



May 29, 2020

Tennessee Public Utility Commission  
Attention: Ectory Lawless, Esq., Docket Clerk  
Andrew Jackson State Office Building  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243-0001

Re: Docket No. 20-00049; Chattanooga Gas Company's Petition for Approval of Its  
2019 Annual Rate Review Filing Pursuant to T.C.A. § 65-5-103(d)(6)

Ms. Lawless:

First, let me thank you for your assistance along with the assistance of TPUC's General Counsel and Technical Staff as well as the cooperation of the Consumer Advocate staff in this electronic filing format given the current declared State of Emergency.

As you will see in the attached Petition and Testimonies of our witnesses, Chattanooga Gas Company's ("CGC") is witnessing first-hand the devastating impacts COVID-19 and recent tornados are having on our region and on so many of our customers. Therefore, to minimize the impacts of the this first annual review proceeding on our customers at a time that they are truly most challenged, CGC is recommending that the Commission consider and approve the acceleration and return of certain tax credits and benefits ordered in Docket Nos. 18-00017 and 8-00035. To facilitate the acceleration of these tax credits and benefits, CGC will timely file for the for reconsideration of the Final Order in Docket No. 18-00035 to seek the amending of the Final Order, if necessary, to implement this recommendation if approved by the Commission.

Included in this filing is CGC's Petition for Approval of its 2019 Annual Rate Review filing pursuant to Tennessee Code Annotated § 65-5-103(d)(6) and in compliance with the final Order in Docket No. 17-00047 approving a Settlement Agreement.

Also included with the Petition are Direct Testimony of CGC's three witnesses:

1. Paul Leath with no Exhibits;
2. Gary Tucker accompanied by 3 Exhibits; and
3. Archie Hickerson accompanied by 9 Exhibits.

T 615.651-6700  
F 615.651.6701  
[www.butlersnow.com](http://www.butlersnow.com)

Jones Wilson (J.W.) Luna  
T 615-651-6749  
[jw.luna@butlersnow.com](mailto:jw.luna@butlersnow.com)

150 3rd Ave. South  
Suite 1600  
Nashville, TN 37201

May 29, 2016

Page 2

Numerous supporting documents and work papers are included in their Exhibits and other supporting documents and workpapers are supported by the witnesses and are provided for filing. All documents and workpapers required by the Settlement Agreement in Docket No. 19-00047 are provided in this filing.

Please note that there are a few documents which contain confidential information provided in accordance with TPUC practice and subject to a pending Protective Order issued by the Hearing Officer. The confidential documents are clearly marked and found at Schedules 27, 32, 32F, 32G, 34, 34.1 and 35.1.

All of the above documentation are being provided by access to a shared link at this link:

<https://bergersingerman.sharefile.com/share/view/8ae081cf5be941fb/fo71f642-80ce-4197-9b3d-78360758d5ba>

Attached to this transmittal email for convenience are the three Direct Testimonies, the Petition, and a Proposed Joint Procedural Schedule.

We have worked out with the Consumer Advocate the attached Proposed Joint Procedural Schedule and would appreciate the Hearing Officer issuing the appropriate order encompassing this schedule with any modifications the Commission believes are necessary and appropriate; CGC and the Consumer Advocate would be happy to jointly talk with the Hearing Officer about our joint schedule if appropriate.

In addition, the Consumer Advocate and CGC have agreed that the issuance of a protective order is needed given the above referenced confidential information being provided. The Consumer Advocate and CGC have agreed that a Protective Order like the one issued in CGC's original ARM proceeding, Docket No. 19-00047, on October 16, 2019, would be appropriate

Again, let me thank all the TPUC Staff and Consumer Advocate staff for working with us in coordinating this filing process under the unique circumstances all of us are facing given the effects of the COVID-19 pandemic and as recognized in the Governor's Declared State of Emergency.

We are today providing the Consumer Advocate access to the filing via the share site. CGC will not object to their intervention in this matter, and we appreciate their joint agreement to the Proposed Procedural Schedule and Proposed Protective Order, and in facilitating this filing during this pandemic.

Finally, pursuant to your discussions with Carlinda Booher, and the filing guidelines given the State of Emergency, she will meet you later this afternoon with the filing in whatever additional format that you have requested.

Please do not hesitate to contact either Carlinda Booher, Floyd Self or me if you have any questions.

Sincerely,

Butler Snow LLP

A handwritten signature in blue ink, appearing to read "J.W. Luna", is centered on the page. The signature is fluid and cursive.

J.W. Luna

JWL/cb

1 **I. WITNESS INTRODUCTION.**

2 **Q.** I am Paul Leath, Regional Director of Operations, Chattanooga Gas (“Company”  
3 or “CGC”) and Northeast Georgia. My business address is 2207 Olan Mills Drive,  
4 Chattanooga, Tennessee, 37421.

5 **Q. Is Chattanooga Gas a subsidiary of Southern Company Gas?**

6 **A.** Yes, it is. When Southern Company acquired CGC’s parent company AGL  
7 Resources in 2016, the name was changed to Southern Company Gas.

8 **Q. What are your duties and responsibilities for Chattanooga Gas?**

9 I am a resident in Chattanooga, and I am responsible for the day to day operation  
10 of the utility by the 50 employees we have working in Bradley and Hamilton  
11 Counties, including safety, construction and maintenance of the system, and  
12 regulatory compliance. Ultimately, it is my responsibility to ensure that  
13 Chattanooga Gas meets our commitment to deliver safe, reliable, and affordable  
14 natural gas service to approximately 68,000 customers.

15 **Q. When did you assume responsibility for Chattanooga Gas?**

16 **A.** I became the Regional Director of Operations in September of 2018.

17 **Q. Please summarize your professional career and education.**

18 **A.** I have lived and worked in Chattanooga since moving there in July 2012 when I  
19 became the director of external and regulatory affairs for Chattanooga Gas  
20 Company, the job I held until assuming my present position. I began my  
21 professional career in the United States Army after graduating from Loyola  
22 University Maryland in May 1989 with a BBA, Finance degree. During my nine  
23 years in the Army, I rose from the rank of second lieutenant to captain, and I served

1 as a logistics officer during my military career. I left the Army in 1998 to go to  
2 work with GE in their lighting division, where my primary duties included manager  
3 of distribution and logistics. I left GE in 2001 and began my career in the natural  
4 gas industry working for Atlanta Gas Light in Macon, GA. While in Macon, I was  
5 the region operations manager of South Metro Atlanta and Central Georgia. In  
6 2012, I was asked to move to Chattanooga to serve as the local community and  
7 legislative affairs representative for the Company. Later, in 2016, I was given the  
8 additional responsibilities for regulatory affairs and I became CGC's community  
9 contact person.

10 During my time in Chattanooga I have become very invested in this  
11 community that I love. I serve on the boards of the Tennessee Chamber, Tennessee  
12 Gas Association, and the executive committee of the Chattanooga Area Chamber  
13 of Commerce. I have contributed significant time to furthering the economic  
14 development of the CGC service area by serving as the Chairman of the Greater  
15 Chattanooga Economic Partnership, Vice-Chairman of Economic Development for  
16 the Chattanooga Chamber, and member of the Economic Development Council for  
17 Bradley County. I have been a part of the regional economic development team  
18 that worked on multiple expansion projects for our two largest area employers  
19 resulting in Volkswagen investing \$1.4 billion and creating 3,000 new jobs and  
20 McKee Foods investing \$600 million and adding 530 jobs to our community. I  
21 have also worked to help bring six large automotive part manufacturers to the area  
22 resulting in \$375 million in investment and the creation of over 1,625 new jobs. I  
23 also assisted with one of Bradley County's larger manufacturers, Mars Chocolate

1 N.A., making two expansions worth \$243 million that brought an additional 160  
2 jobs. I am also a member of the Chattanooga Downtown Rotary Club and I've  
3 served on the United Way of Greater Chattanooga's Funds Allocations Committee.

4 **Q. Have you ever testified before this Commission or any other Commission?**

5 A. No, I have not been a witness in a docketed proceeding, but I did have the privilege  
6 of addressing the Commission in March as a part of the Company's annual capital  
7 investment budget presentation.

8

9 **II. PURPOSE OF TESTIMONY.**

10 **Q. What is the purpose of your direct testimony?**

11 A. I am testifying today to support the Company's overall Annual Review Mechanism,  
12 or ARM, for calendar year 2019, or what is referred to as the Historic Base Period.  
13 This case is being filed pursuant to the Stipulation and Settlement Agreement  
14 reached last year in Docket No. 19-00047 and approved by the Commission in its  
15 Order Approving Settlement Agreement dated October 7, 2019 ("ARM Order"). I  
16 will provide an overview of the case, some general information regarding the  
17 economic growth of our service area in Hamilton and Bradley counties, and a  
18 review of the operational activities that underlie the financial numbers that are the  
19 subject of the testimonies of our other witnesses.

20 **Q. Are you sponsoring any exhibits with your Direct Testimony?**

21 A. No, I am not providing any exhibits to my Direct Testimony. However, I have  
22 provided an affidavit in support of our overall case filing that is a part of the Petition  
23 being filed.

1 **Q. Please identify the other CGC witnesses who will be supporting the**  
2 **Company's case in this docket.**

3 A. CGC is sponsoring two other witnesses in this case.

4 First, we have Mr. Gary Tucker, who is the Manager of Regulatory  
5 Reporting, for Southern Company Gas. Mr. Tucker will provide the necessary  
6 testimony and exhibits regarding the calculation of the Historic Base Period annual  
7 reconciliation balance deficiency and the prospective 2020 rate reset necessary for  
8 the Company to earn its rate of return. Mr. Tucker's testimony will address both  
9 CGC's primary request to accelerate the amortization of certain tax credits and  
10 benefits in order to reduce the revenue deficiency as well as the required  
11 documentation pursuant to the ARM Order without the extraordinary adjustments  
12 CGC is requesting.

13 Second, Mr. Archie Hickerson, who is the Director of Rates and Tariff  
14 Administration at Southern Company Gas. Mr. Hickerson's testimony and exhibits  
15 support the revenue schedules and normalization adjustments required under the  
16 ARM Order. He also is our rate design witness and his exhibits include the  
17 proposed tariffs for both CGC's primary recommendation utilizing CGC's rate  
18 design as well as the tariff pages with the same rate design but assuming CGC's  
19 accelerated amortization of certain tax credits and benefits is not adopted and the  
20 Commission implements CGC's 2019 ARM as set forth in our ARM settlement  
21 agreement I will address further later in my testimony.

22

23

1 **III. CASE OVERVIEW.**

2 **Q. Please summarize CGC’s ARM case and its impact on customers.**

3 A. The timing of our case comes at a very difficult time for our customers and country  
4 because of the coronavirus pandemic. To balance the investment in infrastructure  
5 and operations we made last year with the current difficulties facing many of our  
6 customers, our primary proposal to the Commission is that we be allowed to  
7 accelerate the amortization of certain tax credits and other benefits associated with  
8 the Tax Cuts and Jobs Act of 2017 (“TCJA”) to help offset some of the rate increase  
9 that otherwise would occur under the ARM as approved by the ARM Order. The  
10 net effect of these actions would result in a 2019 revenue deficiency and rate reset  
11 of approximately \$5.2 million, which is detailed in Mr. Tucker’s testimony. For  
12 the average residential customer, this means approximately a 7.25% increase in an  
13 annual bill, or \$3.26 a month according to Mr. Hickerson’s testimony. For  
14 perspective, even with this increase, a typical residential customer’s total average  
15 bill will be about 4% less than what that customer would have paid 10 years ago.  
16 This average total lower bill today is a combination of factors including lower  
17 natural gas prices, the expansion of our system to take on new large industrial  
18 customers and the new residential customers moving in to fill the added jobs,  
19 system replacements and enhancements that improve the safety and reliability of  
20 our system, improved utilization of existing resources, and the economies of scale  
21 that come from being a part of Southern Company Gas and Southern Company.

22 **Q. What is the proposed impact on your business customers?**

1 A. It is more difficult to calculate an average bill impact on our commercial and  
2 industrial customers because of the vast differences in their consumption.  
3 However, as Mr. Hickerson will discuss, our overall rate design is to apply the same  
4 percentage rate increase across the board to all rate classes, residential, commercial,  
5 and industrial. Thus, for example, our C-1 customer rate class will see an 8% total  
6 bill increase, or approximately \$6.88 a month.

7 **Q. You said that because of the coronavirus pandemic and the recent tornadoes**  
8 **the Company is proposing to accelerate certain tax credits and other benefits**  
9 **under the TCJA in order to help offset the impact of this year's ARM filing.**  
10 **What was your process for this proposal?**

11 A. The first thing we did was to have the Commission allow us to delay our filing from  
12 April 20 until May 29<sup>th</sup>. We appreciate the Commission granting us this additional  
13 time to assess the overall customer situation and how to best position this first ARM  
14 case in a manner that best balances the interests of the Company in continuing to  
15 make investments in our community while limiting the customer impacts of this  
16 year's ARM.

17 During the extra time, we looked comprehensively at the components of our  
18 ARM case to see what kind of options we may have to offset part of the rate  
19 increase. Since our original April 20<sup>th</sup> filing date, the state of Tennessee has  
20 cautiously begun to reopen. But we recognize that this will be a process, and that  
21 with new rates going into effect on October 1, 2020, some customers may still be  
22 struggling later this year.

23 **Q. What is the Company specifically requesting to accelerate under the TCJA?**

1 A. As Mr. Tucker will testify, our primary proposal is to accelerate the TCJA reserve  
2 for the 2018 tax savings and the excess deferred income tax (“EDIT”) benefits  
3 decided on March 9, 2020, in CGC’s tax case, Docket No. 18-000035 (the “Tax  
4 Docket”) as well as to accelerate two other TCJA tax benefits that would have the  
5 best immediate impact. The Commission already has made the fundamental  
6 decision that these credits and benefits, approximately \$3.4 million, belong to the  
7 ratepayers. Our request is to return these TCJA tax credits and benefits as quickly  
8 as possible to customers, with the effect of reducing the 2019 annual reconciliation  
9 balance and thereby reducing the rate increase. By June 4, 2020, CGC shall be  
10 filing a motion for reconsideration in the Tax Docket of the Commission’s Final  
11 Order issued on May 20, 2020, regarding the acceleration of the TCJA tax reserve  
12 decided therein as well as to request approval for the acceleration of the two other  
13 TCJA credits and benefits that Mr. Tucker explains in more detail. The  
14 Commission will either need to approve that motion for reconsideration in the Tax  
15 Docket or, as appropriate, address those issues in this docket.

16 **Q. What would CGC’s case be without these modifications?**

17 A. Mr. Tucker has the detailed information in his testimony, but if the Commission  
18 does not accept the acceleration of the TCJA credits and other benefits that the  
19 Company is proposing in its primary case, the full impact of the deficiency and rate  
20 reset would be almost \$8 million. Mr. Hickerson will explain that this would equate  
21 to approximately a \$5 per month increase for the average residential customer.

22  
23

1 **IV. THE ANNUAL ARM PROCESS.**

2 **Q. You have previously stated that this first ARM filing is based upon the**  
3 **Commission's approval of a settlement agreement reached last year in Docket**  
4 **No. 19-00047. Can you briefly provide some background for that case and**  
5 **how it leads to this filing?**

6 A. Yes. As the Commission is well aware, the General Assembly has provided the  
7 Commission with the authority to approve various alternative regulatory  
8 mechanisms for utilities. As CGC experienced in 2018 in conducting its first rate  
9 case in nearly nine years, the cost and expense of such proceedings are high. While  
10 we file various reports with the Commission monthly or annually, it is difficult for  
11 the Commission and our customers to understand the financial and business  
12 operations of the company if the Commission only intermittently after many years  
13 takes an in depth look at our books and records.

14 As approved by the Commission in the ARM Order, by opting into an  
15 annual review of rates, the Commission will examine both revenues and expenses  
16 each year and adjust rates. These rate adjustments will be up or down based upon  
17 the Company's overall performance and whether we have under earned or over  
18 earned based upon our approved rate of return. Both Mr. Tucker and Mr. Hickerson  
19 will utilize actual data from the prior calendar year, in this case 2019, or what we  
20 refer to as the Historic Base Period. This retrospective look provides the  
21 Commission with the best means of reviewing CGC's actual performance. For  
22 informational purposes only, CGC's filing includes the current year budget but the

1 ARM review process is only for the Historic Base Period and not the current budget  
2 year.

3 **Q. You have said that the Company's primary proposal is driven by the COVID-**  
4 **19 pandemic, but is any of the data in CGC's ARM case impacted by the**  
5 **coronavirus pandemic?**

6 A. No, because the Historic Base Period financial data is all 2019 calendar year  
7 information. Since the COVID-19 pandemic is a 2020 event, any impacts that it  
8 may have on revenues and expenses will be addressed in the case we file next year.  
9 CGC's ARM is different in that the rate adjustments are based exclusively on past,  
10 actual performance, and not projected or budgeted information like we had in our  
11 rate case. While the rate adjustments we are proposing are being made in  
12 consideration of the impacts that the pandemic has had on our customers, the  
13 revenue deficiency and rate reset are based solely on 2019 data and regulatory  
14 adjustments based upon things like the Tax Docket decision.

15 **Q. Can you please summarize the filings CGC is making for this ARM?**

16 A. Yes. In essence, there are four components to our case. First there is the Historic  
17 Base Period financial data supported by Mr. Tucker and Mr. Hickerson. This is  
18 some 80 plus schedules and reports required by the ARM Order. Second, there is  
19 the 2019 annual reconciliation balance and rate reset provided by Mr. Tucker that  
20 includes the acceleration of those TCJA tax credits and benefits. Third, pursuant  
21 to our obligations under the ARM Order, Mr. Tucker also provides the 2019 annual  
22 reconciliation and rate reset exactly as is required and set forth in the ARM Order;  
23 this required proposal makes only the required adjustments, reconciliations, and

1 normalizations the parties agreed to for this filing. Fourth, Mr. Hickerson provides  
2 the rate design and supporting tariffs for both our primary proposal and the required  
3 ARM filing increase.

4  
5 **V. CGC's 2019 OPERATIONS**

6 **Q. Please provide an overview of CGC's service territory and operations for 2019.**

7 A. Calendar year 2019 was a time of great growth both for our Company and the  
8 greater Chattanooga and Cleveland areas within Bradley and Hamilton Counties.  
9 Our largest industrial customers have generated thousands of new jobs and created  
10 significant new natural gas demand, both for the plants being built and expanded,  
11 as well as for the new homes being constructed for the residents moving into our  
12 area to live and work. At the time of the rate case, we were serving approximately  
13 65,000 customers, 56,700 residential and 8,300 commercial and industrial  
14 customers, and at the end of 2019, that number had grown to some 68,000  
15 customers, or 59,200 residential customers and 8,700 commercial and industrial  
16 customers. But it is not just the absolute growth in new customers that has driven  
17 our Company, as several of our existing large industrial customers have also  
18 expanded their operations, and that has increased their demand for more gas. While  
19 we have seen growth occurring for several years, 2019 was truly a time of  
20 unprecedented growth that has exceeded our forecasts and budgets. Our  
21 investments in infrastructure to increase capacity, improve system pressure, and  
22 replace vintage pipe have steadily increased over the last five years, but 2019 was  
23 a true record-breaking year for CGC.

1 **Q. How much did the Company spend in 2019 on capital investments?**

2 A. Mr. Tucker's documentation shows that we spent \$38.5 million in 2019 on capital  
3 projects.

4 **Q. How does that \$38.5 million compare with what was budgeted in the rate case?**

5 A. In the rate case, Mr. Wendell Dallas testified that the Company was projected to  
6 invest over \$29 million in capital projects in 2019.

7 **Q. In the 2018 rate case, the Company specifically identified several key  
8 construction projects. What is the status of those activities?**

9 A. The projects we identified in the rate case are completed or on their way to  
10 completion. In addition, we have added several new projects because of the  
11 demands of growth on our system, not just for new gas main to serve new  
12 businesses and residence, but also much needed improvements to the existing  
13 system to increase pressure and supply.

14 Specifically, the first phase of the Red Bank high pressure expansion is done  
15 and currently underway is the West Hamilton-Chattanooga high pressure  
16 expansion. Both of these projects allow us to move gas from our LNG plant further  
17 into our system as the low-cost alternative to replacing gas supply that we are going  
18 to be losing when the Oglethorpe Power Company gas supply contract expires. By  
19 moving this LNG plant gas into the system, this enables us to utilize our East  
20 Tennessee pipeline gas supply elsewhere in the system to increase pressure at our  
21 other tap stations, especially on our colder days. Given the success of this project  
22 thus far, we are going to further utilize the LNG plant's gas by two new projects,  
23 the East Gate Station and the Chattanooga Line Uprate, which will allow for a

1 higher pressure to be sent out of the LNG plant that will have the effect of pushing  
2 gas even further into the system, increasing supply and availability.

3 In addition to the Red Bank-Signal Mountain project, we have also  
4 completed the Lookout Mountain project, which increased system capacity to meet  
5 our customer demand on the coldest days of the year. Further, after nearly 20 years  
6 of work, we have completed the bare steel, cast iron pipeline replacement program.  
7 Finally, we undertook a number of pressure improvement projects to start to address  
8 the parts of our system that are limiting growth or inhibiting our ability to meet  
9 customer demand on the coldest days of the year.

10 Finally, all of this new construction has resulted in an increase in related  
11 expenses such as cross-borings and new pavements. Mr. Tucker's testimony  
12 includes the numbers associated with these outside services expenses.

13 **Q. Another important element in the 2018 rate case was an increase in staffing**  
14 **from 40 to 50 employees in the Chattanooga office, although the Commission**  
15 **only funded 44 total positions. Where do you stand now on staffing in**  
16 **Chattanooga?**

17 A. Increases in staffing have been so important to us that we began hiring new  
18 employees even before the Commission increased our staffing for rate recovery  
19 purposes. At the time of the rate case, Mr. Dallas reported that we had already hired  
20 two new employees, taking our staffing up to 42 full time employees. While the  
21 rate case only included 44 employees for rate recovery, over the course of 2019 we  
22 have grown our Chattanooga-based staff to a total now of 50 full time, in place

1 employees. Since the rate case, we have deployed six new employees in field  
2 operations and utilize two employees for quality assurance and asset protection.

3 **Q. Can you discuss how CGC has benefited from the centralized services**  
4 **provided by southern company gas and the services company?**

5 A. Yes. One of the key ways the Services Company supports us is by  
6 capacity planning, construction, and safety. A company the size of CGC simply  
7 could not support the sophisticated design, planning, bidding, and other services  
8 our services company employees perform, which makes our construction projects  
9 much more cost effective. Our outside services employees also help ensure our  
10 system integrity and safe operations. The construction superintendent and project  
11 coordinator oversee our new construction contractors making sure they follow our  
12 operations manual, follow safety protocols, and complete all work to our high  
13 standards. While some of our Chattanooga Gas employees work with the Services  
14 Company employees to provide local support and oversight, we simply could not  
15 have done over \$38 million in capital projects with just our CGC employees.

16 Another area where the Services Company provides much needed support  
17 to us in Chattanooga is with new business development. The manager of major  
18 accounts is a key part of our region's economic development team helping us recruit  
19 new industry and assist existing industrial customers expand operations. In  
20 addition, our director of external affairs is also a key member of our region's  
21 economic development team responsible for answering a prospect's request for  
22 information concerning our natural gas system and gas costs as well as meeting  
23 with prospect teams during site visits.

1 **Q. Can you please discuss any other operational developments that have occurred**  
2 **in 2019 that are impacting the Company's 2019 ARM case?**

3 A. We have had other substantial increases in expenditures that also fall within the  
4 outside services expenses that are associated with some of our other initiatives and  
5 activities last year.

6 CGC has historically ensured that all gas leaks that are identified are  
7 properly graded (I, II, and III) and repaired or reevaluated in accordance with  
8 Federal pipeline safety regulations and Company procedures. In 2019, Southern  
9 Company Gas made an operational decision to begin accelerating repairs on all  
10 active leaks. The goal of our new program over the next four years is to repair  
11 grade I leaks immediately and to repair all grade II and grade III leaks within 12  
12 months of discovery. This program will be environmentally beneficial by reducing  
13 methane releases into the atmosphere as well as make our and system even safer  
14 than it always has been. The accelerated repair volumes have increased our  
15 workload and will have an impact on operational costs. This program will benefit  
16 our environment and our entire community.

17 Another area I would like to point out is our locate services. A major  
18 consequence of the enormous growth in our area is the increased callouts we get to  
19 locate our underground facilities, so excavators and other construction projects do  
20 not accidentally damage our lines. Under the Tennessee 811 notification  
21 requirements, we have to, and want to, timely respond to these requests to ensure  
22 that our underground system remains undamaged. Our damage prevention  
23 specialist utilizes predictive analytics to proactively meet with excavators and

1 ensure our infrastructure has locate markings to prevent damages to our system. In  
2 some cases, they will be onsite to monitor large excavation projects to ensure our  
3 system is not damaged.

4

5 **VI. CONCLUSION.**

6 **Q. Do you have any concluding remarks?**

7 A. Yes. Last year was an amazing year of growth and change for our Company. I am  
8 proud of the work that our Chattanooga-based employees have done for our  
9 customers and the entire region, as well as the great support we have received from  
10 our Southern Company Gas brethren for gas supply, capacity planning,  
11 construction, safety, customer support, regulatory, and the many back-office  
12 operations we rely upon to support the work we do in Bradley and Hamilton  
13 counties. The information that Mr. Tucker and Mr. Hickerson are providing  
14 regarding our revenues, expenses, and rate design are solid, and should be approved  
15 as we are requesting. While we are still very much in the middle of working  
16 through the full impacts of the coronavirus pandemic and the recent tornado, we  
17 are proposing in our primary request the acceleration of tax credits and benefits  
18 under the TCJA that if adopted by the Commission will have the effect of reducing  
19 the rate impact on customers beginning in October. With the approval of our case,  
20 Chattanooga Gas Company will be in the best position to continue to provide safe,  
21 high quality, reliable, and affordable gas service through this pandemic and beyond.

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

23 A. Yes.