# BASS, BERRY & SIMS PLC

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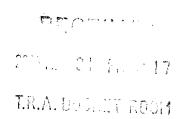
A PROFESSIONAL LIMITED LIABILITY COMPANY

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May 31, 2006



# HAND DELIVER

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FAX:

The Honorable Ron Jones Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

> Re: Docket 06-00119: Petition of Tennessee-American Water Company for **Approval of Change of Control**

Dear Chairman Jones:

Enclosed for filing with the Tennessee Regulatory Authority are one original and thirteen copies of Tennessee-American Water Company's responses to Data Request No. 1, outlined in a letter from Colleen Edwards dated May 24, 2006.

Please do not hesitate to contact me if you have any questions concerning this filing.

Very truly yours,

George H. Masterson

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GHM/ch Enclosures

Paul Foran cc:

> Dietrich Firnhaber R. Dale Grimes

### Tennessee Regulatory Authority Data Request No. 1

#### **Question:**

 Have the petitioners filed similar petitions or notices in other states? If so, provide a listing of states and action taken.

#### Answer:

Filings have or will be made with the following authorities in other states:1

Arizona Corporation Commission: filed on April 25, 2006. Action taken by Commission as of May 26, 2006: None.

California Public Utilities Commission: filed on May 22, 2006. Action taken by Commission as of May 26, 2006: None.

Hawaii Public Utilities Commission: filed on April 21, 2006. Action taken by Commission as of May 26, 2006: None.

Illinois Commerce Commission: filed on April 21, 2006. Action taken by Commission as of May 26, 2006: Case management order and schedule issued on May 24, 2006.

Kentucky Public Service Commission: expect to file on or about June 5, 2006. Action taken by Commission as of May 26, 2006: The Commission has been made aware that an application will be filed on or about June 5, 2006 and has assigned Case No. 2006-00197 to the proceeding.

Maryland Public Service Commission: filed on April 21, 2006. Action taken by Commission as of May 26, 2006: At its May 24, 2006 meeting, the Maryland Public Service Commission noted the Joint Petition of Maryland – American Water Company, Inc. and Thames Water Aqua Holdings GmbH. In noting the Petition the Commission reserved their right to institute proceeding in the future if and when it becomes necessary.

New Jersey Board of Public Utilities: filed on May 23, 2006. Action taken by the Board as of May 26, 2006: None.

New Mexico Public Regulation Commission: filed on May 22, 2006. Action taken by Commission as of May 26, 2006: None.

<sup>&</sup>lt;sup>1</sup> The listing herein is without prejudice to the Company's position that the Proposed Transaction may not be subject to the jurisdiction of certain state commissions where the Company has filed or will file seeking either a determination of no jurisdiction or, in the alternative, approval.

New York Public Service Commission: filed on April 21, 2006. Action taken by Commission as of May 26, 2006: None.

Pennsylvania Public Utility Commission: filed on May 5, 2006. Action taken by Commission as of May 31, 2006: Acknowledged receipt of the filing and has advised that a notice of the filing was published in the Pennsylvania Bulletin on May 27, 2006.

Virginia State Corporation Commission: filed on April 21 2006. Action taken by Commission as of May 26, 2006: Memorandum of completeness issued on May 17, 2006, effective May 12, 2006.

Public Service Commission of West Virginia: filed on May 8, 2006. Action taken by Commission as of May 26, 2006: None.

# Tennessee Regulatory Authority Data Request No. 1

### **Question:**

2. Have the petitioners filed a similar petition with a federal agency? If so, list any action taken and the associated file(s) or document number(s). If a schedule to complete the review of your petition has been established by any federal agency, provide such with your response.

### Answer:

The petitioners have not filed a similar petition with a federal agency. American Water Works Company, Inc. will have to file a registration statement with the Securities and Exchange Commission ("SEC") which will not occur before the 4<sup>th</sup> quarter of 2006. The registration statement will not be declared effective by the SEC until all state regulatory approvals have been granted.

### Tennessee Regulatory Authority Data Request No. 1

# Question:

4. Provide the number of customers that Tennessee-American Water Company ("Petitioner") currently has in Tennessee.

### Answer:

As of April 2006, Tennessee-American Water Company had a total customer base of 73,117. The Company serves 67,779 customers residing in Tennessee and the remaining customers reside in Georgia.

# Tennessee Regulatory Authority No. 1

### Question:

5. Will all Petitioner customers in Tennessee migrate or transfer as a part of the Proposed Transaction that will result in the indirect change of control of Petitioner?

### Answer:

No. Tennessee-American Water Company will continue to be a subsidiary of American Water Works Company, Inc. and will continue to be the local service provider honoring all current franchise and certificate requirements, as well and the rules and regulations of the Tennessee Regulatory Authority.

# Tennessee Regulatory Authority Data Request No. 1

# Question:

6. Confirm that petitioners will continue to operate under their present CCNs issued by the Authority and business licenses as filed with the Tennessee Secretary of State's Office.

### Answer:

Tennessee-American Water Co. will continue to operate under all present CCN's of the Tennessee Regulatory Authority and business licenses filed with the Tennessee Secretary of State's Office.