

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 winter 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 market cost 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

		CURRENT BASE RATES EFFECTIVE	PROPOSED BASE RATES
R-1 Residential General Service	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
R-4 Multi-Family Housing Service	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
C-1 Commercial & Industrial General Service	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
C-2 Medium Commercial and Industrial General Service	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
	SUMMER (MAY - OCT)		
	Flat Rate / Therm	\$0.06000	\$0.67670
	Demand Charge	Rate per Unit of Billing Demand Per Dth	\$9.60 \$10.80
F-1 Large Volume Firm Service	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
I-1 Interruptible Service	Over 15,000 Dths	\$0.3700	\$0.4173
	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
T-1 Interruptible Transportation Service	Over 15,000 Dths	\$0.3700	\$0.4173
	System Capacity Charge/Dth	\$2.1000	\$2.4000
T-2 Interruptible Transportation Service with Firm Backup	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
T-3 Low Volume Transport General Service	Over 15,000 Dths	\$0.3700	\$0.4173
	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
Demand Charge	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
Demand Charge	Over 15,000 Therms	\$0.13292	\$0.15009
	Rate per Unit of Billing Demand Per Dth	\$9.60	\$10.80