



December 11, 2020

Chairman Kenneth C. Hill
ATTN: Ectory Lawless, Docket Clerk
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Re: Comments of Chattanooga Gas Company in Docket No. 20-00025;
Rulemaking Proceeding to Promulgate Rules for the Evaluation of
Public Utility Acquisitions

Dear Chairman Hill:

Chattanooga Gas Company ("CGC" or "Company") has reviewed the proposed rules for the evaluation of utility acquisitions in the above-captioned Commission Docket. CGC has also reviewed the comments that have been submitted in this docket as well. Recognizing that each acquisition is different, CGC would urge the Commission to adopt policies that encourage voluntary consolidation and refrain from imposing a one-size-fits-all net book value/original cost approach. While the Company is not advocating the adoption of utility acquisition valuation rules, if a rule is adopted it should preserve the Commission's discretion to consider, and provide the utility industry the flexibility to use reasonable valuation methodologies other than net book value. Such an approach will maintain the Commission's flexibility to recognize the value to the customers of such consolidations and serve the public interest.

Yours truly,

Butler Snow LLP

A handwritten signature in blue ink, appearing to read "J.W. Luna".

J.W. Luna

JWL/cb

cc: Archie Hickerson

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