

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

March 4, 2010

IN RE:)	
)	
PETITION OF CHATTANOOGA GAS)	
FOR GENERAL RATE INCREASE,)	Docket No. 09-00183
IMPLEMENTATION OF THE)	
ENERGYSMART CONSERVATION)	
PROGRAMS, AND IMPLEMENTATION OF)	
A REVENUE DECOUPLING MECHANISM)	
)	

**CHATTANOOGA GAS COMPANY'S RESPONSE IN OPPOSITION
TO THE CAPD'S PROPOSED PARTIAL ISSUES LIST**

Chattanooga Gas Company ("CGC" or "Company") files this response in opposition to the proposed partial issues list filed by the Consumer Advocate and Protection Division ("CAPD") of the Office of Attorney General and Reporter. CGC believes that it is too late in this proceeding to adopt a partial issues list for this rate case. While a complete list of issues may be helpful at the beginning of a non-rate case docket, a partial issues list in a rate case is unnecessary especially at the end of the proceeding.

On March 2, 2010, the CAPD filed a motion requesting the Tennessee Regulatory Authority ("TRA" or "Authority") to adopt an issues list containing three issues involving the implementation of Tenn. Code Ann. § 65-4-126. The CAPD bases its request on the fact that the list was adopted in the Piedmont Natural Gas Company Docket 09-00104. However, the Piedmont Docket 09-00104 was not a rate case and was convened for the sole purpose of implementing Tenn. Code Ann. § 65-4-126. The issues list that was adopted in Docket 09-00104 included a complete list of the issues to be

litigated in that docket. While CGC was not a party to that proceeding, upon a cursory review of the docket sheet, it appears that at the initial status conference the Hearing Officer directed the parties to file proposed issues in an effort to define the scope and focus of the proceedings and the testimony. The issues were proposed and then adopted by the Hearing Officer prior to either party filing testimony, which was to be filed simultaneously.

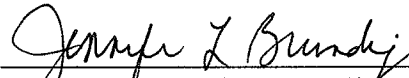
This is completely inapposite to the proceedings in CGC's current rate case docket. At the initial status conference on December 14, 2009, the Hearing Officer did not direct the parties to file proposed issues for the rate case. Because of the procedures followed in a rate case, it has not traditionally been the TRA's practice to adopt an issues list in a rate case. The Company filed its pre-filed direct testimony on November 16, 2009 as is customary in rate case proceedings. Therefore, there was no need on December 14, 2009 to define the scope of the proceedings or to focus the testimony in the case. In fact on March 10, 2010 (in six days), the CAPD will file its responsive testimony. The case has been scheduled for a hearing on the merits in less than six weeks.

CGC believes that the CAPD's request is untimely. As it is only a list of issues adopted in another docket and does not include all issues pending before the TRA in CGC's current rate case, it will not have the intended effect of assisting or focusing the overall proceedings in this docket. Additional time and resources should not be expended at this time on a procedural tactic that is unnecessary, untimely, and unhelpful for resolution of the entire docket. Therefore, CGC respectfully requests that the TRA deny the CAPD's motion.

Alternatively, should the TRA decide to adopt the proposed partial issues list at this late stage of the proceeding, the Company reserves the right to propose additional issues to include on the list.

Respectfully submitted,

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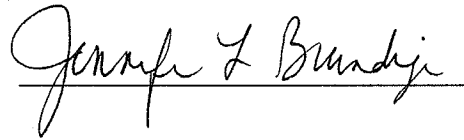
CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of March 2010, a true and correct copy of the foregoing was served on the persons below by electronic mail:

Gary Hotvedt
Hearing Officer
Tennessee Regulatory Authority
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Cynthia Kinser, Deputy
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A handwritten signature in cursive script, reading "Jennifer L. Brundage", is written over a horizontal line.