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January 16, 2007

VIA HAND-DELIVERY

Chairman Sara Kyle
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

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. 06-00290

Dear Chairman Kyle:

Enclosed please find an original and fifteen (15) sets of copies of Tennessee American Water Company's revised response to the TRA's Data Request dated November 28, 2006, Question 82. This revised response corrects a recently detected error in the response to question 82 that was filed on December 28, 2006.

Please return two copies of the Responses, which I would appreciate your stamping as "filed," and returning to me by way of our courier.

Should you have any questions concerning any of the enclosed, please do not hesitate to contact me.

With kindest regards, I remain

Very truly yours,



R. Dale Grimes

RDG/ms
Enclosures

cc: Hon. Pat Miller (w/o enclosure)
Hon. Ron Jones (w/o enclosure)

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Hon. Eddie Roberson (*w/o enclosure*)
Ms. Darlene Standley, Chief of Utilities Division (*w/o enclosure*)
Richard Collier, Esq. (*w/o enclosure*)
Mr. Jerry Kettles, Chief of Economic Analysis & Policy Division (*w/o enclosure*)
Ms. Pat Murphy (*w/o enclosure*)
Michael A. McMahon, Esq. (*w/enclosure*)
Vance Broemel, Esq. (*w/enclosure*)
Henry Walker, Esq. (*w/enclosure*)
David Higney, Esq. (*w/enclosure*)
Mr. John Watson (*w/o enclosure*)
Mr. Michael A. Miller (*w/o enclosure*)

TENNESSEE AMERICAN WATER COMPANY
Docket No. 06-00290
Tennessee Regulatory Authority Staff Data Request No. 1

REVISED RESPONSE

Responsible Witness: Michael Miller

COST OF CAPITAL

Question:

82. Provide copies of TAWC's projected new stock and debt issues for the next five (5) fiscal years.

| Answer: | <u>Equity</u> | <u>Debt Issues</u> |
|----------------|----------------------|---------------------------|
| 2007 | \$1,000,000 | \$36,000,000 |
| 2008 | \$2,000,000 | \$8,400,000 |
| 2009 | None | \$12,000,000 |
| 2010 | None | None |
| 2011 | None | \$4,000,000 |