

**LEGAL NOTICE**

Notice is hereby given that pursuant to its existing Annual Review Mechanism (ARM), Chattanooga Gas Company (the Company) filed a petition with the Tennessee Public Utility Commission (TPUC) on April 20, 2023, in Docket 23-00029, proposing to change its rates for natural gas service now in effect. Any rate changes are subject to the approval of TPUC. TPUC may adopt, reject, increase, or decrease any of the rate changes in part or in whole. A complete copy of the Company's proposed rate changes is on file with TPUC and are available for public inspection. A complete copy is also available in the Company's local office. The Company's filing is made in accordance with the procedures for its ARM approved by the TPUC. With the voluntary four-year cap on the annual base rates increase, as approved by the TPUC in 2021, the average residential customer would see a rate increase of approximately \$4.19 per month. The Company's proposed rate impact on the average small commercial and industrial general service customer would be an increase of approximately \$8.87 per month. New rates are proposed to be effective on September 1, 2023. This matter is set for hearing August 14, 2023, beginning at 10 A.M. Central time or as soon thereafter as it may be heard in TPUC Room on the ground floor of the Andrew Jackson State Office Building, 502 Deaderick Street, Nashville, Tennessee. The Company's current and proposed rates are as set out in the chart below, along with the rates otherwise required by the ARM, and do not include gas cost that is recovered through the Purchase Gas Adjustment. If the current proposed rates for service are adopted by the TPUC at its regularly Conference then the average Chattanooga Gas residential customer may expect to see an average total bill for the upcoming months as follows: December 2023 of \$99.90 as compared to December 2022 of \$115.11; January 2024 of \$126.43 as compared to January 2023 of \$155.46; and February 2024 of \$113.54 as compared to February 2023 of \$128.11. Current natural gas costs reflect the impact of the current available supply and demand this winter heating season. Chattanooga Gas does not profit from these costs of gas and instead passes on the natural gas directly to customers. The current per therm price customers pay for natural gas delivered by Chattanooga Gas comprises approximately 48% of a typical residential customer's bill.

This notice is made pursuant to TPUC Rule 1220-04-01-05.

**Chattanooga Gas Company  
Annual Rate Mechanism ["ARM"]  
Current and Proposed Rates by Rate Schedule  
Docket 23-00029**

		<b>CURRENT BASE RATES EFFECTIVE</b>	<b>PROPOSED BASE RATES</b>	
<b>R-1 Residential General Service</b>	WINTER (NOV - APR)			
	Base Use Charge/Bill	\$25.90	\$29.20	
	Commodity Charge/Therm	\$0.17787	\$0.20090	
	SUMMER (MAY - OCT)			
	Base Use Charge/Bill	\$21.40	\$24.10	
	Commodity Charge/Therm	\$0.17787	\$0.20090	
Non-Metered Gas Light	18 Therm per Light per Month	\$0.17787	\$0.20090	
<b>R-4 Multi-Family Housing Service</b>	WINTER (NOV - APR)			
	Base Use Charge/Unit	\$9.50	\$10.70	
	Commodity Charge/Therm	\$0.33351	\$0.37613	
	SUMMER (MAY - OCT)			
	Base Use Charge/Bill	\$9.50	\$10.70	
	Commodity Charge/Therm	\$0.29647	\$0.33435	
Air Conditioning	SUMMER (MAY - OCT) Flat Rate / Therm	\$0.06000	\$0.67670	
<b>C-1 Commercial &amp; Industrial General Service</b>	WINTER (NOV - APR)			
	Base Use Charge/Bill	\$47.70	\$53.80	
	Flat Rate / Therms	\$0.28445	\$0.32051	
	SUMMER (MAY - OCT)			
	Base Use Charge/Bill	\$41.10	\$46.40	
	Flat Rate / Therms	\$0.22334	\$0.25159	
Non-Metered Gas Light) (C-1 & C-2)	WINTER (NOV - APR) 18 Therm per Light per Month	\$0.28445	\$0.32051	
	SUMMER (MAY - OCT) 18 Therm per Light per Month	\$0.22334	\$0.25159	
Air Conditioning	SUMMER (MAY - OCT) Flat Rate / Therm	\$0.06000	\$0.67670	
<b>C-2 Medium Commercial and Industrial General Service</b>	WINTER (NOV - APR)			
	Base Use Charge/Bill	\$114.90	\$129.60	
	First 3,000 Therms	\$0.28842	\$0.32549	
	Next 2,000 Therms	\$0.26331	\$0.29717	
	Next 10,000 Therms	\$0.25650	\$0.28949	
	Over 15,000 Therms	\$0.13292	\$0.15012	
	SUMMER (MAY - OCT)			
	Base Use Charge/Bill	\$114.90	\$129.60	
	First 3,000 Therms	\$0.22656	\$0.25572	
	Next 2,000 Therms	\$0.17995	\$0.20316	
	Next 10,000 Therms	\$0.16779	\$0.18944	
	Over 15,000 Therms	\$0.13292	\$0.15009	
	Air Conditioning	SUMMER (MAY - OCT) Flat Rate / Therm	\$0.06000	\$0.67670
	Demand Charge	Rate per Unit of Billing Demand Per Dth	\$9.60	\$10.80
<b>F-1 Large Volume Firm Service</b>	Base Use Charge	\$459.60	\$518.30	
	Demand Charge / Demand Unit	\$9.60	\$10.80	
	Commodity Charge / Dth			
	0	\$1.2380	\$1.3962	
	Next 2,500 Dths	\$1.0570	\$1.1921	
	Next 11,000 Dths	\$0.6000	\$0.6767	
Over 15,000 Dths	\$0.3700	\$0.4173		
<b>I-1 Interruptible Service</b>	Base Use Charge	\$459.60	\$518.30	
	Commodity Charge/Dth			
	First 1,500 Dths	\$1.2380	\$1.3962	
	Next 2,500 Dths	\$1.0570	\$1.1921	
	Next 11,000 Dths	\$0.6000	\$0.6767	
	Over 15,000 Dths	\$0.3700	\$0.4173	
<b>T-1 Interruptible Transportation Service</b>	Customer Charge	\$459.60	\$518.30	
	Transportation Charge/Dth			
	First 1,500 Dths	\$1.2380	\$1.3962	
	Next 2,500 Dths	\$1.0570	\$1.1921	
	Next 11,000 Dths	\$0.6000	\$0.6767	
	Over 15,000 Dths	\$0.3700	\$0.4173	
	System Capacity Charge/Dth	\$2.1000	\$2.4000	
<b>T-2 Interruptible Transportation Service with Firm Backup</b>	Customer Charge	\$459.60	\$518.30	
	Demand Charge/Demand Unit	\$9.60	\$10.80	
	Transportation Charge/Dth			
	First 1,500 Dths	\$1.2380	\$1.3962	
	Next 2,500 Dths	\$1.0570	\$1.1921	
	Next 11,000 Dths	\$0.6000	\$0.6767	
Over 15,000 Dths	\$0.3700	\$0.4173		
<b>T-3 Low Volume Transport General Service</b>	WINTER (NOV - APR)			
	Base Use Charge/Bill	\$114.90	\$129.60	
	First 3,000 Therms	\$0.28842	\$0.32549	
	Next 2,000 Therms	\$0.26331	\$0.29717	
	Next 10,000 Therms	\$0.25650	\$0.28949	
	Over 15,000 Therms	\$0.13292	\$0.15012	
	SUMMER (MAY - OCT)			
	Base Use Charge/Bill	\$114.90	\$129.60	
	First 3,000 Therms	\$0.22656	\$0.25572	
	Next 2,000 Therms	\$0.17995	\$0.20316	
	Next 10,000 Therms	\$0.16779	\$0.18944	
	Over 15,000 Therms	\$0.13292	\$0.15009	
	Demand Charge	Rate per Unit of Billing Demand Per Dth	\$9.60	\$10.80