

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

IN RE:

**DOCKET TO EVALUATE ATMOS
ENERGY CORPORATION'S GAS
PURCHASES AND RELATED SHARING
INCENTIVES**

DOCKET NO. 07-00225

COMMENTS OF THE CONSUMER ADVOCATE

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"), respectfully submits the following comments for the Tennessee Regulatory Authority's ("TRA") consideration in Docket No. 07-00225.

On November 9, 2010, the Hearing Officer in this matter requested the parties file comments in regard to 1) the status of settlement negotiations engaged between the parties; 2) the applicability of the final rulings entered in Docket Nos. 07-00224 and 09-00183, if any, insofar as may be pertinent to the issues presented herein; and 3) the positions of the parties concerning the manner in which to proceed to a final resolution of the issues in this docket.

The Consumer Advocate acknowledges that it is currently involved in continuing settlement discussions with Atmos Energy Corporation ("Atmos"); however, any settlement involving the adoption of a triennial review process must first be approved by the Attorney General before submission to the TRA. The Consumer Advocate would request the Authority permit the parties to continue negotiations for a period of 45 days in hopes of resolving all outstanding issues and completing the approval process.


Notwithstanding these discussions, the Consumer Advocate is of the opinion that the triennial review process ordered in TRA Docket No. 07-00224, involving Chattanooga Gas Company ("CGC"), should provide the basic framework for a triennial review process in this docket. The triennial review ordered in TRA Docket No. 07-00224 was largely reflective of the process ordered in TRA Docket No. 05-00165, involving a settlement agreement between Piedmont Natural Gas ("Piedmont"), TRA Staff and the Consumer Advocate. The Consumer Advocate is of the opinion that Atmos, CGC and Piedmont, the three major natural gas companies operating in Tennessee, should be audited using similar criteria in order to provide comparable results; therefore, the order in TRA Docket No. 07-00224 should be applicable in this docket. As was stated in the *Response of Atmos Energy Corporations to the Hearing Officer's November 9, 2010 Request for Comments*, Atmos is in general agreement with the triennial review procedure adopted in TRA Docket No. 07-00224; therefore, the parties are seeking additional time in order to continue settlement negotiations.

In regard to the award of attorney's fees in TRA Docket No. 09-00183 resulting from costs associated with TRA Docket No. 07-00224, the Consumer Advocate maintains its position that an award of attorney's fees, outside of a rate case, is simply not permissible under Tennessee law.¹

¹ *Consumer Advocate and Protection Division's Post-Hearing Brief*, TRA Docket No. 09-00183, p.27, May 7, 2010.

RESPECTFULLY SUBMITTED,

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Dated: December 15, 2010.

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:

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This the 15th day of December, 2010.



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