

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

IN RE:)
)
APPROPRIATENESS OF THE) DOCKET NO. 09-00065
IMPLEMENTATION OF PURPA)
STANDARD 5 AND STANDARD 6 FOR)
PIEDMONT NATURAL GAS COMPANY,)
CHATTANOOGA GAS COMPANY AND)
ATMOS ENERGY CORPORATION)

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 to the Tennessee Regulatory Authority ("TRA", "Authority").

The Authority is not required to adopt the standards contained in the 2007 amendments to PURPA ("standards"). The Authority need only consider them. The Consumer Advocate submits that an in-depth analysis is needed before such standards are adopted. While the standards are broadly composed, it is the details of specific mechanisms, factual circumstances of specific utilities, and the consequences of specific policy decisions which require much more analysis before applying such requirements upon utilities and consumers in practice. Given the required deadline placed upon the Authority to make a determination, such an in-depth examination and determination would be resource-intensive.

The Consumer Advocate submits adoption of the standards is not needed or required at this time. It must be considered that the 2007 amendments to PURPA were meant to encourage regulators to begin to consider and implement conservation policy. However, such prodding is

not necessary in Tennessee. The TRA has been extremely active with regard to conservation policy since 2006 and rate designs proposed as conservation measures have been before the Authority on several occasions. Thus, the TRA has been considering the very issues broadly addressed by the standards for some time.

The TRA presently has broad authority with regard to designing and implementing rate designs. Furthermore, the General Assembly has enacted Tenn. Code Ann. § 65-4-126, consisting of a policy statement authorizing the Authority to implement rate-making and rate design measures to encourage conservation. The General Assembly has set the state's standards in regards to conservation. The Consumer Advocate submits the Authority need not adopt the PURPA standards at this time, but rather should examine broader concepts in the context of specific proposals and focus resources in appropriate proceedings to carry out the state's new conservation policy.

RESPECTFULLY SUBMITTED,



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Dated: August____, 2009.

CERTIFICATE OF SERVICE

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

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This the 8 day of August, 2009.



Ryan L. McGehee