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Paul T. Diskin
Manager
Rates & Regulation

November 11, 2004

Timothy C. Phillips
Senior Counsel
Office of the Tennessee Attorney General
425 Fifth Avenue North
Nashville, TN 37202-0207

**RE: Interrogatories and Requests for Production of Documents by the Attorney General (First Set) To Tennessee-American Water Company
Rate Case No. 04-00288**

Dear Mr. Phillips

Enclosed are 3 copies of original responses to questions 10, 25 and 36 and revised responses to questions 14, 21, and 37 in regards to the above Interrogatories for Tennessee American's petition to increase rates which was filed on September 10, 2004

Sincerely,

A handwritten signature in black ink that reads "Paul T. Diskin".

Paul T. Diskin

Enclosures

Cc:

M. Miller/w enclosures
D. Grimes w/enclosures
S. Dillon w/enclosures

Pennsylvania American Water

800 West Hersheypark Drive
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**Interrogatories and Requests for Production
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10 Q. THE FOLLOWING CALL CENTER PERFORMANCE METRICS WAS IDENTIFIED IN RESPONSE TO TRA STAFF DATA REQUEST #1, QUESTION 15 (PROVIDE THE PAST THREE YEARS MONTHLY DATA FOR EACH METRIC,)

A. Time to connect the customer to the system

Response:

B Restoring of water service

Response:

C. New meter installations

Response:

D Billing inquiries

Response:

E. Meeting appointment times

Response

F Meter Reading – percent of meters read

Response:

G Customer Satisfaction Surveys – provide a copy of survey responses since 2001

Response:

A Time to connect the customer to the system

Response Normally, a customer that contacts the company for water service will be asked whether they prefer to have service connected in the morning or afternoon on a

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particular date A service order is then generated and generally, a request that is received on Day One is executed on Day 2 Service orders that are worked on a particular day are completed in the computerized customer service system by 7 00 p m the same day Emergency service orders are generally made available immediately to the local field service representative to be worked as soon as they are notified Therefore, in the normal course of business, the average time to connect a customer is two days, Day 1 is the day the customer contacts us, Day 2 the service order request is completed in the field and entered into the computer the same day The actual field work to connect a customer to the system if existing service has been available at the residence is 10-15 minutes plus travel time No specific data is tracked to quantify time to connect the customer beyond this measurement presently on a monthly basis If the property requesting connection to the system is not currently served, then TAW has a process in place to facilitate the installation of a service line, meter setting and water meter to serve the property Again, the company works with the property owner or the builder to schedule the installation of these facilities to meet the needs of the customer In general, the average time required to take the inquiry at the Call Center is on average 5 minutes to handle the inquiry over the phone

B Restoration of Water Service

Response Service is restored within 24 hours and in most cases in less time than that Restoration for non-payment of service is performed the same day, so long as the payment is verified by 4 00 p m that day If service is disconnected for plumbing repairs, service restoration will also occur the same day, so long as the order is generated prior to 6 00 p m Again, in this case no specific data for the field work is tracked for this metric, as these may vary based upon the customer's circumstances Restoration of service is also required for situations involving repair of customer plumbing facilities, or for restoration of service resulting from non-payment for service Typically, turning on service to an existing customer, in either case, requires that the customer notify the company that they have paid the outstanding amount or the plumbing repair is completed and are ready to have the field service representative dispatched to restore water service at the premises Such an inquiry, on average requires 5 minutes via phone to handle the inquiry from the customer and to create a work order to schedule the reconnection The actual field work to restore water service to an existing residential customer is between 10-15 minutes plus travel time No specific monthly data is tracked to quantify the actual field work specifically for this activity presently

C New Meter Installation

Response A new meter installation is performed as part of the function involved in installing a new service line to serve a new residence, that has not previously received service If the property requesting connection to the system is not currently served, then TAW has a process in place to facilitate the installation of a service line, meter setting and water meter to serve the property Again, the company works with the property owner or the builder to schedule the installation of these facilities to meet the needs of the customer In general, the average time required to take the inquiry at the Call Center is on average 5 minutes to handle the inquiry over the phone

D Billing Inquiries

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Response Billing inquiries are generally considered to include rereading the meter in preparation for billing, reading the meter as the result of a high or low bill for service received by the customer; request for a meter test, final bill for service, and check for a leak. The average handle time for a customer inquiry by phone to the Call Center is 5 minutes or less, and this includes scheduling the order. The field work portion of the work requires approximately 5-15 minutes, on average, depending on the complexity of the issue and providing an explanation to the customer if they are present when the Field Service Representative (FSR) arrives at their residence. If the customer is not present when the billing inquiry is performed, then the Call Center personnel will contact the customer by phone to inform them of the result of the visit by the FSR. Again, specific data for types of metrics for service are not segregated presently by type of inquiry or by function performed in the field, specific to billing inquiries. Overall, the work presented to the FSR is performed on the date scheduled, however, if it cannot be performed because of field conditions (customer required to home to meet FSR, etc.) then a door hanger is also provided to identify the findings at the residence and the work order is completed by the FSR. Finally, if a meter test is required as part of a billing inquiry, the meter is delivered to TAW meter testing facility, and is tested in accordance with industry standards. Such a test requires approximately a total time of 1 hour to complete, however, meters of like size and type are generally tested as a group, and a meter test for 12 meters of the same size in the test bench, would require the same labor input of approximately 1 hour.

E Meeting appointment times

Response Currently, we practice a schedule which provides that the customer is given a preference for either morning or afternoon to have the field service representative perform the customer's request. Appointments for a specific time are not practiced, unless we are unable to leave the water on to the premises. With outside meter settings, our policy allows us to leave the water on when a customer moves out, and then if no one moves in within 30 days, we then shut off the service to the property. Once the water at the meter is discontinued, we are allowed to turn water on even if the customer is not at home. The field service representative watches the meter, and if it continues to register, it will be left off, and we reschedule a time the customer can be at home. Our evening shift has expanded to handle calls until midnight in the last 18 to 20 months and we are able to be more flexible in meeting the customer's expectations when required. As such, the goal is to meet every appointment within the time frame required. No statistical data is currently tracked to determine compliance with meeting appointment times, however, based on calls analyzed periodically for quality monitoring indicates that 86-95% of the calls are handled and the customer is satisfied or very satisfied with the service and response of the company.

F Meter Reading-percent of meters read

Response

The percentage of meters read is shown by month. Meters are read on a monthly basis.

July 2003 92.37%

August 2003 88.73%

September 2003 92.18%

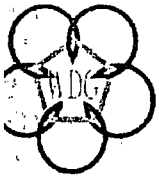
October 2003 92.70%

November 2003 98.38%

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December 2003	95.54%
January 2004	98.01%
February 2004	93.61%
March 2004	96.78%
April 2004	97.97%
May 2004	98.75%
June 2004	97.19%
July 2004	96.31%
August 2004	98.02%
September 2004	91.97%

- G Customer Satisfaction Surveys-provide a copy of survey responses since 2001
- RESPONSE Copies of the First Quarter and Year to Date 2002 Survey,
Third Quarter and Year to Date 2002 Survey,
and Fourth Quarter and Year to Date 2002 Survey
are attached. The Tennessee operations was not evaluated in the
second quarter survey. No customer satisfaction survey data has
been conducted in 2003 or 2004.



The Working Data Group™

POSitive MeasuresTM

May 2002



American Water System

**Customer Satisfaction
Company Overall Measures
First Quarter and Year to Date 2002**

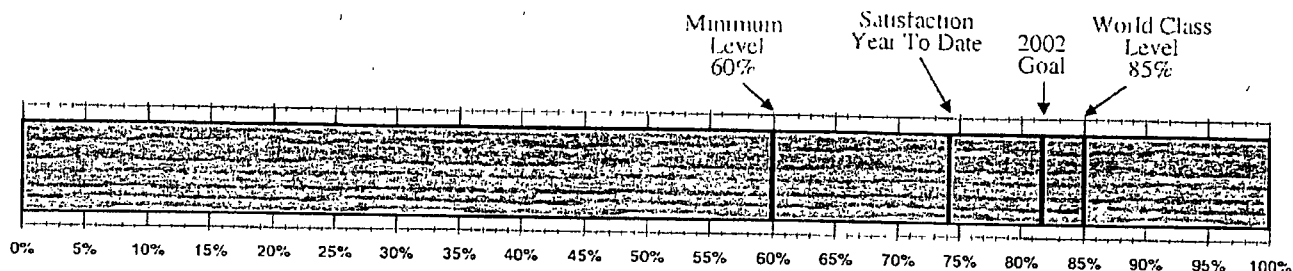
Date Surveys Mailed 3/25/02

Customer Satisfaction Summary

1. Satisfaction with American Water System overall:

- 74.01% of our customers are satisfied with American Water System overall
- 12.23% of our customers are not satisfied with American Water System overall
- The year end 2001 weighted score for total satisfaction was 77.83%

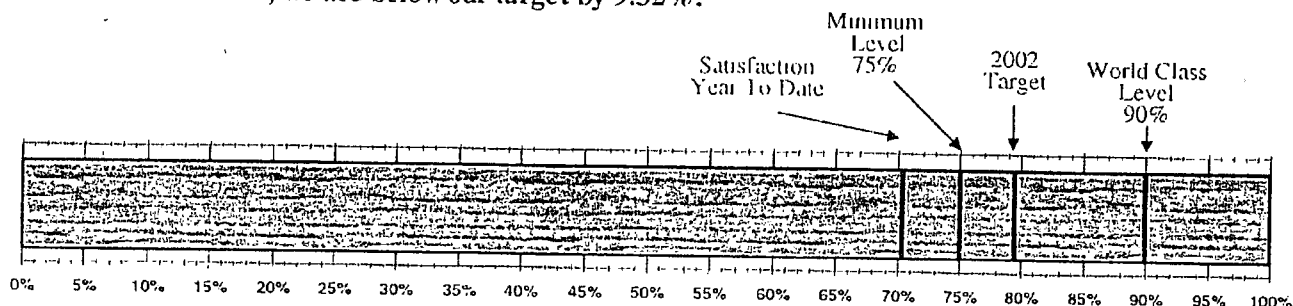
➔ Our company goal for 2002 is to have 81.42% of our customers satisfied with American Water System overall. Year to date 2002, we are below our 2002 goal by 7.41%.



2. Satisfaction with the water quality overall:

- 70.19% of our customers are satisfied with the water quality overall
- 19.70% of our customers are not satisfied with the water quality overall.
- The year end 2001 weighted score for total satisfaction was 75.61%

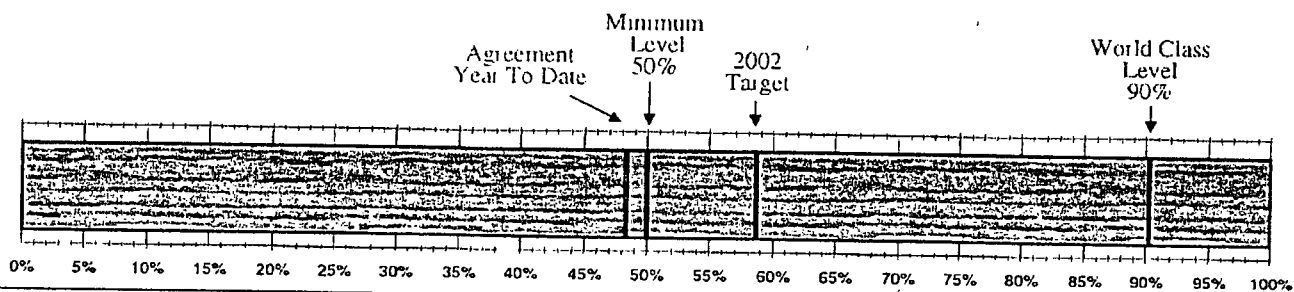
➔ Our company target for 2002 is to have 79.51% satisfied with the water quality overall. Year to date 2002, we are below our target by 9.32%.



3. Agreement that American Water System is a leader in the water industry:

- 48.61% of our customers agree that we are a leader in the water industry
- 9.21% of our customers do not agree that we are a leader in the water industry
- The year end 2001 weighted score for total agreement was 50.78%

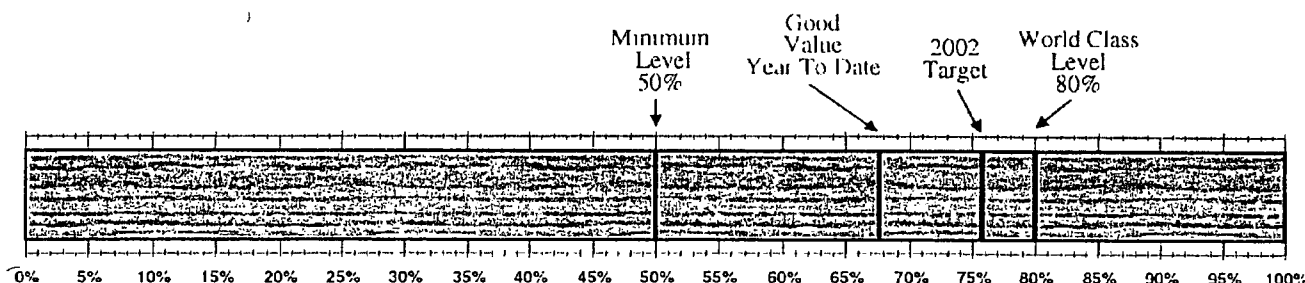
➔ Our company target for 2002 is to have 58.78% agree that we are a leader in the water industry. Year to date 2002, we are below our target by 10.16%.



4. Rating with the utility value received from American Water System:

- 67 20% of our customers responded that they receive a good value for their utility dollar
- 12 22% of our customers responded that they do not receive a good value for their utility dollar
- The year end 2001 weighted score for total good value response was 70.97%.

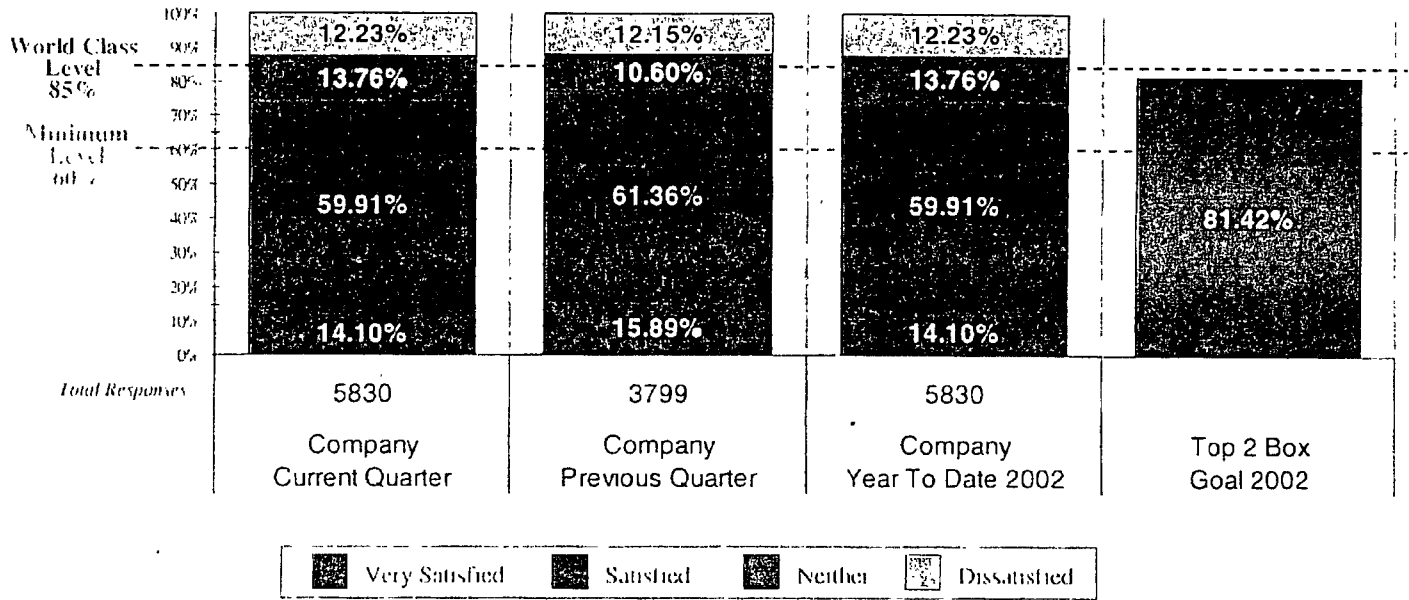
➡ Our company target for 2002 is to have 75.67% of our customers respond that they receive a good value for their utility dollar. Year to date 2002, we are below our target by 8.47%.



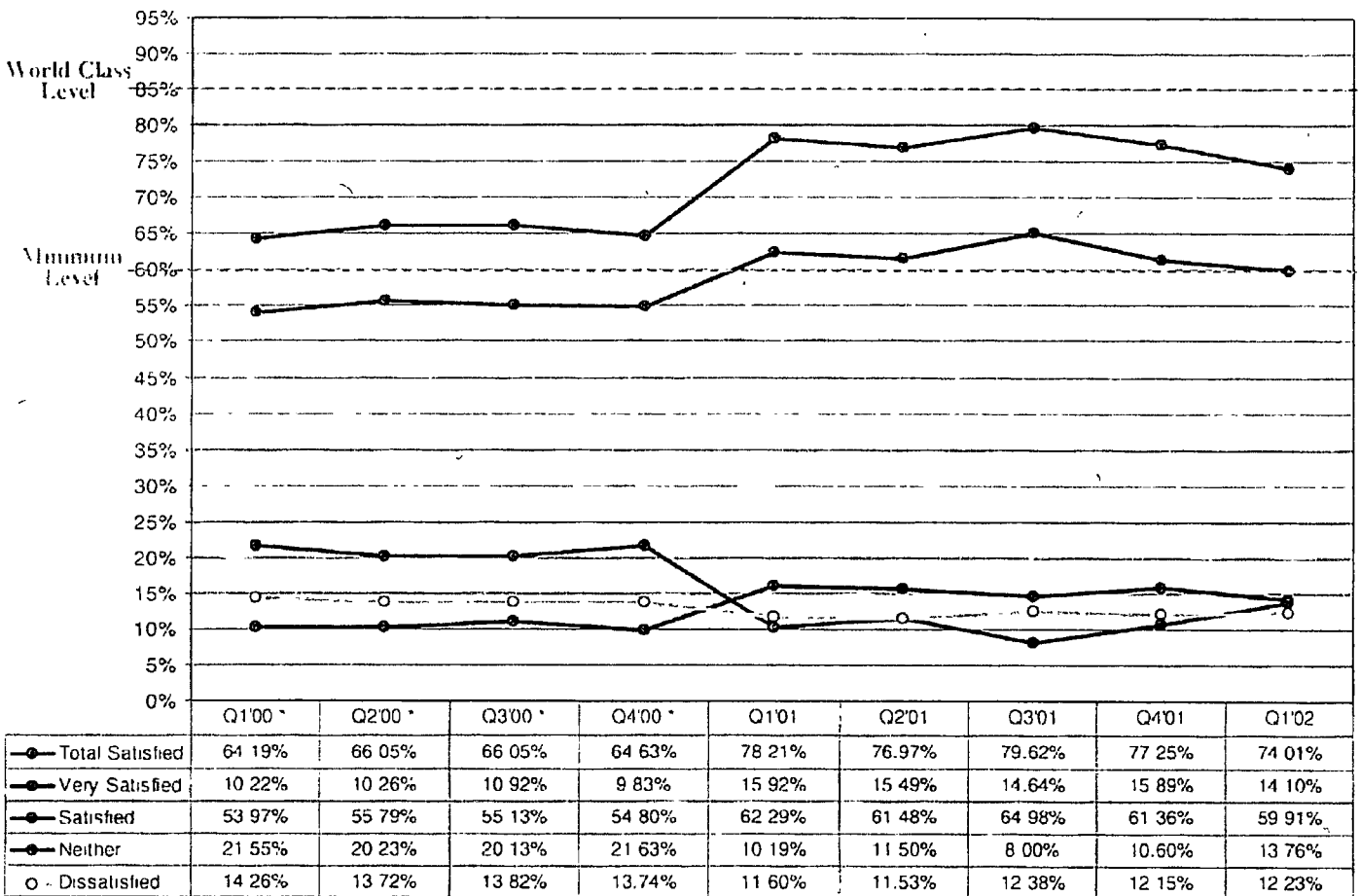
Satisfaction with American Water System Overall Top Ten Operations

Current Quarter Rank	Utility Subsidiary	Operations	Year To Date 2002 Total Satisfied	Previous Quarter Rank	# Times on Top Ten List (since Q1'01)
1	Tennessee	Tennessee	88.37%	3	5
2	Illinois	Eastern	87.91%	13	1
3	Michigan	Michigan	86.01%	29	1
4	Pennsylvania	Pittsburgh	85.59%	5	5
5	Pennsylvania	Western	85.01%	2	5
6	Pennsylvania	Central	84.81%	n/a	1
7	Missouri	Eastern	83.94%	1	5
8	W Virginia	Central	83.51%	6	5
9	Missouri	Central	81.64%	14	1
10	Kentucky	Kentucky	81.06%	8	5

Satisfaction with American Water System Overall



Satisfaction with American Water System Overall Trend

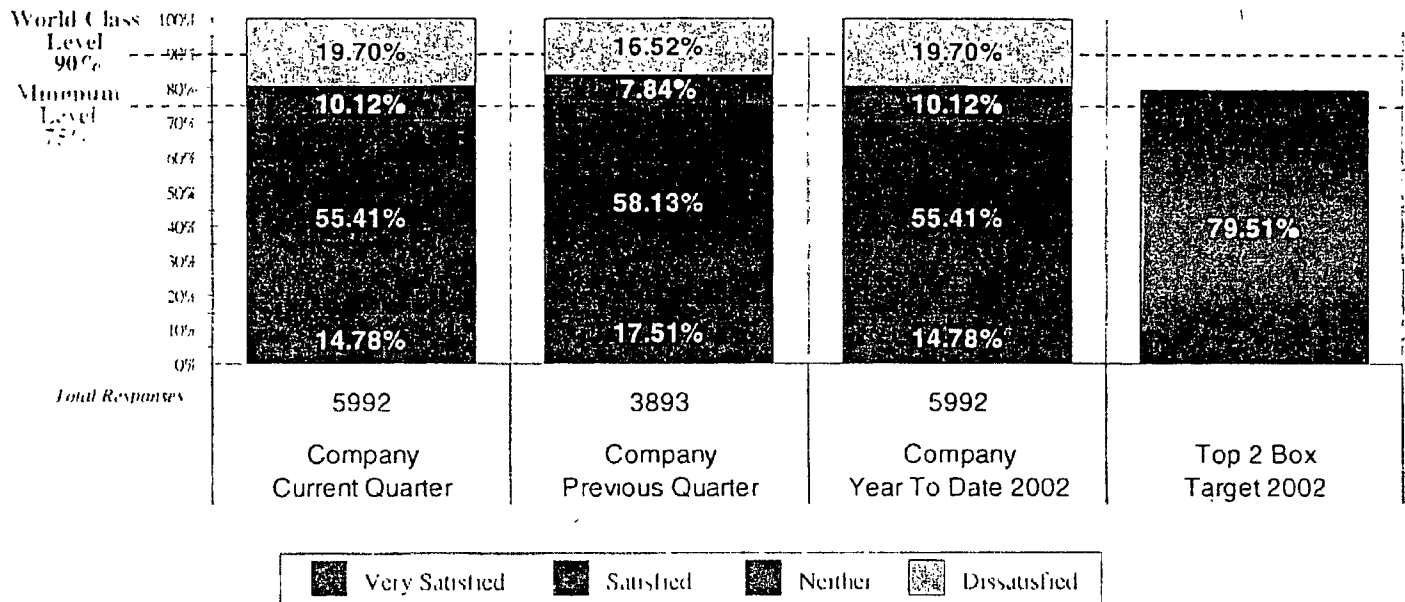


* Results not weighted

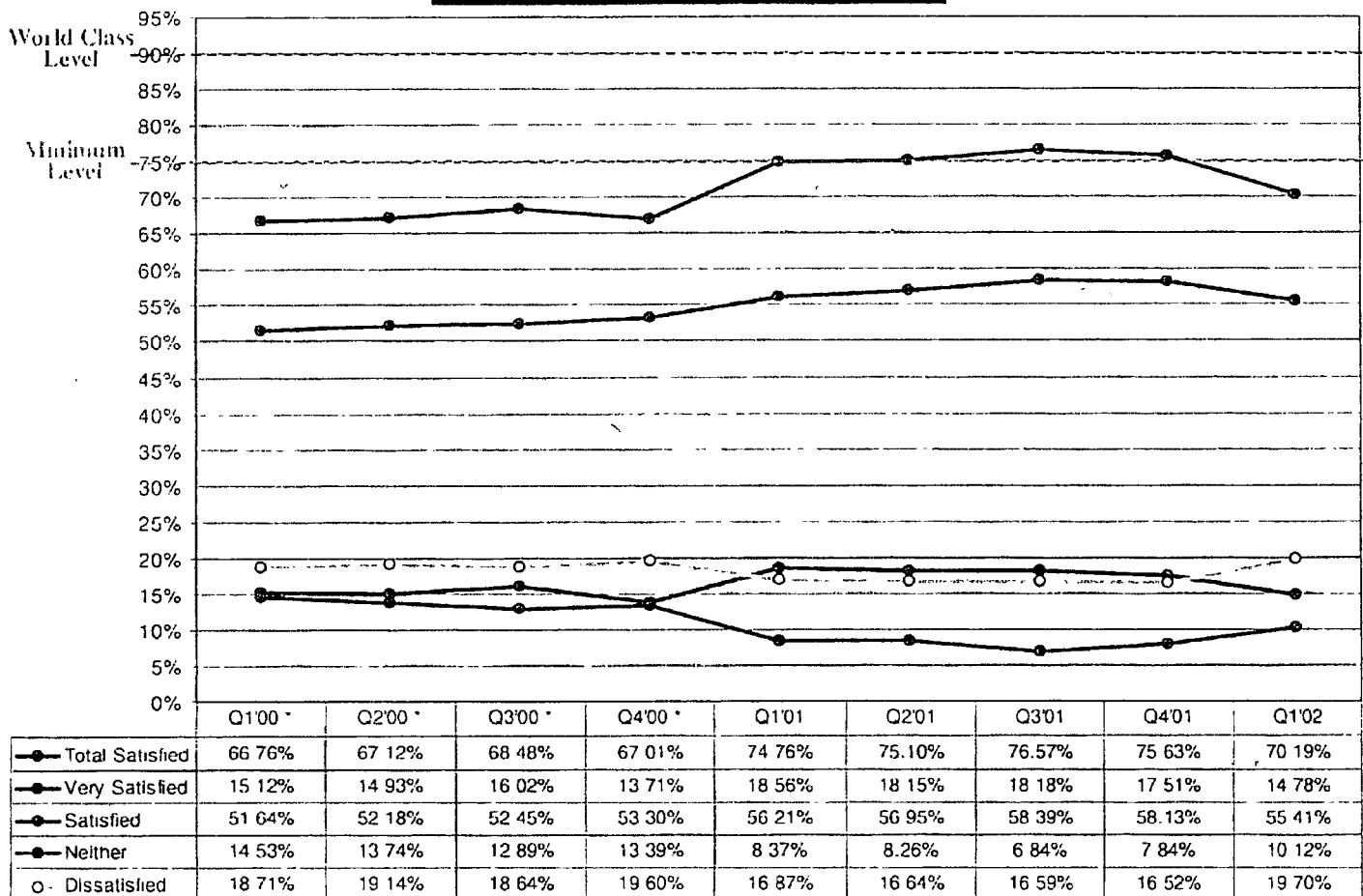
Satisfaction with American Water System Overall

Region	Utility Subsidiary	Operations	Curr. Qtr Total Resp.	Current Quarter Total Sat	Prev Quarter Total Sat	Curr / Prev Quarter Change	Year To Date 2002 Total Sat	2002 Goal	Over/ Under Goal	Year To Date Total Satisfaction Ranking		
American Water System			5830	74 01%	77 25%	(3.24%)	74 01%	81 42%	(7 41%)	Rgn	Util Sub	Oper
IL-IA			692	75 09%	80 90%	(5 81%)	75 09%	84 38%	(9 29%)	3		
	Illinois		594	74 70%	79 60%	(4 90%)	74 70%	83 79%	(9 09%)		10	
		Chicago Metro	318	61 32%	0 00%	n/a	61 32%	70 01%	(8.69%)			35
		Eastern	102	87 91%	81 09%	6 82%	87 91%	83 88%	4 04%			2
		Northern	95	70 38%	84 66%	(14 28%)	70 38%	82 53%	(12 15%)			27
		Southern	79	75 91%	74 52%	1 40%	75 91%	85 51%	(9 59%)			20
	Iowa	Iowa	98	76 91%	85 95%	(9 04%)	76 91%	87 98%	(11 07%)		8	17
IN-MI-OH			785	67 53%	75 04%	(7 51%)	67 53%	78 74%	(11 21%)	6		
	Indiana		306	74 36%	77 35%	(2 99%)	74 36%	79 36%	(5 01%)		12	
		Central	68	72 56%	82 96%	(10 40%)	72 56%	79 21%	(6 65%)			25
		Eastern	87	79 12%	66 59%	12 53%	79 12%	79 23%	(0 11%)			13
		Northwest	77	76 62%	83 75%	(7 13%)	76 62%	82 61%	(5 99%)			19
		Southern	74	64 67%	79 09%	(14 41%)	64 67%	77 98%	(13 31%)			32
	Michigan	Michigan	143	86 01%	72 88%	13 13%	86 01%	78 43%	7 59%		2	3
	Ohio	Ohio	336	31 55%	61 10%	(29 56%)	31 55%	79 66%	(48 11%)		17	41
Missouri	Missouri		399	78 84%	83 64%	(4 80%)	78 84%	85 81%	(6 97%)	2	5	
		Central	94	81 64%	79 32%	2 32%	81 64%	84 81%	(3 17%)			9
		Eastern	110	83 94%	88 58%	(4.63%)	83 94%	89 93%	(5 99%)			7
		Southwestern	81	65 43%	68 97%	(3 53%)	65 43%	75 17%	(9 74%)			31
		Western	114	44 45%	54 10%	(9 65%)	44 45%	54 00%	(9 56%)			40
Northeast			587	69 16%	73 53%	(4 38%)	69 16%	77 83%	(8 67%)	5		
	Long Island	Long Island	84	64 29%	64 52%	(0 23%)	64 29%	71 99%	(7.70%)		16	33
	New Jersey		503	70 18%	76 32%	(6 14%)	70 18%	81 35%	(11.17%)		13	
		Central	117	57 13%	55 57%	1 56%	57 13%	67 40%	(10 27%)			37
		Northeastern	99	76 77%	80 00%	(3 23%)	76 77%	82 48%	(5 71%)			18
		Northwestern	108	63 05%	77 20%	(14 14%)	63 05%	81 58%	(18 53%)			34
		Southeastern	99	74 75%	73 00%	1 75%	74 75%	81 92%	(7 18%)			23
		Southwestern	80	72 50%	80 56%	(8 06%)	72 50%	87 18%	(14 68%)			26
Pennsylvania	Pennsylvania		1691	74 55%	78 12%	(3 57%)	74 55%	80 61%	(6 06%)	4	11	
		Central	393	84 81%	0 00%	n/a	84 81%	86 88%	(2 07%)			6
		Coatesville	293	69 97%	0 00%	n/a	69 97%	75 32%	(5 35%)			28
		Eastern	347	72 66%	80 79%	(8 13%)	72 66%	82 06%	(9 40%)			24
		Northeast	99	53 00%	64 28%	(11 28%)	53 00%	66 44%	(13 44%)			39
		Pittsburgh	111	85 59%	81 48%	4 10%	85 59%	86 28%	(0 69%)			4
		Reading	338	65 86%	0 00%	n/a	65 86%	72 57%	(6 71%)			30
		Western	110	85 01%	87 70%	(2 70%)	85 01%	89 85%	(4 85%)			5
Southeast			807	82 35%	75 59%	6 77%	82 35%	84 84%	(2 48%)	1		
	Kentucky	Kentucky	108	81 06%	69 15%	11 92%	81 06%	85 24%	(4 17%)		4	10
	Maryland	Maryland	137	75 91%	81 33%	(5 42%)	75 91%	81 18%	(5 27%)		9	21
	Tennessee	Tennessee	86	88 37%	78 38%	9 99%	88 37%	87 85%	0 52%		1	1
	Virginia	Virginia	77	78 45%	76 03%	2 43%	78 45%	83 64%	(5 18%)		6	15
	W Virginia		399	82 07%	78 06%	4 01%	82 07%	84 40%	(2 33%)		3	
		Central	103	83 51%	73 85%	9 65%	83 51%	86 32%	(2 81%)			8
		Northern	112	79 73%	90 40%	(10 67%)	79 73%	84 80%	(5 07%)			12
		Southern	77	79 04%	89 56%	(10 52%)	79 04%	84 16%	(5 13%)			14
		Western	107	80 97%	79 13%	1 84%	80 97%	81 31%	(0 34%)			11
Western			869	66 55%	69 06%	(2 51%)	66 55%	74 59%	(8.04%)	7		
	Arizona	Arizona	425	68 87%	68 09%	0 78%	68 87%	74 56%	(5 69%)		14	29
	California		344	64 67%	69 09%	(4 41%)	64 67%	74 10%	(9 43%)		15	
		Central	78	54 26%	55 14%	(0 88%)	54 26%	62 81%	(8 56%)			38
		Northern	189	60 16%	0 00%	n/a	60 16%	68 40%	(8 24%)			36
		Southern	77	74 90%	77 11%	(2 21%)	74 90%	79 83%	(4 93%)			22
	New Mexico	New Mexico	100	77 00%	69 23%	7 77%	77 00%	78 43%	(1 43%)		7	16

Satisfaction with the Overall Water Quality



Overall Water Quality Trend

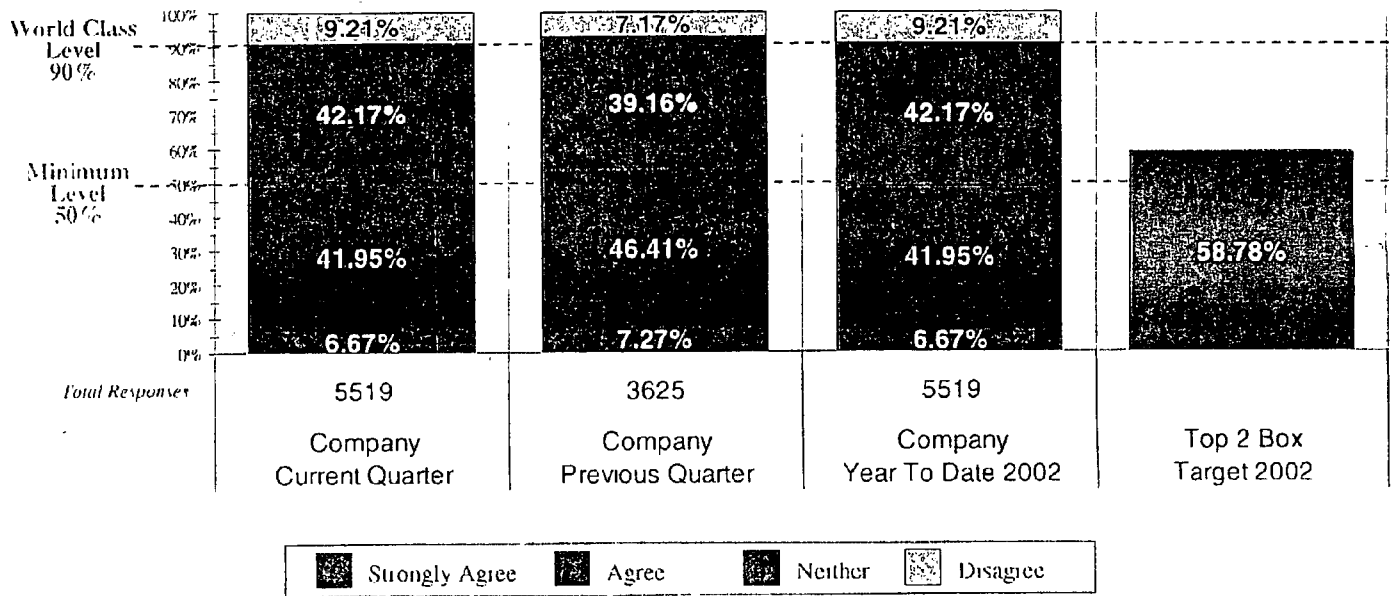


* Results not weighted

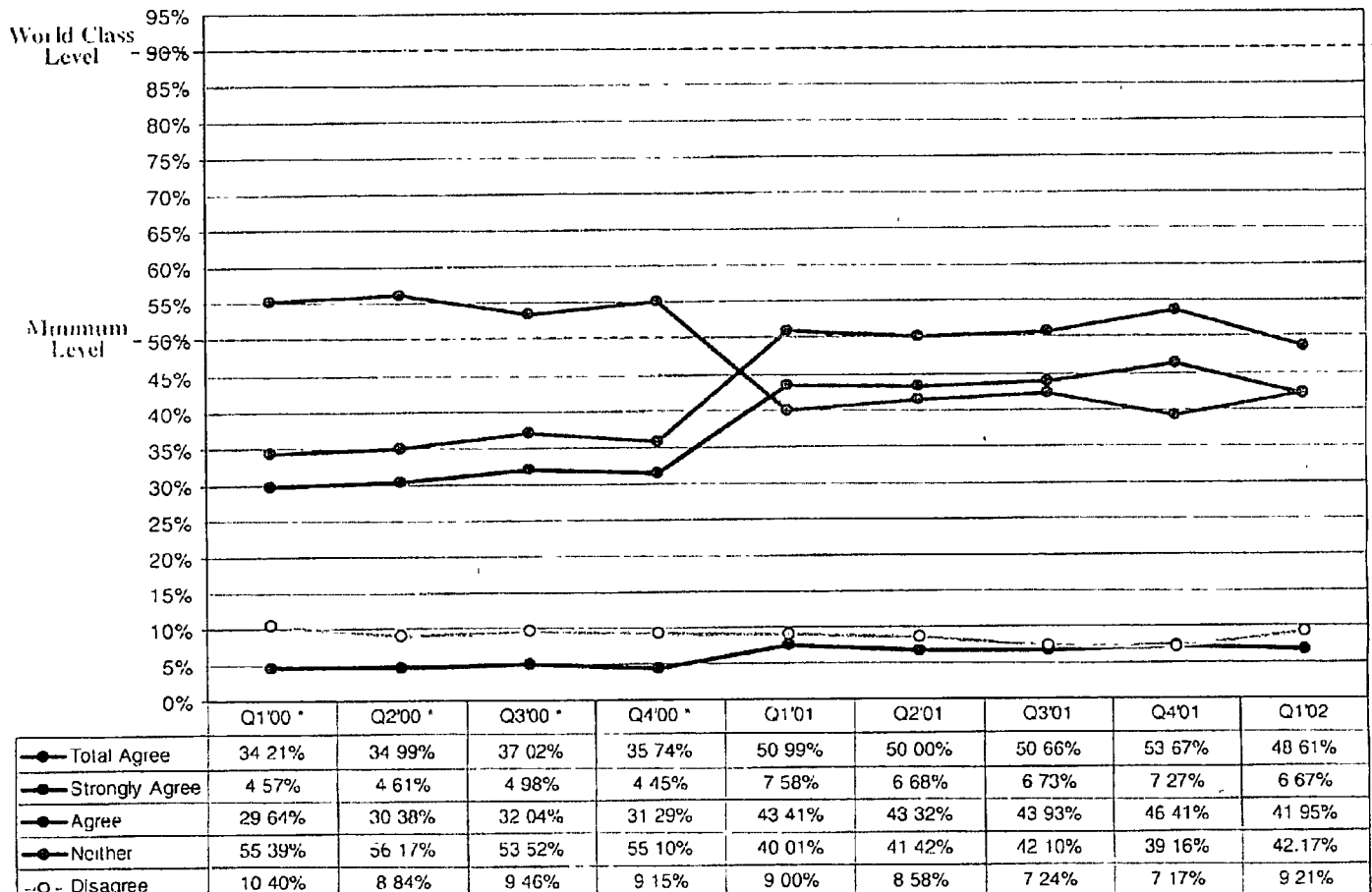
Satisfaction with the Overall Water Quality Rank

			Curr	Current	Prev	Curr /	Year To				Year To Date								
			Qtr	Quarter	Quarter	Prev	Date 2002				Total								
Region	Utility	Operations	Total	Total	Total	Quarter	Total	2002	Over/	Total									
	Subsidiary		Resp.	Sat	Sat.	Change	Sat	Target	Under	Satisfaction									
									Target	Ranking									
American Water System			5992	70 19%	75 63%	(5 45%)	70 19%	79 51%	(9 32%)	Rgn	Util	Sub	Oper						
IL-IA	Illinois		711	73 91%	81 01%	(7 10%)	73 91%	81 99%	(8 08%)	3	9								
			612	73 39%	81 63%	(8 25%)	73 39%	81 17%	(7 78%)										
		Chicago Metro	332	71 99%	0 00%	n/a	71 99%	76 74%	(4 75%)					21					
		Eastern	103	77 12%	87 55%	(10 43%)	77 12%	84 86%	(7 75%)						11				
		Northern	94	71 15%	80 91%	(9 76%)	71 15%	76 43%	(5 28%)							22			
	Southern	83	73 21%	77 90%	(4 69%)	73 21%	82 24%	(9 03%)	19										
	Iowa	Iowa	99	76 36%	78 61%	(2 25%)	76 36%	85 15%		(8 80%)	3	13							
IN-MI-OH			801	67 27%	74 16%	(6 89%)	67 27%	78 46%	(11 19%)	5									
	Indiana		311	73 46%	74 22%	(0 76%)	73 46%	78 49%	(5 03%)		8								
		Central	71	74 56%	78 68%	(4 12%)	74 56%	79 70%	(5 14%)					15					
		Eastern	89	76 79%	65 46%	11 33%	76 79%	77 36%	(0 57%)						12				
		Northwest	78	82 05%	87 80%	(5 75%)	82 05%	84 49%	(2 43%)							5			
		Southern	73	51 99%	62 87%	(10 89%)	51 99%	74 38%	(22 40%)								37		
	Michigan	Michigan	144	75 69%	74 58%	1 12%	75 69%	80 67%	(4 97%)	4	14								
		Ohio	346	35 26%	73 73%	(38 47%)	35 26%	81 21%	(45 95%)			17	40						
	Missouri			406	80 62%	83 40%	(2 78%)	80 62%	84 17%	(3 54%)	1			2					
			Central	97	80 79%	83 61%	(2 81%)	80 79%	81 19%	(0 40%)				8					
			Eastern	112	85 88%	88 27%	(2 39%)	85 88%	90 81%	(4 92%)					2				
Southwestern			81	69 14%	67 39%	1 74%	69 14%	67 90%	1 23%	26									
Western			116	44 92%	53 47%	(8 55%)	44 92%	44 71%	0 21%						38				
Northeast			602	66 55%	72 74%	(6 19%)	66 55%	75 55%	(9 01%)	6									
	Long Island New Jersey	Long Island	89	56 18%	63 28%	(7 10%)	56 18%	68 96%	(12 78%)		14	11	33						
			513	68 73%	74 62%	(5 89%)	68 73%	77 71%	(8 98%)					35					
		Central	125	54 93%	58 93%	(4 0%)	54 93%	67 79%	(12 86%)						20				
		Northeastern	97	72 16%	72 73%	(0 56%)	72 16%	76 35%	(4 18%)							29			
		Northwestern	109	64 43%	74 15%	(9 72%)	64 43%	76 99%	(12 56%)								10		
		Southeastern	99	78 79%	76 00%	2 79%	78 79%	81 54%	(2 75%)									27	
		Southwestern	83	68 67%	81 25%	(12 58%)	68 67%	82 79%	(14 12%)										
		Pennsylvania			1748	67 88%	71 91%	(4 03%)	67 88%										
		Central	399	82 69%	0 00%	n/a	82 69%	85 89%	(3 20%)				4						
		Coatesville	305	61 64%	0 00%	n/a	61 64%	68 85%	(7 21%)					32					
		Eastern	349	70 13%	78 29%	(8 15%)	70 13%	77 15%	(7 01%)						24				
		Northeast	104	44 44%	47 48%	(3 05%)	44 44%	62 76%	(18 33%)							39			
		Pittsburgh	117	81 20%	79 82%	1 38%	81 20%	82 08%	(0 88%)								7		
		Reading	365	63 55%	0 00%	n/a	63 55%	68 82%	(5 27%)									31	
		Western	109	73 98%	85 78%	(11 79%)	73 98%	86 08%	(12 10%)										16
		Southeast			824	75 27%	76 96%	(1 70%)	75 27%										
	Kentucky	Kentucky	113	64 15%	70 53%	(6 38%)	64 15%	79 96%	(15 81%)		13	7	30						
		Maryland	141	73 76%	77 92%	(4 16%)	73 76%	77 88%	(4 12%)					18					
	Tennessee	87	91 95%	83 54%	8 41%	91 95%	84 61%	7 34%	1										
	Virginia	79	73 90%	70 25%	3 65%	73 90%	78 88%	(4 98%)							6				
	W Virginia	404	75 66%	80 31%	(4 65%)	75 66%	84 62%	(8 96%)								5			
	Central	103	70 05%	80 02%	(9 97%)	70 05%	86 24%	(16 19%)									25		
	Northern	113	81 64%	83 37%	(1 73%)	81 64%	82 75%	(1 11%)										6	
	Southern	79	79 43%	83 20%	(3 77%)	79 43%	80 47%	(1 04%)											9
Western	109	85 22%	78 83%	6 39%	85 22%	81 83%	3 40%	3											
Western			900	55 39%	65 03%	(9 64%)	55 39%		68 85%	(13 46%)	7								
	Arizona	Arizona	440	55 65%	54 55%	1 10%	55 65%	65 77%	(10 12%)		15	16	34						
		California	356	54 06%	65 33%	(11 27%)	54 06%	68 22%	(14 16%)					41					
	Central	76	33 54%	46 09%	(12 54%)	33 54%	54 75%	(21 20%)	36										
	Northern	200	52 79%	0 00%	n/a	52 79%	63 76%	(10 97%)							28				
	Southern	80	67 77%	76 40%	(8 63%)	67 77%	75 15%	(7 38%)								10			
	New Mexico	104	70 19%	66 30%	3 89%	70 19%	74 96%	(4 77%)									23		

Agreement that American Water System is a leader in the Water Industry



Leader in Water Industry Overall Trend

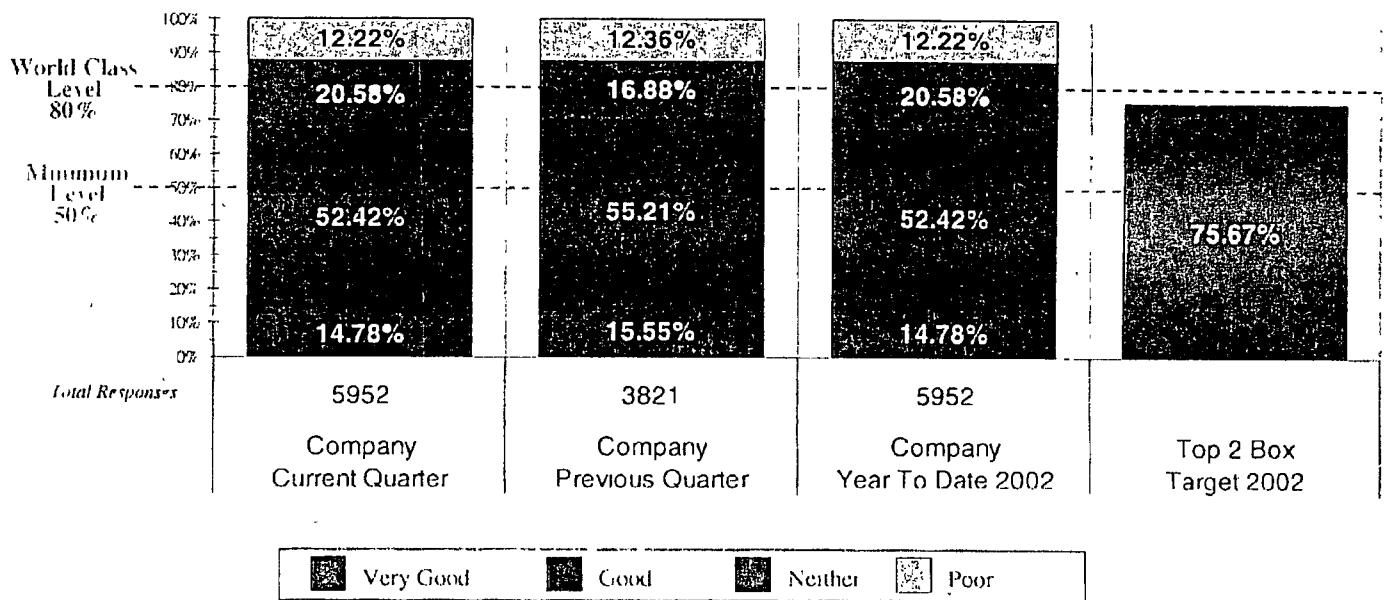


* Results not weighted

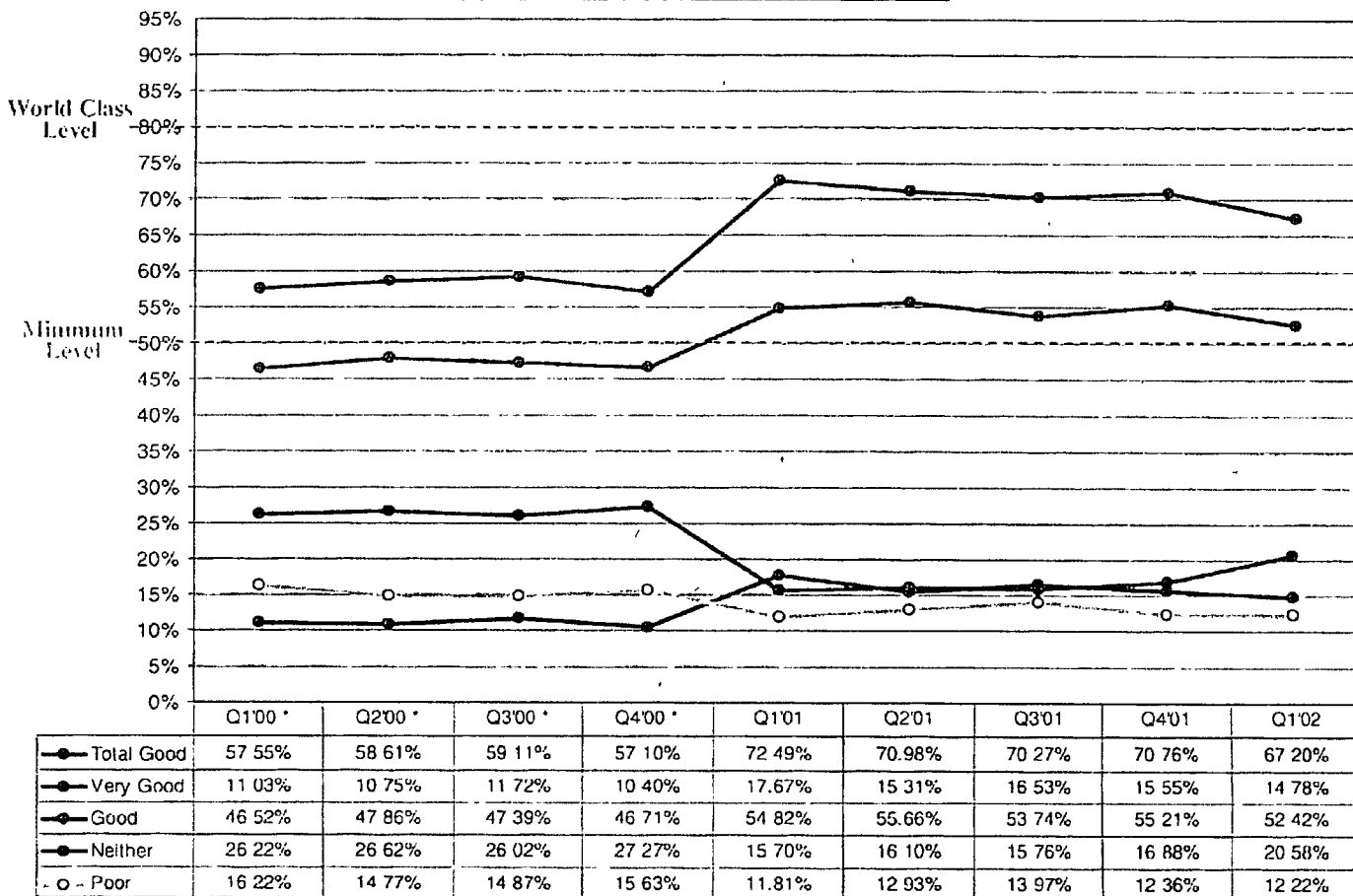
Agreement that American Water System is a leader in the Water Industry

			Curr Qtr Total	Current Quarter Total	Prev Quarter Total	Curr / Prev Quarter Change	Year To Date 2002 Total	2002 Target	Over/ Under Target	Year To Date Total Agreement Ranking		
Region	Utility Subsidiary	Operations	Resp	Agr	Agr		Sat	Target	Target	Rgn	Util Sub	Oper
American Water System			5519	48 61%	53 67%	(5 06%)	48 61%	58 78%	(10 16%)			
IL-IA	Illinois		669	54 03%	62 48%	(8 44%)	54 03%	62 46%	(8 43%)	3		
			575	54 07%	62 26%	(8 19%)	54 07%	62 19%	(8 13%)		5	
		Chicago Metro	303	27 06%	0 00%	n/a	27 06%	46 87%	(19 81%)			39
		Eastern	100	59 78%	63 34%	(3 55%)	59 78%	59 77%	0 01%			9
	Northern	90	54 10%	63 87%	(9 77%)	54 10%	64 03%	(9 93%)			15	
	Southern	82	64 89%	60 20%	4 00%	64 89%	66 97%	(2 08%)			5	
	Iowa	Iowa	94	53 86%	63 32%	(9 46%)	53 86%	63 51%	(9 65%)		6	16
IN-MI-OH			738	38 78%	47 99%	(9 21%)	38 78%	54 70%	(15 92%)	6		
Indiana	Indiana		290	44 07%	47 68%	(3 61%)	44 07%	53 91%	(9 85%)		11	
		Central	65	42 97%	44 55%	(1 58%)	42 97%	51 39%	(8 41%)			23
		Eastern	79	41 74%	43 44%	(1 70%)	41 74%	53 03%	(11 29%)			25
		Northwest	73	46 58%	55 13%	(8 55%)	46 58%	62 26%	(15 68%)			19
	Southern	73	46 56%	49 56%	(2 99%)	46 56%	51 17%	(4 61%)			20	
	Michigan	128	57 03%	44 64%	12 39%	57 03%	54 46%	2 57%		3	12	
	Ohio	Ohio	320	10 63%	50 19%	(39 56%)	10 63%	59 81%	(49 18%)		17	41
Missouri			377	54 41%	55 55%	(1 14%)	54 41%	59 38%	(4 97%)	2	4	
		Central	88	42 47%	46 78%	(4 31%)	42 47%	54 42%	(11 95%)			24
		Eastern	99	58 76%	59 03%	(0 27%)	58 76%	63 49%	(4 73%)			10
		Southwestern	79	43 04%	46 67%	(3 63%)	43 04%	52 42%	(9 38%)			22
		Western	111	30 27%	36 07%	(5 80%)	30 27%	45 23%	(14 96%)			38
Northeast			549	43 78%	47 14%	(3 35%)	43 78%	54 34%	(10 56%)	5		
Long Island New Jersey	Long Island	Long Island	86	36 05%	38 21%	(2 16%)	36 05%	49 05%	(13 01%)		14	31
			463	45 41%	50 26%	(4 85%)	45 41%	56 83%	(11 42%)		10	
	Central	Central	113	31 63%	40 14%	(8 51%)	31 63%	49 96%	(18 34%)			37
		Northeastern	89	46 07%	56 00%	(9 93%)	46 07%	55 58%	(9 52%)			21
		Northwestern	97	32 19%	37 50%	(5 31%)	32 19%	53 15%	(20 96%)			34
		Southeastern	91	58 24%	42 55%	15 69%	58 24%	55 84%	2 40%			11
		Southwestern	73	54 79%	64 15%	(9 36%)	54 79%	64 87%	(10 08%)			14
Pennsylvania			1628	50 01%	55 98%	(5 97%)	50 01%	59 96%	(9 95%)	4	9	
		Central	366	59 84%	0 00%	n/a	59 84%	66 08%	(6 24%)			8
		Coatesville	284	40 14%	0 00%	n/a	40 14%	52 21%	(12 07%)			26
		Eastern	333	39 69%	48 27%	(8 58%)	39 69%	57 72%	(18 03%)			27
		Northeast	99	34 26%	50 54%	(16 29%)	34 26%	54 61%	(20 35%)			33
		Pittsburgh	105	63 81%	55 56%	8 25%	63 81%	62 27%	1 54%			6
		Reading	333	35 04%	0 00%	n/a	35 04%	54 39%	(19 35%)			32
		Western	108	56 39%	68 06%	(11 68%)	56 39%	66 50%	(10 11%)			13
Southeast			770	57 96%	59 14%	(1 17%)	57 96%	66 30%	(8 34%)	1		
Kentucky Maryland Tennessee Virginia W Virginia	Kentucky	Kentucky	105	51 47%	55 91%	(4 45%)	51 47%	63 03%	(11 57%)		7	17
			126	38 89%	32 86%	6 03%	38 89%	51 80%	(12 91%)		12	28
	Maryland	Maryland	82	68 29%	60 81%	7 48%	68 29%	75 05%	(6 76%)		1	1
			74	32 01%	33 62%	(1 62%)	32 01%	51 60%	(19 59%)		16	35
	Tennessee	Tennessee	383	66 80%	69 74%	(2 94%)	66 80%	73 45%	(6 65%)		2	
			100	68 03%	80 93%	(12 90%)	68 03%	77 72%	(9 69%)			2
	Virginia	Central	112	62 36%	62 13%	0 22%	62 36%	69 68%	(7 32%)			7
		Northern	72	66 44%	62 87%	3 58%	66 44%	70 24%	(3 80%)			3
	W Virginia	Southern	99	64 89%	49 26%	15 63%	64 89%	66 31%	(1 42%)			4
Western			788	34 61%	40 34%	(5 73%)	34 61%	49 34%	(14 73%)	7		
Arizona California	Arizona	Arizona	376	36 95%	33 33%	3 62%	36 95%	38 97%	(2 02%)		13	30
			321	32 28%	39 27%	(6 99%)	32 28%	48 58%	(16 30%)		15	
	California	Central	75	23 15%	27 27%	(4 12%)	23 15%	46 71%	(23 56%)			40
		Northern	174	31 71%	0 00%	n/a	31 71%	49 68%	(17 97%)			36
		Southern	72	38 38%	46 17%	(7 79%)	38 38%	50 51%	(12 13%)			29
New Mexico	New Mexico	91	50 55%	51 14%	(0 59%)	50 55%	57 00%	(6 45%)		8	18	

Overall Utility Value Rating



Overall Utility Value Trend

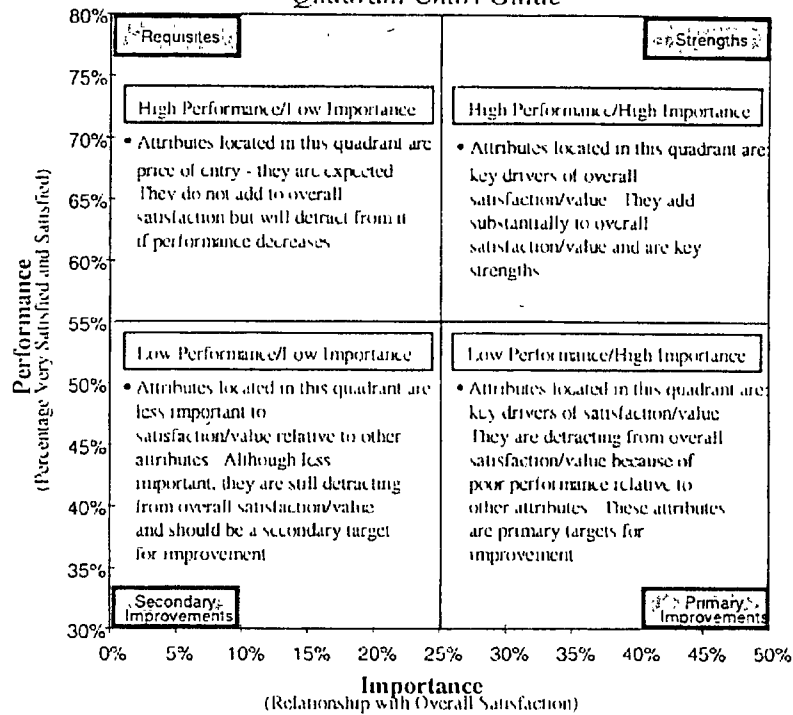


* Results not weighted

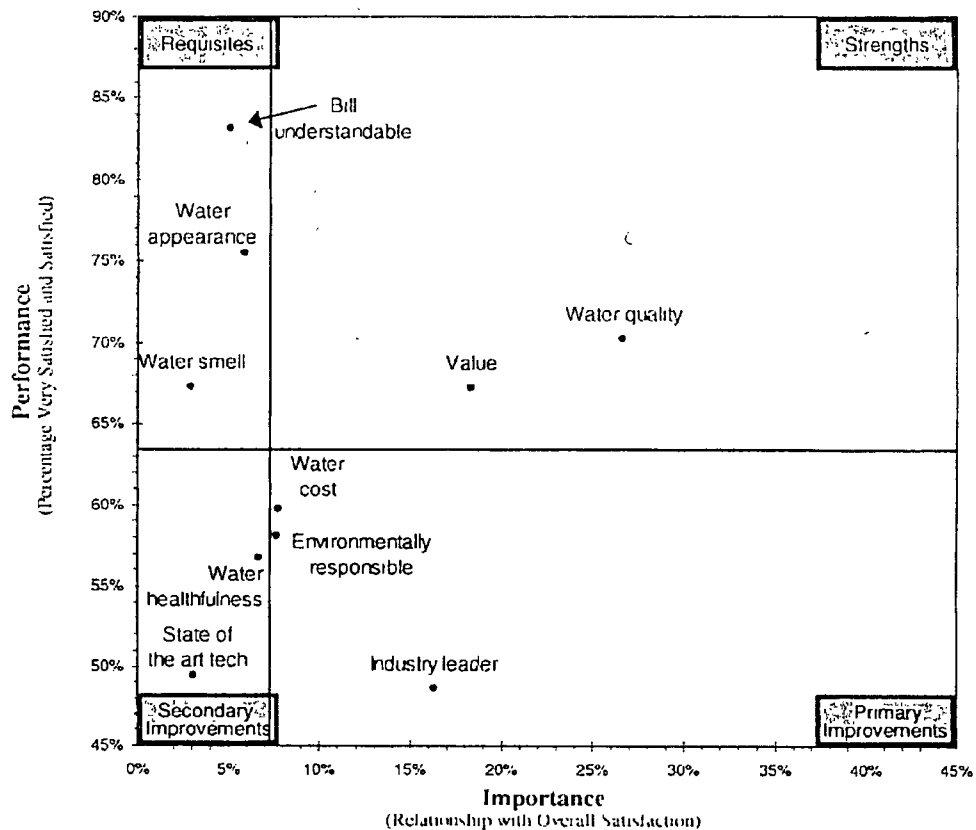
Overall Utility Value Rating

Region	Utility Subsidiary	Operations	Curr Qtr Total Resp	Current Quarter Total Good	Prev Quarter Total Good	Curr / Prev Quarter Change	Year To Date 2002 Total Sat.	2002 Target	Over/ Under Target	Year To Date Total Good Ranking			
			5952	67 20%	70 76%	(3 56%)	67 20%	75 67%	(8 47%)	Rgn	Util	Sub	Oper
American Water System			5952	67 20%	70 76%	(3 56%)	67 20%	75 67%	(8 47%)				
IL-IA	Illinois		695	68 81%	75 77%	(6 96%)	68 81%	79 12%	(10 31%)	2	5		
		Chicago Metro	597	69 59%	76 07%	(6 48%)	69 59%	79 31%	(9 72%)				
		Eastern	320	38 13%	0 00%	n/a	38 13%	49 15%	(11 03%)				
		Northern	102	78 69%	71 31%	(7 39%)	78 69%	78 44%	0 25%				
	Iowa	Southern	94	75 22%	76 09%	(0 87%)	75 22%	78 09%	(2 87%)				
		Iowa	81	75 99%	79 52%	(3 53%)	75 99%	81 77%	(5 78%)				
			98	65 15%	74 61%	(9 47%)	65 15%	78 40%	(13 26%)				
IN-MI-OH	Indiana		798	65 41%	65 34%	(0 07%)	65 41%	74 32%	(8 91%)	4	4		
		Central	308	73 36%	66 92%	(6 44%)	73 36%	74 60%	(1 24%)				
		Eastern	69	81 25%	67 60%	(13 65%)	81 25%	77 25%	4 00%				
		Northwest	89	76 88%	65 46%	(11 42%)	76 88%	76 37%	0 52%				
	Michigan	Southern	76	71 05%	70 00%	(1 05%)	71 05%	77 04%	(5 99%)				
		Michigan	74	56 82%	63 84%	(7 02%)	56 82%	67 63%	(10 81%)				
		Ohio	140	61 43%	56 14%	(5 29%)	61 43%	63 00%	(1 57%)				
Missouri	Missouri		350	25 43%	56 54%	(31 11%)	25 43%	73 66%	(48 23%)	6	12		
		Central	409	64 68%	76 07%	(11 39%)	64 68%	78 90%	(14 22%)				
		Eastern	99	68 03%	72 03%	(4 00%)	68 03%	80 19%	(12 15%)				
		Southwestern	110	67 05%	79 81%	(12 77%)	67 05%	85 00%	(17 95%)				
	Western		82	67 07%	67 78%	(0 70%)	67 07%	77 26%	(10 19%)				
			118	43 43%	52 49%	(9 06%)	43 43%	52 69%	(9 26%)				
Northeast	Long Island New Jersey	Long Island	598	64 87%	64 77%	(0 10%)	64 87%	69 68%	(4 82%)	5	14	9	32
			87	57 47%	54 03%	(3 44%)	57 47%	66 13%	(8 65%)				
			511	66 43%	69 15%	(2 73%)	66 43%	72 67%	(6 24%)				
		Central	123	43 86%	47 63%	(3 77%)	43 86%	58 44%	(14 58%)				
	Northeastern		99	67 68%	74 12%	(6 44%)	67 68%	78 98%	(11 31%)				
		Northwestern	110	74 37%	78 96%	(4 59%)	74 37%	76 78%	(2 41%)				
		Southeastern	101	66 34%	58 00%	(8 34%)	66 34%	66 09%	0 24%				
Pennsylvania	Pennsylvania	Southwestern	78	65 38%	68 18%	(2 80%)	65 38%	74 48%	(9 10%)	3	8		
			1722	67 83%	73 18%	(5 35%)	67 83%	74 53%	(6 70%)				
		Central	402	74 07%	0 00%	n/a	74 07%	83 42%	(9 35%)				
		Coatesville	296	65 54%	0 00%	n/a	65 54%	74 10%	(8 56%)				
	Eastern		349	62 50%	78 78%	(16 28%)	62 50%	77 83%	(15 33%)				
		Northeast	102	50 00%	58 34%	(8 33%)	50 00%	60 55%	(10 55%)				
		Pittsburgh	113	74 34%	70 91%	(3 43%)	74 34%	76 65%	(2 31%)				
Southeast	Kentucky	Reading	350	57 54%	0 00%	n/a	57 54%	67 48%	(9 94%)	1	1	1	1
		Western	110	81 58%	86 64%	(5 06%)	81 58%	83 64%	(2 06%)				
			831	75 70%	71 71%	(3 99%)	75 70%	80 30%	(4 60%)				
		Kentucky	113	85 26%	73 68%	(11 58%)	85 26%	82 39%	(2 87%)				
	Maryland		140	55 71%	48 65%	(7 07%)	55 71%	62 45%	(6 73%)				
		Tennessee	88	85 23%	77 63%	(7 60%)	85 23%	83 88%	1 35%				
			78	65 96%	62 99%	(2 97%)	65 96%	77 91%	(11 95%)				
Western	Virginia	W Virginia	412	69 39%	71 46%	(2 07%)	69 39%	79 72%	(10 33%)	7	7	15	37
		Central	106	68 50%	69 97%	(1 47%)	68 50%	81 21%	(12 71%)				
		Northern	115	72 09%	78 83%	(6 55%)	72 09%	79 14%	(7 05%)				
		Southern	82	73 06%	83 09%	(10 03%)	73 06%	78 54%	(5 49%)				
	New Mexico	Western	109	68 83%	67 06%	(1 76%)	68 83%	76 40%	(7 58%)				
			899	60 72%	65 11%	(4 38%)	60 72%	70 96%	(10 24%)				
			438	68 16%	73 33%	(5 18%)	68 16%	75 00%	(6 84%)				
California	California	Central	357	56 21%	65 00%	(8 80%)	56 21%	70 61%	(14 40%)	7	15	37	29
		Northern	79	46 51%	59 46%	(12 95%)	46 51%	67 58%	(21 07%)				
		Southern	199	61 94%	0 00%	n/a	61 94%	69 48%	(7 54%)				
			79	57 35%	68 20%	(10 85%)	57 35%	72 38%	(15 04%)				
	New Mexico		104	75 96%	63 04%	(12 92%)	75 96%	74 94%	1 02%				

Quadrant Chart Guide



Satisfaction with American Water System Overall





American Water System

Customer Satisfaction
Company Overall Measures
Third Quarter

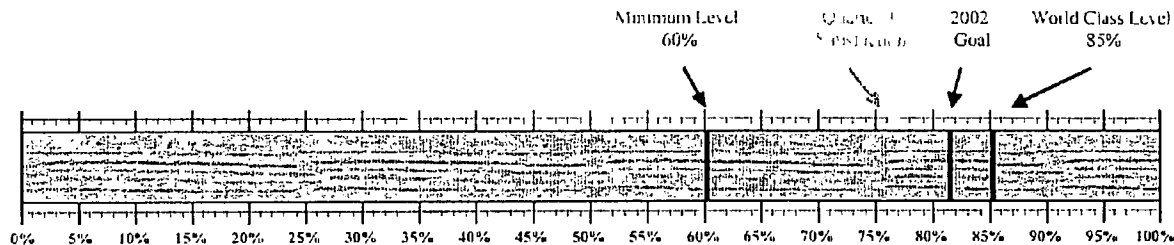
Date Surveys Mailed 9/12/2002

Customer Satisfaction Summary

1. Satisfaction with American Water System overall:

- 75.76% of our customers are satisfied with American Water System overall
- 12.65% of our customers are not satisfied with American Water System overall
- The year end 2001 weighted score for total satisfaction was 77.83%

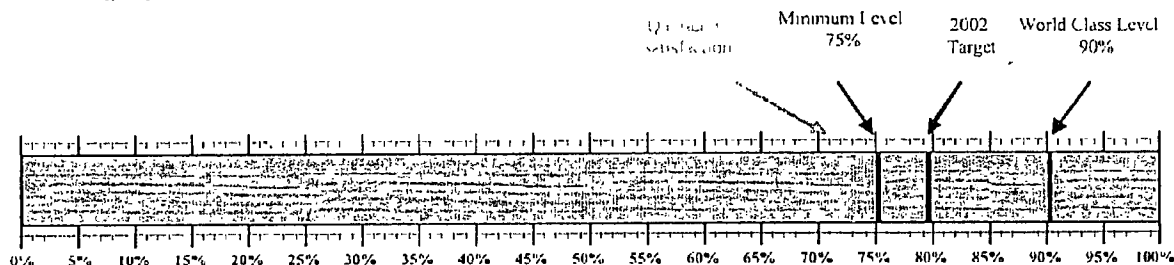
⇒ Our company goal for 2002 is to have 81.42% of our customers satisfied with American Water System overall. For Quarter 3 2002, we are below our 2002 goal by 5.66%.



2. Satisfaction with the water quality overall:

- 73.07% of our customers are satisfied with the water quality overall
- 18.44% of our customers are not satisfied with the water quality overall
- The year end 2001 weighted score for total satisfaction was 75.61%

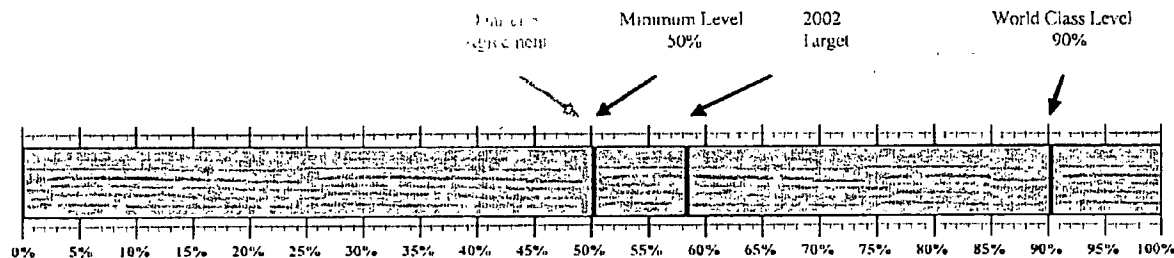
⇒ Our company target for 2002 is to have 79.51% satisfied with the water quality overall. For Quarter 3 2002, we are below our target by 6.44%.



3. Agreement that American Water System is a leader in the water industry:

- 49.37% of our customers agree that we are a leader in the water industry
- 7.43% of our customers do not agree that we are a leader in the water industry
- The year end 2001 weighted score for total agreement was 50.78%

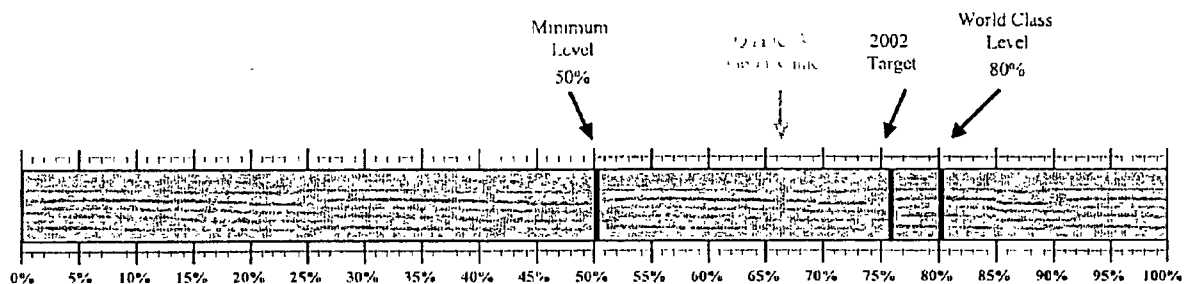
⇒ Our company target for 2002 is to have 58.78% agree that we are a leader in the water industry. For Quarter 3 2002, we are below our target by 9.41%.



4 Rating with the utility value received from American Water System:

- 66.71% of our customers responded that they receive a good value for their utility dollar
- 16.33% of our customers responded that they do not receive a good value for their utility dollar
- The year end 2001 weighted score for total good value response was 70.97%

⇒ Our company target for 2002 is to have 75.67% of our customers respond that they receive a good value for their utility dollar. For Quarter 3 2002, we are below our target by 8.96%.

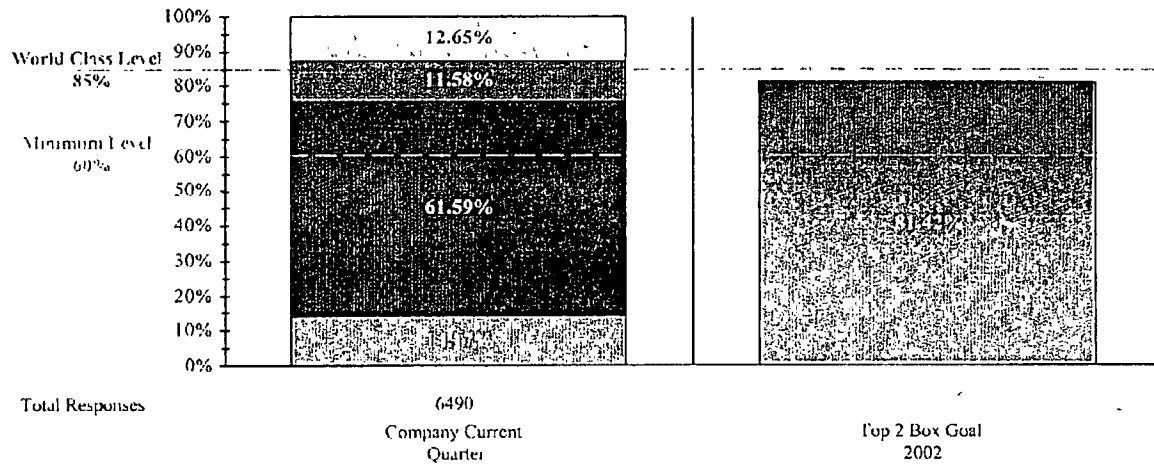


Satisfaction with American Water System Overall

Top Ten Operations

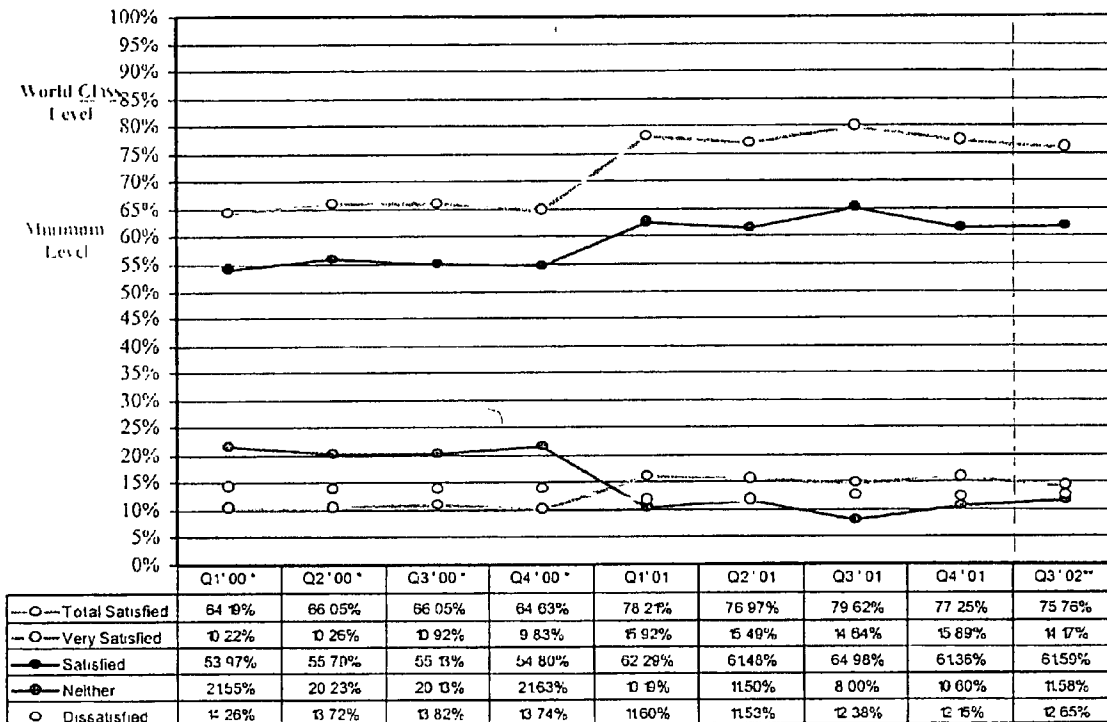
Current Quarter Rank	Utility Subsidiary	Operations	Quarter 3 Total Satisfied
1	W VIRGINIA	NORTHLRN	92.88%
2	PENNSYLVANIA	PITTSBURGH	90.32%
3	NEW JERSEY	SOUTHWESTERN	89.53%
4	ILLINOIS	EASTERN	89.18%
5	KENTUCKY	KENTUCKY	87.50%
6	MISSOURI	CENTRAL	87.46%
7	INDIANA	NORTHWEST	86.44%
8	PENNSYLVANIA	WESTERN	86.20%
9	MISSOURI	EASTERN	85.79%
10	W VIRGINIA	SOUTHERN	81.94%

Satisfaction with American Water System Overall



☐ Very Satisfied
 ☐ Satisfied
 ☐ Neither
 ☐ Dissatisfied

Satisfaction with American Water System Overall Trend



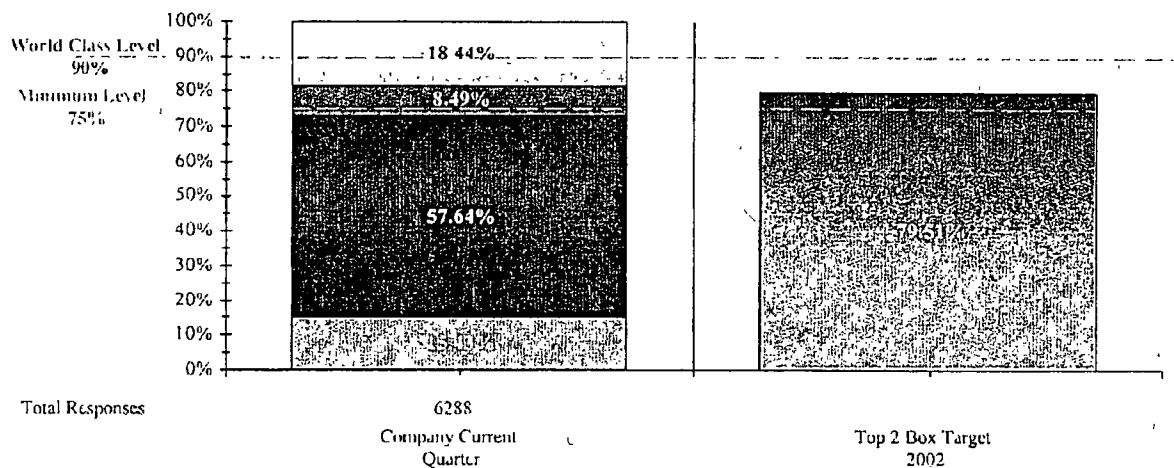
* Results not weighted

** AWS trend does not include Q1 and Q2 2002

Satisfaction with American Water System Overall

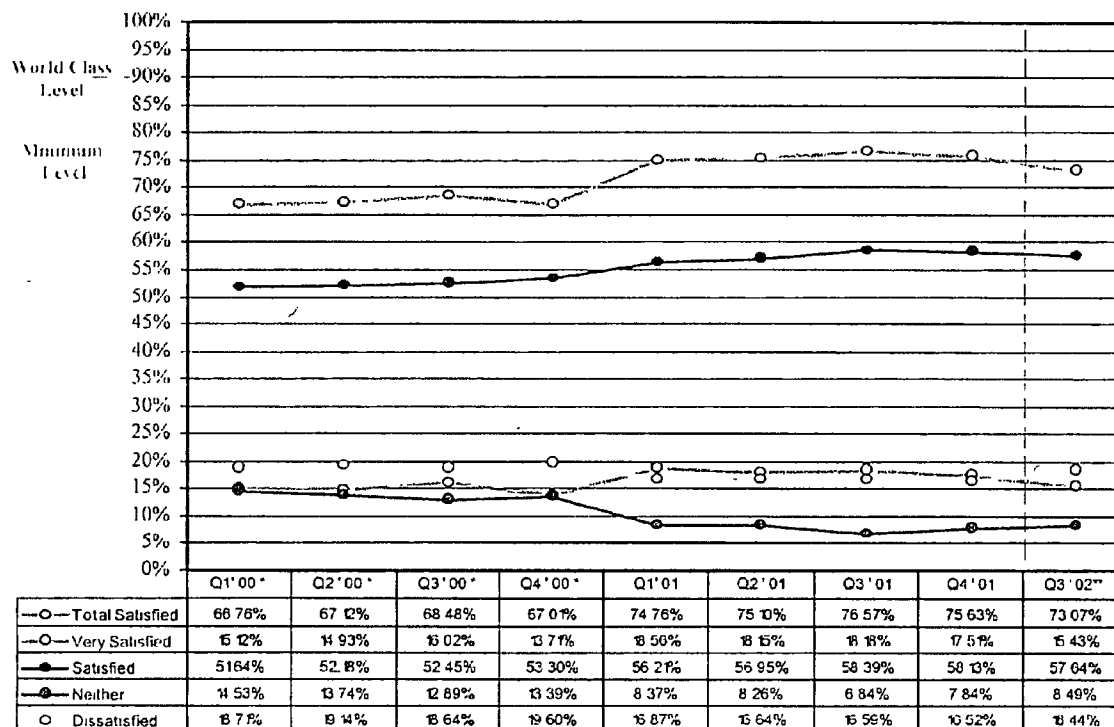
Region	Utility Subsidiary	Operations	Curr. Qtr Total Resp	Current Quarter Total Sat	Q4'01 Total Sat	Curr. / Q4'01 Quarter Change	2002 Goal	Q3 Over/ Under 2002 Goal	Q3 Total Satisfaction Ranking			
American Water System			6490	75.76%	77.25%	(1.49%)	81.42%	(5.66%)	Rgn	Util	Sub	Opco
NORTHEAST			493	73.12%	73.53%	(0.41%)	77.83%	(4.71%)	4			
	LONG ISLAND		88	64.77%	64.52%	(0.25%)	71.99%	(7.22%)		15		35
	NEW JERSEY		405	74.88%	76.32%	(1.44%)	81.35%	(6.47%)		9		
		SOUTHWESTERN	86	89.53%	80.56%	8.97%	87.18%					3
		NORTHEASTERN	73	76.71%	80.09%	(3.39%)	82.48%	(5.77%)				17
		NORTHWESTERN	68	64.83%	77.20%	(12.37%)	81.53%	(16.75%)				52
		CENTRAL	91	53.56%	55.57%	(2.01%)	67.40%	(13.84%)				39
		SOUTHEASTERN	84	75.00%	73.00%	2.00%	81.92%	(6.92%)				20
SOUTHEAST			767	79.84%	75.59%	4.25%	84.84%	(5.00%)	2			
	KENTUCKY		64	87.50%	69.15%	18.35%	85.24%			1		5
	MARYLAND		133	67.66%	81.33%	(13.67%)	81.18%	(13.52%)		14		27
	TENNESSEE		97	81.44%	78.39%	3.05%	87.85%	(6.41%)		3		12
	VIRGINIA		89	80.18%	76.03%	4.15%	83.64%	(3.46%)		5		14
	W. VIRGINIA		184	74.57%	78.06%	(3.49%)	84.40%	(9.83%)		10		
		CENTRAL	90	74.84%	73.85%	0.99%	86.32%	(11.48%)				21
		WESTERN	88	66.81%	79.13%	(12.32%)	81.31%	(14.50%)				28
		SOUTHERN	109	81.94%	89.56%	(7.62%)	84.16%	(2.22%)				10
		NORTHERN	106	92.88%	90.40%	2.48%	84.80%					1
ATLANTIC			1060	67.08%	69.06%	(1.98%)	74.59%	(7.51%)	7			
	ARIZONA		480	72.26%	68.69%	3.57%	74.56%	(2.30%)		11		23
	CALIFORNIA		506	61.10%	69.09%	(4.99%)	74.10%	(10.00%)		16		
		SOUTHERN	83	77.49%	77.11%	0.38%	79.83%	(2.34%)				15
		CENTRAL	98	42.84%	55.14%	(12.30%)	62.81%	(19.97%)				41
		NORTHERN	125	63.70%	N/A	N/A	68.10%	(4.61%)				36
	NEW MEXICO		74	75.67%	69.23%	6.44%	78.43%	(2.76%)		7		18
WEST CENTRAL			734	72.17%	80.90%	(8.73%)	84.38%	(12.21%)	5			
	ILLINOIS		625	71.56%	79.60%	(8.04%)	83.79%	(12.23%)		13		
		EASTERN	93	89.38%	81.09%	8.29%	83.88%	(4.50%)				4
		NORTHERN	93	71.73%	84.66%	(12.93%)	82.53%	(10.80%)				25
		SOUTHERN	87	61.67%	74.52%	(13.45%)	85.51%	(24.44%)				37
		CHICAGO METRO	352	66.76%	N/A	N/A	70.01%	(3.25%)				29
	IOWA		109	75.06%	85.95%	(10.89%)	87.98%	(12.92%)		8		19
EAST CENTRAL			1259	70.35%	75.04%	(4.69%)	78.74%	(8.39%)	6			
	INDIANA		330	72.21%	77.35%	(5.11%)	79.36%	(7.12%)		12		
		CENTRAL	76	71.92%	82.96%	(11.04%)	79.21%	(7.29%)				24
		EASTERN	91	65.08%	66.59%	(1.51%)	79.23%	(14.15%)				31
		NORTHWEST	59	86.44%	83.75%	2.69%	82.61%					7
		SOUTHERN	104	64.83%	79.09%	(14.26%)	77.98%	(13.15%)				33
	MICHIGAN		103	80.58%	72.88%	7.70%	78.43%			4		13
	OHIO		826	60.01%	61.10%	(1.09%)	79.66%	(19.65%)		17		38
PENNSYLVANIA	PENNSYLVANIA		1786	79.34%	78.12%	1.22%	80.61%	(1.27%)	3			
		CENTRAL	359	81.83%	N/A	N/A	86.88%	(5.05%)				11
		COALSBURG	135	65.67%	N/A	N/A	75.32%	(9.65%)				30
		LANARK	414	73.48%	80.79%	(7.31%)	82.06%	(8.58%)				22
		NORTHEAST	89	67.91%	64.28%	3.63%	66.44%	(1.17%)				26
		PITTSBURGH	93	90.32%	81.48%	8.84%	86.28%					2
		READING	387	64.82%	N/A	N/A	72.57%	(7.75%)				34
		WESTERN	109	86.20%	87.70%	(1.50%)	89.85%	(3.65%)				8
MISSOURI	MISSOURI		391	81.58%	83.64%	(2.06%)	85.81%	(4.23%)	1	2		
		CENTRAL	91	87.46%	79.32%	8.14%	84.81%					6
		EASTERN	109	85.79%	88.58%	(2.79%)	89.93%	(4.14%)				9
		SOUTHWESTERN	93	77.41%	68.97%	8.44%	75.17%					16
		WESTERN	98	48.31%	54.10%	(5.79%)	54.00%	(5.69%)				40

Satisfaction with the Overall Water Quality



Very Satisfied
 Satisfied
 Neither
 Dissatisfied

Overall Water Quality Trend



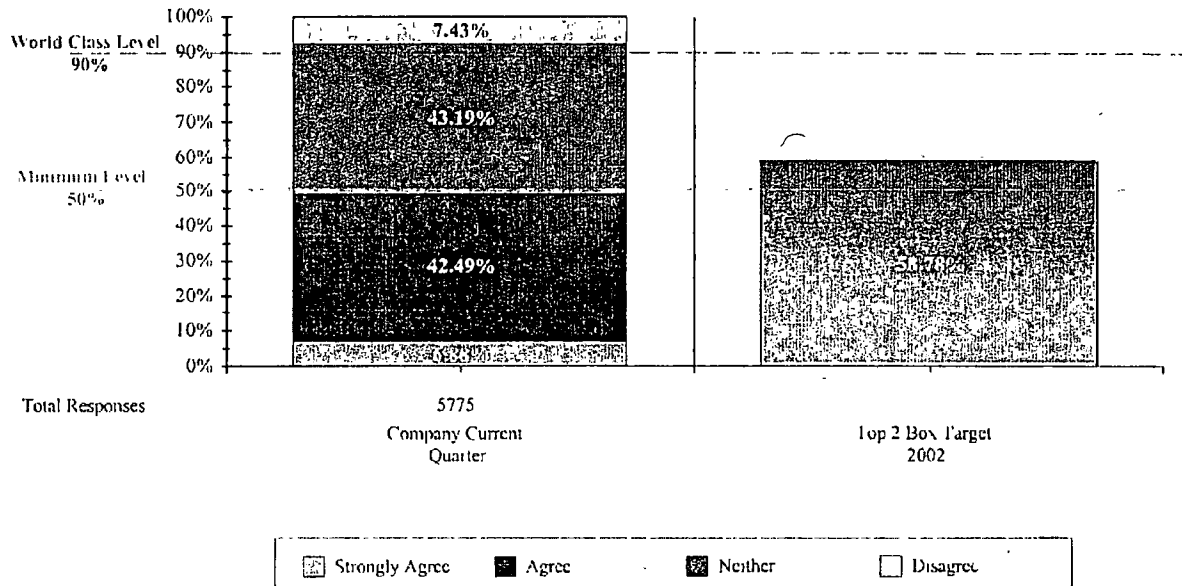
* Results not weighted

** AWS trend does not include Q1 and Q2 2002

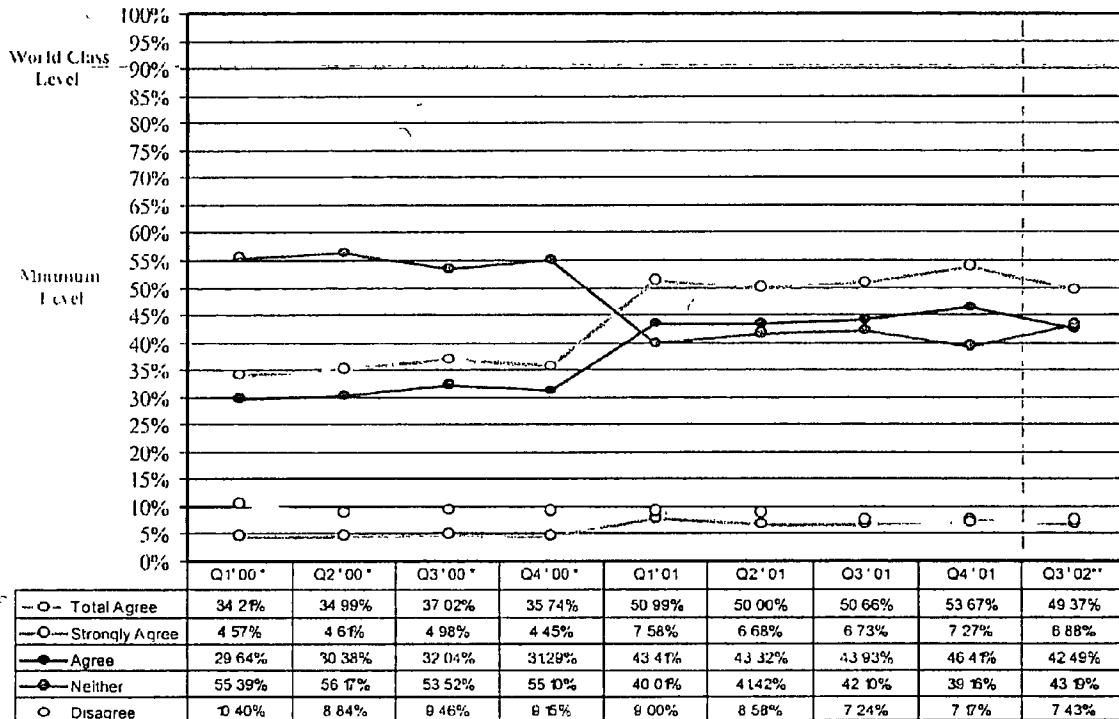
Satisfaction with the Overall Water Quality Rank

Region	Utility Subsidiary	Operations	Curr Qtr Total Resp.	Current Quarter Total Sat	Q4'01 Total Sat.	Curr. / Q4'01 Quarter Change	2002 Target	Q3 Over/ Under 2002 Target	Q3 Total Satisfaction Ranking		
American Water System			6288	73.07%	75.61%	(2.56%)	79.51%	(6.44%)	Rgn	Util Sub	Oper
NORTHEAST			477	68.96%	72.74%	(3.78%)	75.55%	(6.57%)	5		
	LONG ISLAND		85	62.35%	63.28%	(0.93%)	68.96%	(6.61%)		14	30
	NEW JERSEY		392	70.36%	74.62%	(4.26%)	77.71%	(7.35%)		10	
		SOUTHWESTERN	82	91.46%	81.25%	10.21%	82.79%	8.67%			3
		NORTHEASTERN	71	73.21%	72.73%	0.48%	76.25%	(3.12%)			29
		NORTHWESTERN	66	47.87%	74.15%	(26.28%)	76.99%	(29.12%)			40
		CENTRAL	90	53.12%	58.93%	(5.81%)	67.79%	(14.67%)			38
		SOUTHEASTERN	83	74.69%	76.00%	(1.31%)	81.54%	(6.85%)			18
SOUTHEAST			736	81.99%	76.96%	5.03%	82.40%	(0.41%)	1		
	KENTUCKY		63	82.53%	70.53%	12.00%	79.96%	2.57%		2	8
	MARYLAND		127	64.56%	77.92%	(13.36%)	77.83%	(13.32%)		13	29
	TENNESSEE		92	79.34%	83.54%	(4.20%)	84.61%	(5.27%)		5	11
	VIRGINIA		86	72.46%	70.25%	2.21%	78.88%	(6.42%)		9	21
	W. VIRGINIA		368	86.35%	80.31%	6.04%	84.62%	1.73%		1	
		CENTRAL	85	97.34%	80.02%	17.32%	96.74%	0.60%			1
		WESTERN	85	65.69%	78.81%	(13.14%)	81.93%	(16.14%)			27
		SOUTHERN	98	78.15%	83.20%	(5.05%)	80.47%	(2.32%)			13
		NORTHERN	100	86.34%	82.37%	3.97%	82.75%	3.62%			4
WESTERN			1019	61.15%	65.03%	(3.88%)	69.55%	(7.70%)	7		
	ARIZONA		456	62.20%	54.55%	7.65%	65.77%	(3.57%)		15	31
	CALIFORNIA		493	60.00%	65.33%	(5.33%)	68.22%	(8.22%)		16	
		SOUTHERN	80	75.17%	76.40%	(1.23%)	75.15%	0.02%			17
		CENTRAL	96	37.52%	46.09%	(8.57%)	54.75%	(17.24%)			41
		NORTHERN	317	59.14%	N/A	N/A	63.76%	(4.62%)			34
	NEW MEXICO		70	70.00%	66.30%	3.70%	74.96%	(4.96%)		11	23
WEST CENTRAL			710	68.17%	81.01%	(12.84%)	81.99%	(13.82%)	6		
	ILLINOIS		604	66.35%	81.63%	(15.28%)	81.17%	(14.82%)		12	
		EASTERN	90	76.54%	87.55%	(11.01%)	84.66%	(8.32%)			16
		NORTHERN	91	66.17%	80.91%	(14.74%)	76.43%	(10.26%)			25
		SOUTHERN	84	54.06%	77.90%	(23.84%)	82.24%	(28.18%)			37
		CHICAGO METRO	339	74.63%	N/A	N/A	76.74%	(2.11%)		1	19
	IOWA		106	76.78%	78.61%	(1.83%)	85.15%	(8.17%)		6	15
EAST CENTRAL			1230	71.18%	74.16%	(2.98%)	78.46%	(7.28%)	1		
	INDIANA		321	73.64%	74.22%	(0.58%)	78.49%	(4.85%)		8	
		CENTRAL	73	70.28%	75.63%	(5.40%)	79.70%	(9.42%)			22
		EASTERN	89	65.26%	65.46%	(0.20%)	77.36%	(12.10%)			28
		NORTHWEST	56	92.85%	87.50%	5.35%	84.19%	8.66%			2
		SOUTHERN	101	66.06%	62.87%	3.19%	74.38%	(8.32%)			26
	MICHIGAN		100	82.00%	74.58%	7.42%	80.67%	(1.33%)		3	10
	OHIO		809	58.28%	73.73%	(15.45%)	81.21%	(22.93%)		17	35
PENNSYLVANIA	PENNSYLVANIA		1742	71.35%	71.91%	0.56%	76.44%	(2.09%)	3	7	
		CENTRAL	350	75.69%	N/A	N/A	85.89%	(7.00%)			12
		COATESVILLE	325	59.69%	N/A	N/A	68.85%	(9.16%)			33
		EASTERN	404	68.99%	78.29%	(9.30%)	77.15%	(8.16%)			24
		NORTHEAST	88	62.03%	47.48%	14.55%	62.76%	(0.73%)			32
		PITTSBURGH	91	82.41%	79.82%	2.59%	82.08%	0.33%			9
		RLADING	178	58.11%	N/A	N/A	68.32%	(10.71%)			36
		WESTERN	106	84.58%	85.78%	(1.20%)	86.08%	(1.50%)			6
MISSOURI	MISSOURI		374	79.39%	83.40%	(4.01%)	84.17%	(4.78%)	2	4	
		CENTRAL	88	85.41%	83.61%	1.80%	81.19%	4.22%			5
		EASTERN	104	83.18%	88.27%	(5.09%)	90.81%	(7.63%)			7
		SOUTHWESTERN	91	78.02%	67.39%	10.63%	67.90%	0.51%			14
		WESTERN	91	48.47%	55.47%	(5.00%)	44.71%	3.76%			39

Agreement that American Water System is a leader in the Water Industry



Leader in Water Industry Overall Trend



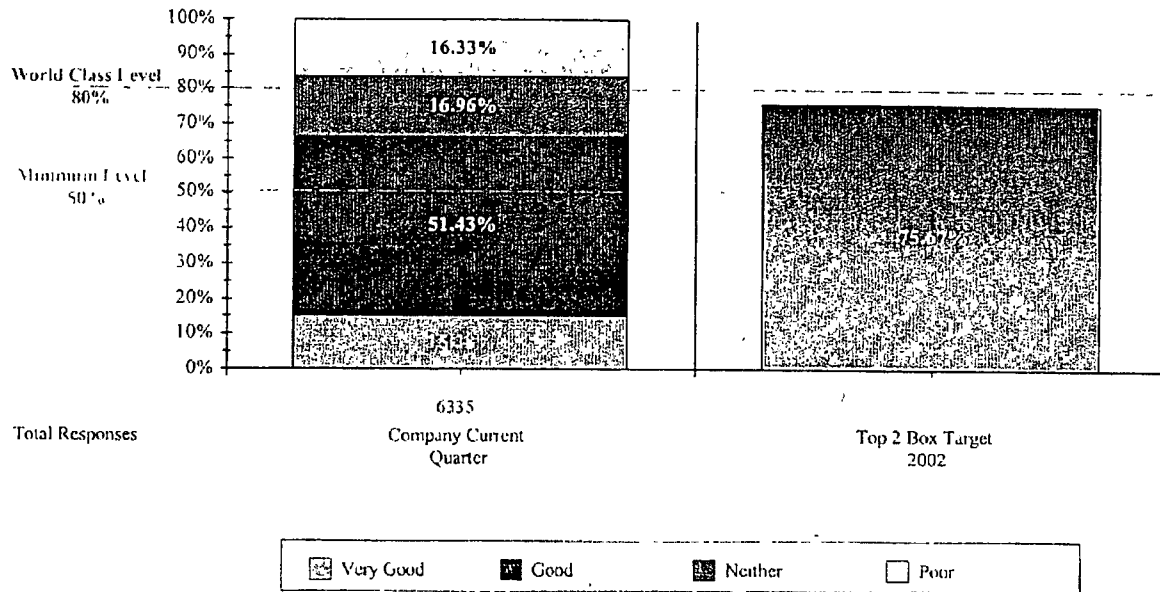
* Results not weighted

** AWS trend does not include Q1 and Q2 2002

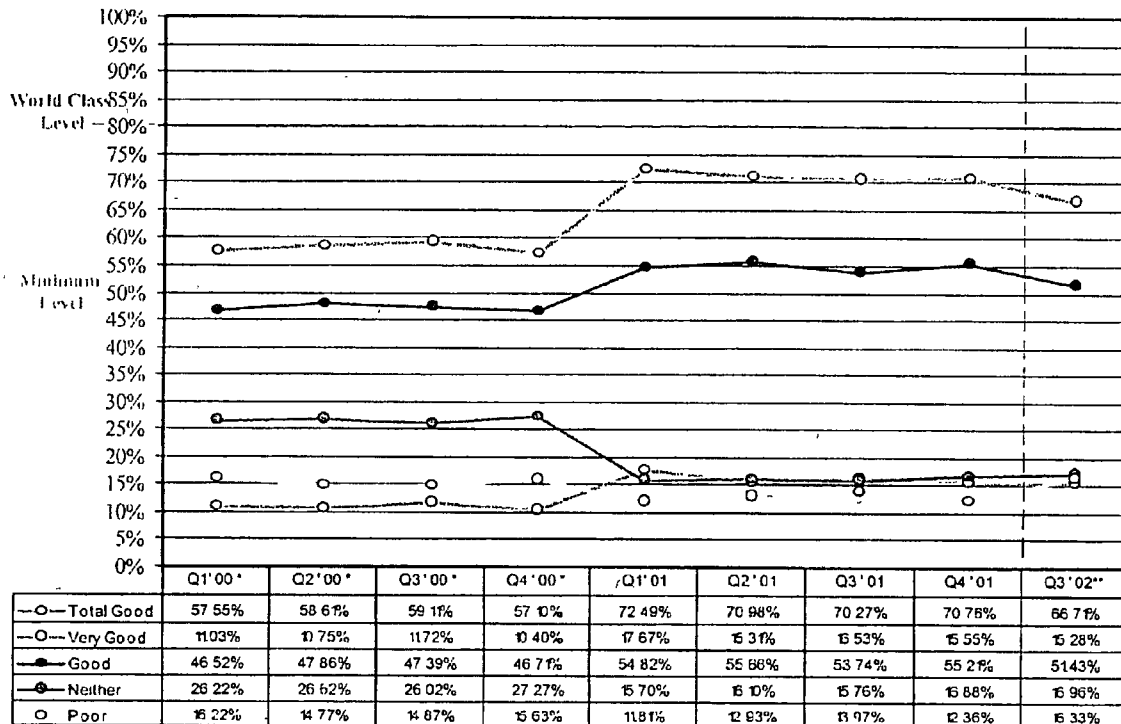
Agreement that American Water System is a leader in the Water Industry

Region	Utility Subsidiary	Operations	Curr. Qtr Total Resp	Current Quarter Total Agr.	Q4'01 Total Agr.	Curr. / Q4'01 Quarter Change	2002 Target	Q3 Over/ Under 2002 Target	Q3 Total Agreement Ranking		
American Water System			5775	49.37%	53.67%	(4.30%)	58.78%	(9.41%)	Rgn	Unl Sub	Oper
NORTHEAST			445	46.70%	47.14%	(0.44%)	54.34%	(7.64%)	6		
	LONG ISLAND		77	42.95%	38.21%	14.74%	49.05%	(6.20%)		12	25
	NEW JERSEY		368	47.47%	50.26%	(2.79%)	56.83%	(9.36%)		10	
		SOUTHWESTERN	80	58.75%	64.15%	(5.40%)	64.87%	(6.12%)			8
		NORTHEASTERN	71	45.07%	56.00%	(10.93%)	55.58%	(10.51%)			22
		NORTHWESTERN	60	43.73%	37.50%	6.23%	53.15%	(9.42%)			24
		CENTRAL	80	28.33%	40.14%	(11.81%)	49.96%	(21.63%)			39
		SOUTHEASTERN	77	48.05%	42.55%	5.50%	55.84%	(7.79%)			18
SOUTHEAST			670	49.77%	59.14%	(9.37%)	66.30%	(16.53%)	3		
	KENTUCKY		60	56.60%	55.91%	0.69%	63.03%	(6.37%)		3	10
	MARYLAND		108	30.55%	32.80%	(2.25%)	51.80%	(21.25%)		16	37
	TENNESSEE		89	62.92%	60.81%	2.11%	75.05%	(12.13%)		1	6
	VIRGINIA		74	33.03%	33.62%	(0.59%)	51.60%	(18.57%)		15	36
	W VIRGINIA		339	45.21%	69.74%	(24.51%)	73.45%	(28.22%)		11	
		CENTRAL	79	39.97%	80.91%	(40.96%)	77.72%	(37.75%)			30
		WESTERN	73	44.60%	19.26%	(4.66%)	66.31%	(21.71%)			23
		SOUTHERN	92	60.58%	62.57%	(2.29%)	70.24%	(9.66%)			7
		NORTHERN	95	74.76%	62.13%	(12.63%)	69.68%	(5.08%)			1
WESTERN			906	33.37%	40.34%	(6.97%)	49.34%	(15.97%)	7		
	ARIZONA		195	37.10%	33.33%	3.77%	38.97%	(1.67%)		14	32
	CALIFORNIA		440	30.15%	39.27%	(9.12%)	48.53%	(18.41%)		17	
		SOUTHERN	72	41.03%	46.17%	(5.14%)	50.51%	(9.48%)			29
		CENTRAL	88	18.19%	27.27%	(9.08%)	16.71%	(28.52%)			41
		NORTHERN	280	27.52%	N/A	N/A	19.68%	(22.16%)			40
	NEW MEXICO		71	52.11%	51.14%	0.97%	57.09%	(4.89%)		5	15
WEST CENTRAL			657	49.26%	62.48%	(13.22%)	62.46%	(13.20%)	4		
	ILLINOIS		555	48.78%	62.26%	(13.48%)	62.19%	(13.41%)		8	
		EASTERN	80	68.54%	63.31%	5.23%	59.77%	(6.46%)			3
		NORTHERN	81	48.01%	63.87%	(15.86%)	64.03%	(16.02%)			20
		SOUTHERN	77	47.05%	60.20%	(13.15%)	66.97%	(19.92%)			21
		CHICAGO METRO	317	28.39%	N/A	N/A	46.87%	(18.48%)			38
	IOWA		102	51.37%	63.32%	(11.95%)	63.51%	(12.14%)		7	16
EAST CENTRAL			1149	47.37%	47.99%	(0.62%)	54.70%	(7.33%)	5		
	INDIANA		296	48.42%	47.68%	0.74%	53.91%	(5.49%)		9	
		CENTRAL	69	48.96%	44.55%	4.41%	51.39%	(2.43%)			17
		EASTERN	81	48.03%	43.44%	4.59%	53.03%	(5.00%)			19
		NORTHWEST	50	56.00%	55.13%	0.87%	62.26%	(6.26%)			11
		SOUTHERN	96	37.45%	49.56%	(12.11%)	51.17%	(13.72%)			31
	MICHIGAN		91	54.94%	44.64%	10.30%	54.46%	(0.48%)		4	12
	OHIO		762	41.70%	50.19%	(8.49%)	59.81%	(18.11%)		13	27
PENNSYLVANIA	PENNSYLVANIA		1594	56.90%	55.98%	0.92%	59.96%	(3.06%)	1	2	
		CENTRAL	322	63.51%	N/A	N/A	66.08%	(2.57%)			5
		COASTVILLE	299	36.45%	N/A	N/A	52.21%	(15.76%)			33
		EASTERN	364	41.83%	48.27%	(6.44%)	57.72%	(15.89%)			26
		NORTHEAST	79	41.48%	50.54%	(9.06%)	54.61%	(13.13%)			28
		PITTSBURGH	86	66.27%	55.56%	10.71%	62.27%	(4.71%)			4
		READING	147	35.57%	N/A	N/A	54.39%	(18.82%)			34
		WESTERN	97	69.80%	68.06%	1.74%	66.50%	(1.26%)			2
MISSOURI	MISSOURI		354	51.92%	55.55%	(3.63%)	59.38%	(7.46%)	2	6	
		CENTRAL	78	52.79%	46.78%	6.01%	54.42%	(1.63%)			14
		EASTERN	97	53.81%	59.03%	(5.22%)	63.49%	(9.68%)			13
		SOUTHWESTERN	87	58.62%	46.67%	11.95%	52.42%	(6.20%)			9
		WESTERN	92	33.60%	36.07%	(2.47%)	45.23%	(11.63%)			35

Overall Utility Value Rating



Overall Utility Value Trend



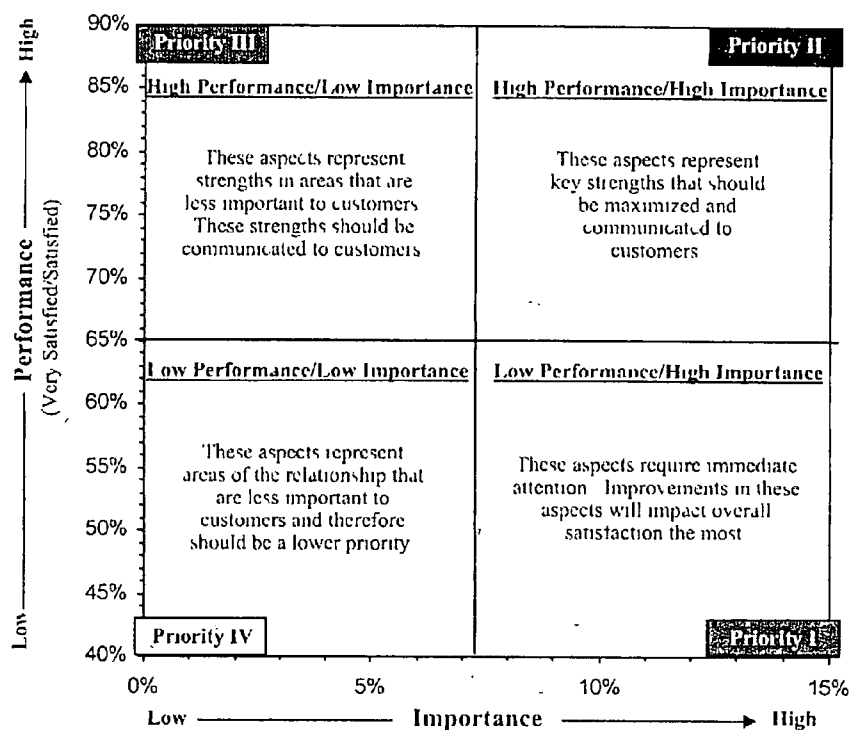
* Results not weighted

** AWS trend does not include Q1 and Q2 2002

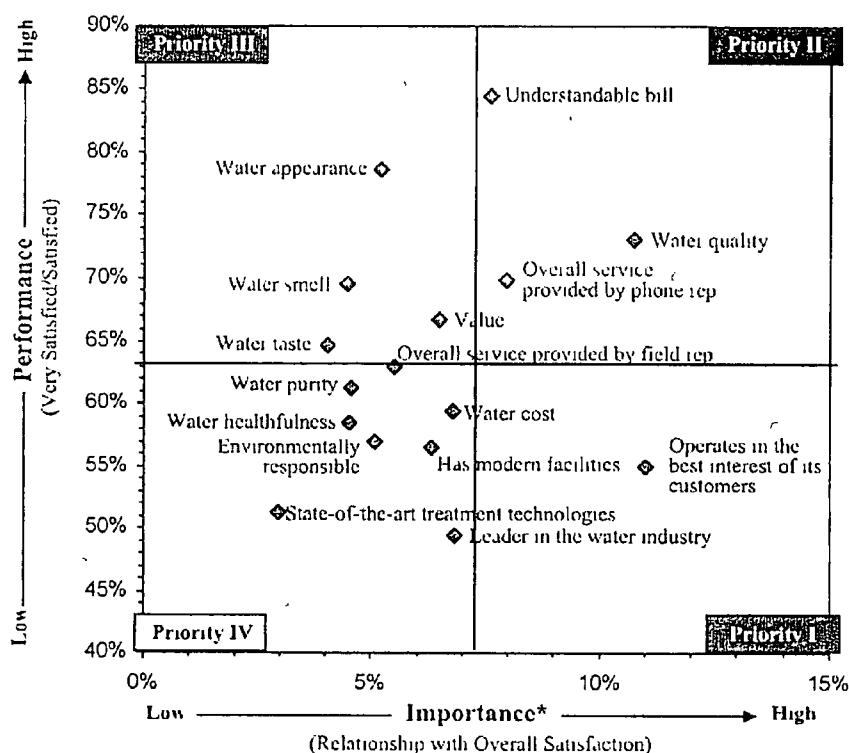
Overall Utility Value Rating

Region	Utility Subsidiary	Operations	Curr. Qtr. Total Resp	Current Quarter Total Good	Q4'01 Total Good	Curr. / Q4'01 Quarter Change	2002 Target	Q3 Over/ Under 2002 Target	Q3 Total Good Ranking		
American Water System			6335	66 71%	70 76%	(4 05%)	75 67%	(8 96%)	Rgn	Util Sub	Oper
NORTHEAST			486	58 88%	64 77%	(5 89%)	69 68%	(10 80%)	7		
	LONG ISLAND		81	53 57%	54 01%	(3 46%)	66 13%	(12 56%)		16	34
	NEW JERSEY		402	59 96%	69 15%	(9 19%)	72 67%	(12 71%)		13	
		SOUTHWESTERN	86	70 93%	68 18%	2 75%	74 48%	(3 55%)			19
		NORTHEASTERN	71	61 18%	74 12%	(10 74%)	78 98%	(15 60%)			28
		NORTHWESTERN	67	17 58%	78 96%	(31 38%)	76 78%	(29 20%)			37
		CENTRAL	94	41 36%	17 63%	(6 27%)	58 44%	(17 08%)			39
		SOUTHEASTERN	84	66 66%	58 00%	8 66%	66 09%	0 57%			20
SOUTHEAST			752	72 13%	71 71%	4 42%	80 30%	(8 17%)	1		
	KENTUCKY		62	79 03%	73 68%	5 35%	82 39%	(3 36%)		1	4
	MARYLAND		132	56 81%	48 65%	8 16%	62 45%	(5 64%)		15	32
	TENNESSEE		95	78 94%	77 61%	1 33%	81 88%	(4 94%)		2	5
	VIRGINIA		86	60 74%	62 99%	(2 25%)	77 91%	(17 17%)		12	29
	W VIRGINIA		377	69 18%	71 46%	(2 28%)	79 72%	(10 54%)		7	
		CENTRAL	86	61 66%	69 97%	(5 31%)	81 21%	(16 55%)			23
		WESTERN	88	71 55%	67 06%	4 49%	76 40%	(2 85%)			11
		SOUTHERN	100	75 41%	83 09%	(7 68%)	78 54%	(3 11%)			8
		NORTHERN	103	83 98%	78 63%	5 35%	79 14%	4 80%			1
WESTERN			1032	62 98%	65 11%	(2 13%)	70 96%	(7 98%)	6		
	ARIZONA		468	71 32%	73 33%	(2 01%)	75 00%	(3 68%)		6	17
	CALIFORNIA		491	58 40%	65 00%	(6 60%)	70 61%	(12 21%)		14	
		SOUTHERN	78	61 43%	68 20%	(3 77%)	72 38%	(7 95%)			24
		CENTRAL	96	41 16%	59 46%	(18 30%)	67 58%	(26 42%)			40
		NORTHERN	317	61 68%	N/A	N/A	69 48%	(5 80%)			26
	NEW MEXICO		73	72 60%	61 04%	11 56%	74 94%	(2 34%)		4	14
WEST CENTRAL			715	65 16%	75 77%	(10 61%)	79 12%	(13 96%)	4		
	ILLINOIS		608	63 44%	76 07%	(12 63%)	79 11%	(15 87%)		11	
		EASTERN	91	83 27%	71 31%	11 96%	78 44%	(4 81%)			2
		NORTHERN	88	71 16%	76 09%	(3 93%)	78 09%	(6 93%)			18
		SOUTHERN	87	57 03%	79 52%	(22 49%)	81 77%	(24 74%)			31
		CHICAGO METRO	342	38 01%	N/A	N/A	49 15%	(11 14%)			41
	IOWA		107	73 27%	74 61%	(1 34%)	78 40%	(5 13%)		3	12
EAST CENTRAL			1219	64 31%	65 31%	(1 00%)	74 32%	(9 98%)	5		
	INDIANA		319	66 78%	66 92%	(0 14%)	74 60%	(7 82%)		9	
		CENTRAL	73	64 16%	67 60%	(3 44%)	77 25%	(13 09%)			25
		EASTERN	88	74 76%	65 46%	9 30%	76 37%	(1 61%)			9
		NORTHWEST	59	72 88%	70 00%	2 88%	77 04%	(4 16%)			13
		SOUTHERN	99	45 64%	63 84%	(18 16%)	67 63%	(21 95%)			38
	MICHIGAN		101	65 34%	56 11%	9 23%	63 00%	(7 11%)		10	22
	OHIO		799	51 83%	56 54%	(4 71%)	73 66%	(21 83%)		17	35
PENNSYLVANIA	PENNSYLVANIA		1745	68 43%	73 18%	(4 75%)	74 53%	(6 10%)	3		
		CENTRAL	350	77 58%	N/A	N/A	83 42%	(5 84%)			6
		COALSBURG	325	62 38%	N/A	N/A	74 10%	(10 72%)			27
		EASTERN	404	66 41%	73 78%	(12 37%)	77 83%	(11 42%)			21
		NORTHEAST	88	57 20%	55 34%	(1 14%)	60 55%	(3 35%)			30
		PITTSBURGH	93	77 41%	76 91%	0 50%	76 65%	0 26%			7
		READING	377	55 27%	N/A	N/A	67 48%	(12 21%)			33
		WESTERN	108	71 63%	86 64%	(15 01%)	83 64%	(12 01%)			16
MISSOURI	MISSOURI		386	72 10%	76 07%	(3 97%)	78 90%	(6 80%)	2	5	
		CENTRAL	90	71 81%	72 03%	(0 22%)	80 19%	(8 38%)			15
		EASTERN	107	74 05%	79 81%	(5 76%)	85 00%	(10 95%)			10
		SOUTHWESTERN	93	82 79%	67 74%	15 05%	77 26%	8 53%			3
		WESTERN	96	50 54%	52 49%	(1 95%)	52 69%	(2 15%)			36

Quadrant Chart Guide



Priorities of Focus





American Water System

**Customer Satisfaction
Company Overall Measures
Fourth Quarter**

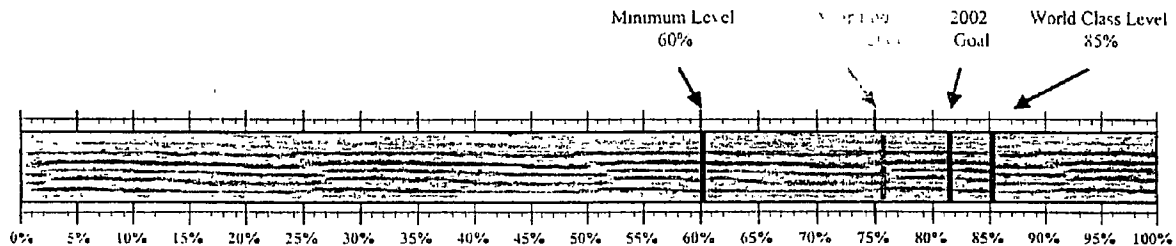
Date Surveys Mailed 9/26/2002

Customer Satisfaction Summary

1. Satisfaction with American Water System overall:

- 75.72% of our customers are satisfied with American Water System overall
- 12.97% of our customers are not satisfied with American Water System overall
- The year end 2001 weighted score for total satisfaction was 77.83%

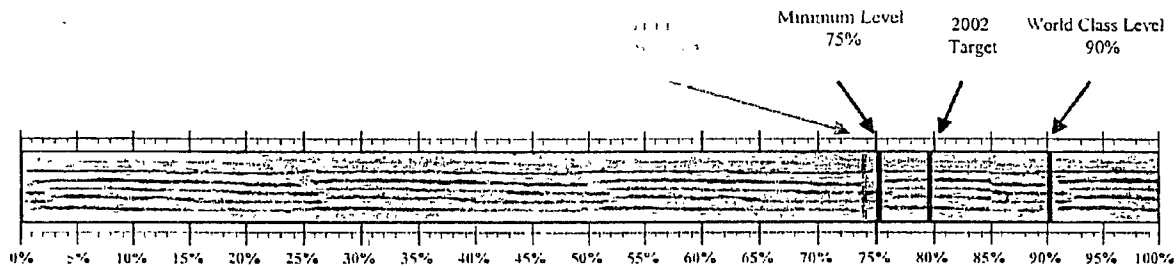
➡ Our company goal for 2002 is to have 81.42% of our customers satisfied with American Water System overall. At year end* 2002, we are below our 2002 goal by 5.70%.



2. Satisfaction with the water quality overall:

- 73.66% of our customers are satisfied with the water quality overall
- 17.48% of our customers are not satisfied with the water quality overall
- The year end 2001 weighted score for total satisfaction was 75.61%

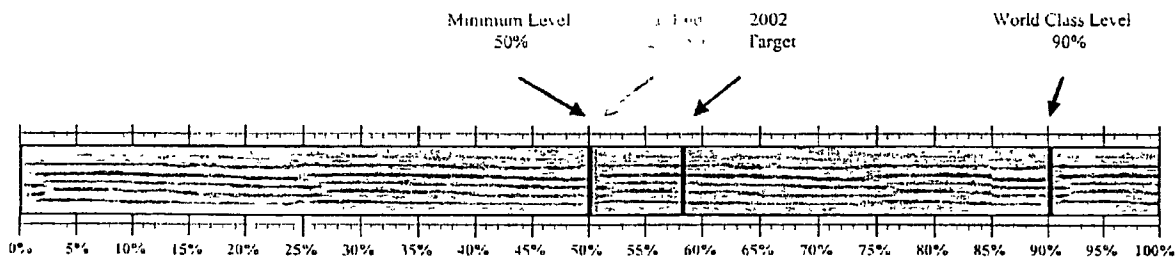
➡ Our company target for 2002 is to have 79.51% satisfied with the water quality overall. At year end* 2002 we are below our target by 5.85%.



3. Agreement that American Water System is a leader in the water industry:

- 50.38% of our customers agree that we are leader in the water industry
- 8.15% of our customers do not agree that we are a leader in the water industry
- The year end 2001 weighted score for total agreement was 50.78%

➡ Our company target for 2002 is to have 58.78% agree that we are a leader in the water industry. At year end* 2002, we are below our target by 8.40%.

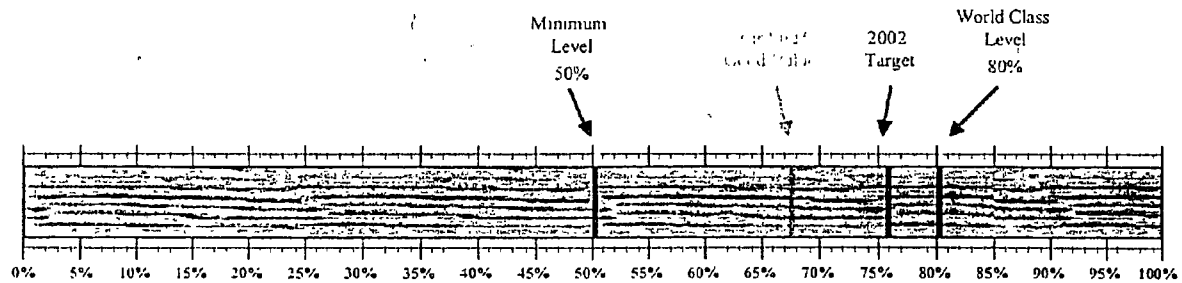


* Year end equals Quarter 3 + Quarter 4 2002

4 Rating with the utility value received from American Water System:

- 67.60% of our customers responded that they receive a good value for their utility dollar
- 15.03% of our customers responded that they do not receive a good value for their utility dollar
- The year end 2001 weighted score for total good value response was 70.97%

➡ Our company target for 2002 is to have 75.67% of our customers respond that they receive a good value for their utility dollar. At year end* 2002 we are below our target by 8.07%.



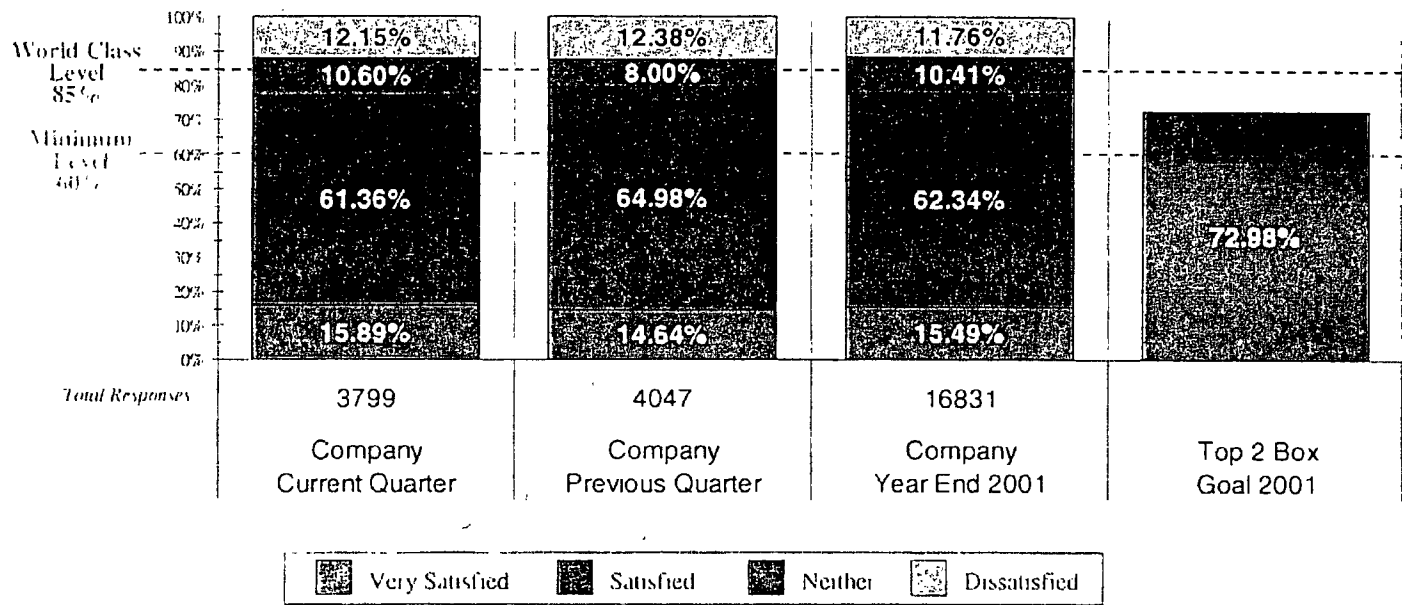
Satisfaction with American Water System Overall

Top Ten Operations

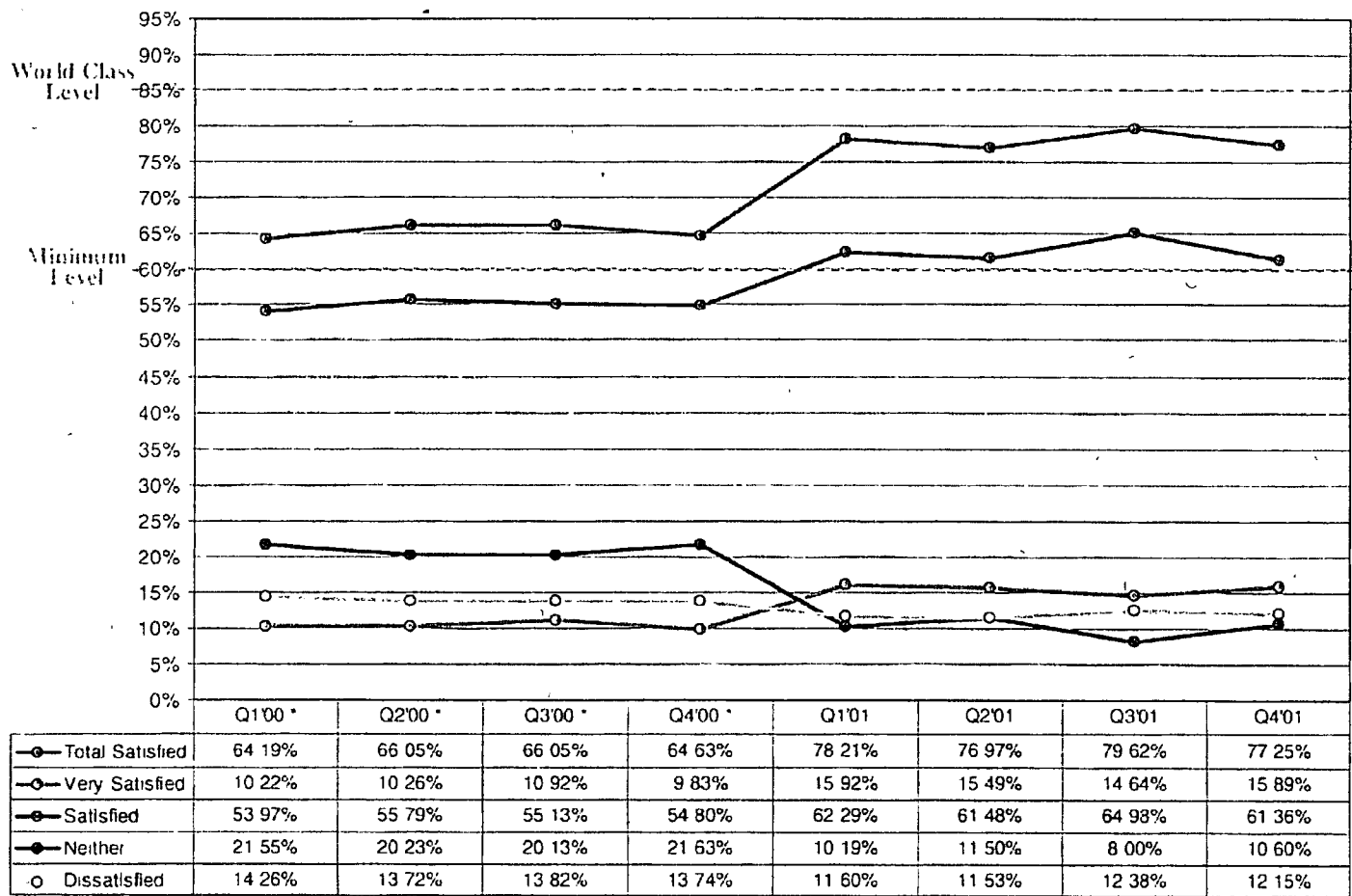
Current Quarter Rank	Utility Subsidiary	Operations	Year End* Total Satisfied	Previous Quarter Rank
1	W VIRGINIA	NORTHERN	88.32%	1
2	PENNSYLVANIA	WESTERN	87.37%	8
3	MISSOURI	CENTRAL	87.27%	6
4	MISSOURI	EASTERN	86.93%	9
5	KENTUCKY	KENTUCKY	86.85%	5
6	PENNSYLVANIA	PITTSBURGH	86.11%	2
7	ILLINOIS	EASTERN	85.80%	4
8	TENNESSEE	TENNESSEE	83.87%	12
9	NEW JERSEY	SOUTHWESTERN	81.94%	3
10	MICHIGAN	MICHIGAN	81.46%	13

* Year end equals Quarter 3 + Quarter 4 2002

Satisfaction with American Water System Overall



Satisfaction with American Water System Overall Trend

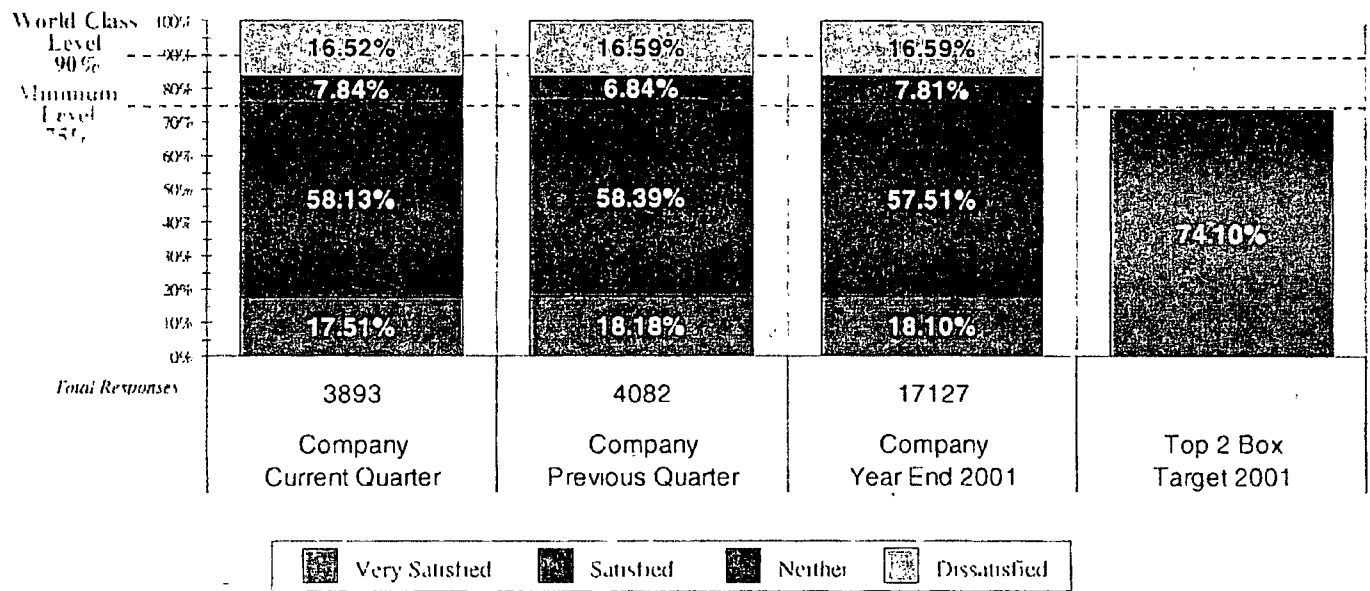


* Results not weighted

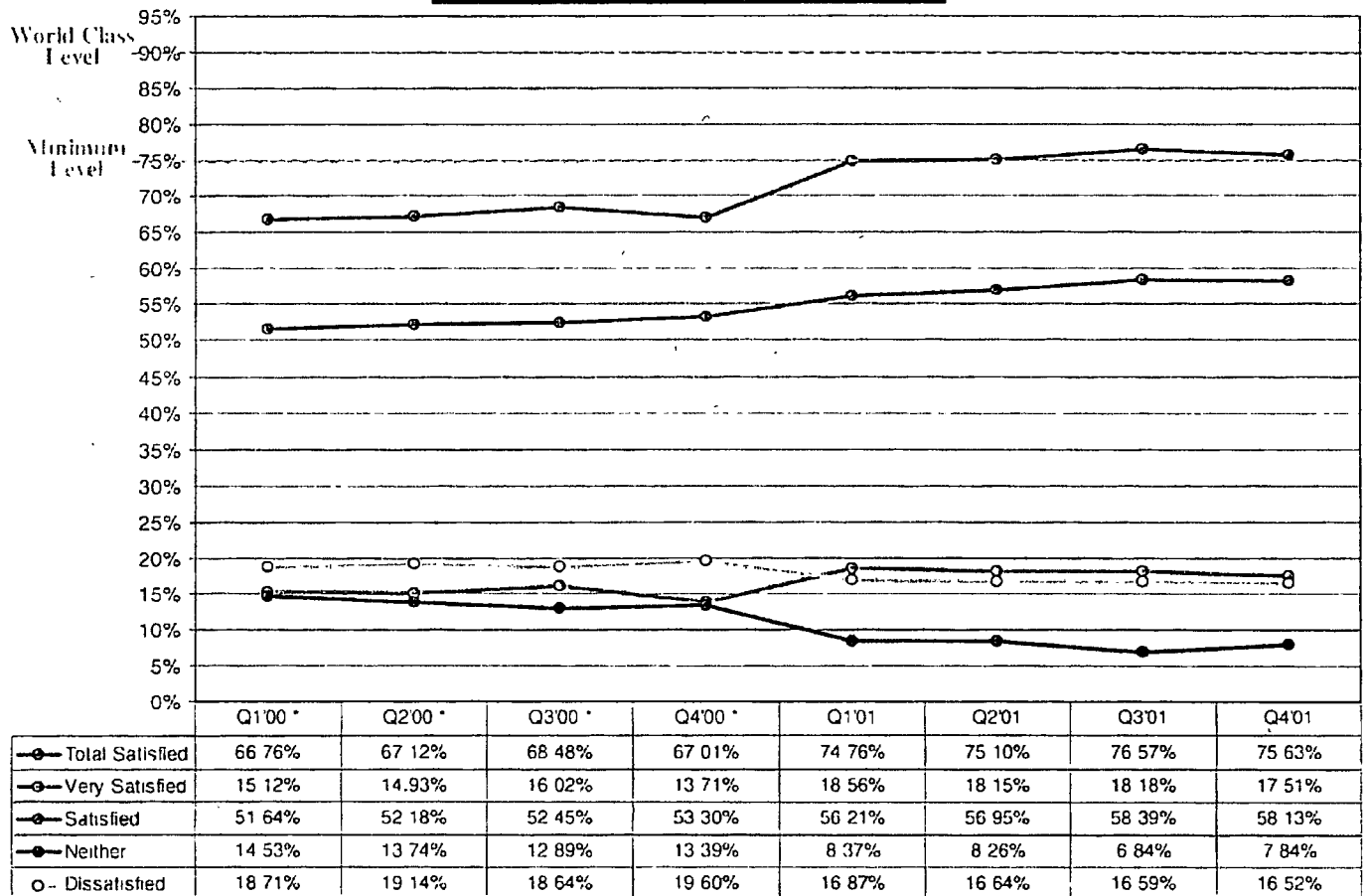
Satisfaction with American Water System Overall

			Curr. Qtr Total	Current Quarter Total Sat	Prev Quarter Total Sat	Curr / Prev Quarter Change	Year End 2001 Total Sat.	2001 Goal	Over/ Under Goal	2002 Goal	Year End Total Satisfaction Ranking		
Region	Utility Subsidiary	Operations	Resp								Rgn	Util Sub	Oper
American Water System			3799	77 25%	79 62%	(2 37%)	77 83%	72.98%	4 85%	81 42%			
IL-IA	Illinois		362	80 90%	81 46%	(0 56%)	81 64%	74 65%	6 99%	84 38%	3		
			246	79 60%	79 85%	(0 25%)	80 70%	75 10%	5 80%	83 79%		6	
		Eastern	66	81 09%	79 79%	1 31%	80 45%	74 31%	6 14%	83 88%			13
		Northern	90	84 66%	83 68%	0 97%	78 94%	71 99%	6 95%	82 53%			15
		Southern	90	74 52%	76 86%	(2 34%)	82 26%	79 30%	2 96%	85 51%			9
	Iowa	Iowa	116	85 95%	87 70%	(1 76%)	85 30%	77 40%	7 90%	87 98%		2	4
IN-MI-OH	Indiana		487	75 04%	73 69%	1 35%	74 36%	69 36%	5 0%	78 74%	5		
			355	77 35%	72 88%	4 47%	74 32%	70 41%	3 91%	79 36%		14	
		Central	83	82 96%	63 13%	19 32%	73 35%	71 62%	1 72%	79 21%			28
		Eastern	112	66 59%	77 24%	(10 65%)	73 37%	71 04%	2 34%	79 23%			27
		Northwest	80	83 75%	80 46%	3 29%	78 38%	73 16%	5 21%	82 61%			17
		80	79 09%	68 81%	10 28%	71 50%	63 91%	7 60%	77 98%			31	
	Michigan	Michigan	59	72 88%	79 31%	(6 43%)	73 01%	74 66%	(1 65%)	78 43%		15	29
	Ohio	Ohio	73	61 10%	78 10%	(17 0%)	74 74%	71 28%	3 46%	79 66%		13	26
Missouri	Missouri		405	83 64%	86 85%	(3 21%)	83 26%	79 07%	4 20%	85 81%	1	3	
		Central	99	79 32%	77 50%	1 82%	79 87%	66 55%	13 33%	84 81%			14
		Eastern	111	88 58%	94 57%	(5 99%)	89 93%	87 00%	2 93%	89 93%			1
		Southwestern	87	68 97%	73 63%	(4 66%)	67 92%	63 96%	3 96%	75 17%			33
	Western	108	54 10%	36 53%	17 57%	40 17%	53 38%	(13 21%)	54 00%			41	
Northeast			903	73 53%	75 21%	(1 67%)	73 18%	69 75%	3 44%	77 83%	6		
	Connecticut Hampton Long Island Massachusetts New Jersey	Connecticut	108	74 07%	68 04%	6 03%	71 97%	71 54%	0 43%	N/A		16	30
		Hampton	1	100 00%	73 08%	26 92%	77 64%	66 19%	11 45%	N/A		8	18
		Long Island	124	64 52%	66 67%	(2 15%)	65 26%	68 17%	(2 90%)	71 99%		19	34
		Massachusetts	105	43 06%	54 70%	(11 65%)	48 47%	62 85%	(14 38%)	N/A		22	40
		New Jersey	474	76 32%	79 18%	(2 86%)	76 56%	72 86%	3 70%	81 35%		11	
		Central	80	55 57%	53 50%	2 07%	58 44%	68 05%	(9 61%)	67 40%			36
		Northeastern	85	80 00%	86 17%	(6 17%)	77 05%	76 93%	0 12%	82 48%			21
		Northwestern	101	77 20%	75 45%	1 75%	75 97%	72 41%	3 57%	81 58%			23
		Southeastern	100	73 00%	74 74%	(1 74%)	76 38%	71 92%	4 46%	81 92%			22
		Southwestern	108	80 56%	86 81%	(6 26%)	82 66%	76 88%	5 79%	87 18%			7
	New York Salisbury	New York Salisbury	89 2	65 17% 100 00%	62 79% 62 79%	2 38% 37 21%	63 80% 53 79%	69 10% 58 94%	(5 31%) (5 15%)	N/A N/A		20 21	35 39
Pennsylvania	Pennsylvania		593	78 12%	79 35%	(1 24%)	76 79%	72 79%	3 99%	80 61%	4	10	
		Eastern	151	80 79%	86 01%	(5 22%)	78 69%	75 23%	3 46%	82 06%			16
		Northeast	110	64 28%	56 69%	7 59%	57 72%	57 93%	(0 22%)	66 44%			37
		Pittsburgh	108	81 48%	87 96%	(6 48%)	84 21%	76 86%	7 35%	86 28%			5
	Western	224	87 70%	90 52%	(2 82%)	88 86%	81 48%	7 38%	89 85%			2	
Southeast			711	75 59%	84 51%	(8 92%)	82 23%	76 87%	5 36%	84 84%	2		
	Kentucky Maryland Tennessee Virginia W Virginia	Kentucky	94	69 15%	93 26%	(24 11%)	82 40%	76 00%	6 40%	85 24%		4	8
		Maryland	75	81 33%	76 74%	4 59%	77 53%	67 42%	10 11%	81 18%		9	19
		Tennessee	74	78 38%	86 57%	(8 19%)	85 53%	79 18%	6 35%	87 85%		1	3
		Virginia	65	76 03%	83 40%	(7 37%)	80 48%	71 98%	8 50%	83 64%		7	12
		W Virginia	403	78 06%	78 73%	(0 67%)	81 40%	79 24%	2 15%	84 40%		5	
		Central	98	73 85%	76 18%	(2 33%)	83 39%	81 45%	1 95%	86 32%			6
		Northern	93	90 40%	82 01%	8 40%	81 52%	82 30%	(0 78%)	84 80%			10
		Southern	105	89 56%	80 94%	8 62%	80 73%	80 75%	(0 01%)	84 16%			11
	Western	107	79 13%	82 76%	(3 63%)	77 19%	74 00%	3 19%	81 31%			20	
Western			338	69 06%	69 19%	(0 13%)	68 95%	65 73%	3 22%	74 59%	7		
	Arizona California	Arizona	47	68 09%	71 43%	(3 34%)	68 91%	65 50%	3 41%	74 56%		17	32
			200	69 09%	69 71%	(0 62%)	68 19%	65 47%	2 72%	74 10%		18	
		Central	107	55 14%	58 56%	(3 42%)	56 38%	56 44%	(0 06%)	62 81%			38
		Southern	93	77 11%	76 13%	0 98%	74 98%	69 43%	5 55%	79 83%			24
	New Mexico	New Mexico	91	69 23%	64 38%	4 85%	74 93%	68 76%	6 17%	78 43%		12	25

Satisfaction with the Overall Water Quality



Overall Water Quality Trend

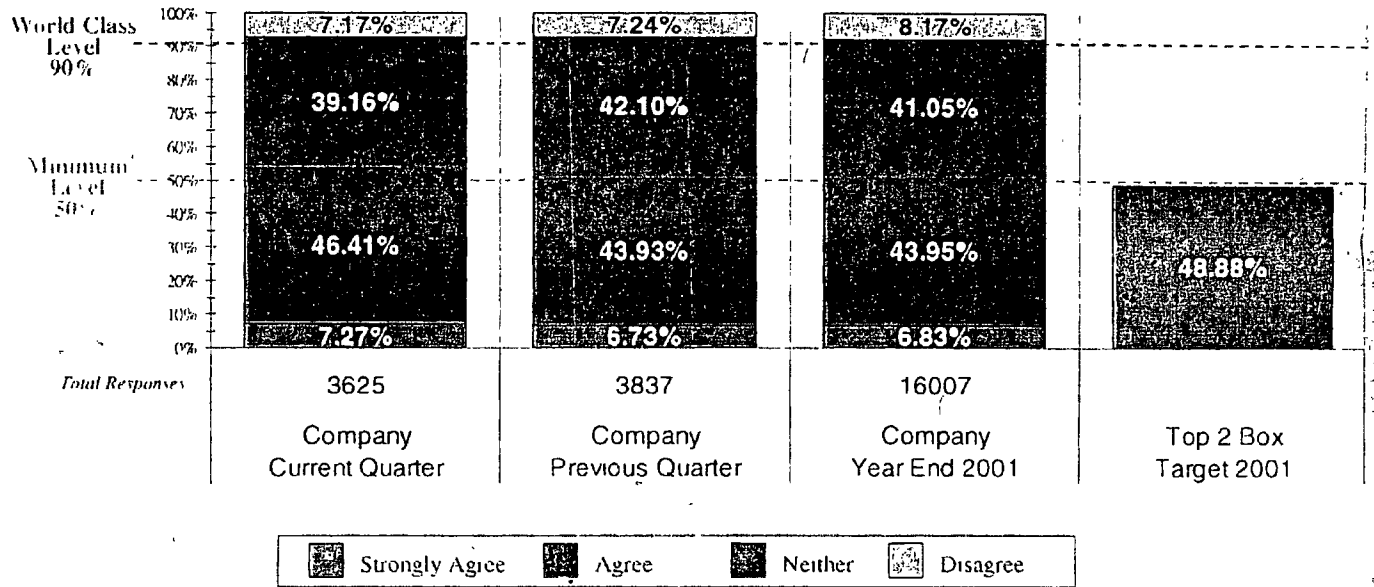


* Results not weighted

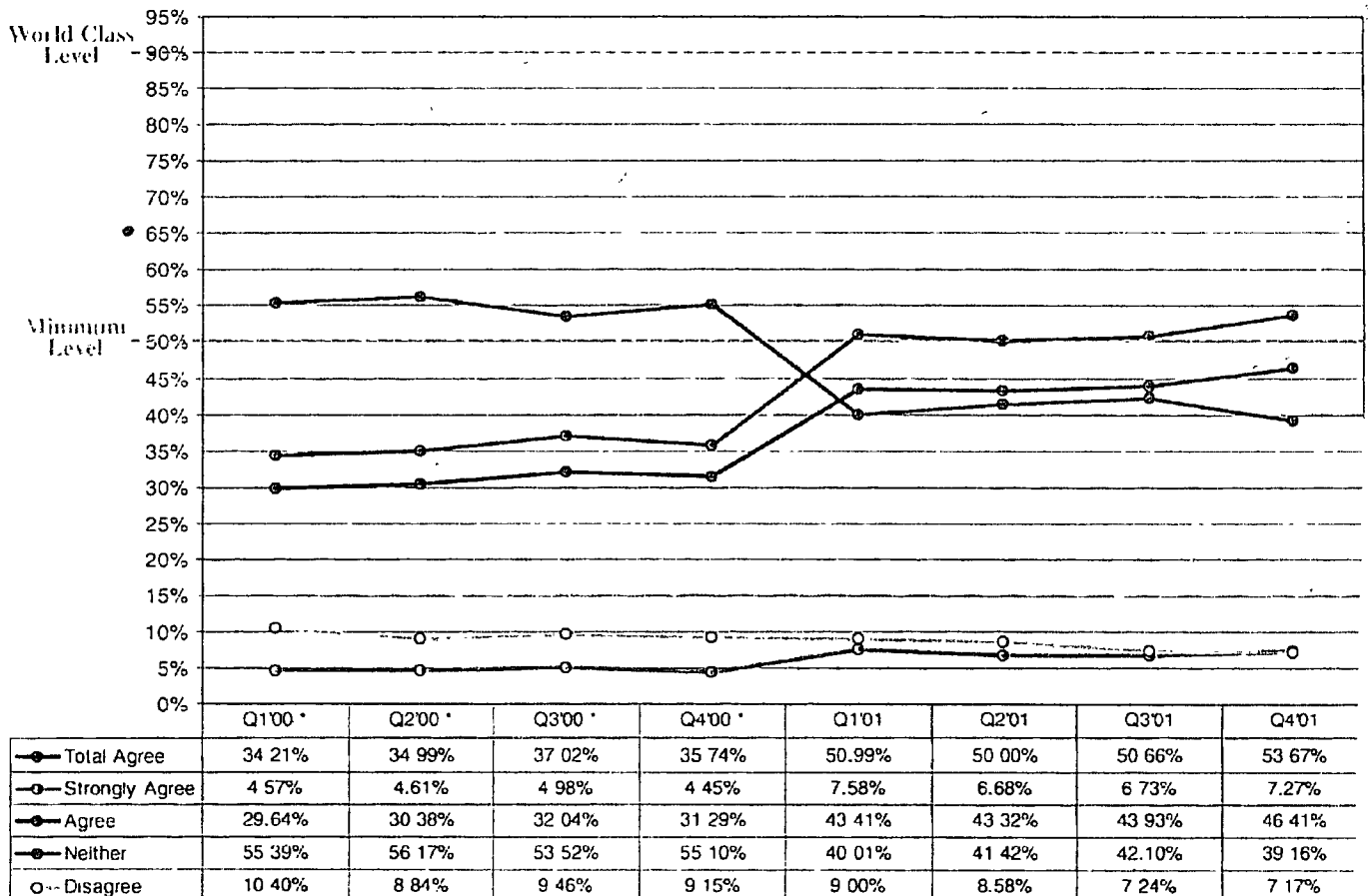
Satisfaction with the Overall Water Quality Rank

Region	Utility Subsidiary	Operations	Curr Qtr. Total Resp	Current Quarter Total Sat.	Prev Quarter Total Sat.	Curr / Prev Quarter Change	Year End 2001 Total Sat	2001 Target	Over/ Under Target	2002 Target	Year End Total Satisfaction Ranking		
											Rgn	Util Sub	Oper
American Water System			3893	75 63%	76 57%	(0.93%)	75 61%	74 10%	1 51%	79 51%			
IL-IA			363	81 01%	78 83%	2 18%	80 34%	76 24%	4 10%	81 99%	3		
	Illinois		245	81 63%	77 13%	4 50%	79 43%	75 48%	3 95%	81 17%		5	
		Eastern	65	87 55%	84 62%	2 93%	83 57%	77 06%	6 51%	84 86%			5
		Northern	91	80 91%	73 83%	7 08%	74 09%	69 77%	4 32%	76 43%			22
		Southern	89	77 90%	74 29%	3 61%	80 63%	78 49%	2 14%	82 24%			10
	Iowa	Iowa	118	78 61%	85 43%	(6.82%)	83 86%	79 13%	4 73%	85 15%		2	4
IN-MI-OH			497	74 16%	73 20%	0.96%	74 10%	73 20%	0 90%	78 46%	4		
	Indiana		364	74 22%	72 16%	2 06%	73 30%	73 86%	(0 56%)	78 49%		12	
		Central	85	78 68%	63 73%	14 95%	73 95%	72 67%	1 28%	79 70%			23
		Eastern	116	65 46%	70 69%	(5 23%)	70 39%	73 91%	(3 52%)	77 36%			27
		Northwest	82	87 80%	88 37%	(0 57%)	81 12%	79 52%	1 60%	84 49%			8
		Southern	81	62 87%	63 88%	(1 01%)	65 77%	72 82%	(7 04%)	74 38%			33
	Michigan	Michigan	59	74 58%	83 05%	(8 47%)	77 63%	74 19%	3 44%	80 67%		7	16
	Ohio	Ohio	74	73 73%	78 65%	(4 93%)	78 70%	74 01%	4 69%	81 21%		6	15
Missouri			422	83 40%	87 89%	(4 49%)	84 03%	76 73%	7 31%	84 17%	1	1	
		Central	104	83 61%	82 04%	1 56%	80 69%	63 11%	17 58%	81 19%			9
		Eastern	112	88 27%	96 25%	(7 98%)	90 81%	84 56%	6 25%	90 81%			1
		Southwestern	92	67 39%	62 77%	4 63%	66 39%	57 76%	8 62%	67 90%			32
		Western	114	53 47%	37 51%	15 36%	41 31%	27 01%	14 30%	44 71%			41
Northeast			933	72 74%	70 06%	2 68%	70 58%	71 65%	(1 07%)	75 55%	6		
	Connecticut	Connecticut	115	73 91%	76 00%	(2 09%)	75 91%	74 00%	1 91%	N/A		10	20
	Hampton	Hampton	1	100 00%	70 37%	29 63%	69 09%	70 31%	(1 22%)	N/A		17	31
	Long Island	Long Island	128	63 28%	56 62%	6 66%	59 84%	66 36%	(6 52%)	68 96%		21	36
	Massachusetts	Massachusetts	109	58 39%	66 38%	(8 0%)	61 07%	70 62%	(9 55%)	N/A		19	35
	New Jersey		487	74 62%	72 72%	1.90%	73 03%	73 69%	(0 66%)	77 71%		13	
		Central	84	58 93%	55 47%	3 46%	58 70%	68 42%	(9 72%)	67 79%			37
		Northeastern	88	72 73%	75 79%	(3 06%)	70 56%	73 89%	(3 33%)	76 35%			26
		Northwestern	103	74 15%	65 18%	8 97%	71 42%	70 63%	0 79%	76 99%			25
		Southeastern	100	76 00%	77 55%	(1 55%)	77 53%	79 82%	(2 29%)	81 54%			18
		Southwestern	112	81 25%	80 00%	1 25%	79 20%	77 37%	1 83%	82 79%			13
	New York	New York	91	68 13%	65 88%	2 25%	70 06%	76 91%	(6 85%)	N/A		15	29
	Salisbury	Salisbury	2	100 00%	75 61%	24 39%	63 36%	65 74%	(2 38%)	N/A		18	34
Pennsylvania			601	71 91%	72 58%	(0 67%)	71 65%	73 76%	(2 11%)	76 44%	5	14	
		Eastern	155	78 29%	73 40%	4 89%	72 67%	77 37%	(4 70%)	77 15%			24
		Northeast	112	47 48%	52 63%	(5 15%)	51 16%	57 33%	(6 17%)	62 76%			39
		Pittsburgh	109	79 82%	80 73%	(0 92%)	79 71%	77 05%	2 66%	82 08%			12
		Western	225	85 78%	85 76%	0 02%	85 34%	78 46%	6 88%	86 08%			3
Southeast			733	76 96%	83 27%	(6 31%)	80 82%	76 32%	4 50%	82 40%	2		
	Kentucky	Kentucky	95	70 53%	84 62%	(14 09%)	77 55%	73 98%	3 57%	79 96%		8	17
	Maryland	Maryland	77	77 92%	72 09%	5 83%	75 00%	73 09%	1 91%	77 88%		11	21
	Tennessee	Tennessee	79	83 54%	82 61%	0 94%	83 23%	78 38%	4 85%	84 61%		4	6
	Virginia	Virginia	67	70 25%	84 24%	(13 99%)	76 23%	70 07%	6 16%	78 88%		9	19
	W Virginia		415	80 31%	82 73%	(2 42%)	83 51%	78 91%	4 60%	84 62%		3	
		Central	102	80 02%	82 53%	(2 51%)	86 24%	81 97%	4 27%	86 24%			2
		Northern	94	83 37%	85 05%	(1 68%)	81 38%	80 72%	0 66%	82 75%			7
		Southern	108	83 20%	80 57%	2 63%	78 78%	76 91%	1 86%	80 47%			14
		Western	111	78 83%	84 06%	(5 23%)	80 33%	72 92%	7 41%	81 83%			11
Western			344	65 03%	64 30%	0 72%	61 65%	63 57%	(1 93%)	68 85%	7		
	Arizona	Arizona	44	54 55%	64 91%	(10 37%)	57 44%	60 30%	(2 85%)	65 77%		22	38
	California		208	65 33%	65 04%	0 29%	60 80%	62 66%	(1 86%)	68 22%		20	
		Central	115	46 09%	44 25%	1 34%	44 64%	55 69%	(11 05%)	54 75%			40
		Southern	93	76 40%	77 01%	(0 61%)	70 10%	66 88%	3 22%	75 15%			28
	New Mexico	New Mexico	92	66 30%	58 33%	7 97%	69 77%	73 13%	(3 36%)	74 96%		16	30

Agreement that American Water System is a leader in the Water Industry



Leader in Water Industry Overall Trend

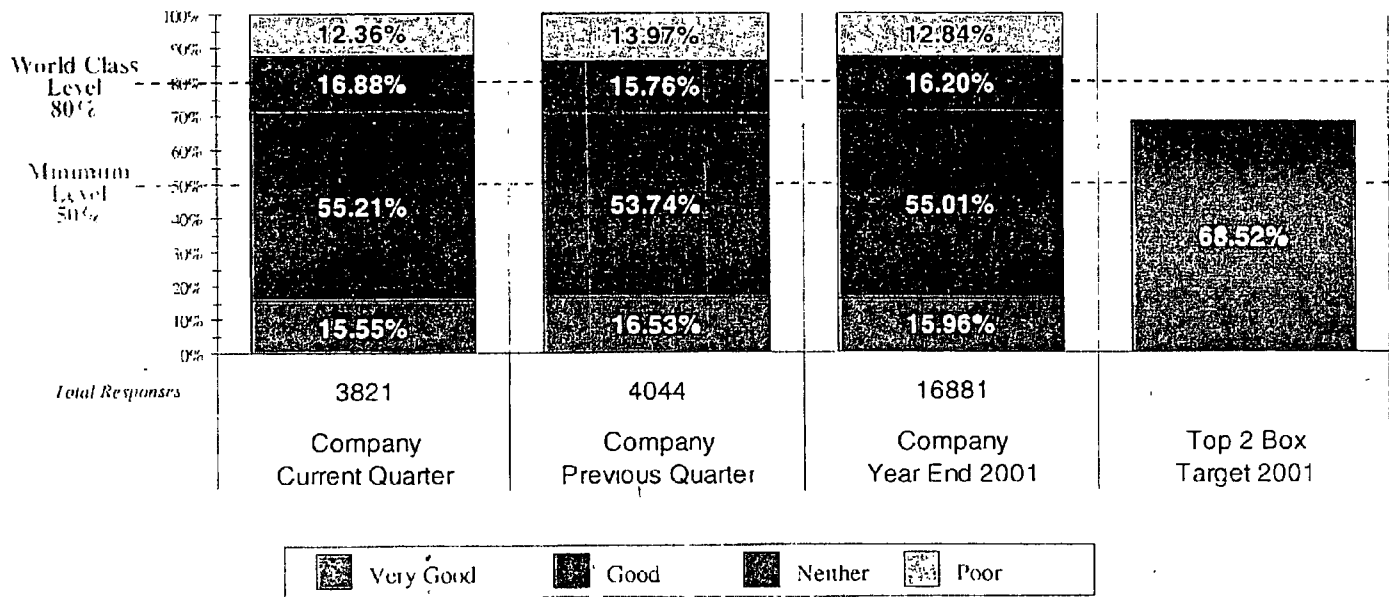


* Results not weighted

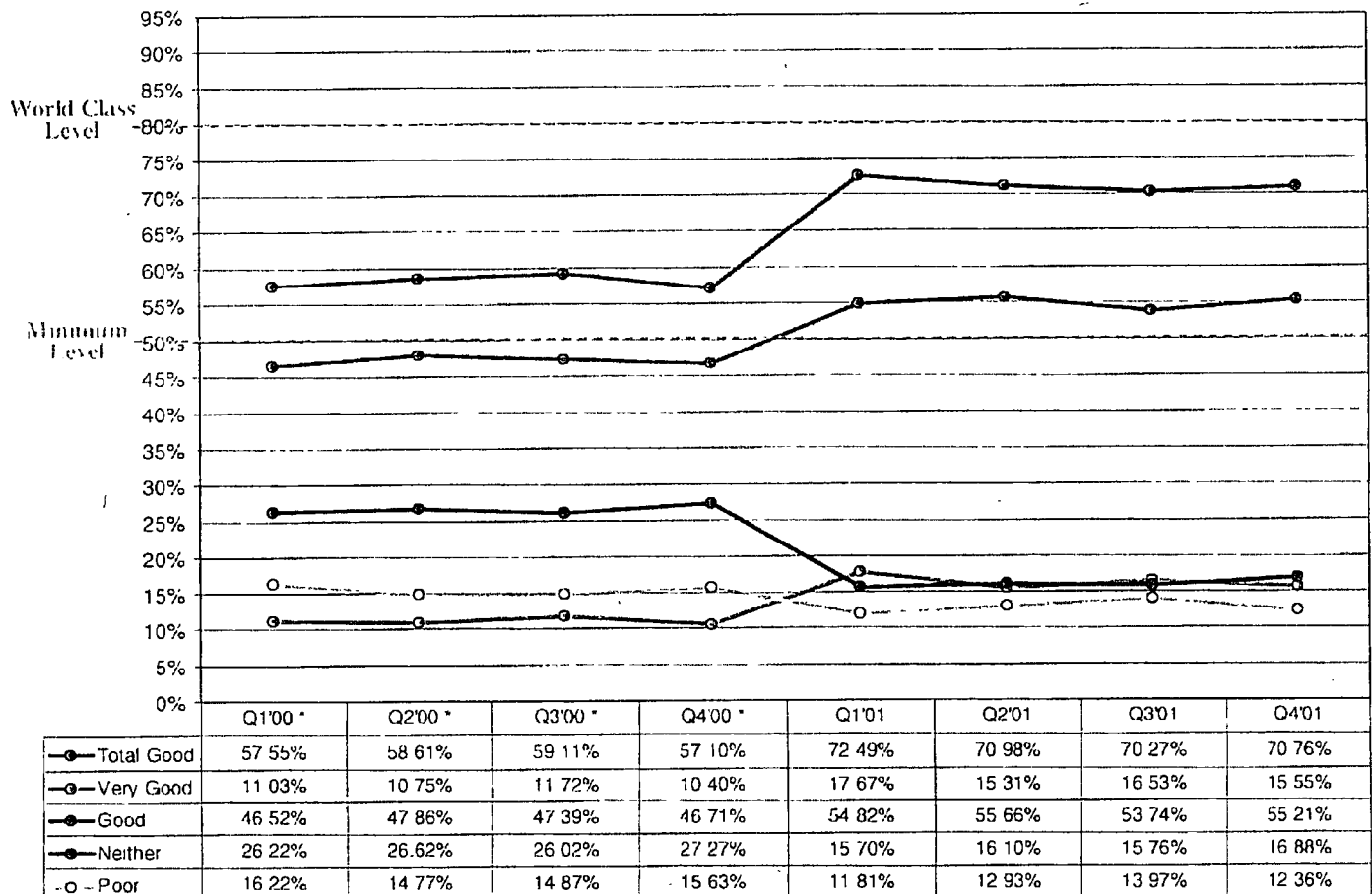
Agreement that American Water System is a leader in the Water Industry

Region	Utility Subsidiary	Operations	Curr Qtr. Total Resp.	Current Quarter Total Agr	Prev Quarter Total Agr	Curr. / Prev. Change	Year End 2001 Total Agr	2001 Target	Over/ Under Target	2002 Target	Year End Total Agreement Ranking		
American Water System			3625	53 67%	50 66%	3 01%	50 78%	48 88%	1 90%	58 78%	Rgn	Util Sub	Oper
IL-IA			339	62 48%	54 31%	8 17%	55 09%	53 08%	2 01%	62 46%	2		
	Illinois		223	62 26%	52 52%	9 73%	54 55%	53 13%	1 41%	62 19%		4	
		Eastern	56	63 34%	46 02%	17 32%	42 37%	40 70%	1 67%	59 77%			24
		Northern	85	63 87%	56 01%	7 86%	55 37%	55 22%	0 14%	64 03%			13
		Southern	82	60 20%	54 51%	5 69%	62 77%	56 20%	6 57%	66 97%			6
	Iowa	Iowa	116	63 32%	61 21%	2 11%	57 18%	51 28%	5 90%	63 51%		3	9
IN-MI-OH			464	47 99%	43 39%	4 60%	45 84%	44 88%	0 96%	54 70%	5		
	Indiana		336	47 68%	41 07%	6 61%	44 58%	44 76%	(0 18%)	53 91%		12	
		Central	76	44 55%	31 07%	13 48%	39 26%	45 32%	(6 06%)	51 39%			28
		Eastern	104	43 44%	41 81%	1 63%	42 25%	44 64%	(2 39%)	53 03%			25
		Northwest	78	55 13%	55 56%	(0 43%)	56 87%	45 83%	11 04%	62 26%			11
		Southern	78	49 56%	33 74%	15 82%	38 86%	45 33%	(6 48%)	51 17%			31
	Michigan	Michigan	56	44 64%	49 12%	(4 48%)	45 45%	43 83%	1 62%	54 46%		11	20
	Ohio	Ohio	72	50 19%	57 08%	(6 89%)	53 61%	45 85%	7 75%	59 81%		5	14
Missouri	Missouri		392	55 55%	44 06%	11 49%	51 49%	49 46%	2 03%	59 38%	4	8	
		Central	99	46 78%	39 25%	7 53%	43 53%	35 07%	8 46%	54 42%			22
		Eastern	104	59 03%	45 92%	13 11%	55 82%	53 04%	2 78%	63 49%			12
		Southwestern	90	46 67%	45 56%	1 11%	40 53%	45 56%	(5 03%)	52 42%			27
		Western	99	36 07%	30 42%	5 65%	26 11%	20 93%	5 18%	45 23%			41
Northeast			849	47 14%	44 34%	2 79%	45 39%	45 66%	(0 26%)	54 34%	6		
	Connecticut	Connecticut	97	31 96%	34 78%	(2 82%)	35 80%	40 78%	(4 98%)	N/A		17	34
	Hampton	Hampton	1	100 00%	40 00%	60 00%	41 96%	41 74%	0 22%	N/A		13	26
	Long Island	Long Island	123	38 21%	39 84%	(1 63%)	39 07%	43 82%	(4 75%)	49 05%		14	30
	Massachusetts	Massachusetts	98	25 78%	32 65%	(6 87%)	27 64%	40 77%	(13 13%)	N/A		22	39
	New Jersey		445	50 26%	47 23%	3 03%	48 85%	46 37%	2 48%	56 83%		10	
		Central	75	40 14%	31 90%	8 24%	37 95%	44 36%	(6 41%)	49 96%			32
		Northeastern	75	56 00%	44 57%	11 43%	46 99%	45 79%	1 20%	55 58%			19
		Northwestern	95	37 50%	42 21%	(4 71%)	43 23%	43 75%	(0 52%)	53 15%			23
		Southeastern	94	42 55%	41 11%	1 44%	47 37%	46 20%	1 17%	55 84%			17
		Southwestern	106	64 15%	62 65%	1 50%	60 21%	49 43%	10 78%	64 87%			7
	New York	New York	83	38 55%	32 89%	5 66%	37 82%	42 47%	(4 65%)	N/A		16	33
	Salisbury	Salisbury	2	50 00%	32 50%	17 50%	28 68%	39 71%	(11 03%)	N/A		20	37
Pennsylvania	Pennsylvania		574	55 98%	56 76%	(0 78%)	52 18%	51 98%	0 20%	59 96%	3	7	
		Eastern	147	48 27%	49 02%	(0 74%)	47 15%	53 23%	(6 08%)	57 72%			18
		Northeast	106	50 54%	57 64%	(7 10%)	39 17%	50 93%	(11 76%)	54 61%			29
		Pittsburgh	108	55 56%	58 82%	(3 27%)	57 03%	52 80%	4 23%	62 27%			10
		Western	213	68 06%	59 94%	8 13%	65 46%	54 35%	11 11%	66 50%			3
Southeast			689	59 14%	63 00%	(3 87%)	59 47%	56 59%	2 88%	66 30%	1		
	Kentucky	Kentucky	93	55 91%	65 52%	(9 60%)	53 48%	53 95%	(0 47%)	63 03%		6	15
	Maryland	Maryland	70	32 86%	35 90%	(3 04%)	35 22%	49 49%	(14 27%)	51 80%		18	35
	Tennessee	Tennessee	74	60 81%	70 00%	(9 19%)	69 76%	64 65%	5 11%	75 05%		1	2
	Virginia	Virginia	64	33 62%	43 67%	(10 05%)	34 81%	49 92%	(15 11%)	51 60%		19	36
	W Virginia		388	69 74%	65 62%	4 12%	67 66%	61 79%	5 87%	73 45%		2	
		Central	95	80 93%	66 47%	14 45%	72 97%	64 14%	8 83%	77 72%			1
		Northern	89	62 13%	68 77%	(6 63%)	62 90%	64 16%	(1 26%)	69 68%			5
		Southern	99	62 87%	65 19%	(2 32%)	63 63%	63 35%	0 28%	70 24%			4
		Western	105	49 26%	63 40%	(14 14%)	58 57%	55 58%	2 99%	66 31%			8
Western			318	40 34%	42 07%	(1 73%)	38 89%	42 52%	(3 63%)	49 34%	7		
	Arizona	Arizona	42	33 33%	25 49%	7 84%	27 84%	40 11%	(12 27%)	38 97%		21	38
	California		188	39 27%	43 57%	(4 30%)	37 85%	42 35%	(4 50%)	48 58%		15	
		Central	99	27 27%	29 46%	(2 19%)	27 53%	40 89%	(13 36%)	46 71%			40
		Southern	89	46 17%	51 69%	(5 52%)	43 78%	41 24%	2 54%	50 51%			21
	New Mexico	New Mexico	88	51 14%	36 11%	15 03%	50 90%	45 24%	5 66%	57 00%		9	16

Overall Utility Value Rating



Overall Utility Value Trend

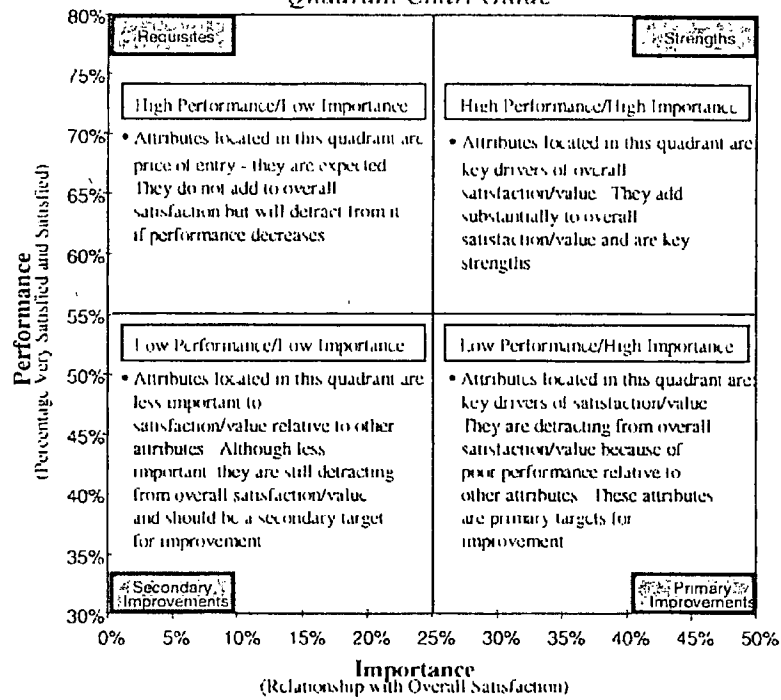


* Results not weighted

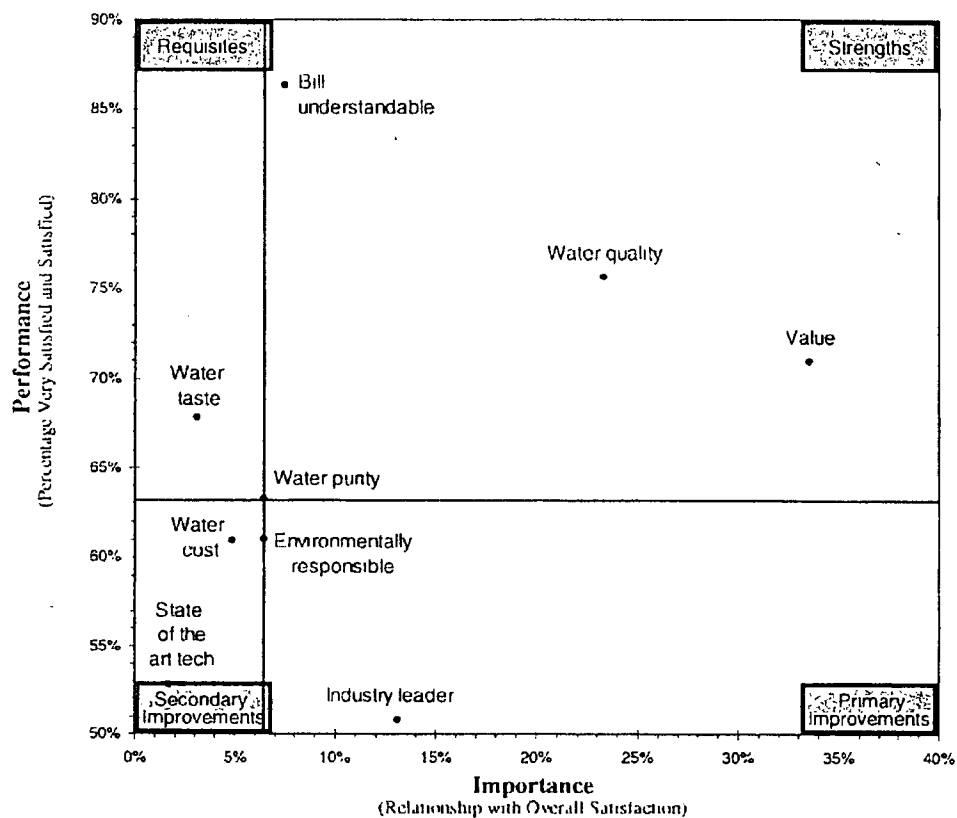
Overall Utility Value Rating

Region	Utility	Operations	Curr. Qtr. Total Resp	Current Quarter Total Good	Prev. Quarter Total Good	Curr / Prev. Quarter Change	Year End 2001 Total Good	2001 Target	Over/Under Target	2002 Target	Year End Total Good Ranking	Rgn	Util Sub	Oper
American Water System			3821	70.76%	70.27%	0.49%	70.97%	68.52%	2.45%	75.67%				
IL-IA	Illinois		366	75.77%	76.71%	(0.94%)	75.30%	71.26%	4.05%	79.12%	3			
		Eastern	247	76.07%	77.60%	(1.53%)	75.52%	71.44%	4.08%	79.31%		4		
		Northern	66	71.31%	74.54%	(3.24%)	74.08%	69.90%	4.18%	78.44%				11
		Southern	91	76.09%	78.89%	(2.79%)	73.67%	68.11%	5.57%	78.09%				12
	Iowa	Iowa	90	79.52%	78.82%	0.71%	78.02%	76.24%	1.78%	81.77%				5
			119	74.61%	73.26%	1.36%	74.48%	70.59%	3.89%	78.40%			6	8
IN-MI-OH	Indiana		484	65.34%	67.09%	(1.75%)	69.36%	65.26%	4.09%	74.32%	5			
		Central	353	66.92%	66.39%	0.52%	69.69%	65.42%	4.28%	74.60%		9		
		Eastern	82	67.60%	64.62%	2.98%	72.02%	66.71%	5.31%	77.25%				18
		Northwest	111	65.46%	65.94%	(0.48%)	70.95%	65.01%	5.94%	76.37%				21
		Southern	80	70.00%	72.09%	(2.09%)	71.77%	70.69%	1.08%	77.04%				19
	Michigan	Michigan	80	63.84%	61.38%	2.46%	60.16%	61.68%	(1.52%)	67.63%				29
	Ohio	Ohio	57	56.14%	58.93%	(2.79%)	55.41%	66.60%	(11.19%)	63.00%		18		34
			74	56.54%	72.13%	(15.59%)	68.56%	64.20%	4.36%	73.66%		13		26
Missouri	Missouri		410	76.07%	75.61%	0.46%	75.90%	71.78%	4.12%	78.90%	2	3		
		Central	102	72.03%	76.78%	(4.75%)	74.40%	64.08%	10.32%	80.19%				9
		Eastern	111	79.81%	79.60%	0.21%	80.85%	80.19%	0.66%	85.00%				3
		Southwestern	90	67.78%	75.00%	(7.22%)	70.45%	63.93%	6.52%	77.26%				23
		Western	107	52.49%	44.17%	8.32%	40.39%	48.34%	(7.94%)	52.69%				39
Northeast			904	64.77%	62.60%	2.16%	63.78%	63.21%	0.57%	69.68%	7			
	Connecticut	Connecticut	107	55.14%	55.21%	(0.07%)	57.38%	58.59%	(1.21%)	N/A		17		33
	Hampton	Hampton	1	100.00%	67.92%	32.08%	72.05%	56.66%	15.39%	N/A		8		17
	Long Island	Long Island	124	54.03%	57.78%	(3.75%)	59.83%	62.68%	(2.85%)	66.13%		16		31
	Massachusetts	Massachusetts	106	30.44%	39.68%	(9.24%)	33.08%	48.68%	(15.60%)	N/A		22		41
	New Jersey		478	69.15%	65.70%	3.45%	67.05%	65.04%	2.02%	72.67%		14		
		Central	82	47.63%	41.03%	6.60%	48.46%	57.99%	(9.53%)	58.44%				38
		Northeastern	85	74.12%	82.47%	(8.36%)	73.45%	67.25%	6.20%	78.98%				14
		Northwestern	101	78.96%	67.69%	11.27%	70.89%	67.45%	3.44%	76.78%				22
		Southeastern	100	58.00%	52.69%	5.31%	58.15%	62.99%	(4.84%)	66.09%				32
		Southwestern	110	68.18%	62.92%	5.26%	68.19%	68.54%	(0.35%)	74.48%				27
	New York	New York	86	53.49%	53.01%	0.48%	52.57%	56.90%	(4.33%)	N/A		20		36
	Salisbury	Salisbury	2	50.00%	43.90%	6.10%	36.15%	44.00%	(7.85%)	N/A		21		40
Pennsylvania	Pennsylvania		598	73.18%	67.91%	5.27%	69.53%	67.73%	1.80%	74.53%	4	10		
		Eastern	156	78.78%	76.32%	2.46%	74.36%	70.54%	3.82%	77.83%				10
		Northeast	107	58.34%	45.40%	12.94%	50.93%	56.12%	(5.18%)	60.55%				37
		Pittsburgh	110	70.91%	77.06%	(6.16%)	72.64%	70.44%	2.20%	76.65%				16
		Western	225	86.64%	77.08%	9.56%	82.73%	74.16%	8.57%	83.64%				1
Southeast			718	71.71%	77.59%	(5.88%)	76.78%	74.23%	2.55%	80.30%	1			
	Kentucky	Kentucky	95	73.68%	79.78%	(6.09%)	78.89%	75.23%	3.66%	82.39%		2		4
	Maryland	Maryland	74	48.65%	65.85%	(17.21%)	55.30%	57.82%	(2.52%)	62.45%		19		35
	Tennessee	Tennessee	76	77.63%	71.01%	6.62%	80.91%	77.20%	3.71%	83.88%		1		2
	Virginia	Virginia	65	62.99%	81.04%	(18.05%)	73.44%	66.96%	6.48%	77.91%		7		15
	W Virginia		408	71.46%	78.32%	(6.86%)	75.39%	75.17%	0.22%	79.72%		5		
		Central	101	69.97%	83.06%	(13.09%)	77.57%	77.14%	0.43%	81.21%				6
		Northern	93	78.63%	70.30%	8.33%	74.71%	77.06%	(2.34%)	79.14%				7
		Southern	105	83.09%	73.87%	9.22%	73.67%	77.27%	(3.61%)	78.54%				13
		Western	109	67.06%	71.31%	(4.25%)	71.51%	67.23%	4.28%	76.40%				20
Western			341	65.11%	63.69%	1.41%	65.33%	60.52%	4.81%	70.96%	6			
	Arizona	Arizona	45	73.33%	67.27%	6.06%	69.43%	61.49%	7.94%	75.00%		11		24
	California		204	65.00%	63.97%	1.03%	64.63%	60.35%	4.28%	70.61%		15		
		Central	111	59.46%	57.66%	1.80%	60.04%	57.65%	2.39%	67.58%				30
		Southern	93	68.20%	67.61%	0.59%	67.27%	61.28%	5.99%	72.38%				28
	New Mexico	New Mexico	92	63.04%	60.27%	2.77%	69.36%	65.97%	3.39%	74.94%		12		25

Quadrant Chart Guide



Satisfaction with American Water System Overall



**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

- 25 Q PROVIDE A SCHEDULE BY MONTH, FROM JANUARY, 2002 THROUGH SEPTEMBER 2004, IDENTIFYING THE AMOUNT AND PERCENTAGE OF TOTAL PAYROLL CHARGED TO NON-UTILITY OR UNREGULATED OPERATIONS BY THE COMPANY.

Response:

A.

Tennessee American Water
Question 25

	Payroll charged	Total Payroll	%of payroll
2002			
JANUARY	0	0	0 0000%
FEBRUARY	0	0	0 0000%
MARCH	1478 16	553723 78	0 2669%
APRIL	280 83	442449 02	0 0635%
MAY	1027 72	588459 2	0 1746%
JUNE	142 78	447042 17	0 0319%
JULY	211 38	434754 19	0 0486%
AUGUST	592 26	528383 1	0 1121%
SEPTEMBER	363 66	445137 13	0 0817%
OCTOBER	574 2	446831 89	0 1285%
NOVEMBER	0	0	0 0000%
DECEMBER	183 73	476860 05	0 0385%
Total	4854 72		

	Payroll charged	Total Pyaroll	%of payroll
2003			
JANUARY	329 91	439213 86	0 0751%
FEBRUARY	786 63	450480 08	0 1746%
MARCH	446 94	441693 15	0 1012%
APRIL	448 58	443982 82	0 1010%
MAY	0	0	0 0000%
JUNE	450 92	448093 23	0 1006%
JULY	1196 44	438001 18	0 2732%
AUGUST	509 46	751730 32	0 0678%
SEPTEMBER	2132 39	452118 91	0 4716%
OCTOBER	998 09	650653 25	0 1534%
NOVEMBER	1049 26	435198 18	0 2411%
DECEMBER	919 26	427254 87	0 2152%
Total	9267 88		

**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

2004	Payroll charged	Total Payroll	%of payroll
JANUARY	15672 17	421556 06	3 7177%
FEBRUARY	10220 17	408772 62	2 5002%
MARCH	14609 22	461353 6	3 1666%
APRIL	10006 5	619996 31	1 6140%
MAY	5026 83	401559 06	1 2518%
JUNE	16491 26	409854 22	4 0237%
JULY	10053 66	407044 61	2 4699%
AUGUST	10611 66	456904 44	2 3225%
SEPTEMBER	878 04	719318 68	0 1221%
OCTOBER	0	0	
NOVEMBER	0	0	
DECEMBER	0	0	
Total	93569 51		

**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

- 36 Q. PROVIDE A COPY OF THE "LEAST/COST COMPREHENSIVE PLANNING STUDY" FOR THE LAST THREE YEARS AS REFERENCED ON PAGE 4 OF MR. WATSON'S TESTIMONY.

Response:

- A. The requested document will be made available for review at the law office of Bass, Berry and Sims under a protective order

**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

REVISED

14 Q PROVIDE THE HOURLY PAY RATE BY COMPANY EMPLOYEE
(UNION, NON-UNION AND SALARY) AS OF SEPTEMBER 30, 2004.

Response:

A. Please see attached schedule. A column has been added that identifies the positions and employees by the departments that are listed in the response to question 12.

Name	Hourly Rate	Department	Job Title	Non-Union Union
Harvey, Robbie G	18 71 A&G		CAD Drafter	U Union
Dalton, Kimberly M	23 946 A&G		Communication & CSR Specialist	N Non-Union
Ledford, Sandra C	18 67 A&G		Engineering Clerk	U Union
Tucker, Shirley A	18 67 A&G		Engineering Clerk	U Union
Wortham, Deborah S	18 67 A&G		Engineering Clerk	U Union
Scealf, Virginia B	25 311 A&G		Executive Assistant	N Non-Union
Bartley, Rachel M	41 691 A&G		Network Operations Supervisor	N Non-Union
Cummings, Pamela B	34 531 A&G		Network Operations Supervisor	N Non-Union
Morrison, Leah T	26 341 A&G		Network Operations Supervisor	N Non-Union
Norwood, R Gary	29 646 A&G		Network Operations Supervisor	N Non-Union
Bishop, Monty L	45 043 A&G		Network Superintendent	N Non-Union
Taylor, Randal D	36 015 A&G		Project Manager	N Non-Union
Griffith, Vicki L	19 253 A&G		Sr Secretary	N Non-Union
Eady, R Glenn	20 27 COM		Field Service Person	U Union
Robinson, C Greg	20 27 COM		Field Service Person	U Union
Hays, Karen Denise	20 27 COM		Field Service Records Speciali	U Union
Kelley, Myra V	20 27 COM		Field Service Records Speciali	U Union
Satterfield, L Donette	20 27 COM		Field Service Records Speciali	U Union
Steed, Cynthia A	20 27 COM		Field Service Records Speciali	U Union
Tawater, Melanie R	20 27 COM		Field Service Records Speciali	U Union
Williams, Faye J	20 27 COM		Field Service Records Speciali	U Union
Blevins, Timothy B	20 27 COM		Field Service Records Speciali	U Union
Burrell, Dale R	20 27 COM		Field Services Representative	U Union
Chrnalogar, Adam D	20 27 COM		Field Services Representative	U Union
Gamble, Robert A	20 27 COM		Field Services Representative	U Union
Ha, Jason T	20 27 COM		Field Services Representative	U Union
O'Donnell, William T	20 27 COM		Field Services Representative	U Union
Seebeck, Jurgen Jr D	20 27 COM		Field Services Representative	U Union
Skiles, Rick J	20 27 COM		Field Services Representative	U Union
Davis, Bennie J	19 93 COM		Meter Reader	U Union
Hayes, Truman R	19 93 COM		Meter Reader	U Union
Johnson, Edward L	19 93 COM		Meter Reader	U Union
Melton, Brenda H	19 93 COM		Meter Reader	U Union
Keith, Van E	19 93 COM		Meter Reader	U Union

Lee, Ronald J	19 93 COM	Meter Repairer	U	Union
Baggett, James L	20 09 COM	On & Off Man	U	Union
Hicks Jr, Worn	20 09 COM	On & Off Man	U	Union
Springs, James P	20 09 COM	On & Off Man	U	Union
Bachus, V Lori	25 407 COM	Operations Spec-Cross Connecti	N	Non-Union
Turley, D Mark	26 341 COM	Operations Specialist	N	Non-Union
Hannah, Jayne F	42 337 COM	Operations Superintendent	N	Non-Union
Edwards, Katherine	18 67 COM	Outside Commercial Clerk	U	Union
Highsmith, Kevin B	26 341 DIST	Network Operations Supervisor	N	Non-Union
Bennette, Michael J	31 034 DIST	Network Operations Supervisor	N	Non-Union
Haddock, Gerald	26 72 DIST	Network Operations Supervisor	N	Non-Union
Schleiser, Ronald	33 52 DIST	Network Operations Supervisor	N	Non-Union
Bennington, Loyell	29 21 DIST	Network Operations Supervisor	N	Non-Union
Hughes, Jane B	18 67 DIST	Network Operations Supervisor	N	Non-Union
Russell, Linda H	18 67 DIST	Distribution Clerk	U	Union
Derryberry, Jack S	20 01 DIST	Distribution Clerk	U	Union
Grace, Renee R	20 01 DIST	Heavy Equipment Operator	U	Union
Harris, Edward D	20 01 DIST	Heavy Equipment Operator	U	Union
Hughes Jr, James T	20 01 DIST	Heavy Equipment Operator	U	Union
Martin, Tolly E	20 01 DIST	Heavy Equipment Operator	U	Union
Walden, Herman F	20 01 DIST	Heavy Equipment Operator	U	Union
Autry, Freddie L	19 85 DIST	Truck Driver/Utility Worker	U	Union
Blevins, Marvin R	19 85 DIST	Truck Driver/Utility Worker	U	Union
Borders, Stephen A	19 85 DIST	Truck Driver/Utility Worker	U	Union
Collins, Steven L	19 85 DIST	Truck Driver/Utility Worker	U	Union
Crane, Scott E	19 85 DIST	Truck Driver/Utility Worker	U	Union
Hays, Chris L	19 85 DIST	Truck Driver/Utility Worker	U	Union
Hughes, Kendall W	19 85 DIST	Truck Driver/Utility Worker	U	Union
Jenkins, Sammy R	19 85 DIST	Truck Driver/Utility Worker	U	Union
Matthews, Larry H	19 85 DIST	Truck Driver/Utility Worker	U	Union
Moses, Michael S	19 85 DIST	Truck Driver/Utility Worker	U	Union
Portwood, Travis E	19 85 DIST	Truck Driver/Utility Worker	U	Union
Stanley, Ralph J	19 85 DIST	Truck Driver/Utility Worker	U	Union
Stephens, Ricky E	19 85 DIST	Truck Driver/Utility Worker	U	Union
Taylor, Morris	19 85 DIST	Truck Driver/Utility Worker	U	Union
Walker, Melvin B	19 85 DIST	Truck Driver/Utility Worker	U	Union
Wilson Jr, V Keith	19 85 DIST	Truck Driver/Utility Worker	U	Union

Bowling, Stanley E	19 85 DIST	Truck Driver/Utility Worker	U	Union	
Crutchfield, Patrick W	19 85 DIST	Truck Driver/Utility Worker	U	Union	
Thompson Jr, Carvey L	19 85 DIST	Truck Driver/Utility Worker	U	Union	32
Banks, Kathleen A	25 934 PROD	Lab Analyst	N	Non-Union	
Holmes, Susan	37 93 PROD	Lab Supervisor	N	Non-Union	
Upshaw, Barbara J	18 63 PROD	Laboratory Worker	U	Union	
Butcher, Judith D	18 63 PROD	Laborer	U	Union	
Camp, Debbie H	19 98 PROD	Laborer/Relief Process Tech	U	Union	
Hutsell, Charlotte A	19 98 PROD	Laborer/Relief Process Tech	U	Union	
Scruggs, Arthur L	19 98 PROD	Laborer/Relief Process Tech	U	Union	
Blackburn, Spence	21 83 PROD	Maintenance Mechanic	U	Union	
Coates, J David	21 83 PROD	Maintenance Mechanic	U	Union	
Cooke, Jack B	21 83 PROD	Maintenance Mechanic	U	Union	
Weathers, Edward E	21 83 PROD	Maintenance Mechanic	U	Union	
Betty, Steven W	22 66 PROD	Master M Mechanic	U	Union	
Shadrack, Mark H	22 66 PROD	Master M Mechanic	U	Union	
Vaughn, Freddie B	22 66 PROD	Master M Mechanic	U	Union	
Cordell, Terry L	22 82 PROD	Process Technician	U	Union	
Odmann, Gary S	22 82 PROD	Process Technician	U	Union	
Worrell, David T	22 82 PROD	Process Technician	U	Union	
Pitman, Benjamin J	22 82 PROD	Process Technician	U	Union	
Vaughn, Dianna L	18 67 PROD	Production Clerk	U	Union	
Bratcher, Neil F	27 466 PROD	Production Supervisor	N	Non-Union	
Zinnanti, Mark J	37 692 PROD	Production Supervisor	N	Non-Union	21

**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

REVISED

- 21 Q FOR ALL NARUC OR FERC ACCOUNTS 601 THROUGH 675, SHOW THE GROSS AND NET EXPENSE AFTER DEDUCTING SALARIES AND WAGES, BY ACCOUNT, BY MONTH FOR THE TWENTY-FOUR MONTHS ENDED SEPTEMBER 30, 2004 AND FOR THE ATTRITION YEAR ENDED DECEMBER 31, 2005

Response:

- A Please refer to attached schedules.
B The Company does not do a monthly projection of each NARUC account for the attrition year information since a rate proceeding is done on an annual basis

DOCKET NO 04-00288
OCA - QUESTION 21

TENNESSEE AMERICAN WATER
NARUC ACCOUNTS 601 TO 675
GROSS & NET EXPENSES AFTER SALARIES AND WAGES BY ACCOUNT

	OCTOBER 2002	NOVEMBER 2002	DECEMBER 2002	JANUARY 2003	FEBRUARY 2003	MARCH 2003	APRIL 2003	MAY 2003	JUNE 2003	JULY 2003	AUGUST 2003	SEPTEMBER 2003
601 1	90,554	88,541	89,896	76,691	86,512	3,555	3,555	47,032	134,987	86,370	89,566	88,740
601 3	5,636	5,636	5,887	5,636	5,636			2,931	5,862	2,931	5,862	5,862
601 5	96,437	80,652	84,621	69,140	82,252	80,929	79,943	88,660	132,368	77,377	66,406	77,270
601 6	77,453	76,488	84,626	74,487	80,187	65,270	57,765	63,843	86,780	61,184	64,507	72,012
601 7	39,758	40,688	44,623	36,040	31,929	38,370	38,166	38,105	60,982	41,749	46,128	37,276
601 8	141,112	125,833	78,340	27,748	184,743	298,263	202,123	156,661	86,729	79,570	121,545	161,187
SALARIES & WAGES	450,950	417,838	387,993	289,742	471,259	486,387	381,552	397,232	507,708	349,181	394,014	442,347
604 3			122									
604 4			75									
604 5						529	50			(529)		
604 8	207,752	149,880	202,564	143,187	182,948	326,432	183,459	250,447	201,139	205,910	129,886	210,260
610 1	3,499	1,646	1,081	1,011	1,177	1,214	2,021	55	76	125	427	3,213
615 1	130,299	113,740	114,257	132,960	118,988	128,924	112,157	120,978	117,652	123,934	126,672	134,641
615 5	13	13	13	13	13	13	13	14	14	14	13	13
616 1		273				529	772					
618 3	62,221	62,193	75,075	47,247	55,936	72,663	54,525	62,497	70,693	64,656	62,596	69,261
620 2	16,038	8,461	4,960	(6,837)	7,503	10,233	10,349	20,589	16,706	6,935	20,037	14,206
620 3	2,340	1,462	1,788	2,485	2,109	2,201	752	2,518	262	2,693	3,308	39,963
620 4	10,038	2,210	754	612	332	791	464	332	1,122	666	1,684	332
620 5	9,051	2,903	1,170	3,232	2,882	2,926	1,462	1,927	1,820	4,093	307	18,024
620 6	35,769	43,288	29,100	19,652	40,568	60,085	34,467	31,890	42,813	18,666	33,774	42,783
620 7	1,934	494	2,708	1,674	2,060	2,553	92	984	1,487	2,514	2,777	232
620 8	528	66	481	399	425	4,410	509	1,229	135	377	301	156
632 7												
632 8	1,167	1,167	1,167	1,167	1,226	1,226		2,451	1,226	6,952	1,226	1,226
633 8	(355)	16,922	4,241	724	6,693	3,381	10,318	(10,875)	1,601	162		373
634 3	9,439	7,782	7,446	7,832	7,472	8,332	11,614	8,768	8,077	8,529	7,784	7,911
634 7	931	4,252	2,477	53,413	(11,872)	803	280	20	(214)	221	90	1,270
634 8	124,785	106,516	111,143	143,118	131,095	183,853	167,216	167,444	185,775	189,505	216,905	181,235
635 3	4,109	2,304	500	12,233	(11,059)	3,148	1,245	1,832	8,217	7,007	7,202	5,088
635 4	1,263	1,274	1,274	12	1,313		2,438	1,313	1,313	1,274	1,313	12,912
635 5	8,567	5,597	6,864	19,147	6,861	9,655	5,618	6,858	11,475	8,367	7,730	11,060
635 6		382	261	262	584							
635 7	12,382	7,096	13,163	5,275	3,351	14,262	4,117	4,019	15,409	16,080	8,965	11,490
635 8	4,039	3,950	2,210	2,210	5,811	1,666	6,297	4,218	890	3,413	3,913	2,699

[illegible]

TENNESSEE AMERICAN WATER
NARUC ACCOUNTS 601 TO 675
GROSS & NET EXPENSES AFTER SALARIES AND WAGES BY ACCOUNT

	OCTOBER 2003	NOVEMBER 2003	DECEMBER 2003	JANUARY 2004	FEBRUARY 2004	MARCH 2004	APRIL 2004	MAY 2004	JUNE 2004	JULY 2004	AUGUST 2004	SEPTEMBER 2004
601 1	85,815	93,618	99,689	149,558	94,241	141,915	96,547	48,029	145,390	96,152	94,120	83,158
601 3	7,606											
601 5	61,277	34,710	42,562	51,896	23,823	40,984	31,919	16,398	49,776	32,192	28,923	33,907
601 6	68,580	65,384	73,332	98,471	65,040	73,998	45,500	22,674	77,862	49,947	45,877	44,179
601 7	19,592	18,630	20,637	33,434	17,465	28,252	16,646	7,946	32,085	18,516	16,004	11,511
601 8	132,171	88,850	90,031	44,937	174,386	118,433	141,689	233,212	88,889	127,318	160,180	175,993
SALARIES & WAGES	375,041	301,192	326,251	378,296	374,955	403,582	332,301	328,259	394,002	324,121	345,104	348,748
604 3												
604 4												
604 5												
604 8	204,823	180,828	237,171	196,836	204,089	171,533	192,837	221,363	166,438	203,467	104,614	178,937
610 1	2,608	3,083	1,753	3,438	2,941	3,030	(252)	232	675	1,513	1,325	2,036
615 1	140,012	134,899	160,078	96,520	129,103	122,891	118,488	129,392	127,639	142,323	144,448	142,606
615 5		13		27	30	35	29	22	25	14	14	14
616 1		354	520	(520)				33,873	(3,322)	9,613	4,687	(14,236)
618 3	53,852	53,749	76,800	40,047	52,869	62,288	55,058	58,447	69,431	67,247	59,372	66,742
620 2	11,547	13,655	68,082	(51,172)	7,152	6,739	13,928	18,440	6,587	11,782	21,470	10,737
620 3	5,903	1,958		5,696	1,911	2,384	1,820	1,287	2,323	2,211	50,552	(3,189)
620 4	27,382	592		1,761	664	600	600	745	571	628	26,598	(4,804)
620 5	2,989	1,711		3,850	5,693	2,100	1,430	3,377	4,049	1,220	2,873	1,229
620 6	26,305	15,598		21,184	28,830	36,689	22,531	25,985	19,662	14,393	21,083	27,687
620 7	1,918	2,604	4,214	(3,012)	1,112	42	656	2,164	(42)	401	218	(68)
620 8	3,116	301	6,660	(5,211)	565	2,097	658	2,039	407	713	(157)	789
632 7								425	(85)	85		(85)
632 8	1,226	1,226	1,700	3,092	1,560	895	1,554	1,554	3,141	1,554	1,554	2,402
633 8	108	15,938	3,900	20,997		6,326		700		379	477	13
634 3	6,634	6,525	8,172	5,039	11,733	8,466	7,794	7,086	8,301	8,326	10,356	4,583
634 7	820	707	(97,754)	2,760	1,651	1,802	2,119	2,580	875	2,556	2,390	1,406
634 8	195,948	177,468	237,553	133,749	300,005	329,271	312,435	267,705	350,206	252,725	290,116	658,319
635 3	7,091	4,867		1,207	621	792	934	7,815	5,994	7,488	6,120	6,615
635 4	(1,017)	963		3,246	1,250	100	2,588	1,646	7,196	7,779		1,246
635 5	5,434	5,771		7,090	5,001	8,985	4,767	5,480	3,437	10,679	4,758	6,564
635 6		382		647				94	669	170	(2)	22
635 7	9,248	8,169		21,353	14,164	18,603	16,846	12,894	17,259	19,785	11,098	17,168
635 8	3,819	3,043	45,725	(42,337)	7,493	2,072	2,634	4,802	2,568	3,073	6,162	2,830
641 5			75			75			148	75		
641 8				620	529							
642 3	56	321	321	321	321	321	321	321	321	321	321	321

642 7	2,847	2,847	2,847	226	2,847	2,847	235	2,847	2,847	249	2,847	2,847
642 8												
650 1												333
650 3												
650 4												
650 5	3			1,026	32						23	
650 6	5,207	4,389		9,692	(3,304)		3,022	4,406	5,140	6,645	5,509	8,999
650 7				370						391	222	18
650 8	24,070	12,593	33,774	(2,177)	22,720	16,945	16,312	12,202	12,202	16,114	8,701	31,265
657 8	34,989	(39,931)	5,246	655	7,957	25,093	19,333	12,103	12,103	21,118	17,610	12,185
658 3												
658 8	14,421	13,611	17,565	13,790	15,261	11,381	13,273	15,431	15,431	13,605	13,481	13,915
659 8	23,180	23,180	28,579	23,180	30,296	8,636	20,152	20,122	20,122	20,152	20,152	20,152
660 8	636	1,490	12,050	(9,611)	(600)	3,254	900	7,809	7,809	(945)	5,696	1,817
666 8	1,161	6,913	1,798	8,684	1,025	1,348	2,061	944	944	13,553	28,944	2,132
667 8		580								514		
670 7	55,933	27,651	9,899	29,258	43,116	20,812	26,013	46,730	46,730	93,580	21,448	89,061
675 1		1,419	2,969	(3,274)	(498)		1,231	(1,188)	(1,188)	1,097		1,030
675 2								104	104	21	(21)	
675 3	12,508	18,286	14,287	26,219	19,306	22,093	14,946	19,809	19,809	20,957	12,547	12,506
675 4			1,290	(1,290)								
675 5	9,268	6,849	(17)	18,258	7,957	7,500	6,202	6,632	6,632	7,378	10,265	9,366
675 6	403	193	947	493	9,759	97	232	1,051	1,051	423	(64)	874
675 7	44,589	44,698	52,143	44,443	30,492	43,805	40,357	28,486	28,486	31,378	32,258	37,115
675 8	148,035	(267,173)	(228)	92,019	56,422	55,183	52,675	38,024	38,024	79,572	29,185	82,163
TOTAL EXPENSE												
SALARIES & WAGES												
NET EXPENSE												
	1,462,113	793,512	1,264,370	1,100,332	1,397,030	1,413,969	1,317,838	1,354,975	1,451,490	1,420,443	1,324,375	1,784,389
	(375,041)	(301,192)	(326,251)	(378,296)	(374,955)	(403,582)	(332,301)	(328,259)	(394,002)	(324,121)	(345,104)	(348,748)
	1,087,072	492,320	938,119	722,036	1,022,075	1,010,387	985,537	1,026,716	1,057,488	1,096,322	979,271	1,435,641

**Interrogatories and Requests for Production
Of Documents by the
Attorney General (First Set)
To Tennessee-American Water Company
Rate Case No. 04-00288**

REVISED

37 Q PROVIDE THE SUPPORTING DOCUMENTATION FOR THE 83.39% PAYROLL CHARGED TO OPERATIONS FOR THE ATTRITION YEAR. IDENTIFY THE PERCENT PAYROLL CHARGED TO NON-UTILITY AND THE PERCENT CHARGED TO CAPITALIZATION.

Response:

A

April 2003 - March 2004

	Total Payroll	Capitalized Payroll/Non/Utility	Non-Utility/ Regulated	Percent
April	\$443,982.82	\$122,564.98	\$449	27.61%
May	\$681,582.29	\$87,607.87	0	12.85%
June	\$448,093.23	\$82,934.86	451	18.51%
July	\$438,001.18	\$86,140.88	1196	19.67%
August	\$751,730.32	\$133,935.81	509	17.82%
September	\$452,118.91	\$38,975.34	231	8.62%
October	\$650,653.25	\$85,692.61	998	13.17%
November	\$435,198.18	\$165,516.76	1049	38.03%
December	\$427,254.87	\$82,977.22	919	19.42%
January	\$421,556.06	\$72,384.41	15,672	17.17%
February	\$408,772.62	\$82,760.51	10,220	20.25%
March	\$461,353.60	\$130,468.84	14,609	28.28%
	\$6,020,297.33	\$1,171,960.09	\$46,303	19.47%

The charged to operations percentage of 83.39% is incorrect. The correct amount should be 80.53% (1-.1947) from the schedule above.