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March 9, 2007

VIA HAND-DELIVERY

Chairman Sara Kyle

c/o Sharla Dillon

Tennessee Regulatory Authority

460 James Robertson Parkway

Nashville, Tennessee 37243-0505

filed electronically in docket office on 03/12/07

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 four (4) copies with 6 copies on CDs of Tennessee American Water Company's Second Supplemental Response (Additional Attachments) to City of Chattanooga's First Discovery Requests dated January 22, 2007. As promised yesterday, this supplement includes additional attachments for response to Question 28.

Please note that all documents produced herewith have been marked "Highly Confidential" pursuant to the Supplemental Protective Order dated March 1, 2007. These are filed in a binder under seal and may not be placed on the public record.

Please also note that we are not serving the Highly Confidential documents on any counsel who have not provided a signed copy of the Non Disclosure Statement. This also applies to Highly Confidential documents filed yesterday.

Please return three 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.

Chairman Sara Kyle

March 9, 2007

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With kindest regards, I remain

Yours very truly,

Dale Grimes by permission
R. Dale Grimes

RDG/ms
Enclosures

cc: Hon. Pat Miller (*w/o enclosure*)
Hon. Ron Jones (*w/o enclosure*)
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/o enclosure*)
Frederick L. Hitchcock, Esq. (*w/o enclosure*)
Vance Broemel, Esq. (*w/o enclosure*)
Henry Walker, Esq. (*w/o enclosure*)
David Higney, Esq. (*w/o enclosure*)
Mr. John Watson (*w/o enclosure*)
Mr. Michael A. Miller (*w/o enclosure*)