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February 12, 2010

**VIA HAND DELIVERY**

Chairman Sara Kyle  
c/o Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-00505

filed electronically in docket office on 02/12/10

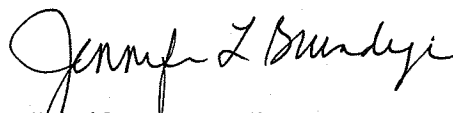
Re: Docket No. 09-00183

Dear Chairman Kyle:

Enclosed please find the original and four (4) copies of Chattanooga Gas Company's ("Company") electronic filing of its response to Data Request No. 4 of the Staff's Data Request #1 in the above referenced docket.

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,



Jennifer L. Brundige

Enclosure

cc: Counsel of Record  
Gary Hotvedt, Esq.  
Pat Murphy  
Elizabeth Wade, Esq.  
Archie Hickerson

**Data Request No. 1**

**Question 4:** Staff calculated test period revenues for each customer class, using customer counts and volumes from the "Monthly Schedule of Customers, Volumes, & Revenues" provided monthly by the Company and tariff rates in effect during the test period. Staff then used Company test period billing determinants provided in Exhibit MHS-1 of Ms. Shield's Direct Testimony and tariff rates in effect during the test period to determine Company margin revenues (they were not provided on MHS-1). Explain the following Staff calculated variances:

Rate Class	Staff Calculation	Company Calculation	Variance
Residential	\$13,546,018	\$13,526,251	\$19,767
F1/T2 Industrial	\$1,745,616	\$1,700,695	\$44,921
Total F1/T2 + T1	\$1,014,362	\$989,036	\$25,326

**Response:**

The data in Ms. Shield's exhibit for residential was based off of actual revenue data that includes partial month bills, credits and other prior period adjustments that are not included in the TRA reported volumes. The net difference is less than 0.15%.

For the F1/T2 and F1/T2+T1 class Ms. Shields exhibit was based off monthly gas supply data used for daily and monthly delivery requirements and forecasting purposes. Generally, these reports are the same as those generated from the accounting system. The "Monthly Schedule of Customers, Volumes, & Revenues" is based off of final accounting billing data. The accounting data contains prior period adjustments, meter reading adjustments based manual reads for the occasional AMR device that failed to report a reading for a day, and other adjustments incorporated for final billing. The variances discussed above do not materially impact the forecast provided by Ms. Shields, since Ms. Shields forecast also incorporates usage trends and insight from the Company's marketing staff that have contact with the customers.