

BASS, BERRY & SIMS PLC
A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

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April 13, 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:

In compliance with Rule 1220-4-1-.05 of the Rules of the Tennessee Regulatory Authority and Tennessee Code Annotated 65-5-101 pertaining to publication and posting of notice as to hearings in matters involving rate increases, and proof of publication and posting to the Authority, I, R. Dale Grimes, attorney for Tennessee-American Water Company, hereby furnish you original and thirteen (13) copies of proof of publication in connection with the hearing to be held in the above-referenced docket beginning April 17, 2007. The publication was made in a newspaper of general circulation in the areas in which the petitioner offers service to its customers and as to which notice is required:

PUBLICATION OF NOTICE

1. The NOTICE OF HEARING attached as Exhibit A was published in the following newspaper of general circulation on the following dates:

<u>Newspaper</u>	<u>Date</u>	
Chattanooga Times Free Press	April 6, 2007	Exhibit A

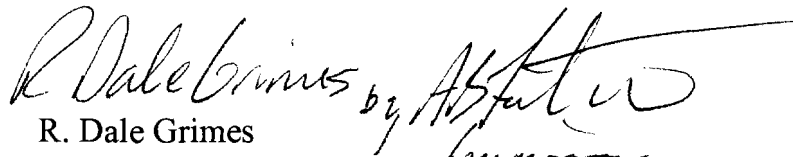
POSTING OF LEGAL NOTICE

2. The attached legal notice marked Exhibit B was displayed on a tripod in the main lobby of the customer service area of Tennessee-American Water Company, 1101 Broad Street, Chattanooga, Tennessee, beginning April 6, 2007. As verification of such posting, attached, as Exhibit C is a letter from the Vice President and General Network Manager of Tennessee-American Water Company, John S. Watson, dated April 11, 2007.

This letter of publication and posting complies fully with Tennessee Regulatory Authority Rule 1220-4-1-.05.

With kindest regards, I remain

Yours very truly,


R. Dale Grimes

RDG/ms

Enclosure

Cc: Certificate of Service List
Mr. Michael Miller
Mr. John Watson
Ms. Kim Dalton

2396661

TN American Water Company
Legal Notice of Hearing

STATE OF TENNESSEE HAMILTON COUNTY

Before me personally appeared Sharon Graham who being duly sworn, that she is the Legal Sales Representative of the "CHATTANOOGA TIMES FREE PRESS:" and that the Legal Notice of which the following is a true copy:

LEGAL NOTICE OF HEARING

Notice is hereby given that Tennessee American Water Company (the "Company") filed a petition and tariffs with the Tennessee Regulatory Authority, on November 22, 2006, asking that it be permitted to change water rates currently being charged in the areas being served by the Company. The Company's proposal would increase its annual revenues by approximately \$6,379,887, an increase in annual revenues of 19.08%. The proposed tariffs filed by the Company increase water rates 19.67% across the board.

The proposed rates as filed are those proposed by the Company and the Tennessee Regulatory Authority may in some or all instances adopt, reject, increase, or decrease said proposed rates, in part or in whole. The petition was filed to establish water rates that will enable the Company to earn a fair return on its investment, prevent impairment of its credit, meet its obligation to its customers, employees and creditors, and to preserve its property. A copy of the proposed tariff changes and the reasons for them are on file with the Tennessee Regulatory Authority and are open to public inspection.

The matter will be heard before the Tennessee Regulatory Authority on Tuesday, April 17, 2007, at 9:00am (EDT), at the Hamilton County Courthouse, Fourth Floor, 625 Georgia Avenue, Chattanooga, Tennessee. This notice is being given pursuant to Rule 1220-4-1-.05 and Tennessee Code Annotated 65-5-101.

John S. Watson
Vice President and
General Network Manager
Tennessee American
Water Company

Has been published in the above said Newspaper on the following dates, to-wit

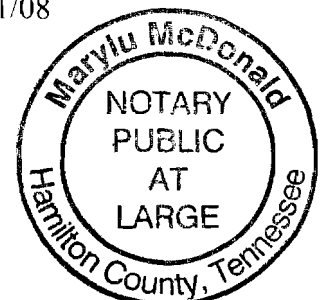
APRIL 6, 2007

The full number of times required by law, and that there is due the "CHATTANOOGA TIMES FREE PRESS" for publication of such notice the sum of \$148.02 Dollars. (Includes \$10.00 Affidavit Charge.)

Sharon Graham

Sworn to and subscribed before me, this 12th day of April, 2007.

Marylu McDonald
My Commission Expires 06/21/08



Chattanooga Times Free Press



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John S. Watson
Vice President and General Network Manager
Tennessee American Water Company



**John S. Watson
Vice-President &
General Network Manager**

April 11, 2007

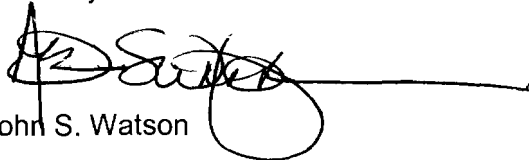
Mr. R. Dale Grimes
Bass, Berry & Sims PLC
AmSouth Center, Suite 2700
315 Deaderick Street
Nashville, TN 37328-3001

Dear Dale:

We are enclosing an original notarized proof of publication in the Chattanooga Times Free Press of the legal notice announcing the April 17, 2007 hearing of Tennessee American Water Company's rate case petition before the Tennessee Regulatory Authority.

Also, a laminated legal Notice of Hearing was posted in the lobby area of Tennessee American Water Company's office building at 1101 Broad Street in Chattanooga, Tennessee on April 6, 2007. The notice will remain posted until April 23, 2007.

Sincerely,



John S. Watson

JSW/s
Enclosures

American Water
1101 Broad Street
Post Office Box 6338
Chattanooga, TN 37401
USA
T +1 423 755 9307
F +1 423 755 7634
I www.tawc.com



CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served via the method(s) indicated, on this the 13th day of April, 2007, upon the following:

<input type="checkbox"/> Hand	Michael A. McMahan
<input type="checkbox"/> Mail	Special Counsel
<input type="checkbox"/> Facsimile	City of Chattanooga (Hamilton County)
<input checked="" type="checkbox"/> Overnight	Office of the City Attorney
<input checked="" type="checkbox"/> Email	Suite 400
	801 Broad Street
	Chattanooga, TN 37402
<input checked="" type="checkbox"/> Hand	Timothy C. Phillips, Esq.
<input type="checkbox"/> Mail	Vance L. Broemel, Esq.
<input type="checkbox"/> Facsimile	Office of the Attorney General
<input type="checkbox"/> Overnight	Consumer Advocate and Protection Division
<input checked="" type="checkbox"/> Email	425 5th Avenue North, 2 nd Floor
	Nashville, TN 37243
<input checked="" type="checkbox"/> Hand	Henry M. Walker, Esq.
<input type="checkbox"/> Mail	Boult, Cummings, Conners & Berry, PLC
<input type="checkbox"/> Facsimile	Suite 700
<input type="checkbox"/> Overnight	1600 Division Street
<input checked="" type="checkbox"/> Email	Nashville, TN 37203
<input type="checkbox"/> Hand	David C. Higney, Esq.
<input type="checkbox"/> Mail	Grant, Konvalinka & Harrison, P.C.
<input type="checkbox"/> Facsimile	633 Chestnut Street, 9 th Floor
<input checked="" type="checkbox"/> Overnight	Chattanooga, TN 37450
<input checked="" type="checkbox"/> Email	
<input type="checkbox"/> Hand	Frederick L. Hitchcock, Esq.
<input type="checkbox"/> Mail	Chambliss, Bahner & Stophel, P.C.
<input type="checkbox"/> Facsimile	1000 Tallan Building
<input checked="" type="checkbox"/> Overnight	Two Union Square
<input checked="" type="checkbox"/> Email	Chattanooga, TN 37402

