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October 20, 2010

Chairman Mary W. Freeman
Tennessee Regulatory Authority
460 James Robertson Pkwy.
Nashville, TN 37243

filed electronically in docket office on 10/20/10

Re: Docket 10-00049 Request of Chattanooga Gas Company for Approval of an RFP
for an Asset Management Agreement and a Gas Purchase and Sales Agreement

Dear Chairman Freeman:

On August 10, 2010, Chattanooga Gas Company ("CGC"), pursuant to the Tennessee Regulatory Authority's approval, issued its Request for Proposal ("RFP") for bids to contract for asset management services. Both the Consumer Advocate and CGC reviewed all submitted bid proposals on September 13, 2010.

As a result of the bidding process, CGC has awarded the new contract to the winning bidder, Sequent Energy Management, L.P. ("Sequent"). On October 8, 2010, CGC requested the Tennessee Regulatory Authority approve the Asset Management Agreement with Sequent. As stated above, the Consumer Advocate reviewed all submitted bid proposals to contract for asset management services. In light of this review, the Consumer Advocate does not contest CGC's request for approval of its Asset Management Agreement with Sequent.

Sincerely,

A handwritten signature in cursive script that reads "Mary Leigh White".

Mary Leigh White
Assistant Attorney General
(615) 741-4657