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T.R.A. DOCKET ROOM

April 7, 2010

Mr. Kenneth Hill, Director
Tennessee Regulatory Authority
Attn: Consumer Advocacy
460 James Robertson Parkway
Nashville, Tennessee 37243

09-00183

Re: Chattanooga Gas Company
Proposed Rate Increase

Dear Mr. Hill,

I appreciate your agency conducting a public hearing in Chattanooga on the proposed rate increase. We only learned of the proposed rate increase last week.

While I am not versed on the regulatory issues of natural gas utilities, I am very concerned whether our community is financially able to provide the revenue increase desired by the Chattanooga gas company. The Chattanooga area has lost 20,000 manufacturing and construction jobs over the previous decade, and has a poverty level approaching 28%. These factors are directly related.

The rate increase proposed by Chattanooga Gas Company is significant to a sector of the community in survival mode. The ability of our community to fund the increase has not been adequately evaluated. The process seems to be centered on the Chattanooga Gas company's need for revenue.

I ask that your agency consider the 21.8% of Chattanooga residents that are noticeably absent from this process. For 21.8% of our community, buying groceries and day to day survival during a recession is an essential life function. Asking this sector to pay non essential utility increases, is highly offensive to the unrepresented 21.8% of families and children living in poverty.

I am a volunteer and member of advocacy groups that deal directly with these issues. Please examine closely the demographics and condition of the community being asked to fund the rate increase. I strongly believe that 21.8% of the community has not been heard on the impact of the rate increase.

Poverty changes

The number of Chattanooga area residents living in poverty increased faster in the city of Chattanooga than in surrounding suburbs or other metro areas from 2000 to 2008.

	Poverty rate	Growth since 2000
City of Chattanooga	21.8 %	3.3 %
U.S. major city average	18.2 %	0.3%
Chattanooga suburbs	9.4%	0.2 %
National suburban average	9.5 %	0.9 %

Suburbs for metro Chattanooga include residents who live outside of the city of Chattanooga elsewhere in Hamilton county or in neighboring Sequatchie, Marion, Calhoun, Dade or Walker counties.

SOURCE: BROOKING INSTITUTION, METROPOLITAN POLICY PROGRAM

STAFF GRAPHIC BY BECK TOWERY

The Och's Center for Metropolitan Studies is one source of current local demographics. Please put a face on the 61,000 customers, and carefully examine whether the rate increase is absolutely essential.

Sincerely,



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