

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

**February 18, 2011**

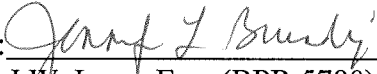
<b>IN RE:</b>	)	
	)	
<b>PETITION OF CHATTANOOGA GAS</b>	)	
<b>FOR GENERAL RATE INCREASE,</b>	)	<b>Docket No. 09-00183</b>
<b>IMPLEMENTATION OF THE</b>	)	
<b>ENERGYSMART CONSERVATION</b>	)	
<b>PROGRAMS, AND IMPLEMENTATION OF</b>	)	
<b>A REVENUE DECOUPLING MECHANISM</b>	)	
	)	

**CHATTANOOGA GAS COMPANY'S SUPPLEMENTAL REPORT**

Pursuant to Chattanooga Gas Company's ("CGC" or "Company") filing on January 7, 2011, the Company is submitting this supplemental report. CGC has decided to proceed with the partnership with the Georgia Institute of Technology ("Georgia Tech"). Upon finalizing the agreement with Georgia Tech, CGC will contribute, pursuant to the TRA's November 8, 2010 Final Order in this Docket, \$20,000 annually from asset management funds, when available, during the three-year trial period to Georgia Tech's Sustainable Thermal Systems Lab for research and development of a device that will conserve energy. CGC provided information regarding this proprietary research in the Confidential Exhibit that was filed along with CGC's January 7, 2011 Report. CGC will notify the Tennessee Regulatory Authority once the agreement with Georgia Tech is finalized.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 18<sup>th</sup> day of February 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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