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July 19, 2004

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VIA HAND DELIVERY

Pat Miller, Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 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 Miller,

In his Order dated July 12, 2004 in this docket, the Hearing Officer directed Chattanooga Gas Company to identify all rates, charges, schedules, or classifications in its July 9, 2004 tariff on file for 6 months and suspended the effectiveness of all other rates, charges, schedules or classifications in the July 9, 2004 tariff. Pursuant to that order, Chattanooga Gas Company hereby files the attached verified summary of rates that have been on file for 6 months as of July 26, 2004 and tariff changes that have not been on file for 6 months as of July 26, 2004. As indicated on the summary, the filing made on February 27, 2004 was made to correct typographical errors in the weighting factors in the equation used to determine the index cost of gas for the cash out of monthly imbalances provision for T-1 and T-2 customers. On the original filing made January 26, 2004, the percentages did not add up to 100%. Chattanooga Gas Company will delay implementing the new cash out provisions for monthly imbalances until August 27, 2004. All other rates in the summary will be placed in effect for billing cycles on or after August 1, 2004.

WALLER LANSDEN DORTCH & DAVIS, PLLC

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Sincerely,

D. Billye Sanders

Attorney for Chattanooga Gas

D. Billye Janders

Company

DBS/hmd

cc:

Archie Hickerson Elizabeth Wade, Esq. John Ebert, Esq. Steve Lindsey Parties of Record July 19, 2004 Page 4

CERTIFICATE OF SERVICE

I hereby certify that on this <u>19</u> day of July 2004, a true and correct copy of the foregoing document was delivered by hand delivery, email or U.S. mail postage prepaid to the other Counsel of Record listed below.

D. Billye Sanders, Esq.

July 19, 2004 Page 5

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CHATTANOOGA GAS COMPANY Summary of Rates on File six (6) Months as of July 26, 2004

	PROPOSED - AS FILED January 26, 2004 Exhibit SL-1 On File a Full Six (6) Months as of July 26, 2004		REFUND E Cycles Beg	RATES SUBJECT TO REFUND Effective for Billing Cycles Beginning on or after August 1, 2004	
OTHER CHARGES	Proposed Rate	Unit of Measure	<u>Rate</u>	Unit of Measure	
Turn On Charge Meter Set Charge Returned Check Charge Reconnect Charge Seasonal Reconnect Charge	\$15 00 \$25 00 \$20 00 \$50 00 \$50 00	Per Occurrence Per Occurrence Per Occurrence Per Occurrence Per Occurrence	\$15 00 \$25 00 \$20 00 \$50 00 \$50 00	Per Occurrence Per Occurrence Per Occurrence Per Occurrence Per Occurrence	
General Service Classes					
Residential Customer Charge Winter Summer Commodity Charge Winter Block 1 (first 50 Therms) Winter Block 2 (over 50 Therms) Summer Block 2 (first 50 Therms)	\$14.00 \$7 50 \$0 2472 \$0 1500 \$0 2472	Per Bıll Per Bıll Per Therm Per Therm Per Therm	\$14 00 \$7 50 \$0 2338 \$0 1500 \$0 2338	Per Bıll Per Bıll , Per Therm Per Therm Per Therm	
Summer Block 3 (over 50 Therms)	\$0 1500	Per Therm	\$0.1500	Per Therm	
Summer Air-Conditioning	\$0 1500	Per Therm	\$0 1500	Per Therm	
Standby Service Demand Charge	Demand Charge Applicable to I-1 Customers		Demand Ch to I-1 Cus	Demand Charge Applicable to I-1 Customers	
Multi-Family Housing (R-4) Customer Charge					
Winter	\$6 00	Per Unit	\$6 00	Per Unit	
Summer	\$6 00	Per Unit	\$6 00	Per Unit	
Commodity Charge					
Winter Therms	\$0 2183	Per Therm	\$0 2117	Per Therm	
Summer Therms	\$0 2183	Per Therm	\$0 2117	Per Therm	
Summer Air-Conditioning	\$0 1500	Per Therm	\$0 1500	Per Therm	

Standby Service Demand Charge	Demand Charge Applicable to I-1 Customers		Demand Charge Applicable to I-1 Customers	
Commercial Customer Charge Winter	\$30 00	Per Bıll	\$30 00	Per Bıll
Summer	\$20 00	Per Bill	\$20 00	Per Bill
Commodity Charge				
Winter Block 1 (first 5,000 Therms) Winter Block 2 (over 5,000 Therms)	\$0 2932 \$0 1500	Per Therm Per Therm	\$0 2853 \$0 1500	Per Therm Per Therm
Summer Block 1 (first 5,000 Therms)	\$0 2932	Per Therm	\$0 2853	Per Therm
Summer Block 2 (over 5,000 Therms)	\$0 1500	Per Therm	\$0 1500	Per Therm
Summer Air-Conditioning	\$0 1500	Per Therm	\$0 1500	Per Therm
Standby Service Demand Charge	Demand Charge Applicable to I-1 Customers		Demand Charge Applicable to I-1 Customers	
INDUSTRIAL CLASSES				
I1/T2 Industrial				
Customer Charge	\$300 00	Per Bill	\$300 00	Per Bill
Demand Charge	\$3 00	Per Dekatherm	\$3 00	Per Dekatherm
Commodity Charge				
Block 1 (first 1,500 Dts)	\$1 0263	Per Dekatherm	\$1 0044	Per Dekatherm
Block 2 (next 2,500 Dts)	\$0 8773	Per Dekatherm	\$0 8586	Per Dekatherm
Block 3 (next 11,000 Dts) Block 4 (over 15,000 Dts)	\$0 4979 \$0 3060	Per Dekatherm Per Dekatherm	\$0 4873 \$0 2995	Per Dekatherm Per Dekatherm
Volumes in Excess of Daily Contract entitlements or				
Curtailment Orders	\$30 00	Per Dekatherm	\$30 00	Per Dekatherm
L1/T1 Industrial				
Customer Charge	\$300 00	Per Bill	\$300 00	Per Bill
Commodity Charge Block 1 (first 1,500 Dts) Block 2 (next 2,500 Dts)	\$1 0263 \$0 8773	Per Dekatherm Per Dekatherm	\$1 0044 \$0 8586	Per Dekatherm Per Dekatherm
Block 3 (next 11,000 Dts)	\$0 4979	Per Dekatherm	\$0 4873	Per Dekatherm

Block 4 (over 15,000 Dts)	\$0 3060	Per Dekatherm	\$0 2995	Per Dekatherm
Volumes in Excess of Daily Contract entitlements or Curtailment Orders	\$30 00	Per Dekatherm	\$30 00	Per Dekatherm

Tariff Changes not on File Six (6) Months as of July 26, 2004

On February 27, 2004 replacement pages for Sixth Revised Tariff Sheets No. 30B and 31B were filed to correct typographical errors on the corresponding pages that were initially filed on January 26, 2004 The corrections were to the "Cash Out of Monthly Imbalances" provisions included in Rate Schedule T-1 and Rate Schedule T-2 The impact of the corrections was to properly present the equation used to compute the Daily Index Cost of Gas used to determine the amount of any cash out payment due from or to a transportation customer who's consumption during the month differs from the amount of gas that the customer had delivered to the city gate by 5% or more

CGC will delay implementing the new cash out provision until August 27, 2004

VERIFICATION

STATE OF GEORGIA)	
COUNTY OF FULTON)	

I, Steven L. Lindsey, being duly sworn state that I am the Vice President – Operations of Chattanooga Gas Company, that I am authorized to make this verification of behalf of Chattanooga Gas Company; that I have read the foregoing Summary of Rates on File Six Months as of July 26, 2004 in Docket No. 04-00034 and know the content thereof; that the same is true and correct to the best of my knowledge, information and belief

Steven L. Lindsey

Sworn and subscribed before me this 19th day of July, 2004

Notary Public

My Commission Expires: 4/16/2007