

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**December 5, 2008**

**IN RE:**

**DOCKET TO EVALUATE CHATTANOOGA  
GAS COMPANY'S GAS PURCHASES AND  
RELATED SHARING INCENTIVES**

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**Docket No. 07-00224**

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**CHATTANOOGA GAS COMPANY'S REPLY TO THE CAPD'S  
OBJECTION AND MOTION TO EXCLUDE EXHIBITS**

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Chattanooga Gas Company ("CGC" or "Company") hereby files this reply in response to the Consumer Advocate and Protection Division's ("CAPD") objections to the exhibits that CGC has filed with the Tennessee Regulatory Authority ("TRA") for use during the hearing in the above-referenced docket. The exhibits refute the improper rebuttal testimony that was filed by Dr. Stephen Brown and thus are proper for admission so that the TRA can review and weigh the evidence presented.

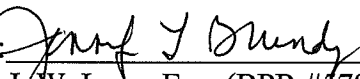
Dr. Brown has filed eighty (80) pages of rebuttal testimony, much of which raises new concerns that were not specifically addressed in Dr. Brown's direct testimony and/or not specifically addressed in Tim Sherwood's responsive testimony. Because the CAPD waited to raise these new concerns for the first time during its rebuttal testimony, CGC has not had the opportunity to respond. The TRA rules allow every party the right to cross-examine witnesses and the right to submit rebuttal testimony. See Tenn. Code Ann. § 65-2-109(3). If the TRA should decide to allow Dr. Brown's improper rebuttal testimony, the TRA should afford CGC its

rights and allow CGC to address and refute the new issues raised in Dr. Brown's rebuttal testimony through sur-responsive testimony of Tim Sherwood.

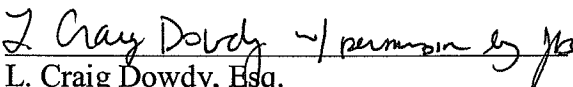
Further, the exhibits might prove to be responsive to cross-examination of the CAPD witnesses and therefore the subject of re-direct. Accordingly, the final decision on admissibility of the exhibits should be determined at the hearing on the merits based on the context under which they are proffered.

CGC has set forth its position in its Motion to Strike and Objections to Portions of Dr. Brown's Direct and Rebuttal Testimony filed on December 2, 2008. CGC will further explain and argue its positions at the December 8, 2008 pre-hearing conference.

Respectfully submitted,

By:   
J. W. Luna, Esq. (BPR #5780)  
Jennifer L. Brundige, Esq. (BPR #20673)  
FARMER & LUNA, PLLC  
333 Union Street, Suite 300  
Nashville, TN 37201  
(615) 254-9146

And

 w/ permission by JB  
L. Craig Dowdy, Esq.  
McKenna Long & Aldridge LLP  
303 Peachtree Street  
Suite 5300  
Atlanta, GA 30308  
(404) 527-4180

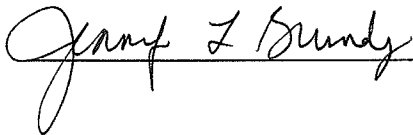
*Attorneys for Chattanooga Gas Company*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and exact copy of the foregoing has been forwarded by electronic mail on this the 5<sup>th</sup> day of December, 2008, to the following:

Kelly Cashman-Grams, Hearing Officer  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-00505

Cynthia E. Kinser (Mills), Deputy  
Timothy C. Phillips  
Consumer Advocate and Protection Division  
Office of Attorney General  
2<sup>nd</sup> Floor  
425 5<sup>th</sup> Avenue North  
Nashville, TN 37243-0491

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