

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**October 23, 2009**

**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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**ORDER SETTING ISSUES & TIME FOR FILING BRIEFS  
RELATING TO RECOVERY OF LITIGATION COSTS**

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This matter is before the Hearing Officer of the Tennessee Regulatory Authority ("TRA") upon the filing made on October 6, 2009 by Chattanooga Gas Company ("CGC" or "Chattanooga Gas") in support of its request to recover litigation costs incurred in this docket. Subsequent to this filing, the Consumer Advocate and Protection Division of the Attorney General's Office ("Consumer Advocate"), on behalf of the parties, notified the Hearing Officer, via electronic mail, that the parties were unable to resolve this matter amicably as they had previously anticipated. Nevertheless, the parties informed the Hearing Officer that they had reached agreement as to certain points, thereby obviating the need for discovery, pre-filed testimony, and an evidentiary hearing. Finally, the parties requested that the Hearing Officer hear arguments and make an initial recommendation to the Authority panel concerning the unresolved issues.

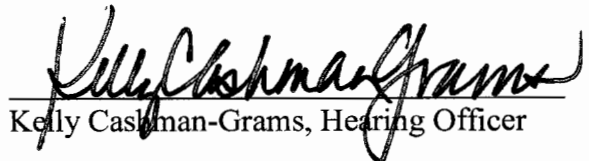
On October 20, 2009, the Hearing Officer held a brief telephone conference to discuss the parties' request in this matter. During the telephone conference, the Hearing Officer

reminded the parties that, pursuant to various Orders<sup>1</sup> issued previously in the docket, the TRA Directors would determine the matter concerning CGC's recovery of litigation costs. Thereafter, the Hearing Officer ordered that:

1. All stipulations agreed between the parties concerning CGC's October 6, 2009 filing and the recovery of litigation costs shall be promptly filed in the docket file; and,
2. CGC and the Consumer Advocate shall file briefs **no later than Wednesday, October 28, 2009**, addressing the following issues:
  - (a) The percentage amount of the total litigation costs that CGC should be permitted to recover from ratepayers; and,
  - (b) The appropriate amortization period for the recovery of approved litigation costs.

**IT IS THEREFORE ORDERED THAT:**

1. Chattanooga Gas Company and the Consumer Advocate and Protection Division of the Attorney General's Office shall submit briefs addressing the issues set forth herein no later than **Wednesday, October 28, 2009**.
2. Chattanooga Gas Company and the Consumer Advocate and Protection Division of the Attorney General's Office shall be available to present oral argument on this matter before the assigned panel of the Tennessee Regulatory Authority during the Authority Conference scheduled on **November 9, 2009**.

  
Kelly Cashman-Grams, Hearing Officer

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<sup>1</sup> *Order Convening a Contested Case and Appointing a Hearing Officer*, p. 1 (January 25, 2008) (the Hearing Officer has delegated authority to act for the purpose of preparing this matter for hearing); *Order on March 7, 2008 Status Conference*, p. 3 (March 11, 2008) (recovery of litigation costs is a determination to be made by the panel); *Pre-Hearing Order*, p. 4 (July 6, 2009) (issue of recovery of costs will culminate in hearing before the panel); and, *Order*, p. 6 (September 23, 2009) (order of the Authority panel upholding the Hearing Officer's ruling that CGC file proof in support of its request for recovery of litigation costs in anticipation of a hearing thereon before the panel following completion of the docket.)