

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

PETITION OF TENNESSEE AMERICAN WATER)	
COMPANY TO CHANGE AND INCREASE)	
CERTAIN RATES AND CHARGES SO AS TO)	DOCKET NO. 06-00290
PERMIT IT TO EARN A FAIR AND ADEQUATE)	
RATE OF RETURN ON ITS PROPERTY USED)	
AND USEFUL IN FURNISHING WATER)	
SERVICE TO ITS CUSTOMERS)	
)	

**CONSUMER ADVOCATE AND PROTECTION DIVISION’S REPLY TO TENNESSEE
AMERICAN WATER COMPANY’S RESPONSE TO JOINT MOTION FOR
EXTENSION OF TIME TO SUBMIT TESTIMONY AND REVISE PROCEDURAL
SCHEDULE**

In Tennessee American Water Company’s Response to Joint Motion for Extension of Time to Submit Testimony and to Revise Procedural Schedule, the Company makes a statement regarding the Consumer Advocate that requires a denial by the Consumer Advocate.


On page three of the Response, Tennessee American states as follows:

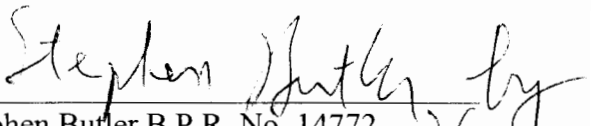
In fact, the only outstanding issue with respect to discovery at this moment relates to the Intervenor’s effort to obtain discovery of materials relevant to the initial public offering of Tennessee American’s parent company — materials that would be wholly irrelevant to this rate case. There is no reason for the City and CMA to stall filing their testimony awaiting a decision on that issue. The proof that this information is not relevant is in the CAPD’s willingness to file testimony with the obvious knowledge that it would not have the IPO materials before filing.

Contrary to Tennessee American’s assertion, the Consumer Advocate believes that information related to the IPO is very relevant to this case. The Consumer Advocate’s willingness to file testimony before receiving a ruling from the Hearing Officer on discovery disputes over IPO material was based on a desire to move the case forward. If and when IPO

material is received pursuant to an order from the Hearing Officer, the Consumer Advocate intended to supplement its testimony. The IPO issue is too important to consumers to be ignored because of a discovery dispute.

Respectfully submitted,


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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing is being forwarded via electronic mail and U.S. mail, to:

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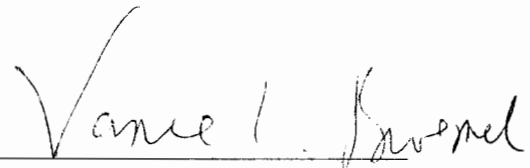
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on this the **1st** day of **March, 2007**.


Vance L. Broemel