

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

IN RE:)	
)	Docket No. 08-00012
REQUEST OF CHATTANOOGA GAS)	
COMPANY FOR APPROVAL OF)	
ASSET MANAGEMENT AGREEMENT)	
)	

CONSUMER ADVOCATE'S STATUS REPORT

Robert E. Cooper, Jr., the Attorney General and Reporter for the State of Tennessee, through the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate"), respectfully submits this status report as requested by the hearing officer.

Although both sides negotiated in good faith, we were not able to reach a negotiated agreement. Some provisions of the contract raised concerns for the Consumer Advocate, and we seek to present those concerns for consideration by the hearing officer and ultimately by the Tennessee Regulatory Authority ("TRA"). The TRA ordered Chattanooga Gas Company ("the Company") to submit its asset management contract to the TRA for approval, and the Consumer Advocate contends that the TRA must have intended to carefully review the contract as a whole prior to making its decision about whether to approve the contract.

Although the Company contends that any change at all to the contract would mean that there would no longer be a contract, the Consumer Advocate contends that some aspects of the contract could be altered without any real harm to the Company or to the asset manager. Also, one of the issues that the Consumer Advocate is considering raising in this docket, whether the winning bid is properly designated as confidential by the Company, would require no change to

the contract whatsoever. At a minimum the TRA should be allowed to consider the concerns raised by the Consumer Advocate when the TRA deliberates.

In order to move this process along in the expedited fashion suggested by the hearing officer, the Consumer Advocate proposes a procedural schedule that accomplishes a hearing on the merits by the end of this month.

Feb. 12	Consumer Advocate's Proposed Issues List
Feb. 12	Discovery Requests
Feb. 19	Discovery Responses
Feb. 25	Briefs
Feb. 27	Reply Briefs
Feb. 29	Hearing on the Merits

Obviously, the proposed schedule is tight, but that is the only type of procedural schedule that is possible within the time frame suggested by the hearing officer. The Consumer Advocate will be available for a status conference on Monday afternoon or Tuesday afternoon of next week, if the hearing officer believes that a status conference is needed.

Respectfully submitted,



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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served via first-class U.S. Mail, postage prepaid, electronic mail, or hand delivery, upon the parties of record in this case on the 8th day of February, 2008.

A handwritten signature in cursive script, reading "Steve Butler", written over a horizontal line.

Stephen R. Butler
Assistant Attorney General