

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:

DOCKET TO EVALUATE

CHATTANOOGA GAS COMPANY'S GAS

PURCHASES AND RELATED SHARING

INCENTIVES

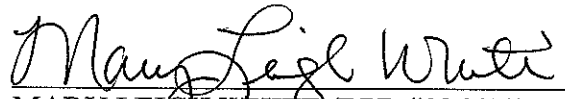
DOCKET NO. 07-00224

**CONSUMER ADVOCATE'S RESPONSE TO CHATTANOOGA GAS COMPANY'S
MOTION FOR CLARIFICATION RELATING TO ISSUES OF ACCUMULATED AND
DEFERRED LITIGATION COSTS**

Robert E. Cooper, Jr., Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate"), pursuant to Tennessee Code Annotated, Section 4-5-313(1), respectfully submits this response to Chattanooga Gas Company's ("CGC's" or "the Company's") motion for clarification relating to issues of accumulated and deferred litigation costs by the Tennessee Regulatory Authority ("TRA" or "Authority").

The Consumer Advocate is in agreement with the Company's assertion that litigation costs may extend beyond the hearing to the close of the proceeding and we are of the opinion that the hearing is not the proper time to deal with the issue of costs. In agreeing to take up this issue after the hearing, the Consumer Advocate does not waive its right to contest any aspect of the cost issue, including, but not limited, to amount. If the issue is taken up after the hearing, the Consumer Advocate is of the opinion that the Company should submit proof detailing such costs and the issue should be addressed in the parties post-hearing briefs. Should the Authority agree that the hearing is not the proper time to deal with the issue of costs, the Consumer Advocate would like to reserve the right to comment on the submitted proof.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script that reads "Mary Leigh White". The signature is written in dark ink and is positioned above a horizontal line.

MARY LEIGH WHITE (BPR #026659)

Assistant Attorney General

Office of the Attorney General

Consumer Advocate and Protection Division

P.O. Box 20207

Nashville, Tennessee 37202-0207

(615) 741-4657

Dated: June 25th, 2009

CERTIFICATE OF SERVICE

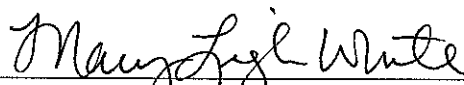
I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

J.W. Luna, Esquire
Jennifer L. Brundige, Esquire
Farmer & Luna, PLLC
333 Union Street, Suite 300
Nashville, TN 37201

L. Craig Dowdy, Esquire
McKenna Long & Aldridge, LLP
303 Peachtree Street
Suite 5300
Atlanta, GA 30308

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

This the 25th day of June, 2009.



MARY LEIGH WHITE
Assistant Attorney General