

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
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460 James Robertson Parkway
Nashville, Tennessee 37243-0505

DELIVERED VIA EMAIL AND US MAIL

September 5, 2006

J.W. Luna, Esq.
Farmer & Luna, PLLC
333 Union Street, Suite 300
Nashville, TN 37200

RE: Docket No. 06-00175 – PETITION OF CHATTANOOGA GAS COMPANY TO INCREASE RATES, INCLUDING A COMPREHENSIVE RATE DESIGN PROPOSAL AND REVISED TARIFF

Dear Mr. Luna:

Please provide the information as outlined on the attached Second Discovery Requests of TRA Advisory Staff. The purpose of this request is to obtain schedules documenting the Company's revenue requirement for items included in Phase I of the procedural schedule set in this docket. As you are aware the Hearing Officer's Order of August 18, 2006 deferred consideration of the Company's proposed Energy Conservation Plan (ECP), including recovery of costs associated with the ECP, and Conservation Usage Adjustment (CUA), including the rate design for the CUA, until Phase II.

All information should be provided by September 12, 2006. Should you have questions regarding the attached request, please contact Paul Greene (extension 156) for clarification.

Sincerely,

Darlene Standley
Utilities Division Chief

Attachment (2)

C: Jennifer L. Brundige
Steven L. Lindsey
Archie Hickerson
Elizabeth Wade
Timothy Phillips
Stephen R. Butler
Henry Walker
David C. Higney
Catharine H. Giannasi
TRA Docket Room

Second Discovery Requests of TRA Advisory Staff

48. Please provide all company schedules and exhibits electronically in working Excel files via CD adjusted to remove all of the items to be considered in Phase II.
49. Please provide a breakdown of each price included on the June 2005 Sequent invoice (invoice number 93470) filed in the last Actual Cost Adjustment (ACA) Audit to show commodity cost and transportation cost separately.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing First Discovery Requests of the TRA Advisory Staff was served on the parties listed below via email and U.S. Mail on September 5, 2006.

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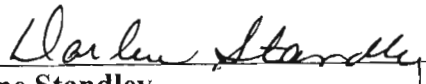
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Darlene Standley
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