

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

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

**OBJECTIONS OF THE CONSUMER ADVOCATE TO CHATTANOOGA GAS
COMPANY'S DISCOVERY REQUESTS**

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"), pursuant to the Scheduling Order entered in this Docket, hereby submits its objections to the first discovery request of Chattanooga Gas Company. ("CGC" or "Company".)

The Consumer Advocate would note that it intends to provide an appropriate response to each and every request made by the Company in its first discovery request. The Consumer Advocate makes these objections in order to make clear its understanding and position as to the scope and propriety of some of the requests made. Because of the very short time frame between the deadline for the Company to file its first discovery requests and the deadline for filing these objections, the parties have not been able to confer to attempt to reach an agreement on these issues. The Consumer Advocate will make every attempt to meet and confer with counsel for the Company in an effort to expeditiously resolve the issues raised by these objections.

GENERAL OBJECTIONS

1. The Consumer Advocate objects to the definitions and instructions contained in the Company's interrogatories to the extent that the definitions and instructions attempt to impose on the Consumer Advocate a burden or obligation greater than that required by the *Tennessee Rules of Civil Procedure* and applicable statutes and regulations governing contested case hearings.

2. The Consumer Advocate objects to the interrogatories to the extent they call for information and the production of documents which are protected from disclosure by the attorney-client privilege, the attorney work product doctrine or any other applicable privilege or protection. The Consumer Advocate objects to the data requests to the extent that the Company is attempting to impose on the Consumer Advocate obligations with regard to identification of privileged documents beyond those required by the *Tennessee Rules of Civil Procedure* and applicable statutes and regulations governing contested case hearings.

3. The Consumer Advocate objects to the Company's interrogatories to the extent they seek information not related to the subject matter involved in this litigation or to the extent they are not reasonably calculated to lead to the discovery of admissible evidence. By providing information in response to these requests, the Consumer Advocate does not concede that such information is relevant, material or admissible in evidence. The Consumer Advocate reserves all rights to object to the use of such information as evidence.

4. The Consumer Advocate objects to the Company's interrogatories to the extent that the Company is attempting to impose on the Consumer Advocate obligations to supplement its responses beyond those required by the *Tennessee Rules of Civil Procedure* and applicable statutes and regulations governing contested case hearings.

5. The Consumer Advocate objects to the Company's interrogatories to the extent that the Company is attempting to require the Consumer Advocate to provide information and produce documents beyond those in its possession, custody or control as that phrase is used in the *Tennessee Rules of Civil Procedure* and applicable statutes and regulations governing contested case hearings.

6. The Consumer Advocate objects to the Company's data requests to the extent they seek information and documents that are readily available through public sources or are in the Company's own possession, custody or control. It is unduly burdensome and oppressive to require the Consumer Advocate to respond or produce documents that are equally available to the Company.

7. The Consumer Advocate's objections and responses to these requests are based on information now known to it. The Consumer Advocate reserves the right to amend, modify or supplement its objections and responses if it learns of new information.

8. The Consumer Advocate's responses to these requests are made without waiving or intending to waive the right to object to the use of any information provided in response to any subsequent proceeding or trial of this or any other action. The Consumer Advocate's responses to these requests are also not a waiver of any of the foregoing objections or any objections it has made or may make with respect to any similar, related, or future data request, and the Consumer Advocate specifically reserves the right to interpose any objection to further requests notwithstanding any response or lack of objection made in this response.

9. The Consumer Advocate will supplement its responses in accordance with the requirements of state law.

10. The Consumer Advocate expressly incorporates these general objections into its responses set forth below.

Subject to and without waiving any objections stated above the Consumer Advocate responds to the specific requests as follows:

SPECIFIC OBJECTIONS

DISCOVERY REQUEST NO. 5:

For purposes of this request, please refer to page 31 of and Appendix A to Mr. Buckner's testimony. Provide a copy of all analysis that identify the impact of the "Budget Re-Repayment

Plans” on uncollectible expense and uncollected gas cost. Provide all workpapers and source documents used in connection with this response. Provide the requested workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 6:

For purposes of this request, please refer to page 31 of and Appendix A to Mr. Buckner’s testimony. Provide a copy of all analysis that identify the impact that the “Ability to Waive Fees” provision of the proposed “consumer protection recommendations” would have on revenues, and identify the amount and where the Consumer Advocate and Protection Division has included an adjustment to the attrition period revenues for this proposed provision. Provide all workpapers and source documents used in connection with this response. Provide the requested workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 7:

For purposes of this request, please refer to page 31 of and Appendix A to Mr. Buckner's testimony. Provide a copy of all analysis that identify the capital investment and operating expense that would be incurred in the implementation of the proposed "consumer protection recommendations." Provide all workpapers and source documents used in connection with this response. Provide the requested workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested. Identify the specific adjustments that the Consumer Advocate and Protection Division has included for any additional capital investment or expense in the attrition period.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 8:

For purposes of this request, please refer to page 31 of and Appendix A to Mr. Buckner's testimony. Provide a copy of all analysis that identify the number of Chattanooga Gas Customers that would be subject to the "Budget Re-Payment Plans." Provide all workpapers and source documents used in connection with this response. Provide the requested workpapers in electronic spreadsheet form, with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, please provide the information in the form that most closely matches what has been requested. Identify where the Consumer Advocate and Protection Division has included adjustments for any additional capital investment or expense in the attrition period.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 10:

The following statement is included in the proposed "Budget Re-Payment Plan" on Appendix A of Mr. Buckner's testimony:

"Provided however, if a customer or **household member** of the customer is able to demonstrate a unique financial distress situation or the customer is disabled or a member of the customer's household is disabled, the Company shall be required to again consider permitting the customer to have additional installment plan(s) during the same calendar year."

- a. Provide the rational for requiring the utility to offer a "Budget Re-Payment Plan" when it is a "household member" that can demonstrate "a unique financial distress

situation” and not the customer that can demonstrate “a unique financial distress situation.”

- b. Provide the detailed definition of a “household member” as used in this proposed requirement; and
- c. Identify and explain the documentation required for a person to qualify as a “household member” as used in the proposed provision.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 11:

Explain if the Consumer Advocate proposes that the TRA consider the proposed “consumer protection recommendations” included in Appendix A to Mr. Buckner’s testimony for all of the local natural gas distribution companies regulated by the Authority, or does the Consumer Advocate propose that these proposed “consumer protection recommendations” be considered for Chattanooga Gas Company only. If the Consumer Advocate is proposing the “consumer protection recommendations” for Chattanooga Gas Company only, explain why the Consumer Advocate proposes that these be adopted only for Chattanooga Gas Company.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discovery confidential work product, or other privileged information; notwithstanding

this objection, at the appropriate time, the Consumer Advocate will provide a response to this Request.

DISCOVERY REQUEST NO. 12:

Please provide all analysis, data, workpapers, and research materials that validate your “concern” stated on page 30 of Mr. Buckner’s Direct Testimony, that “Sequent may sell a portion of CGC’s system capacity to SouthStar Energy Services, LLC (“SouthStar”), its affiliate, at a below market value price.”

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 13:

Please provide all explanations, analysis, data, workpapers, and studies that support the contention on page 30 of Mr. Buckner’s testimony that the TRA’s Staff’s audits of CGC’s gas cost and the existing Asset Management Agreement between CGC and Sequent may not totally capture secondary transactions with SouthStar.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the

Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 14:

Provide all explanations, analysis, data, workpapers, studies, and research materials that support the CAPD's belief that "all revenues from secondary transactions of system capacity to an affiliated company should inure to the ratepayers of CGC." *See* Buckner Testimony, page 30.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 15:

Provide all analysis, data, workpapers, and research materials that support your implication on page 30 of Mr. Buckner's testimony that SouthStar should remit profits from transactions using CGC assets, which were bought in an arms-length transaction in a competitive market.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 16:

Admit or deny: That credits to the ratepayers for off-system sales and/or asset management payments would be credited to customers through the purchased gas adjustment mechanism.

OBJECTION: The Consumer Advocate objects to this Request to the extent that answering it as directed by the Company might lead to a false or misleading response, or presupposes knowledge on the part of the Consumer Advocate which is not contained in or relied upon in drafting the testimony and/or exhibits of the Consumer Advocate; however, notwithstanding this objection, the Consumer Advocate will provide at the appropriate time, an answer to this Request with a an accompanying explanation if necessary.

DISCOVERY REQUEST NO. 17:

Provide all analysis, data, workpapers, and studies that show that CGC and Sequent do not account for all transactions with affiliates in its reports to the TRA.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the

Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 19:

Admit or deny: That under the terms of the current asset management agreement between CGC and Sequent, that Sequent would bear 100% of any lost value associated with any sale or release below market prices until the total shareable value exceeds the minimum annual guarantee.

OBJECTION: The Consumer Advocate objects to this Request to the extent that answering it as directed by the Company might lead to a false or misleading response, or presupposes knowledge on the part of the Consumer Advocate which is not contained in or relied upon in drafting the testimony and/or exhibits of the Consumer Advocate; however, notwithstanding this objection, the Consumer Advocate will provide at the appropriate time, an answer to this Request with a an accompanying explanation if necessary.

DISCOVERY REQUEST NO. 20:

Admit or deny: Under the Federal Energy Regulatory Commission's rules any capacity release proposed at below the maximum tariff rate must be posted on the pipeline's electronic bulletin board to allow parties willing to pay more than the posted price to bid for the capacity.

OBJECTION: The Consumer Advocate objects to this Request to the extent that answering it as directed by the Company might lead to a false or misleading response, or presupposes knowledge on the part of the Consumer Advocate which is not contained in or relied upon in drafting the testimony and/or exhibits of the Consumer Advocate; however, notwithstanding this objection, the Consumer Advocate will provide at the appropriate time, an answer to this Request with a an accompanying explanation if necessary.

DISCOVERY REQUEST NO. 21:

Please identify and describe each of the goals and objectives that CAPD recommends be applied to design CGC rates in this proceeding.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discovery confidential work product, or other privileged information; notwithstanding this objection, the Consumer Advocate will provide a response to this Request.

DISCOVERY REQUEST NO. 22:

Please state Mr. Buckner's opinion regarding the potential role that CGC has or may have in promoting energy efficiency and conservation by customers. Please explain the basis for Mr. Buckner's opinion including any relevant research, publications or other documents.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information

beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 23:

Please provide a full definition of the term “abundant equity” as used by Mr. Buckner on page 25, line 1 of his prepared direct testimony.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discovery confidential work product, or other privileged information; notwithstanding this objection, at the appropriate time, the Consumer Advocate will provide a response to this Request.

DISCOVERY REQUEST NO. 24

Please provide all support for Mr. Buckner’s position that the monthly fixed charges for Piedmont Gas Company and Atmos Energy are determinative of the appropriate monthly fixed charge for CGC customers. Include citations to all applicable TRA regulations and/or precedent.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 25:

Does Mr. Buckner believe that the variable distribution charges of Piedmont Gas Company and/or Atmos Energy as approved by the TRA are relevant to the distribution charges that should be approved for CGC in this proceeding? If so, please fully explain the relationship that exists.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discovery confidential work product or other privileged information, and to the extent that this Request is overly vague and unduly burdensome; notwithstanding this objection, at the appropriate time, the Consumer Advocate will provide a response to this Request.

DISCOVERY REQUEST NO. 26:

Please identify and explain each “burden” and “benefit” that Mr. Buckner is referring to on page 25, lines 8-10 of his direct testimony.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 27:

Please provide all support for Mr. Buckner's position that "burdens" and "benefits" should be "shared proportionately by all customers" on CGC's system.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 28:

Please provide all support including applicable empirical studies supporting Mr. Buckner's statement that "higher monthly customer charges will likely negatively impact the conservation efforts of customers."

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 29:

Please quantify the degree to which Mr. Buckner believes that the Company's proposed changes to monthly customer charges will impact the conservation efforts of customers. Please provide all supporting documentation and workpapers associated with Mr. Buckner's estimates.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 30:

Please provide a complete rate design and proof of revenues that shows the existing and proposed rate for each base rate charge for each rate class associated with the rate design recommendation set forth in Mr. Buckner's testimony. Please provide the proposed rate design and all supporting documentation and workpapers in electronic form with all formulas intact.

OBJECTION: The Consumer Advocate objects to this Request to the extent that it seeks to discover confidential work product, or other privileged information; additionally, the Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 41:

Please provide copies of excerpts of source documents related to revenue decoupling mechanisms implemented in other jurisdictions that were relied upon to develop Dr. Dismukes' testimony including relevant utility tariffs, stipulations and Commission Orders.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request is unduly burdensome and vague in requesting production of "excerpts" of documents. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 43:

Please describe Dr. Dismukes' relationship with NASUCA. Indicate whether Dr. Dismukes has collected any fees from NASUCA.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request is vague and the information sought is not relevant to this proceeding. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 50:

Reference page 4, lines 6-7 of Dr. Dismukes' testimony. Please provide specific excerpts and associated citations supporting the referenced testimony concerning prior TRA findings.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request seeks "specific

excerpts” to public documents which are available at the TRA. Furthermore, the request seeks citations to public documents and excerpts which have already been provided. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 56:

Reference Dr. Dismukes’ testimony at page 53, lines 7-20. Please provide copies of any documents prepared by either (i) Central Maine Power, (ii) the Maine Public Utilities Commission, or (iii) other interveners in proceedings related to CMP’s Electric Revenue Adjustment Mechanism that Dr. Dismukes has reviewed or consulted in formulating his opinion regarding that mechanism.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request seeks documents which are publicly available. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 57:

Reference Dr. Dismukes’ testimony at page 53, lines 7-20. Please provide a breakdown of the total deferral by year under CMP’s ERAM that is attributable to the categories Dr. Dismukes specifically identified in his testimony including “conservation efforts” and “economic recession.” If Dr. Dismukes has analyzed other categories of factors that contributed to CMP’s deferral of \$52 million noted in his testimony, please also provide that analysis. Please provide all supporting documentation and workpapers.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request seeks to unduly burden the Consumer Advocate by requesting an analysis from information contained within public documents. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 58:

Provide copies of all energy efficiency cost effective analyses prepared by Dr. Dismukes including all related explanatory materials.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to the extent the request is unduly burdensome in that it seeks information of an unlimited scope or time period. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 59:

Please provide copies of all texts that Dr. Dismukes considers to be authoritative on the subject of energy efficiency cost effective analyses.

OBJECTION: The Consumer Advocate asserts the General Objections described above. The Consumer Advocate objects further to the extent the Company is unduly burdensome in asking the Consumer Advocate to reproduce and provide copies of publications equally available to CGC. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer by reference.

DISCOVERY REQUEST NO. 60:

Please provide the last 5 testimonies prepared by Dr. Klein related to the cost of equity for gas utilities and provide the authorized returns on equity from those cases.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this request to the extent it seeks information or documents not in its possession, custody or control. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 70:

Please provide copies of the following publications identified in Exhibit 9 to Dr. Klein's testimony:

- a. "Regulatory Preferences and Utility Prices: Evidence From Natural Gas Distribution Utilities" Energy Economics, Vol. 21, N.1 1999.
- b. "Double Leverage and Strategic Financing Decisions" NRRI Quarterly Bulletin, V. II, N.3 September 1992.
- c. "Merger Incentives and Cost of Capital Regulation of Subsidiaries" Midsouth Journal of Economics and Finance, March 1988.
- d. "Rate of Return on Equity," National Conference of Unit Valuation Standards, Nashville, December 1987.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this request to the extent it seeks information or documents not in its possession, custody or control. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 71:

To the extent not previously provided in response to CGC-1, please provide the following Economic Testimony identified in Exhibit 9 to Dr. Klein's testimony:

- a. CC Docket No. 89-624 (March 1990);
- b. TRA Docket 09-00104 – December 2009;
- c. Tennessee Public Service Commission (93-06946) December 1993;
- d. Tennessee Public Service Commission (91-03765) October 1991;
- e. Tennessee Public Service Commission (U-86-01363) February 1989; and
- f. Tennessee Public Service Commission (U-87-7499) October 1987.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this request to the extent it seeks information or documents not in its possession, custody or control. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 77:

Is it Dr. Klein's testimony that Value Line's dividend growth projection extends over "an infinite time horizon?" Please explain your answer and provide any documents relevant to your response.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 85

Is it Dr. Klein's opinion that a "risk free" investment used in the CAPM model must eliminate the impact of projected inflation? If so, please explain your answer and provide any documents, studies or analyses that support your response.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 86

Is it Dr. Klein's opinion that the impact of inflation is different on investments in long term debt as opposed to equity over any given period? If so, please explain why and provide any documents, studies or analyses that support your response.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 88

Referencing Dr. Klein's testimony at page 13, lines 21 and 22, does Dr. Klein believe that the current risk premium is above historical averages? If so, by how much in terms of basis points? Please provide any studies, analyses or other documents that support your response.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 89

On page 3 of Dr. Klein's testimony at lines 21-22, he states that the risk premium tends to expand when interest rates are low and shrink when interest rates are high. Please provide any studies, analyses or documents that support this statement and explain how Dr. Klein has applied this statement in formulating his recommendation in this case.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 92

Referencing Dr. Klein's testimony at page 15, lines 6-8, please provide:

- a. any studies, analyses or other documents that compare the risks of AGL, and CGC to Dr. Klein's comparable groups or Dr. Morin's comparable groups; and

- b. any studies, analyses or other documents that compare the risk of electric utilities to the risk of gas utilities.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 93

Referencing Dr. Klein's testimony at page 15, lines 18 and 19, please explain and provide any studies, analyses or other documents that support the statement that "The difference between stock returns and a risk-free rate of return reflects only the added risk embodied in stocks."

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 94

Referencing Dr. Klein's testimony at page 16, lines 17 and 18, please explain and provide any documents that support the statement that quarterly payment of dividends reduce the cost of equity.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 95

Referencing Dr. Klein's testimony at page 15, line 22 through page 16, line 2, please provide any studies, analyses or other documents that support the claim that "the price of utilities' stock will increase due to lower debt costs."

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

DISCOVERY REQUEST NO. 97

Referencing Dr. Klein's testimony at page 17, line 17 through page 18, line 7, please provide any studies, analyses, workpapers or documents that support the claims made in this passage of testimony.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or

any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.


DISCOVERY REQUEST NO. 98

Referencing Dr. Klein's testimony at p. 20, line 7, what is the basis of the stated 10% reduction in risk. Please provide any studies, analyses or other documents that support your claim.

OBJECTION: The Consumer Advocate asserts the General Objections described above. Moreover, the Consumer Advocate objects to this Request to the extent that it seeks documents or other information beyond that actually relied upon by the Consumer Advocate or any of its witnesses in the formation of their opinions or testimony. Without waiving the aforementioned objections, the Consumer Advocate will provide a responsive answer.

Respectfully Submitted,

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Dated: March 18, 2010.

CERTIFICATE OF SERVICE

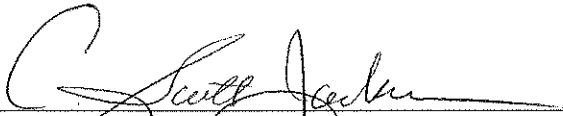
I hereby certify that a true and correct copy of the foregoing was served via first-class U.S. Mail, postage prepaid, or electronic mail upon:

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This the 18th day of March, 2010.


C. Scott Jackson
Senior Counsel