

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

September 23, 2009

**IN RE: APPROPRIATENESS OF)
IMPLEMENTATION OF PURPA)
STANDARD 5(ENERGY EFFICIENCY))
AND STANDARD 6 (RATE DESIGN)
MODIFICATION) FOR PIEDMONT)
NATURAL GAS COMPANY,)
CHATTANOOGA GAS COMPANY,)
AND ATMOS ENERGY COMPANY)**

Docket 09-00065

Response of Chattanooga Gas Company

At the Status Conference on September 9, 2009, the Hearing Officer directed Chattanooga Gas Company ("CGC" or "Company") to advise the Tennessee Regulatory Authority ("TRA" or "Authority") when and how CGC intended to implement the goal of aligning the utility's financial incentives and helping our customers use energy more efficiently as outlined in Public Utility Regulatory Policies Act ("PURPA"), the American Recovery and Reinvestment Act of 2009 ("Stimulus Act") and the State of Tennessee's public policy as directed in the 2009 General Assembly's Public Act 531.

CGC will implement this goal in its next general rate case proceeding. In accordance with the settlement in Docket No. 06-00175, CGC will file a rate case no later than May 28, 2010. Currently, CGC is evaluating the need for a rate case and may file a rate case earlier than May 28, 2010.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing has been forwarded by electronic mail to the following on this the 23RD day of September, 2009:

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