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BEFORE THE
TENNESSEE REGULATORY AUTHORITY

DIRECT TESTIMONY OF
PAUL R HERBERT

ON BEHALF OF TENNESSEE-AMERICAN WATER COMPANY

CASE NO. 04-___________

CONCERNING

BILL FREQUENCY ANALYSIS

AND

PROOF OF REVENUES

SEPTEMBER 2004

BEFORE THE TENNESSEE REGULATORY AUTHORITY

RE· TENNESSEE-AMERICAN WATER COMPANY

CASE NO 04-__________

DIRECT TESTIMONY OF PAUL R HERBERT

Line No

Q Please state your name and address

A My name is Paul R Herbert. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania

Q By whom are you employed?

A I am employed by Gannett Fleming, Inc

Q. Please describe your position with Gannett Fleming, Inc and briefly state your general duties and responsibilities

A I am Senior Vice President My duties and responsibilities include the preparation of accounting and financial data for revenue requirement and cash working capital claims, the allocation of cost of service to customer classifications, and the design of customer rates in support of public utility rate filings.

Q. Have you presented testimony in rate proceedings before a regulatory agency?

A Yes I have testified before the Pennsylvania Public Utility Commission, the New Jersey Board of Public Utilities, the Public Utilities Commission of Ohio, the Public Service Commission of West Virginia and the Kentucky Public Service Commission, the Iowa State Utilities Board and the Virginia State

Corporation Commission, concerning revenue requirements, cost of service allocation, rate design and cash working capital claims. A list of the cases in which I have testified is provided at the end of my direct testimony

Q What is your educational background?

A I have a Bachelor of Science Degree in Finance from the Pennsylvania State University, University Park, Pennsylvania

Q Would you please describe your professional affiliations?

A I am a member of the American Water Works Association and serve as a member of the Management Committee for the Pennsylvania Section I am also a member of the Pennsylvania Municipal Authorities Association. In 1998, I became a member of the National Association of Water Companies as well as a member of its Rates and Revenue Committee

Q Briefly describe your work experience

A I joined the Valuation Division of Gannett Fleming Corddry and Carpenter, Inc , predecessor to Gannett Fleming, Inc., in September 1977, as a Junior Rate Analyst Since then, I advanced through several positions and was assigned the position of Manager of Rate Studies on July 1, 1990. On June 1, 1994, I was promoted to Vice President On November 1, 2003, I was promoted to my current position of Senior Vice President

While attending Penn State, I was employed during the summers of 1972, 1973 and 1974 by the United Telephone System - Eastern Group in its accounting department Upon graduation from college in 1975, I was employed by Herbert Associates, Inc , Consulting Engineers (now Herbert Rowland and Grubic, Inc), as a field office manager until September 1977

Q What is the purpose of your testimony in this proceeding?

A The purpose of my testimony is to explain Tennessee-American Water Company's bill frequency analysis Exhibit No PRH-1

Q Briefly describe the purpose of a bill frequency analysis.

A A bill frequency analysis is the compilation of customer bills and consumption rendered during the test year and is used to support the present and proposed level of revenues from the application of present and proposed rates

Q Please explain the exhibit

A Customer consumption data was compiled for each customer classification, service area and meter size for the test year. This information was summarized and is shown under the column heading "per books - billing determinants". The figures across from the meter sizes indicate the number of bills issued during the test year for that meter size The figures across from the consumption blocks indicate the number of hundred cubic feet of consumption billed for each block for those bills issued during the year The billing determinants were adjusted for pro forma revenue adjustments for growth and weather normalization supported by another Company witness Those adjustments are reflected in the columns identified as "normalized" and "attrition year"

Q How are the revenues determined?

A The revenues are the product of the billing determinants (number of bills and consumption by rate block) times the customer charges and consumption charges under present and proposed rates for each service area The pro forma revenues are shown under the revenue column for the attrition year at present and at proposed rates.

Q. Do these figures agree with the revenues claimed by the Company in the case?

A Yes, they do

Q Does this conclude your direct testimony?

A Yes, it does

LIST OF CASES IN WHICH PAUL R HERBERT TESTIFIED

	Year	Jurisdiction	Docket No	Client/Utility	Subject
1	1983	Pa PUC	R-832399	T W Phillips Gas and Oil Co	Pro Forma Revenues
2	1989	Pa PUC	R-891208	Pennsylvania-American Water Company	Bill Analysis and Rate Application
3	1991	PSC of W Va	91-106-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42)
4	1992	Pa PUC	R-922276	North Penn Gas Company	Cash Working Capital
5	1992	NJ BPU	WR92050532J	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
6	1994	Pa PUC	R-943053	The York Water Company	Cost Allocation and Rate Design
7	1994	Pa PUC	R-943124	City of Bethlehem	Revenue Requirements, Cost Allocation, Rate Design and Cash Working Capital
8	1994	Pa PUC	R-943177	Roaring Creek Water Company	Cash Working Capital
9	1994	Pa PUC	R-943245	North Penn Gas Company	Cash Working Capital
10	1994	NJ BPU	WR94070325	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
11	1995	Pa PUC	R-953300	Citizens Utilities Water Company of Pennsylvania	Cost Allocation and Rate Design
12	1995	Pa PUC	R-953378	Apollo Gas Company	Revenue Requirements and Rate Design
13	1995	Pa PUC	R-953379	Carnegie Natural Gas Company	Revenue Requirements and Rate Design
14	1996	Pa PUC	R-963619	The York Water Company	Cost Allocation and Rate Design
15	1997	Pa PUC	R-973972	Consumers Pennsylvania Water Company - Shenango Valley Division	Cash Working Capital
16	1998	Ohio PUC	98-178-WS-AIR	Citizens Utilities Company of Ohio	Water and Wastewater Cost Allocation and Rate Design
17	1998	Pa PUC	R-984375	City of Bethlehem - Bureau of Water	Revenue Requirement, Cost Allocation and Rate Design
18	1999	Pa PUC	R-994605	The York Water Company	Cost Allocation and Rate Design
19	1999	Pa PUC	R-994868	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
20	1999	PSC of W Va	99-1570-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42), Cost Allocation and Rate Design
21	2000	Ky PSC	2000-120	Kentucky-American Water Company	Cost Allocation and Rate Design
22	2000	Pa PUC	R-00005277	PPL Gas Utilities	Cash Working Capital
23	2000	NJ BPU	WR00080575	Atlantic City Sewerage Company	Cost Allocation and Rate Design

LIST OF CASES IN WHICH PAUL R HERBERT TESTIFIED, cont

24	2001	Ia St Util Bd	RPU-01-4	Iowa-American Water Company	Cost Allocation and Rate Design
25	2001	Va St Corp Cm	PUE010312	Virginia-American Water Company	Cost Allocation and Rate Design
26	2001	WV PSC	01-0326-W-42T	West-Virginia American Water Company	Cost Allocation and Rate Design
27	2001	Pa PUC	R-016114	City of Lancaster	Tapping Fee Study
28	2001	Pa PUC	R-016236	The York Water Company	Cost Allocation and Rate Design
29	2001	Pa PUC	R-016339	Pennsylvania-American Water Company	Cost Allocation and Rate Design
30	2001	Pa PUC	R-016750	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
31	2002	Va St Corp Cm	PUE-2002-00375	Virginia-American Water Company	Cost Allocation and Rate Design
32	2003	Pa PUC	R-027975	The York Water Company	Cost Allocation and Rate Design
33	2003	Tenn Reg Auth	03-0188	Tennessee-American Water Company	Cost Allocation and Rate Design
34	2003	Pa PUC	R-038304	Pennsylvania-American Water Company	Cost Allocation and Rate Design
35	2003	NJ BPU	WR03070511	New Jersey-American Water Company	Cost Allocation and Rate Design
36	2003	Mo. PSC	WR-2003-0500	Missouri-American Water Company	Cost Allocation and Rate Design
37	2003	Pa PUC	R-038805	Pennsylvania Suburban Water Company	Cost Allocation and Rate Design
38	2004	Va St Corp Cm	PUE-200-	Virginia-American Water Company	Cost Allocation and Rate Design
39	2004	Pa PUC	R-049165	The York Water Company	Cost Allocation and Rate Design

Exhibit No PRH-1

Tennessee-American Water Company
Summary of Present and Proposed Rates

Chattanooga		**Present**	**Proposed**	**Increase**
5/8 - inch meter		8 92	9 74	9 19%
3/4 - inch meter		14 97	16 34	9 15%
1 - inch meter		24 92	27 20	9 15%
1 1/2 - inch meter		49 87	54 44	9.16%
2 - inch meter		79 77	87 08	9.16%
3 - inch meter		149 58	163 28	9 16%
4 - inch meter		249 3	272 14	9 16%
6 - inch meter		498 6	544 27	9 16%
8 - inch meter		797 76	870 83	9 16%
First	400 CF	0 166	0 181	9 04%
Next	6,100 CF	2 628	2 869	9 17%
Next	43,500 CF	1 651	1 802	9 15%
Next	450,000 CF	1 234	1 347	9.16%
Next	1,000,000 CF	0 944	1 030	9 11%
All Over	1,500,000 CF	0 560	0.611	9 11%
Ft. Oglethorpe		0.766	0.836	9 14%

Lookout Mountain				
5/8 - inch meter		10 00	10 92	9 20%
3/4 - inch meter		14 97	16 34	9 15%
1 - inch meter		24 92	27 20	9 15%
1 1/2 - inch meter		49 87	54 44	9 16%
2 - inch meter		79 77	87 08	9 16%
3 - inch meter		149 58	163 28	9 16%
4 - inch meter		249 3	272 14	9.16%
6 - inch meter		498 6	544 27	9 16%
8 - inch meter		797 76	870 83	9 16%
First	400 CF	0 616	0 672	9 09%
Next	6,100 CF	3 385	3 695	9 16%
Next	43,500 CF	2 408	2 629	9 18%
Next	450,000 CF	1 684	1 838	9 14%
Next	1,000,000 CF	1 394	1 522	9 18%
All Over	1,500,000 CF	1 010	1 103	9 21%

Tennessee-American Water Company
Summary of Present and Proposed Rates

Lakeview		Present	Proposed	Increase
5/8 - inch meter		10 00	10 92	9 20%
3/4 - inch meter		14 97	16 34	9 15%
1 - inch meter		24 92	27 20	9.15%
1 1/2 - inch meter		49 87	54 44	9 16%
2 - inch meter		79 77	87 08	9 16%
3 - inch meter		149 58	163 28	9.16%
4 - inch meter		249 3	272 14	9 16%
6 - inch meter		498 6	544 27	9 16%
8 - inch meter		797 76	870 83	9 16%
First	400 CF	0 304	0.332	9 21%
Next	6,100 CF	2.896	3 161	9 15%
Next	43,500 CF	1.919	2 095	9 17%
Next	450,000 CF	1.372	1 498	9 18%
Next	1,000,000 CF	1.082	1.181	9 15%
All Over	1,500,000 CF	0.698	0 762	9 17%

Private Fire Service		Present	Proposed	Increase
1	- Inch Service	$23 22	$25 35	9 17%
1 1/2	- Inch Service	$52.38	$57.18	9 16%
2	- Inch Service	$93 15	$101 68	9 16%
2 1/2	- Inch Service	$142 05	$155 06	9 16%
3	- Inch Service	$209 40	$228 58	9 16%
4	- Inch Service	$419 31	$457 72	9 16%
6	- Inch Service	$837 97	$914 73	9 16%
8	- Inch Service	$1,677 36	$1,831.01	9 16%
10	- Inch Service	$2,516 24	$2,746.73	9 16%
12	- Inch Service	$3,355 24	$3,662 58	9 16%

Public Fire Service	Present	Proposed	Increase
Ridgeside	1,988 94	-	-100 00%
Public Fire	186 60	-	-100 00%

Tennessee-American Water Company
Summary of Revenues Under Present and Proposed Rates

Customer Classification	Present	Proposed	Increase	Percent
Residential	$ 13,302,692	$ 14,523,425	$ 1,220,733	9 18%
Commercial	9,464,969	10,331,999	867,030	9 16%
Industrial	3,399,370	3,709,977	310,607	9 14%
Other Public Authority	2,500,771	2,729,680	228,909	9 15%
Sales for Resale	920,714	1,004,862	84,148	9 14%
Private Fire	1,354,352	1,478,415	124,063	9 16%
Public Fire	897,285	0	(897,285)	-100 00%
Total	$ 31,840,153	$ 33,778,358	$ 1,938,205	6 1%

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books: Billing Determinate	Per books: Rates	Per books: Revenues	Normalized: Billing Determinate	Normalized: Rates	Normalized: Revenues	Attrition Year at Present Rates: Billing Determinants	Attrition Year at Present Rates: Rates	Attrition Year at Present Rates: Revenues	Attrition Year at Proposed Rates: Billing Determinants	Attrition Year at Proposed Rates: Rates	Attrition Year at Proposed Rates: Revenues
1													
2													
3													
4	RESIDENTIAL												
5	Chattanooga												
6	5/8 - inch meter	663,323	8 92	$5,916,841	666,335	8 92	$5,943,708	667,494	8 92	$5,954,046	667,494	$9 74	$6,501,392
7	3/4 - inch meter	867	14 97	12,979	867	14 97	12,979	867	14 97	12,979	867	16 34	14,167
8	1 - inch meter	1,619	24 92	40,345	1,619	24 92	40,345	1,619	24 92	40,345	1,619	27 20	44,037
9	1 1/2 - inch meter	182	49 87	9,076	182	49 87	9,076	182	49 87	9,076	182	54 44	9,908
10	2 - inch meter	124	79 77	9,891	124	79 77	9,891	124	79 77	9,891	124	87 08	10,798
11	3 - inch meter	2	149 58	299	2	149 58	299	2	149 58	299	2	163 28	327
12	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
13	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
14	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
15	Total Meters	666,117		5,989,431	669,129		6,016,298	670,288		6,026,636	670,288		6,580,629
16													
17	Volumetric												
18	First 400 CF	2,170,889	0 166	360,368	2,182,937	0 166	362,368	2,187,573	0 166	363,137	2,187,573	0 181	395,951
19	Next 6,100 CF	1,753,134	2 628	4,607,236	2,019,762	2 628	5,307,935	2,022,196	2 628	5,314,331	2,022,196	2 869	5,801,680
20	Next 43,500 CF	33,736	1 651	55,698	33,736	1 651	55,698	33,736	1 651	55,698	33,736	1 802	60,792
21	Next 450,000 CF	8,397	1 234	10,362	8,397	1 234	10,362	8,397	1 234	10,362	8,397	1 347	11,311
22	Next 1,000,000 CF	9,802	0 944	9,253	9,802	0 944	9,253	9,802	0 944	9,253	9,802	1 030	10,096
23	All Over 1,500,000 CF	0	0 560	0	0	0.560	-	-	0 560	-	-	0 611	-
24	Total Chattanooga	3,975,958		11,032,348	4,254,634		11,761,914	4,261,704		11,779,417	4,261,704		12,860,459
25													
26	Lookout Mountain												
27	5/8 - inch meter	16,899	10 00	168,990	17,079	10 00	170,790	17,114	10 00	171,140	17,114	$10 92	186,885
28	3/4 - inch meter	336	14 97	5,030	336	14 97	5,030	336	14 97	5,030	336	16 34	5,490
29	1 - inch meter	989	24 92	24,646	989	24 92	24,646	989	24 92	24,646	989	27 20	26,901
30	1 1/2 - inch meter	22	49 87	1,097	22	49 87	1,097	22	49 87	1,097	22	54 44	1,198
31	2 - inch meter	32	79 77	2,553	32	79 77	2,553	32	79.77	2,553	32	87.08	2,787
32	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
33	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
34	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
35	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
36	Total Meters	18,278		202,316	18,458		204,116	18,493		204,466	18,493		223,261
37													
38	Volumetric												
39	First 400 CF	64,336	0 616	39,631	65,056	0 616	40,074	65,196	0 616	40,161	65,196	0 672	43,812
40	Next 6,100 CF	144,536	3 385	489,254	160,493	3 385	543,269	160,715	3 385	544,020	160,715	3 695	593,842
41	Next 43,500 CF	12,422	2.408	29,912	12,422	2 408	29,912	12,422	2 408	29,912	12,422	2 629	32,657
42	Next 450,000 CF	(93)	1 684	(157)	(93)	1 684	(157)	(93)	1 684	(157)	(93)	1 838	(171)
43	Next 1,000,000 CF	0	1 394	0	0	1 394	-	-	1 394	-	-	1 522	-
44	All Over 1,500,000 CF	0	1 010	0	0	1 010	-	-	1.010	-	-	1 103	-
45	Total Lookout Mountain	221,201		760,956	237,878		817,214	238,240		818,402	238,240		893,401
46													

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
47	Lakeview												
48	5/8 - inch meter	32,277	10 00	322,770	32,493	10 00	324,930	32,550	10 00	325,500	32,550	$10 92	355,446
49	3/4 - inch meter	10	14 97	150	10	14 97	150	10	14 97	150	10	16 34	163
50	1 - inch meter	46	24 92	1,146	46	24 92	1,146	46	24 92	1,146	46	27 20	1,251
51	1 1/2 - inch meter	0	49 87	0	0	49 87	-	-	49 87	-	-	54 44	-
52	2 - inch meter	0	79 77	0	0	79 77	-	-	79 77	-	-	87 08	-
53	3 - inch meter	0	149 58	0	0	149 58	-	-	149.58	-	-	163 28	-
54	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
55	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
56	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
57	Total Meters	32,333		324,066	32,549		326,226	32,606		326,796	32,606		356,860
58													
59	Volumetric												
60	First 400 CF	107,085	0 304	32,554	107,949	0 304	32,816	108,177	0 304	32,886	108,177	0 332	35,915
61	Next 6,100 CF	89,264	2 896	258,509	102,719	2 896	297,474	102,786	2 896	297,668	102,786	3 161	324,907
62	Next 43,500 CF	1,392	1 919	2,671	1,392	1 919	2,671	1,392	1 919	2,671	1,392	2 095	2,916
63	Next 450,000 CF	615	1 372	844	615	1 372	844	615	1 372	844	615	1 498	921
64	Next 1,000,000 CF	0	1 082	0	0	1 082	-	-	1 082	-	-	1 181	-
65	All Over 1,500,000 CF	0	0 698	0	0	0 698	-	-	0 698	-	-	0 762	-
66	Total Lakeview	198,356		618,644	212,675		660,031	212,970		660,865	212,970		721,519
67													
68	Total Gross	4,395,515		12,411,948	4,705,187		13,239,159	4,712,914		13,258,684	4,712,914		14,475,379
69	Correction & Allowances	0		0	-		-	15,922	2 764	44,008	15,922	3 018	48,046
70	Net Amount	4,395,515		12,411,948	4,705,187		13,239,159	4,728,836		13,302,692	4,728,836		14,523,425

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
4	COMMERCIAL												
5	Chattanooga												
6	5/8 - inch meter	63,846	8 92	$569,506	63,846	8 92	$569,506	63,846	8 92	$569,506	63,846	$9 74	$621,860
7	3/4 - inch meter	1,272	14 97	19,042	1,272	14 97	19,042	1,272	14 97	19,042	1,272	16 34	20,784
8	1 - inch meter	14,605	24 92	363,957	15,013	24 92	374,124	15,616	24 92	389,151	15,616	27 20	424,755
9	1 1/2 - inch meter	3,399	49 87	169,508	3,399	49 87	169,508	3,399	49 87	169,508	3,399	54 44	185,042
10	2 - inch meter	8,837	79 77	704,927	8,837	79.77	704,927	8,837	79 77	704,927	8,837	87 08	769,526
11	3 - inch meter	466	149 58	69,704	466	149 58	69,704	466	149 58	69,704	466	163 28	76,088
12	4 - inch meter	36	249 30	8,975	36	249 30	8,975	36	249 30	8,975	36	272 14	9,797
13	6 - inch meter	1	498 60	499	1	498 60	499	1	498 60	499	1	544 27	544
	Master Meters	1,435	210 61	302,225	1,435	210 61	302,225	1,435	210 61	302,225	1,435	229 90	329,907
14	8 - inch meter	1	797 76	798	1	797 76	798	1	797 76	798	1	870 83	871
15	Total Meters	93,898		2,209,141	94306		2,219,308	94,909		2,234,335	94,909		2,439,174
16													
17	Volumetric												
18	First 400 CF	271,416	0 166	45,055	273,048	0 166	45,326	275,460	0 166	45,726	275,460	0 181	49,858
19	Next 6,100 CF	1,235,873	2 628	3,247,874	1,252,315	2 628	3,291,084	1,276,616	2 628	3,354,947	1,276,616	2 869	3,662,611
20	Next 43,500 CF	1,644,114	1 651	2,714,432	1,451,553	1.651	2,396,514	1,451,553	1 651	2,396,514	1,451,553	1 802	2,615,699
21	Next 450,000 CF	847,012	1 234	1,045,213	847,012	1 234	1,045,213	847,012	1 234	1,045,213	847,012	1 347	1,140,925
22	Next 1,000,000 CF	47,548	0 944	44,885	47,548	0 944	44,885	47,548	0 944	44,885	47,548	1 030	48,974
23	All Over 1,500,000 CF	115,407	0 560	64,628	115,407	0 560	64,628	115,407	0 560	64,628	115,407	0 611	70,514
24	Total Chattanooga	4,161,370		9,371,228	3,986,883		9,106,958	4,013,596		9,186,248	4,013,596		10,027,755
25													
26	Lookout Mountain												
27	5/8 - inch meter	605	10 00	6,050	605	10 00	6,050	605	10 00	6,050	605	$10 92	6,607
28	3/4 - inch meter	8	14 97	120	8	14 97	120	8	14 97	120	8	16 34	131
29	1 - inch meter	224	24 92	5,582	284	24 92	7,077	291	24 92	7,252	291	27 20	7,915
30	1 1/2 - inch meter	33	49 87	1,646	33	49 87	1,646	33	49 87	1,646	33	54 44	1,797
31	2 - inch meter	74	79 77	5,903	74	79 77	5,903	74	79.77	5,903	74	87 08	6,444
32	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
33	4 - inch meter	0	249 30	0	0	249.30	-	-	249 30	-	-	272 14	-
34	6 - inch meter	0	498 60	0	0	498.60	-	-	498 60	-	-	544 27	-
35	Master Meters	5	159 54	798	5	159 54	798	5	159 54	798	5	174 15	871
36	Total Meters	949		20,099	1009		21,594	1,016		21,769	1,016		23,765
37													
38	Volumetric												
39	First 400 CF	2,883	0 616	1,776	3,123	0 616	1,924	3,151	0 616	1,941	3,151	0 672	2,117
40	Next 6,100 CF	15,195	3 385	51,435	17,325	3 385	58,645	17,574	3 385	59,488	17,574	3 695	64,936
41	Next 43,500 CF	13,570	2 408	32,677	11,799	2 408	28,412	11,799	2 408	28,412	11,799	2.629	31,020
42	Next 450,000 CF	5,809	1.684	9,782	5,809	1 684	9,782	5,809	1.684	9,782	5,809	1 838	10,677
43	Next 1,000,000 CF	0	1 394	0	0	1 394	-	-	1 394	-	-	1 522	-
44	All Over 1,500,000 CF	0	1 010	0	0	1 010	-	-	1 010	-	-	1 103	-
45	Total Lookout Mountain	37,457		115,769	38056		120,357	38,333		121,392	38,333		132,515
46													

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
47	Lakeview												
48	5/8 - inch meter	1,934	10 00	19,340	1,934	10 00	19,340	1,934	10 00	19,340	1,934	$10 92	21,119
49	3/4 - inch meter	0	14 97	0	0	14 97	-	-	14 97	-	-	16 34	-
50	1 - inch meter	210	24 92	5,233	198	24 92	4,934	212	24 92	5,283	212	27 20	5,766
51	1 1/2 - inch meter	0	49 87	0	0	49 87	-	-	49 87	-	-	54 44	-
52	2 - inch meter	106	79 77	8,456	106	79 77	8,456	106	79 77	8,456	106	87 08	9,230
53	3 - inch meter	0	149 58	0	0	149 58	-	-	149.58	-	-	163.28	-
54	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
55	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
56	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
57	Total Meters	2,250		33,029	2238		32,730	2,252		33,079	2,252		36,115
58													
59	Volumetric												
60	First 400 CF	6,353	0 304	1,931	6,305	0 304	1,917	6,361	0.304	1,934	6,361	0 332	2,112
61	Next 6,100 CF	18,271	2 896	52,913	18,121	2 896	52,478	18,296	2 896	52,985	18,296	3 161	57,834
62	Next 43,500 CF	10,599	1 919	20,339	8,848	1 919	16,979	8,388	1 919	16,097	8,388	2 095	17,573
63	Next 450,000 CF	1,824	1 372	2,503	1,824	1 372	2,503	1,824	1 372	2,503	1,824	1 498	2,732
64	Next 1,000,000 CF	0	1 082	0	0	1.082	-	-	1 082	-	-	1 181	-
65	All Over 1,500,000 CF	0	0 698	0	0	0 698	-	-	0 698	-	-	0 762	-
66	Total Lakeview	37,047		110,715	35098		106,607	34,869		106,598	34,869		116,366
67													
68	Total Gross	4,235,874		9,597,712	4,060,037		9,333,922	4,086,798		9,414,238	4,086,798		10,276,636
69	Correction & Allowances							22,163	2 289	50,731	22,163	2 498	55,363
70	Net Amount	4,235,874		9,597,712	4,060,037		9,333,922	4,108,961		9,464,969	4,108,961		10,331,999

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
4	INDUSTRIAL												
5	Chattanooga												
6	5/8 - inch meter	322	8 92	$2,872	322	8 92	$2,872	322	8 92	$2,872	322	$9 74	$3,136
7	3/4 - inch meter	33	14 97	494	33	14 97	494	33	14.97	494	33	16 34	539
8	1 - inch meter	321	24 92	7,999	321	24 92	7,999	321	24 92	7,999	321	27 20	8,731
9	1 1/2 - inch meter	51	49 87	2,543	51	49 87	2,543	51	49 87	2,543	51	54 44	2,776
10	2 - inch meter	436	79 77	34,780	436	79 77	34,780	436	79 77	34,780	436	87 08	37,967
11	3 - inch meter		149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
12	4 - inch meter	47	249 30	11,717	47	249 30	11,717	47	249 30	11,717	47	272 14	12,791
13	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
	Master Meters	425	375 92	159,766	425	375 92	159,766	425	375 92	159,766	425	410 35	174,399
14	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
15	Total Meters	1,635		220,171	1635		220,171	1,635		220,171	1,635		240,339
16													
17	Volumetric												
18	First 400 CF	5,749	0 166	954	5,749	0 166	954	5,749	0 166	954	5,749	0 181	1,041
19	Next 6,100 CF	57,759	2 628	151,791	57,759	2.628	151,791	57,759	2 628	151,791	57,759	2 869	165,711
20	Next 43,500 CF	257,082	1 651	424,442	257,082	1 651	424,442	257,082	1 651	424,442	257,082	1 802	463,262
21	Next 450,000 CF	1,046,158	1 234	1,290,959	1,046,158	1 234	1,290,959	1,046,158	1 234	1,290,959	1,046,158	1 347	1,409,175
22	Next 1,000,000 CF	874,888	0 944	825,894	874,888	0 944	825,894	874,888	0 944	825,894	874,888	1 030	901,135
23	All Over 1,500,000 CF	701,134	0 560	392,635	701,134	0 560	392,635	701,134	0 560	392,635	701,134	0 611	428,393
24	Total Chattanooga	2,942,770		3,306,846	2,942,770		3,306,846	2,942,770		3,306,846	2,942,770		3,609,056
25													
26	Lookout Mountain												
27	5/8 - inch meter	0	10 00	0	0	10 00	0	-	10 00	-	-	$10 92	-
28	3/4 - inch meter	0	14 97	0	0	14 97	0	-	14 97	-	-	16 34	-
29	1 - inch meter	0	24 92	0	0	24 92	0	-	24 92	-	-	27 20	-
30	1 1/2 - inch meter	0	49 87	0	0	49 87	0	-	49 87	-	-	54 44	-
31	2 - inch meter	0	79 77	0	0	79 77	0	-	79 77	-	-	87 08	-
32	3 - inch meter	0	149 58	0	0	149 58	0	-	149 58	-	-	163 28	-
33	4 - inch meter	0	249 30	0	0	249 30	0	-	249 30	-	-	272 14	-
34	6 - inch meter	0	498 60	0	0	498 60	0	-	498 60	-	-	544 27	-
35	8 - inch meter	0	797 76	0	0	797 76	0	-	797 76	-	-	870 83	-
36	Total Meters	0		0	0		0	-		-	-		-
37													
38	Volumetric												
39	First 400 CF	0	0 616	0	0	0 616	0	-	0.616	-	-	0 672	-
40	Next 6,100 CF	0	3 385	0	0	3 385	0	-	3.385	-	-	3 695	-
41	Next 43,500 CF	0	2 408	0	0	2 408	0	-	2 408	-	-	2 629	-
42	Next 450,000 CF	0	1 684	0	0	1 684	0	-	1 684	-	-	1 838	-
43	Next 1,000,000 CF	0	1 394	0	0	1.394	0	-	1 394	-	-	1 522	-
44	All Over 1,500,000 CF	0	1 010	0	0	1 010	0	-	1 010	-	-	1 103	-
45	Total Lookout Mountain	0		0	0		0	-		-	-		-
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Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
2		Billing			Billing			Billing			Billing		
3	Description	Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinants	Rates	Revenues	Determinants	Rates	Revenues
47	Lakeview												
48	5/8 - inch meter	0	10 00	0	0	10 00	0	-	10 00	-	-	$10 92	-
49	3/4 - inch meter	0	14 97	0	0	14.97	0	-	14 97	-	-	16 34	-
50	1 - inch meter	0	24 92	0	0	24 92	0	-	24 92	-	-	27.20	-
51	1 1/2 - inch meter	0	49 87	0	0	49 87	0	-	49 87	-	-	54 44	-
52	2 - inch meter	0	79 77	0	0	79 77	0	-	79 77	-	-	87 08	-
53	3 - inch meter	0	149 58	0	0	149 58	0	-	149 58	-	-	163 28	-
54	4 - inch meter	0	249 30	0	0	249 30	0	-	249 30	-	-	272 14	-
55	6 - inch meter	0	498 60	0	0	498 60	0	-	498 60	-	-	544 27	-
56	8 - inch meter	0	797 76	0	0	797 76	0	-	797 76	-	-	870 83	-
57	Total Meters	0		0	0		0	-		-	-		-
58													
59	Volumetric												
60	First 400 CF	0	0 304	0	0	0 304	0	-	0 304	-	-	0 332	-
61	Next 6,100 CF	0	2 896	0	0	2.896	0	-	2.896	-	-	3 161	-
62	Next 43,500 CF	0	1 919	0	0	1 919	0	-	1 919	-	-	2 095	-
63	Next 450,000 CF	0	1.372	0	0	1.372	0	-	1.372	-	-	1 498	-
64	Next 1,000,000 CF	0	1 082	0	0	1 082	0	-	1 082	-	-	1 181	-
65	All Over 1,500,000 CF	0	0 698	0	0	0 698	0	-	0 698	-	-	0 762	-
66	Total Lakeview	0		0	0		0	-		-	-		-
67													
68	Total Gross	2,942,770		3,306,846	2,942,770		3,306,846	2,942,770		3,306,846	2,942,770		3,609,056
69	Correction & Allowances							82,317	1 124	92,524	82,317	1 226	100,921
70	Net Amount	2,942,770		3,306,846	2,942,770		3,306,846	3,025,087		3,399,370	3,025,087		3,709,977

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
4	OTHER PUBLIC AUTHORITY												
5	Chattanooga												
6	5/8 - inch meter	1,953	8 92	$17,421	1,953	8 92	$17,421	1,953	8 92	$17,421	1,953	$9 74	$19,022
7	3/4 - inch meter	141	14 97	2,111	141	14 97	2,111	141	14 97	2,111	141	16 34	2,304
8	1 - inch meter	1,491	24 92	37,156	1,479	24 92	36,857	1,531	24.92	38,153	1,531	27 20	41,643
9	1 1/2 - inch meter	609	49 87	30,371	609	49 87	30,371	609	49 87	30,371	609	54 44	33,154
10	2 - inch meter	1,943	79 77	154,993	1,943	79.77	154,993	1,943	79 77	154,993	1,943	87 08	169,196
11	3 - inch meter	28	149 58	4,188	28	149 58	4,188	28	149 58	4,188	28	163 28	4,572
12	4 - inch meter	92	249 30	22,936	92	249 30	22,936	92	249 30	22,936	92	272 14	25,037
13	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
	Master Meters	684	208 24	142,436	684	208 24	142,436	684	208 24	142,436	684	227 31	155,480
14	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
15	Total Meters	6,941		411,612	6929		411,313	6,981		412,609	6,981		450,408
16													
17	Volumetric												
18	First 400 CF	20,537	0 166	3,409	20,489	0.166	3,401	20,697	0.166	3,436	20,697	0.181	3,746
19	Next 6,100 CF	169,537	2 628	445,543	168,805	2 628	443,620	179,361	2 628	471,361	179,361	2 869	514,587
20	Next 43,500 CF	396,539	1 651	654,686	394,871	1 651	651,932	394,871	1 651	651,932	394,871	1 802	711,558
21	Next 450,000 CF	639,924	1 234	789,666	639,924	1 234	789,666	639,924	1 234	789,666	639,924	1 347	861,978
22	Next 1,000,000 CF	125,661	0 944	118,624	125,661	0 944	118,624	125,661	0 944	118,624	125,661	1 030	129,431
23	All Over 1,500,000 CF	84,640	0 560	47,398	84,640	0 560	47,398	84,640	0 560	47,398	84,640	0 611	51,715
24	Total Chattanooga	1,436,838		2,470,938	1434390		2,465,954	1,445,154		2,495,026	1,445,154		2,723,423
25													
26	Lookout Mountain												
27	5/8 - inch meter	114	10 00	1,140	114	10 00	1,140	114	10 00	1,140	114	$10 92	1,245
28	3/4 - inch meter	0	14 97	0	0	14 97	-	-	14 97	-	-	16 34	-
29	1 - inch meter	94	24 92	2,342	94	24 92	2,342	94	24 92	2,342	94	27 20	2,557
30	1 1/2 - inch meter	11	49 87	549	11	49 87	549	11	49 87	549	11	54 44	599
31	2 - inch meter	70	79 77	5,584	70	79 77	5,584	70	79 77	5,584	70	87 08	6,096
32	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
33	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
34	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
35	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
36	Total Meters	289		9,615	289		9,615	289		9,615	289		10,497
37													
38	Volumetric												
39	First 400 CF	657	0 616	405	657	0 616	405	657	0 616	405	657	0 672	442
40	Next 6,100 CF	4,247	3 385	14,376	4,247	3 385	14,376	4,247	3 385	14,376	4,247	3 695	15,693
41	Next 43,500 CF	2,560	2 408	6,164	2,560	2 408	6,164	2,560	2 408	6,164	2,560	2 629	6,730
42	Next 450,000 CF	0	1 684	0	0	1 684	-	-	1 684	-	-	1 838	-
43	Next 1,000,000 CF	0	1 394	0	0	1 394	-	-	1.394	-	-	1 522	-
44	All Over 1,500,000 CF	0	1 010	0	0	1 010	-	-	1 010	-	-	1 103	-
45	Total Lookout Mountain	7,464		30,560	7464		30,560	7,464		30,560	7,464		33,362
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Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
47	Lakeview												
48	5/8 - inch meter	44	10 00	440	44	10 00	440	44	10 00	440	44	$10 92	480
49	3/4 - inch meter	0	14 97	0	0	14 97	-	-	14 97	-	-	16 34	-
50	1 - inch meter	12	24 92	299	12	24.92	299	12	24 92	299	12	27 20	326
51	1 1/2 - inch meter	8	49 87	399	8	49 87	399	8	49 87	399	8	54 44	436
52	2 - inch meter	24	79 77	1,914	24	79 77	1,914	24	79 77	1,914	24	87 08	2,090
53	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
54	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
55	6 - inch meter	0	498 60	0	0	498.60	-	-	498 60	-	-	544 27	-
56	8 - inch meter	0	797 76	0	0	797 76	-	-	797 76	-	-	870 83	-
57	Total Meters	88		3,052	88		3,052	88		3,052	88		3,332
58													
59	Volumetric												
60	First 400 CF	199	0 304	60	199	0 304	60	199	0 304	60	199	0 332	66
61	Next 6,100 CF	1,726	2 896	4,998	1,726	2 896	4,998	1,726	2 896	4,998	1,726	3 161	5,456
62	Next 43,500 CF	1,092	1 919	2,096	1,092	1 919	2,096	1,092	1 919	2,096	1,092	2 095	2,288
63	Next 450,000 CF	0	1 372	0	0	1 372	-	-	1 372	-	-	1 498	-
64	Next 1,000,000 CF	0	1 082	0	0	1 082	-	-	1 082	-	-	1 181	-
65	All Over 1,500,000 CF	0	0 698	0	0	0 698	-	-	0 698	-	-	0 762	-
66	Total Lakeview	3,017		10,206	3017		10,206	3,017		10,206	3,017		11,142
67													
68	Total Gross	1,447,319		2,511,704	1444871		2,506,720	1,455,635		2,535,792	1,455,635		2,767,927
69	Correction & Allowances							(20,290)	1 726	(35,021)	(20,290)	1 885	(38,247)
70	Net Amount	1,447,319		2,511,704	1444871		2,506,720	1,435,345		2,500,771	1,435,345		2,729,680

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
4	SALES FOR RESALE												
5	Chattanooga												
6	5/8 - inch meter	0	8 92	$0	0	8 92	$0	-	8 92	$0	0	$9 74	$0
7	3/4 - inch meter	0	14 97	0	0	14 97	0	-	14 97	-	-	16 34	-
8	1 - inch meter	0	24 92	0	0	24 92	-	-	24 92	-	-	27 20	-
9	1 1/2 - inch meter	0	49 87	0	0	49 87	-	-	49 87	-	-	54 44	-
10	2 - inch meter	12	79 77	957	12	79 77	957	12	79 77	957	12	87 08	1,045
11	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
12	4 - inch meter	37	249 30	9,224	37	249.30	9,224	37	249 30	9,224	37	272 14	10,069
13	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
14	Master Meters	34	804 21	27,343	34	804 21	27,343	34	804 21	27,343	34	877 88	29,848
15	Total Meters	83		37,524	83		37,524	83		37,524	83		40,962
16													
17	Volumetric												
18	First 400 CF	0	0 166	0	0	0 166	-	-	0 166	-	-	0 181	-
19	Next 6,100 CF	0	2 628	0	0	2 628	-	-	2 628	-	-	2 869	-
20	Next 43,500 CF	0	1 651	0	0	1 651	-	-	1 651	-	-	1 802	-
21	Next 450,000 CF	0	1 234	0	0	1 234	-	-	1 234	-	-	1 347	-
22	Next 1,000,000 CF	0	0 944	0	0	0 944	-	-	0 944	-	-	1 030	-
23	All Over 1,500,000 CF	0	0 560	0	0	0 560	-	-	0 560	-	-	0 611	-
24	Ft Oglethorpe	1,178,392	0 766	902,648	1,178,392	0 766	902,648	1,178,392	0 766	902,648	1,178,392	0 836	985,136
25	Total Chattanooga	1,178,392		940,172	1,178,392		940,172	1,178,392		940,172	1,178,392		1,026,098
26													
27	Lookout Mountain												
28	5/8 - inch meter	0	10 00	0	0	10 00	-	-	10 00	-	-	10 92	-
29	3/4 - inch meter	0	14 97	0	0	14 97	-	-	14 97	-	-	16 34	-
30	1 - inch meter	0	24 92	0	0	24 92	-	-	24 92	-	-	27 20	-
31	1 1/2 - inch meter	0	49 87	0	0	49 87	-	-	49 87	-	-	54 44	-
32	2 - inch meter	0	79 77	0	0	79 77	-	-	79 77	-	-	87 08	-
33	3 - inch meter	0	149 58	0	0	149.58	-	-	149 58	-	-	163 28	-
34	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
35	6 - inch meter	0	498.60	0	0	498 60	-	-	498 60	-	-	544 27	-
36	8 - inch meter	0		0	0		-	-		-	-		-
37	Total Meters	0		0	0		-	-		-	-		-
38													
39	Volumetric												
40	First 400 CF	0	0 616	0	0	0 616	-	-	0 616	-	-	0 672	-
41	Next 6,100 CF	0	3 385	0	0	3 385	-	-	3 385	-	-	3 695	-
42	Next 43,500 CF	0	2 408	0	0	2.408	-	-	2 408	-	-	2 629	-
43	Next 450,000 CF	0	1 684	0	0	1 684	-	-	1 684	-	-	1 838	-
44	Next 1,000,000 CF	0	1 394	0	0	1 394	-	-	1 394	-	-	1 522	-
45	All Over 1,500,000 CF	0	1 010	0	0	1.010	-	-	1.010	-	-	1 103	-
46	Total Lookout Mountain	0		0	0		-	-		-	-		-
47													

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
48	Lakeview												
49	5/8 - inch meter	0	10 00	0	0	10 00	-	-	10 00	-	-	10 92	-
50	3/4 - inch meter	0	14 97	0	0	14 97	-	-	14 97	-	-	16 34	-
51	1 - inch meter	0	24 92	0	0	24 92	-	-	24 92	-	-	27 20	-
52	1 1/2 - inch meter	0	49 87	0	0	49 87	-	-	49 87	-	-	54 44	-
53	2 - inch meter	0	79 77	0	0	79 77	-	-	79 77	-	-	87 08	-
54	3 - inch meter	0	149 58	0	0	149 58	-	-	149 58	-	-	163 28	-
55	4 - inch meter	0	249 30	0	0	249 30	-	-	249 30	-	-	272 14	-
56	6 - inch meter	0	498 60	0	0	498 60	-	-	498 60	-	-	544 27	-
57	8 - inch meter	0		0	0		-	-		-	-		-
58	Total Meters	0		0	0		-	-		-	-		-
59													
60	Volumetric												
61	First 400 CF	0	0 304	0	0	0 304	-	-	0 304	-	-	0 332	-
62	Next 6,100 CF	0	2 896	0	0	2 896	-	-	2 896	-	-	3 161	-
63	Next 43,500 CF	0	1 919	0	0	1 919	-	-	1 919	-	-	2 095	-
64	Next 450,000 CF	0	1 372	0	0	1 372	-	-	1 372	-	-	1 498	-
65	Next 1,000,000 CF	0	1 082	0	0	1 082	-	-	1 082	-	-	1 181	-
66	All Over 1,500,000 CF	0	0 698	0	0	0 698	-	-	0 698	-	-	0 762	-
67	Total Lakeview	0		0	0		-	-		-	-		-
68													
69	Total Gross	1,178,392		940,172	1,178,392		940,172	1,178,392		940,172	1,178,392		1,026,098
70	Correction & Allowances							(25,402)	0 766	(19,458)	(25,402)	0 836	(21,236)
71	Net Amount	1,178,392		940,172	1,178,392		940,172	1,152,990		920,714	1,152,990		1,004,862

Tennessee-American Water Company

Application of Present and Proposed Rates to Billing Determinants

Line No.	Description	Per books Billing Determinate	Per books Rates	Per books Revenues	Normalized Billing Determinate	Normalized Rates	Normalized Revenues	Attrition Year at Present Rates Billing Determinants	Attrition Year at Present Rates Rates	Attrition Year at Present Rates Revenues	Attrition Year at Proposed Rates Billing Determinants	Attrition Year at Proposed Rates Rates	Attrition Year at Proposed Rates Revenues
1													
2													
3													
4													
5													
6	Private Fire Service												
7	1 - Inch Service			0	$23 22	$0		0	$23 22	$0	0	$25 35	$0
8	1 1/2 - Inch Service			1	$52 38	52		1	$52 38	52	1	$57 18	57
9	2 - Inch Service			8	$93 15	745		8	$93 15	745	8	$101 68	813
10	2 1/2 - Inch Service			2	$142 05	284		2	$142 05	284	2	$155 06	310
11	3 - Inch Service			3	$209 40	628		3	$209 40	628	3	$228 58	686
12	4 - Inch Service			90	$419 31	37,738		91	$419 31	38,157	91	$457 72	41,653
13	6 - Inch Service			781	$837 97	654,455		812	$837 97	680,432	812	$914 73	742,761
14	8 - Inch Service			318	$1,677 36	533,400		318	$1,677 36	533,400	318	$1,831 01	582,261
15	10 - Inch Service			16	$2,516 24	40,260		16	$2,516 24	40,260	16	$2,746 73	43,948
16	12 - Inch Service			18	$3,355 24	60,394		18	$3,355 24	60,394	18	$3,662 58	65,926
17	Total Private Fire Service			1,237		1,327,956		1,269		1,354,352	1,269		1,478,415

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CUMBERLAND, TO-WIT·

AFFIDAVIT

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the Commonwealth and County aforesaid, personally came and appeared Paul R. Herbert, who, being by me first duly shown deposed and said that,

He is appearing as a witness on behalf of Tennessee-American Water Company before the Tennessee Regulatory Authority, and if present before the Authority and duly sworn, his direct testimony would set forth in the annexed transcript.

Paul R Herbert

Paul R. Herbert

Taken, subscribed and sworn to before me this 7th day of September, 2004.

Cheryl Ann Rutter

Notary Public

NOTARIAL SEAL
CHERYL ANN RUTTER, Notary Public
Camp Hill Boro, Cumberland County
My Commission Expires Feb 20, 2007