction and vaporization process.

WEATHER NORMALIZATION ADJUSTMENT
(WNA) RIDER

FILING WITH COMMISSION

The Company will file as directed by the Commission (a) a copy of each computation of the Weather Normalization Adjustment, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, and (c) a schedule showing the factors or value derived from the Relevant Rate Order used in calculating such Weather Normalization Adjustment.

RATE SCHEDULE	WEIGHTED BASE RATE (THERM)	HEAT SENSITIVE FACTOR- HSF (THERM)	BASELOAD- BL (THERM)
(R-1) RESIDENTIAL Winter (November-April)	\$0.24999	.15024734	13.32898975
(R-4) MULTI-FAMILY HOUSING SERVICE Winter (November – April)	\$0.46490	.06855402	14.46080765
(C-1) COMMERCIAL AND INDUSTIRAL GENERAL SERVICE Winter (November – April)	\$0.39706	.29116094	16.52451922
(C-2) MEDIUM COMMERCIAL AND INDUSTRIAL GENERAL SERVICE Winter (November – April)	\$0.403754	2.11686991	700.30683132

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE
CHATTANOOGA, TENNESSEE 37421

TPUC NO. 2

RULES AND REGULATIONS FOR THE COMPANY'S GAS SERVICE

IN
HAMILTON AND BRADLEY COUNTIES, TENNESSEE

EFFECTIVE DATE: SEPTEMBER 1, 2026

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE

CHATTANOOGA, TENNESSEE 37421

TENNESSEE PUBLIC UTILITY COMMISSION NO. 1

GAS TARIFF

RATE SCHEDULE R-1
Residential General Service

AVAILABILITY

Available for all gas service furnished to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, irrespective of the fact that a person other than the resident: (1) is contractually bound to the Chattanooga Gas Company (Company) for the charges, or (2) actually pays the charges, or (3) is billed for the charges. Use of gas service in hotel or motel units by transient occupants shall not constitute residential use. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

	<u>Winter</u>	<u>Summer</u>	
	<u>Net Rate</u>	<u>Net Rate</u>	
	November-April	May-October	
<u>Customer Base Use Charge</u>	\$36.0734	\$29.7628	/
<u>Commodity Charge</u>	24.99923.775¢ Per Therm	24.99923.775¢ Per Therm	/

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter reading.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
 GAS TARIFF
 TPUC NO. 1

FOURTEENTH REVISED SHEET NO.5

RATE SCHEDULE R-4
Multi-Family Housing Service

AVAILABILITY

Service under this Rate Schedule is available to customers using gas for Multi-family residential housing who contract for gas service for a period of not less than one year. The provision of service under this Rate Schedule is subject to the Chattanooga Gas Company (Company)'s determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly without the approval of the Company. For the purposes of this Rate Schedule, Multi-family residential housing shall mean five or more permanent residential dwelling units located on the same Premises which are leased, rented, or managed by the same person and served through a central gas meter. Residential and non-residential service shall not be combined in a single meter installation.

MONTHLY BASE RATE

	<u>Winter Net Rate</u> November-April	<u>Summer Net Rate</u> May-October	
<u>Customer Base Use Charge</u> (Per Dwelling Unit Connected)	\$13.25 <u>12.60</u> / Unit	\$13.25 <u>12.60</u> / Unit	/
<u>Commodity Charge</u>	44.21 <u>46.490</u> ¢ Per Therm	41.32 <u>39.299</u> ¢ Per Therm	/
<u>Air -Conditioning Commodity Charge</u>		7.97 <u>68.387</u> ¢ Per Therm	/

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any multi-family housing Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during Summer (billing months of May through October) shall be deemed to be air- conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge per dwelling unit as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENT TERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
 GAS TARIFF

TPUC NO. 1

SEVENTEENTH REVISED SHEET NO.10

RATE SCHEDULE C-1
Small Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes less than or up to 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therm per day shall be, at the option of Chattanooga Gas Company (Company), by written contract for a term of one year or less providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

<u>MONTHLY BASE RATE</u>	<u>Winter</u> <u>Net Rate</u>	<u>Summer</u> <u>Net Rate</u>	
	November-April	May-October	
<u>Customer Base Use Charge</u>	\$66.5663.30	\$57.4254.60	/
<u>Commodity Charge</u>	39.70637.759¢ Per Therm	31.16829.639¢ Per	/
<u>Air -Conditioning Charge Rate</u> Per Month		Therm	
		7.9768.387¢ Per	/
		Therm	

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUMBILL

The minimum monthly bill shall be the Customer Base Use Charge as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

PAYMENTTERMS

All bills for service are due upon presentation. The stated net amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall be for an amount which shall be greater by five percent (5%) than the net billing.

CHATTANOOGA GAS COMPANY
GAS TARIFF

ISSUED: APRIL 20, 2026
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, 2026

RATE SCHEDULE C-2
Medium Commercial and Industrial General Service

AVAILABILITY

Available to any commercial or industrial Customer for all purposes that consumes greater than 4,000 Therms annually. Gas service under this rate schedule in excess of 1,000 Therms per day shall be, at the option of Chattanooga Gas Company (Company), by written contract providing for monthly payment of gas Service and is subject to the Company's determination of available gas supply. Gas service under this schedule shall be through a single point of delivery and such gas shall not be resold, directly or indirectly.

MONTHLY BASE RATE

	<u>Winter</u> <u>Net Rate</u> November-April	<u>Summer</u> <u>Net Rate</u> May-October	
Customer Base Use Charge	\$ 160.49 152.60	\$ 160.49 152.60	/
Commodity Charge			
First 3,000 Therms Per Month	40.31 038.340 ¢ Per	31.678 30.131 ¢ Per	/
Next 2,000 Therms Per Month	Therm	Therm	
Next 10,000 Therms Per Month	36.807 35.009 ¢ Per	25.175 23.947 ¢ Per	/
Over 15,000 Therms Per Month	Therm	Therm	
	35.856 34.104 ¢ Per	23.477 22.332 ¢ Per	/
	Therm	Therm	
	18.612 17.706 ¢ Per	18.608 17.702 ¢ Per	/
	Therm	Therm	
Demand Charge			
Rate Unit of Billing Demand	\$ 13.36 12.70 Per Dth	\$ 13.36 12.70 Per Dth	/
Air -Conditioning Charge Rate			
Per Month		7.9768 .387 ¢ Per Therm	/

Monthly billing in units of Dth or Therms may be based upon monthly or bi-monthly meter readings.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

SUMMER AIR-CONDITIONING RATE

Available to any commercial or industrial Customer who has installed and regularly operates a separately metered gas-fired central air-conditioning system which meets Company's specifications. All provisions of the above rate schedule will apply except as specifically modified herein. The volume of gas used for summer air-conditioning purposes will be determined by metering equipment installed by the Company. In the event a single unit provides both heating and cooling, usage during the Summer (billing months of May through October) shall be deemed to be air-conditioning use for purposes hereof.

MINIMUM BILL

The minimum monthly bill shall be the Customer Base Use Charge plus the Demand Charge, as shown in the Monthly Base Rate stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

CHATTANOOGA GAS COMPANY
GAS TARIFF

ISSUED: APRIL 20, 2026
ISSUED BY: TIFFANY CALLAWAY-FERRELL, VP

EFFECTIVE: SEPTEMBER 1, 2026

RATE SCHEDULE F-1
Commercial and Industrial Large Volume Firm Sales Service

RESTRICTED AVAILABILITY

This rate is available to those Customers actually taking service under Rate Schedule F-1 as of February 1, 1994. This rate will be available to additional Customers subsequent to February 1, 1994 only upon Chattanooga Gas Company (Company)'s ability to provide adequate gas supply to support the sale on terms and conditions which are satisfactory in the sole judgment of the Company subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer. Once a qualified Customer elects service under this Rate Schedule, service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-2 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

AVAILABILITY

Available to any commercial or industrial Customer for all purposes under the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of not less than 12 months.

MONTHLY BASE RATE

	<u>Net Rate</u>	
<u>Customer Base Use Charge</u>	\$641.67 40.20	/
<u>Demand Charge</u> Per Unit of Billing Demand	\$13.36 2.70 Per Dth	/
<u>Commodity Charge</u> First 1,500 Dths Per Month	\$1.7288 6441 Per Dth	/
Next 2,500 Dths Per Month	\$1.4761 4038 Per Dth	
Next 11,000 Dths Per Month	\$0.8387 07976 Per Dth	
Over 15,000 Dths Per Month	\$0.5178 4924 Per Dth	

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

RATE SCHEDULE I-1
Commercial and Industrial Interruptible Sales Service

AVAILABILITY

Gas sales service available on an interruptible basis to large volume Customers provided Chattanooga Gas Company (Company) has interruptible gas delivery capacity in excess of the then existing requirements of other Customers, and further subject to the following conditions:

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more. A Customer may also qualify for this rate schedule on a summer seasonal basis (May-October) provided the daily usage during this period consistently meets or exceeds 100 Dths.
2. The Company must have available to it a supply of natural gas adequate in the opinion of the Company to meet the Customer's requirements, and further provided the Customer's use under this rate shall not work a hardship on any other rate payers of the Company, nor adversely affect any other class of the Company's Customers. Further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by a Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers unless the Customer pays all cost to provide required facilities. The cost of such facilities shall be adjusted by the applicable income tax gross-up factor.
4. The gas shall be sold through a single point of delivery and shall not be resold directly or indirectly without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule T-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided; the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.
6. Customer agrees to install and maintain in usable condition standby fuel burning facilities to enable Customer, in the event of a curtailment of gas, to continue operations on standby fuel, or to give satisfactory evidence of their ability and willingness to have the delivery of gas hereunder interrupted or curtailed by the Company in accordance with the special terms and conditions as hereinafter set forth.

MONTHLY BASE RATE

Customer Base Use Charge

Net Rate

~~\$641.676~~~~40.20~~



Commodity Charge

First 1,500 Dths Per Month

~~\$1.72886441~~ Per Dth

Next 2,500 Dths Per Month

~~\$1.47614038~~ Per Dth

Next 11,000 Dths Per Month

~~\$0.83877976~~ Per Dth

Over 15,000 Dths Per Month

~~\$0.51784924~~ Per Dth



RATE SCHEDULE T-1 (Continued)
Interruptible Transportation Service

6. Customer agrees to install and maintain standby fuel burning facilities to enable Customer, in the event of curtailment of service, to continue operations on standby fuel, or to give satisfactory evidence of the ability and willingness to have the service hereunder interrupted or curtailed by the Company in accordance with the terms and conditions set forth herein.

<u>MONTHLY BASE RATE</u>	*Net Rate	
<u>Customer Base Use Charge</u>	\$ 641.67 640.20	/
<u>System Capacity Charge</u> Per Unit of Billing Capacity	\$ 2.99 85 Per Dth	/
<u>Commodity Charge</u>		
First 1,500 Dths Per Month	\$ 1.7288 6441 Per Dth	
Next 2,500 Dths Per Month	\$ 1.4761 4038 Per Dth	/
Next 11,000 Dths Per Month	\$ 0.8387 7976 Per Dth	
Over 15,000 Dths Per Month	\$ 0.5178 4924 Per Dth	

Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

*Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

BILLING CAPACITY

The billing capacity shall be the greater of (a) or (b) below:

- a) The capacity for the current month is always the highest use per day in any of the previous 11 billing months plus the current billing month - - bearing in mind that demand days are established only during the billing months of November, December, January, February and March
- b) The capacity will be 65% of the average daily consumption for the preceding months of April through October.

Whenever a Customer commences taking service under this rate between April 1, and October 31 of any year, the billing capacity for each billing month prior to the November billing shall be 6% of the monthly consumption in each such month. Commencing with the billing month of November, the billing capacity shall be determined either under (a) or (b) above.

DETERMINATION OF CAPACITY DAY

The capacity day shall be determined at the option of the Company by one of the following methods:

1. By measuring the maximum volume of gas taken by the Customer in any one day through the use of volume and pressure recording and measuring equipment installed by the Company.
2. When gas is delivered to a Customer through a positive displacement meter without the use of daily recording and measuring equipment, the maximum volume of gas taken in any one day during the billing month shall be 6% of the total volume of gas used by the Customer during such billing month.

Rate Schedule T-2
Interruptible Transport Service with Firm Gas Supply Backup

TRANSPORTATION SERVICE AGREEMENT

Interruptible Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available on an Interruptible basis to eligible large volume Customers. Transportation Service shall be by Transportation Service Agreement in conjunction solely with service under Rate Schedule F-1.

1. Service shall be limited to Customers consistently using a minimum of 36,500 Dths annually at a daily rate of 100,000 cubic feet or 1,000 Therms or more.
2. The Customer's use under this rate shall not work a hardship on any other rate payers of Chattanooga Gas Company (Company), nor adversely affect any other class of the Company's Customers and further provided the Customer's use under this rate shall not adversely affect the Company's gas purchase plans and/or effective utilization of the daily demands under the Company's gas purchase contracts with its suppliers subject to review by the Tennessee Public Utility Commission when such review is requested by Customer.
3. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to serve the Customer's requirements without impairing service to other Customers.
4. The gas shall be delivered through a single point of delivery and shall not be resold directly or indirectly, without the approval of the Company. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership purchase gas through one meter.
5. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. Upon meeting the qualifications contained therein, a Customer may receive service under Rate Schedule SS-1 concurrent with this Rate Schedule. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule F-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATE

	*Net Rate	
<u>Customer Base Use Charge</u>	\$ 641.67 <u>610.20</u>	/
<u>Demand Charge</u>		
Per Unit of Billing Demand	\$ 13.36 <u>12.70</u> Per Dth	/
<u>Commodity Charge</u>		
First 1,500 Dths Per Month	\$ 1.7288 <u>6441</u> Per Dth	
Next 2,500 Dths Per Month	\$ 1.4761 <u>4038</u> Per Dth	/
Next 11,000 Dths Per Month	\$ 0.8387 <u>7976</u> Per Dth	
Over 15,000 Dths Per Month	\$ 0.5178 <u>4924</u> Per Dth	

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

RATE SCHEDULE T-3
Low Volume Transport

TRANSPORTATION SERVICE AGREEMENT

Transportation Service provided hereunder shall be an annual service under a Transportation Service Agreement on an individual Customer basis.

AVAILABILITY

Available to commercial or industrial Customer consistently using 400 Dths on an annual basis. Service taken under this rate shall be by contract for a term of one year. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. A new Customer beginning service after May 31 shall contract for a term extending through the following May 31. A Customer may elect to discontinue service under this Rate Schedule and receive service under Rate Schedule C-1 by giving written notice to the Company prior to March 1 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

MONTHLY BASE RATES

	<u>Winter</u> <u>NetRate*</u> November-April		<u>Summer</u> <u>NetRate*</u> May-October
<u>Customer Base Use Charge</u>	\$160.49 <u>152.60</u>		
	\$160.49 <u>152.60</u>	<u>Commodity Charge</u>	/
First 3,000 Therms Per Month	40.31 <u>38.340</u> ¢ Per Therm		31.678 <u>30.131</u> ¢ Per Therm
Next 2,000 Therms Per Month	36.807 <u>35.009</u> ¢ Per Therm		25.175 <u>23.947</u> ¢ Per Therm
Next 10,000 Therms Per Month	35.856 <u>34.104</u> ¢ Per Therm	/	23.477 <u>22.332</u> ¢ Per Therm
Over 15,000 Therms Per Month	18.612 <u>17.706</u> ¢ Per Therm		18.608 <u>17.702</u> ¢ Per Therm
 <u>Demand Charge</u>	 \$13.36 <u>12.70</u> Per Dth	/	 \$13.36 <u>12.70</u> Per Dth

The Purchased Gas Adjustment Demand Component applicable to service under the Rate Schedule C-2, computed in accordance with TPUC Administrative Rule 1220-4-7, shall apply to the Rate Schedule T-3 Demand Charge as set out above. Other adjustments, charges and/or credits as determined in accordance with the Tennessee Public Utility Commission's Rules and Regulations and applicable taxes and fees shall be added to the above rates.

* Company's Transportation Service Rate is in addition to all other applicable Pipeline Transportation Rates and Charges.

AUTHORIZED INCREMENTAL RATE

When the Company determines that volumes of gas are available to be purchased and transported to Customers under this Rate Schedule, then the Company shall, at its option, be authorized to charge the incremental rate Customers for such gas supply distributed to those Customers who have been offered and who have agreed to pay such incremental rate. On days when gas is not being withdrawn from the Company's Liquid Natural Gas (LNG) facility for system supply, the incremental rate shall be the applicable index rate plus the variable pipeline charges. On those days when gas is being withdrawn from the LNG facility, the incremental rate will be increased to reflect the cost of gas used in the liquefaction and vaporization process.

WEATHER NORMALIZATION ADJUSTMENT
(WNA) RIDER

FILING WITH COMMISSION

The Company will file as directed by the Commission (a) a copy of each computation of the Weather Normalization Adjustment, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, and (c) a schedule showing the factors or value derived from the Relevant Rate Order used in calculating such Weather Normalization Adjustment.

RATE SCHEDULE	WEIGHTED BASE RATE (THERM)	HEAT SENSITIVE FACTOR- HSF (THERM)	BASELOAD- BL (THERM)
(R-1) RESIDENTIAL Winter (November-April)	\$0. 2499950023775	/ .15024734	13.32898975
(R-4) MULTI-FAMILY HOUSING SERVICE Winter (November – April)	\$0. 4649044210	/ .06855402	14.46080765
(C-1) COMMERCIAL AND INDUSTIRAL GENERAL SERVICE Winter (November – April)	\$0. 3970637759	/ .29116094	16.52451922
(C-2) MEDIUM COMMERCIAL AND INDUSTRIAL GENERAL SERVICE Winter (November – April)	\$0. 4037536769	/ 2.11686991	700.30683132

CHATTANOOGA GAS COMPANY

2207 OLAN MILLS DRIVE
CHATTANOOGA, TENNESSEE 37421

TPUC NO. 2

RULES AND REGULATIONS FOR THE COMPANY'S GAS SERVICE

IN
HAMILTON AND BRADLEY COUNTIES, TENNESSEE

EFFECTIVE DATE: SEPTEMBER 1, 2026