

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 19, 2024, in Docket 24-00024, 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 the TPUC and is 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 \$4.21 per month. The Company's proposed rate impact on the average small commercial and industrial general service customer would be an increase of approximately \$8.91 per month. New rates are proposed to be effective on September 1, 2024. This matter is set for hearing August 12, 2024, beginning at 10 A.M. Central time or as soon thereafter as it may be held 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 regular Conference then the average Chattanooga Gas residential customer may expect to see an average total bill for the upcoming winter months as follows: December 2024 of \$89.83 as compared to December 2023 of \$87.86; January 2025 of \$135.85 as compared to January 2024 of \$129.78; and February 2025 of 121.56 as compared to February 2024 of \$115.87. 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 40% 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 24-00024

| | | Current Base Rates | Proposed Base Rates | |
|--|--|--|------------------------|-----------|
| R-1 Residential General Service | WINTER (NOV - APR) | | | |
| | Base Use Charge/Bill | \$29.20 | \$32.50 | |
| | Commodity Charge/Therm | \$0.20090 | \$0.22429 | |
| | SUMMER (MAY - OCT) | | | |
| | Base Use Charge/Bill | \$24.10 | \$26.80 | |
| | Commodity Charge/Therm | \$0.20090 | \$0.22429 | |
| Non-Metered Gas Light | 18 Therm Per Light Per Month | \$0.20090 | \$0.22429 | |
| R-4 Multi-Family Housing Service | WINTER (NOV - APR) | | | |
| | Base Use Charge/Unit | \$10.70 | \$11.90 | |
| | Commodity Charge/Therm | \$0.37613 | \$0.41898 | |
| | SUMMER (MAY - OCT) | | | |
| | Base Use Charge/Bill | \$10.70 | \$11.90 | |
| | Commodity Charge/Therm | \$0.33435 | \$0.37244 | |
| Air Conditioning | SUMMER (MAY - OCT) Flat Rate / Therm | \$0.6767 | \$0.7553 | |
| C-1 Commercial & Industrial General Service | WINTER (NOV - APR) | | | |
| | Base Use Charge/Bill | \$53.80 | \$59.90 | |
| | Flat Rate / Therms | \$0.32051 | \$0.35703 | |
| | SUMMER (MAY - OCT) | | | |
| | Base Use Charge/Bill | \$46.40 | \$51.70 | |
| | Flat Rate / Therms | \$0.25159 | \$0.28025 | |
| Non-Metered Gas Light (C-1 & C-2) | WINTER (NOV - APR) 18 Therm Per Light Per Month | \$0.32051 | \$0.35703 | |
| | SUMMER (MAY - OCT) 18 Therm Per Light Per Month | \$0.25159 | \$0.28025 | |
| Air Conditioning | SUMMER (MAY - OCT) Flat Rate / Therm | \$0.67670 | \$0.75530 | |
| C-2 Medium Commercial And Industrial General Service | WINTER (NOV - APR) | | | |
| | Base Use Charge/Bill | \$129.60 | \$144.40 | |
| | First 3,000 Therms | \$0.032549 | \$0.36297 | |
| | Next 2,000 Therms | \$0.29717 | \$0.33143 | |
| | Next 10,000 Therms | \$0.28949 | \$0.32287 | |
| | Over 15,000 Therms | \$0.15012 | \$0.16762 | |
| | SUMMER (MAY - OCT) | | | |
| | Base Use Charge/Bill | \$129.60 | \$144.40 | |
| | First 3,000 Therms | \$0.25572 | \$0.28525 | |
| | Next 2,000 Therms | \$0.20316 | \$0.22671 | |
| | Next 10,000 Therms | \$0.18944 | \$0.21142 | |
| | Over 15,000 Therms | \$0.15009 | \$0.16759 | |
| | Air Conditioning | SUMMER (MAY - OCT) Flat Rate / Therm | \$0.67670 | \$0.75530 |
| | Demand Charge | Rate Per Unit Of Billing Demand Per Dth | \$10.80 | \$12.00 |
| F-1 Large Volume Firm Service | Base Use Charge | \$518.30 | \$577.40 | |
| | Demand Charge / Demand Unit | \$10.80 | \$12.00 | |
| | Commodity Charge / Dth | | | |
| | 0 | \$1.3962 | \$1.5568 | |
| | Next 2,500 Dths | \$1.1921 | \$1.3294 | |
| | Next 11,000 Dths | \$0.6767 | \$0.7553 | |
| | Over 15,000 Dths | \$0.4173 | \$0.4663 | |
| I-1 Interruptible Service | Base Use Charge | \$518.30 | \$577.40 | |
| | Commodity Charge/Dth | | | |
| | First 1,500 Dths | \$1.3962 | \$1.5568 | |
| | Next 2,500 Dths | \$1.1921 | \$1.3294 | |
| | Next 11,000 Dths | \$0.6767 | \$0.7553 | |
| | Over 15,000 Dths | \$0.4173 | \$0.4663 | |
| T-1 Interruptible Transportation Service | Customer Charge | \$518.30 | \$577.40 | |
| | Transportation Charge/Dth | | | |
| | First 1,500 Dths | \$1.3962 | \$1.5568 | |
| | Next 2,500 Dths | \$1.1921 | \$1.3294 | |
| | Next 11,000 Dths | \$0.6767 | \$0.7553 | |
| | Over 15,000 Dths | \$0.4173 | \$0.4663 | |
| | System Capacity Charge/Dth | \$2.4000 | \$2.7000 | |
| T-2 Interruptible Transportation Service With Firm Backup | Customer Charge | \$518.30 | \$577.40 | |
| | Demand Charge/Demand Unit | \$10.80 | \$12.00 | |
| | Transportation Charge/Dth | | | |
| | First 1,500 Dths | \$1.3962 | \$1.5568 | |
| | Next 2,500 Dths | \$1.1921 | \$1.3294 | |
| | Next 11,000 Dths | \$0.6767 | \$0.7553 | |
| | Over 15,000 Dths | \$0.4173 | \$0.4663 | |
| T-3 Low Volume Transport General Service | WINTER (NOV - APR) | | | |
| | Base Use Charge/Bill | \$129.60 | \$144.40 | |
| | First 3,000 Therms | \$0.32549 | \$0.36297 | |
| | Next 2,000 Therms | \$0.29717 | \$0.33143 | |
| | Next 10,000 Therms | \$0.28949 | \$0.32287 | |
| | Over 15,000 Therms | \$0.15012 | \$0.16762 | |
| | SUMMER (MAY - OCT) | | | |
| | Base Use Charge/Bill | \$129.60 | \$144.40 | |
| | First 3,000 Therms | \$0.25572 | \$0.28525 | |
| | Next 2,000 Therms | \$0.20316 | \$0.22671 | |
| | Next 10,000 Therms | \$0.18944 | \$0.21142 | |
| | Over 15,000 Therms | \$0.15009 | \$0.16759 | |
| Demand Charge | Rate Per Unit Of Billing Demand Per Dth | \$10.80 | \$12.00 | |