

Ninth Floor, Republic Centre 633 Chestnut Street Chattanooga, Tennessee 37450-0900

July 5, 2007

Telephone 423/756-8400 Facsimile 423/756-6518 www.gkhpc.com

Hon. Eddie Roberson, Ph.D. Chairman, Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Re:

TRA Docket #06-00175

Reply to Chattanooga Gas Company's Request to Close Docket

Dear Chairman Roberson:

On behalf of the Chattanooga Manufacturers Association ("CMA"), in response to Chattanooga Gas Company's request to close this docket, CMA echoes the concerns raised by the Attorney General's Consumer Advocate and Protection Division ("Consumer Advocate") in its filing on May 17, 2007. CMA supports those positions taken by the Consumer Advocate, since certain issues in this matter have not yet been addressed and certain procedural steps would need to be taken relative to the utility's current ACA audit docket (TRA Docket #06-00298) before closure of this docket would appear to be appropriate.

As you know, in February, 2007, the parties herein separately filed respective "Proposed Issues" for Phase II of this contested ratemaking hearing since this matter previously had been bifurcated. We do not agree that all of the issues proposed for Phase II are addressed adequately by Chattanooga Gas Company's request to close this docket on May 8, 2007. Further, CMA respectfully believes that issues related to "stored gas/storage" and the inequitable affiliate transactions, which adversely and unfairly impact Chattanooga ratepayers, should be addressed prior to entertaining closure of this contested ratemaking docket.

max

David C. Higne

cc:

J. W. Luna, Esq. / Jennifer Brundige, Esq.

Timothy Phillips, Esq. / Steve Butler, Esq.

Henry Walker, Esq.

J. Richard Collier, Hearing Officer

Ms. Sharla Dillon (Docket File #06-00175)

Mr. Ray Childers