

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

January 7, 2011

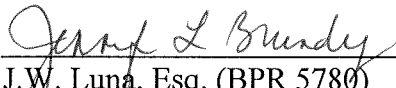
IN RE:)	
)	
PETITION OF CHATTANOOGA GAS)	
FOR GENERAL RATE INCREASE,)	Docket No. 09-00183
IMPLEMENTATION OF THE)	
ENERGYSMART CONSERVATION)	
PROGRAMS, AND IMPLEMENTATION OF)	
A REVENUE DECOUPLING MECHANISM)	
)	

CHATTANOOGA GAS COMPANY'S REPORT

Pursuant to the Tennessee Regulatory Authority's November 8, 2010 Final Order in Docket 09-00183, Chattanooga Gas Company ("CGC" or "Company") is filing this report regarding the \$20,000 annual contribution from asset management funds, when available, during the three-year trial period to the natural gas research organization of its choice to fund consumer-oriented research into natural gas conservation devices and strategies. Chattanooga Gas has been in discussions with the Georgia Institute of Technology ("Georgia Tech") regarding partnering with Georgia Tech's Sustainable Thermal Systems Lab in the research and development of a device that will conserve energy. CGC has attached as Confidential Exhibit 1 a letter describing the proprietary research that is being conducted by Georgia Tech's Sustainable Thermal Systems Lab, which is being filed as proprietary confidential information pursuant to the February 19, 2010 Agreed Protective Order entered in Docket 09-00183. Since CGC is still in discussions with Georgia Tech and a formal agreement has not been finalized, CGC respectfully requests that it be given until February 18, 2011 to file a supplemental report once the agreement between CGC and Georgia Tech has been finalized.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of January 2011, a true and correct copy of the foregoing was served on the persons below by U.S. Mail first class postage prepaid:

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