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January 31, 2005

VIA HAND DELIVERY

R DALE GRIMES

TEL (615) 742-6244

FAX (615) 742-2744 dgrimes@bassberry.com

Mr. Pat Miller, Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243

Re: Petition of Tennessee American Water Company to Change and Increase Certain Rates and Charges So As to Permit It to Earn a Fair and Adequate Rate of Return on Its Property Used and Useful In Furnishing Water Service to Its Customers, Docket No. 04-00288.

Dear Chairman Miller:

In compliance with Rule 1220-4-1-.05 of the Rules of the Tennessee Regulatory Authority and Tennessee Code Annotated 65-5-101 pertaining to publication and posting of notice as to hearings in matters involving rate increases, and proof of publication and posting to the Authority, I, R. Dale Grimes, attorney for Tennessee-American Water Company, hereby furnish you original and thirteen (13) copies of proof of publication in connection with the hearing to be held in the above-referenced docket beginning January 31, 2005. The publication was made in a newspaper of general circulation in the areas in which the petitioner offers service to its customers and as to which notice is required:

PUBLICATION OF NOTICE

1. The NOTICE OF HEARING attached as Exhibit A was published in the following newspaper of general circulation on the following dates

Newspaper
Chattanooga Times Free Press

Date
January 21, 2005

Exhibit A

POSTING OF LEGAL NOTICE

2. The attached legal notice marked Exhibit B was displayed on a tripod in the main lobby of the customer service area of Tennessee-American Water Company, 1101 Broad Street, Chattanooga, Tennessee, beginning January 21, 2005. As verification of such posting, attached, as Exhibit C

Chairman Pat Mıller January 31, 2005 Page 2

is a letter from the Vice President and General Network Manager of Tennessee-American Water Company, John S Watson, dated January 28, 2005.

This letter of publication and posting complies fully with Tennessee Regulatory Authority Rule 1220-4-1-.05.

With kindest regards, I remain

)

Very truly yours,

R. Dale Grimes

TGP/sdt Enclosure

cc: Certificate of Service List

Mr. Paul Diskin (via facsimile) Mr. Michael Miller (via facsimile)

T. G. Pappas, Esq.

J. Davidson French, Esq.

STATE OF TENNESSEE HAMILTON COUNTY

Before me personally appeared Sharon Graham, who being duly sworn, that she is the Legal Sales Representative of the "CHATTANOOGA TIMES FREE PRESS:" and that the Legal Notice of which the following is a true copy:

LEGAL NOTICE OF HEARING

Notice is hereby given that Tennessee American Water Company (the "Company") filed a petition and tariffs with the Tennessee Regulatory Authority, on September 10, 2004, asking that it be permitted to change water rates currently being charged in the areas being served by the Company. The Company's proposal would increase its annual revenues by approximately \$1,970,887, an increase in annual revenues of 5 9%. The proposed tariffs filed by the Company increase water rates 9 2% across the board but provide for the elimination of charges for fire hydrant services to municipal governments pursuant to Chapter 716 Public Acts of Tennessee 2004

The proposed rates as filed are those proposed by the Company and the Tennessee Regulatory Authority may in some or all instances adopt, reject, increase, or decrease said proposed rates, in part or in whole. The petition was filed to establish water rates that will enable the Company to earn a fair return on its investment, prevent impairment of its credit, meet its obligation to its customers, employees and creditors and to preserve its property. A copy of the proposed tariff changes and the reasons forthem are on file with the Tennessee Regulatory Authority and are open to public inspection.

The matter will be heard before the Tennessee Regulatory Authority on Monday, January 31, 2005, at 10 00am (CST), at the Tennessee Regulatory Authority, Main Hearing Room, at 460 James Robertson Parkway, Nashville, Tennessee This notice is being given pursuant to Rule 1220-4-1-05 and Tennessee Code Annotated 65-5-10

John S Watson Vice President and General Network Manager Tennessee American Water Company Has been published in the above said Newspaper on the following dates, to-wit:

JANUARY 21, 2005

The full number of times required by law, and that there is due the "CHATTANOOGA TIMES FREE PRESS." for publication of such notice the sum of \$153.88 Dollars. (Includes \$10.00 Affidavit Charge.)

Shawa Graham

Sworn to and subscribed before me, this 25 day of ________. 2005

My Commission Expires 10/07/06

Chattanooga Times Free Press

LEGAL NOTICE OF HEARING

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The proposed rates as filed are those proposed by the Company and the Tennessee Regulatory Authority may in some or all instances adopt, reject, increase, or decrease said proposed rates, in part or in whole. The petition was filed to establish water rates that will enable the Company to earn a fair return on its investment, prevent impairment of its credit, meet its obligation to its customers, employees and creditors and to preserve its property. A copy of the proposed tariff changes and the reasons for them are on file with the Tennessee Regulatory Authority and are open to public inspection.

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John S. Watson Vice President and General Network Manager Tennessee American Water Company



1 423 755 7636

John S. Watson Vice-President & General Network Manager

January 28, 2005

Mr. R. Dale Grimes
Bass, Berry & Sims PLC
AmSouth Center
315 Deaderick Street
Suite 2700
Nashville, TN 37328-3001

Dear Dale:

In response to your letter of January 11, 2005, we are enclosing an original notarized proof of publication in the Chattanooga Times Free Press of the legal notice announcing the January 31, 2005 hearing of Tennessee American Water Company's rate case petition before the Tennessee Regulatory Authority.

Also, a laminated legal Notice of Hearing was posted on a tripod in the lobby area of Tennessee American Water's office building at 1101 Broad Street in Chattanooga, Tennessee on January 21, 2005. The notice will remain posted until February 3, 2005.

Sincerely,

John S. Watson...

JSW/s Enclosures

American Water

1101 Broad Street Post Office Box 6338 Chattanooga, TN 37401 USA

T +1 423 755 9307 F +1 423 755 7634 I www.tawc.com



CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served via the method(s) indicated, on this the 31st day of January, 2005, upon the following:

[] Hand	Michael A McMahan, Esq.
[Mail	Phillip A. Noblett, Esq.
[] Facsımıle	Lawrence W. Kelly, Esq.
Overnight	Nelson, McMahan & Noblett
[] Electronic	801 Broad Street, Suite 400
	Chattanooga, TN 37402
[] Hand	Timothy C. Phillips, Esq.
[Mail	Vance L. Broemel, Esq.
[] Facsimile	Office of the Attorney General
Overnight	Consumer Advocate and Protection Division
[] Electronic	P.O. Box 20207
	Nashville, TN 37202
[] Hand	Henry M. Walker, Esq.
Mail	Boult, Cummings, Conners & Berry, PLC
[] Facsımıle	Suite 700
[] Overnight	1600 Division Street
[] Electronic	P.O. Box 340025
	Nashville, TN 37203
[] Hand	David C. Higney, Esq.
Mail Mail	Grant, Konvalinka & Harrison, P.C.
[] Facsimile	633 Chestnut Street, 9 th Floor
Overnight	Chattanooga, TN 37450
[] Electronic	- U

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