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May 14, 2004

VIA HAND DELIVERY

Deborah Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

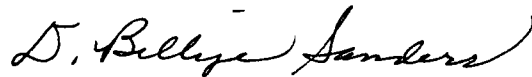
Re: Petition of Chattanooga Gas Company for Approval of Adjustment
of its Rates and Charges and Revised Tariff
Docket Number 04-00034

Dear Chairman Tate:

Enclosed you will find Chattanooga Gas Company's supplemental response to
Discovery Request Number 9 of the Consumer Advocate and Protection Division.

Please contact me if you have any questions.

Sincerely,



D. Billye Sanders
Attorney for Chattanooga Gas Company

DBS/hmd
Enclosures

cc: Parties of record
Archie Hickerson
Steve Lindsey
John Ebert, Esq.
Elizabeth Wade, Esq.

Discovery Request No. 9

Provide a reconciliation of "Shared Service Allocation" expense reported on the PSC Forms 3.03 filed with the TRA and forms U-9/C-3 filed with the SEC for the past five years.

Supplemental Response:

The "Shared Service Allocation" cost is reported in the SEC Form U-13-60. The costs are included in the report titled "Analysis of Billing - Associate Companies " A reconciliation between the PSC Forms 3.03 and the U-13-60 is provided in the attached schedule CAPD 9-1 for the following U-13-60 filings:

- The nine months ending September 30, 2001
- The three months ending December 31, 2001
- The twelve months ending December 31, 2002
- The twelve months ending December 31, 2003

AGL Services Company has made no other U-13-60 filings with the SEC.

These filings can be obtained on the internet at sec.gov as follows:

1. On the main web page under "Filings and Forms (EDGAR)", click on "Search for Company Filings."
2. On the "Search for EDGAR Database" page, go to "Companies and Other Filers."
3. In the "Company Name" field, type in "AGL Resources."
4. In the upper right hand corner, type in "U-13-60" in the "Form Type" field.

A list of the U-13-60 filings will be displayed and can be downloaded.

CGC Shared Service Allocations

Period	Balance Per TRA Form 3.03	Balance Per SEC Form U-13-60
Twelve Months Ended December 31, 2003	(A) 6,391,326	6,391,326
Twelve Months Ended December 31, 2002	(A) 6,068,608	6,068,608
Three Months Ended December 31, 2001	(B) 1,324,758	1,324,758
Nine Months Ended September 30, 2001	(C) 4,162,412	4,162,412
(A) - Agreed to PSC 3 03 Report for December 2003 - "FYTD" and "FYTD LY" columns		
(B) - Agreed to PSC 3 03 Report for December 2001 - "FYTD" column		
(C) - Reconciliation for the Nine Months Ended 9/30/01		
Amount Per PSC 3 03 Report for September 30, 2001	(D) 5,586,964	
Less Amount per PSC 3 03 Report for December 30, 2000 - "FYTD" column"	<u>1,403,799</u>	
Balance for Nine Months Ended September 30, 2001 Per PSC 3 30 Reports	4,183,165	
Less - amount allocated from AGL Energy Services	20,753	
Amount Allocated form AGL Services Company - Nine months Ended September 30, 2001	<u>4,162,412</u>	

(D) - This amount was agreed to the "FYTD" column of the PSC 3 03 report AGL Resources Inc , and therefore Chattanooga Gas Company, had a fiscal year end of September 30 through the year ended September 30, 2001