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ATTORNEYS AT LAW

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May 17, 2007

VIA E-MAIL AND HAND DELIVERY

Chairman Sara Kyle
c/o Sharla Dillon – Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

**Re: *Application of Tennessee American Water Company for Modification
of Tariffs and Service Regulations; Docket No. 06-00290***

Dear Chairman Kyle:

Enclosed please find the original and four (4) copies of the following documents for filing:

1. Rate Schedule No. 19 – Eighth Revision of Sheet No. 4-C (canceling Seventh Revision of Sheet No. 4-C);
2. Rate Schedule No. 19 – Eighth Revision of Sheet No. 4-I (canceling Seventh Revision of Sheet No. 4-I);
3. Rate Schedule No. 19 – Eighth Revision of Sheet No. 4-O (canceling Seventh Revision of Sheet No. 4-O);
4. Rate Schedule No. 19 – Eighth Revision of Sheet No. 4-R (canceling Seventh Revision of Sheet No. 4-R);
5. Rate Schedule No. 19 – Eighth Revision of Sheet NO. 4-S (canceling Seventh Revision of Sheet No. 4-S); and
6. Rate Schedule No. 19 – Eighth Revision of Sheet No. 9 (canceling Seventh Revision of Sheet No. 9).

Chairman Sara Kyle
May 17, 2007
Page 2 of 2

Also included is a revision of Exhibit 4 showing how the rates in these tariffs were calculated. The original Exhibit 4 was filed with the Company's Petition as an exhibit to Sheila Miller's testimony.

The above-listed documents have been emailed to the Docket Manager, Sharla Dillon, in lieu of sending additional ten (10) copies.

Also enclosed are three (3) additional copies, which I would appreciate your stamping as "filed," and returning to me by way of our courier.

Please note that the effective date of these tariffs is May 22, 2007, which is six (6) months after the petition in this case was filed.

Should you have any questions with respect to this filing, please do not hesitate to contact me at the telephone number listed above.

With kindest regards, I remain

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Dale Grimes". The signature is fluid and cursive, with the first name "R." and last name "Grimes" clearly distinguishable.

R. Dale Grimes

RDG/ms
Enclosures

cc: Ms. Darlene Standley, Chief of Utilities Division (*w/enclosure*)
Ms. Pat Murphy (*w/enclosure*)
Mr. John Watson (*w/enclosure*)
Mr. Michael A. Miller (*w/enclosure*)
Counsel of Record (*w/enclosure*)

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 17th day of May, 2007, upon the following:

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



CLASSIFICATION OF SERVICE
RESIDENTIAL

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 10.42 (I)	\$ 11.70 (I)	\$ 11.70 (I)
3/4"	17.51 (I)	17.51 (I)	17.51 (I)
1"	29.14 (I)	29.14 (I)	29.14 (I)
1-1/2"	58.30 (I)	58.30 (I)	58.30 (I)
2"	93.27 (I)	93.27 (I)	93.27 (I)
3"	174.89 (I)	174.89 (I)	174.89 (I)
4"	291.49 (I)	291.49 (I)	291.49 (I)
6"	582.99 (I)	582.99 (I)	582.99 (I)
8"	932.77 (I)	932.77 (I)	932.77 (I)

VOLUMETRIC RATES:**Cost per CCF**

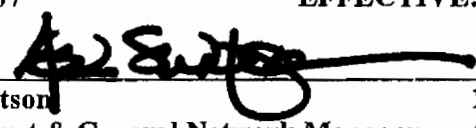
<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.194 (I)	\$.721 (I)	\$.365 (I)
4-65	3.073 (I)	3.958 (I)	3.386 (I)
65-500	1.931 (I)	2.816 (I)	2.244 (I)
500-5,000	1.443 (I)	1.969 (I)	1.604 (I)
5,000-15,000	1.103 (I)	1.630 (I)	1.265 (I)
Over 15,000	.655 (I)	1.181 (I)	.816 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:


John S. Watson
Vice President & General Network Manager

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
COMMERCIAL

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 10.42 (I)	\$ 11.70 (I)	\$ 11.70 (I)
3/4"	17.51 (I)	17.51 (I)	17.51 (I)
1"	29.14 (I)	29.14 (I)	29.14 (I)
1-1/2"	58.30 (I)	58.30 (I)	58.30 (I)
2"	93.27 (I)	93.27 (I)	93.27 (I)
3"	174.89 (I)	174.89 (I)	174.89 (I)
4"	291.49 (I)	291.49 (I)	291.49 (I)
6"	582.99 (I)	582.99 (I)	582.99 (I)
8"	932.77 (I)	932.77 (I)	932.77 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.194 (I)	\$.721 (I)	\$.365 (I)
4-65	3.073 (I)	3.958 (I)	3.386 (I)
65-500	1.931 (I)	2.816 (I)	2.244 (I)
500-5,000	1.443 (I)	1.969 (I)	1.604 (I)
5,000-15,000	1.103 (I)	1.630 (I)	1.265 (I)
Over 15,000	.655 (I)	1.181 (I)	.816 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:

John S. Watson

Vice President & General Network Manager

1101 Broad Street

Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE**INDUSTRIAL****SERVICE CHARGES:****Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 10.42 (I)	\$ 11.70 (I)	\$ 11.70 (I)
3/4"	17.51 (I)	17.51 (I)	17.51 (I)
1"	29.14 (I)	29.14 (I)	29.14 (I)
1-1/2"	58.30 (I)	58.30 (I)	58.30 (I)
2"	93.27 (I)	93.27 (I)	93.27 (I)
3"	174.89 (I)	174.89 (I)	174.89 (I)
4"	291.49 (I)	291.49 (I)	291.49 (I)
6"	582.99 (I)	582.99 (I)	582.99 (I)
8"	932.77 (I)	932.77 (I)	932.77 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.194 (I)	\$.721 (I)	\$.365 (I)
4-65	3.073 (I)	3.958 (I)	3.386 (I)
65-500	1.931 (I)	2.816 (I)	2.244 (I)
500-5,000	1.443 (I)	1.969 (I)	1.604 (I)
5,000-15,000	1.103 (I)	1.630 (I)	1.265 (I)
Over 15,000	.655 (I)	1.181 (I)	.816 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:

John S. Watson

Vice President & General Network Manager

1101 Broad Street

Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
OTHER PUBLIC AUTHORITY

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 10.42 (I)	\$ 11.70 (I)	\$ 11.70 (I)
3/4"	17.51 (I)	17.51 (I)	17.51 (I)
1"	29.14 (I)	29.14 (I)	29.14 (I)
1-1/2"	58.30 (I)	58.30 (I)	58.30 (I)
2"	93.27 (I)	93.27 (I)	93.27 (I)
3"	174.89 (I)	174.89 (I)	174.89 (I)
4"	291.49 (I)	291.49 (I)	291.49 (I)
6"	582.99 (I)	582.99 (I)	582.99 (I)
8"	932.77 (I)	932.77 (I)	932.77 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.194 (I)	\$.721 (I)	\$.365 (I)
4-65	3.073 (I)	3.958 (I)	3.386 (I)
65-500	1.931 (I)	2.816 (I)	2.244 (I)
500-5,000	1.443 (I)	1.969 (I)	1.604 (I)
5,000-15,000	1.103 (I)	1.630 (I)	1.265 (I)
Over 15,000	.655 (I)	1.181 (I)	.816 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:

John S. Watson

Vice President & General Network Manager

1101 Broad Street

Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
SALES FOR RESALE

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 10.42 (I)	\$ 11.70 (I)	\$ 11.70 (I)
3/4"	17.51 (I)	17.51 (I)	17.51 (I)
1"	29.14 (I)	29.14 (I)	29.14 (I)
1-1/2"	58.30 (I)	58.30 (I)	58.30 (I)
2"	93.27 (I)	93.27 (I)	93.27 (I)
3"	174.89 (I)	174.89 (I)	174.89 (I)
4"	291.49 (I)	291.49 (I)	291.49 (I)
6"	582.99 (I)	582.99 (I)	582.99 (I)
8"	932.77 (I)	932.77 (I)	932.77 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.194 (I)	\$.721 (I)	\$.365 (I)
4-65	3.073 (I)	3.958 (I)	3.386 (I)
65-500	1.931 (I)	2.816 (I)	2.244 (I)
500-5,000	1.443 (I)	1.969 (I)	1.604 (I)
5,000-15,000	1.103 (I)	1.630 (I)	1.265 (I)
Over 15,000	.655 (I)	1.181 (I)	.816 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:

John S. Watson

Vice President & General Network Manager

1101 Broad Street

Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19

Eighth Revision of Sheet No. 9

Canceling

Seventh Revision of Sheet No. 9

CLASSIFICATION OF SERVICE

PRIVATE FIRE SERVICE

Available For:

Private Fire Service in all territory served by the Company. Private Fire Service is rendered only after approval by the President or Vice President and General Manager of the Company of an "Application for Special Connection," and only in accordance with the terms and conditions as provided therein.

Rates

	<u>Rate per Annum</u>
Private Fire Service Connections:	
1" diameter	\$ 27.15 (I)
1-1/2" diameter	61.24 (I)
2" diameter	108.92 (I)
2-1/2" diameter	166.09 (I)
3" diameter	244.83 (I)
4" diameter	490.28 (I)
6" diameter	979.79 (I)
8" diameter	1,961.24 (I)
10" diameter	2,942.08 (I)
12" diameter	3,923.10 (I)
 Private Fire Hydrants other than those supplied by Private Fire Service Connections	
	\$934.69 (I)

(I) Increase

ISSUED: May 17, 2007

EFFECTIVE: May 22, 2007

BY:

John S. Watson

Vice President & General Network Manager

1101 Broad Street

Chattanooga, Tennessee 37401

Tennessee Regulatory Authority

Test Year Twelve Months Ending June 30, 2006
Exhibit No. 4, Schedule 1
Page No. 1 of 1

Summary
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Line No.	Class/Description	Per Book Sales (CCF)	Per Book Total Revenues	Normalized Sales (CCF)	Normalized Total Revenues	Current Rates Sales (CCF)	Attrition Total Revenues	Proposed Rates Sales (CCF)	Total Revenues	Total Revenue Difference	Total Revenue Percent Change
1											
2											
3											
4											
5	Residential	4,551,139	13,410,823	4,547,185	13,608,292	4,575,131	13,681,917	4,575,131	15,390,592	1,708,675	12.489%
6	Commercial	4,274,865	10,055,046	4,216,842	10,115,307	4,253,671	10,230,156	4,253,671	11,516,756	1,266,600	12.577%
7	Industrial	3,199,859	3,478,302	3,092,865	3,428,902	3,092,865	3,428,902	3,092,865	3,860,193	431,291	12.578%
8	Other Public Authority	1,205,008	2,329,280	1,210,272	2,404,176	1,210,272	2,404,176	1,210,272	2,706,579	302,403	12.578%
9	Other Water Utility	1,547,422	1,168,613	1,302,516	1,048,255	1,302,516	1,048,255	1,302,516	1,180,106	131,851	12.578%
10	Private Fire Service	0	1,326,106	0	1,341,877	0	1,373,647	0	1,546,588	172,941	12.590%
11	Public Fire Service	0	0	0	0	0	0	0	-	-	
12	Subtotal	14,778,293	31,768,172	14,369,580	31,946,809	14,434,455	32,167,053	14,434,455	36,200,814	4,033,761	12.540%
13											
14	Other Operating Revenues		1,255,342		1,260,333		1,265,235		1,311,338	46,103	3.644%
15											
16	Total		33,023,514		33,207,142		33,432,288		37,512,152	4,079,864	12.203%
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30											
31											

Per book revenues include unbilled revenues.

Test Year Twelve Months Ending June 30, 2006
Exhibit No 4, Schedule 2
Page No. 1 of 13

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	709,160	9.26	\$6,566,822	715,446	9.26	\$6,625,030	719,813	9.26	\$6,665,468	719,813	10.42	\$7,503,861
7	3/4 - inch meter	1,037	15.55	16,131	1,037	15.55	16,131	1,037	15.55	16,131	1,037	17.51	18,160
8	1 - inch meter	2,053	25.88	53,129	2,051	25.88	53,077	2,051	25.88	53,077	2,051	29.14	59,753
9	1 1/2 - inch meter	232	51.79	11,991	232	51.79	11,991	232	51.79	11,991	232	58.30	13,500
10	2 - inch meter	169	82.85	13,995	169	82.85	13,995	169	82.85	13,995	169	93.27	15,755
11	3 - inch meter	9	155.35	1,367	9	155.35	1,367	9	155.35	1,367	9	174.89	1,539
12	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	291.49	0
13	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	582.99	0
14	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	932.77	0
15	Total Meters	712,560		6,663,435	718,944		6,721,591	723,311		6,762,029	723,311		7,612,568
16													
17	Volumetric												
18	First	2,288,194	0.172	393,569	2,313,420	0.172	397,908	2,330,888	0.172	400,913	2,330,888	0.194	451,340
19	Next	1,802,531	2.730	4,920,910	1,773,564	2.730	4,841,830	1,781,425	2.730	4,863,291	1,781,425	3.073	5,475,003
20	Next	59,638	1.715	100,564	58,638	1.715	100,564	58,638	1.715	100,564	58,638	1.931	113,214
21	Next	5,823	1.282	7,465	5,823	1.282	7,465	5,823	1.282	7,465	5,823	1.443	8,404
22	Next	131	0.980	128	131	0.980	128	131	0.980	128	131	1.103	145
23	All Over	0	0.582	0	0	0.582	-	-	0.582	-	-	0.655	0
24	Chattanooga Amount	4,156,317		12,086,071	4,151,576		12,069,486	4,176,905		12,134,390	4,176,905		13,660,674
25													
26	Lookout Mountain												
27	5/8 - inch meter	20,756	10.39	215,650	21,032	10.39	218,517	21,155	10.39	219,795	21,155	11.70	247,441
28	3/4 - inch meter	451	15.55	7,019	451	15.55	7,019	451	15.55	7,019	451	17.51	7,902
29	1 - inch meter	1,267	25.88	32,792	1,267	25.88	32,792	1,267	25.88	32,792	1,267	29.14	36,916
30	1 1/2 - inch meter	26	51.79	1,347	26	51.79	1,347	26	51.79	1,347	26	58.30	1,516
31	2 - inch meter	39	82.85	3,231	39	82.85	3,231	39	82.85	3,231	39	93.27	3,638
32	3 - inch meter	0	155.35	0	0	155.35	-	-	155.35	-	-	174.89	0
33	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	291.49	0
34	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	582.99	0
35	8 - inch meter	0	828.55	0	0								

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates			
		Billing		Rates	Billing		Rates	Billing		Rates	Billing		Rates	Revenues
Determinate	Revenues	Determinate	Revenues		Determinate	Revenues		Determinate	Revenues		Determinate	Revenues		
1														
2														
3														
4														
5	Chattanooga													
6	5/8 - inch meter	63,928	9.26	\$591,972	63,876	9.26	\$591,491	63,876	9.26	\$591,491	63,876	9.26	\$591,491	63,876
7	3/4 - inch meter	1,459	15.55	22,687	1,457	15.55	22,656	1,457	15.55	22,656	1,457	15.55	22,656	1,457
8	1 - inch meter	15,945	25.88	412,644	16,190	25.88	418,984	17,032	25.88	440,775	17,032	25.88	440,775	17,032
9	1 1/2 - inch meter	3,870	51.79	200,427	3,861	51.79	199,961	3,861	51.79	199,961	3,861	51.79	199,961	3,861
10	2 - inch meter	12,368	82.85	1,024,661	12,306	82.85	1,019,525	12,306	82.85	1,019,525	12,306	82.85	1,019,525	12,306
11	3 - inch meter	513	155.35	79,663	513	155.35	79,663	513	155.35	79,663	513	155.35	79,663	513
12	4 - inch meter	243	258.92	62,918	242	258.92	62,659	242	258.92	62,659	242	258.92	62,659	242
13	6 - inch meter	120	517.85	62,142	120	517.85	62,142	120	517.85	62,142	120	517.85	62,142	120
14	8 - inch meter	12	828.55	9,943	12	828.55	9,943	12	828.55	9,943	12	828.55	9,943	12
15	Total Meters	98,457		2,467,057	98,576		2,467,024	99,418		2,488,815	99,418		2,488,815	99,418
16														
17	Volumetric													
18	First 400 Cubic Feet	272,842	0.172	46,929	273,447	0.172	47,033	276,815	0.172	47,612	276,815	0.172	47,612	276,815
19	Next 6,100 Cubic Feet	1,243,422	2.730	3,394,541	1,250,496	2.730	3,413,853	1,283,502	2.730	3,503,960	1,283,502	2.730	3,503,960	1,283,502
20	Next 43,500 Cubic Feet	1,681,937	1.715	2,884,522	1,618,685	1.715	2,776,045	1,618,685	1.715	2,776,045	1,618,685	1.715	2,776,045	1,618,685
21	Next 450,000 Cubic Feet	830,574	1.282	1,064,796	828,034	1.282	1,061,540	828,034	1.282	1,061,540	828,034	1.282	1,061,540	828,034
22	Next 1,000,000 Cubic Feet	127,616	0.980	125,064	127,616	0.980	125,064	127,616	0.980	125,064	127,616	0.980	125,064	127,616
23	All Over 1,500,000 Cubic Feet	93,476	0.582	54,403	93,476	0.582	54,403	93,476	0.582	54,403	93,476	0.582	54,403	93,476
24	Chattanooga Amount	4,249,867		10,037,312	4,191,754		9,944,962	4,228,128		10,057,439	4,228,128		10,057,439	4,228,128
25														
26	Lookout Mountain													
27	5/8 - inch meter	780	10.39	8,106	780	10.39	8,106	780	10.39	8,106	780	10.39	8,106	780
28	3/4 - inch meter	26	15.55	404	26	15.55	404	26	15.55	404	26	15.55	404	26
29	1 - inch meter	248	25.88	6,418	284	25.88	7,350	293	25.88	7,583	293	25.88	7,583	293
30	1 1/2 - inch meter	39	51.79	2,020	39	51.79	2,020	39	51.79	2,020	39	51.79	2,020	39
31	2 - inch meter	89	82.85	7,374	89	82.85	7,374	89	82.85	7,374	89	82.85	7,374	89
32	3 - inch meter	0	155.35	0	0	155.35	-	-	155.35	-	-	155.35	-	-
33	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	258.92	-	-
34	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	517.85	-	-
35	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	828.55	-	-
36	Total Meters	1,182		24,322	1218.17		25,254	1,227		25,487	1,227		25,693	1,227
37														
38	Volumetric													
39	First 400 Cubic Feet	3,481	0.640	2,228	3,625	0.640	2,320	3,661	0.640	2,343	3,661	0.640	2,343	3,661
40	Next 6,100 Cubic Feet	17,624	3.516	61,966	18,614	3.516	65,447	18,862	3.516	66,319	18,862	3.516	66,319	18,862
41	Next 43,500 Cubic Feet	13,897	2.501	34,756	13,409	2.501	33,536	13,409	2.501	33,536	13,409	2.501	33,536	13,409
42	Next 450,000 Cubic Feet	2,268	1.749	3,967	2,268	1.749	3,967	2,268	1.749	3,967	2,268	1.749	3,967	2,268
43	Next 1,000,000 Cubic Feet	0	1.448	0	0	1.448	-	-	1.448	-	-	1.448	-	-
44	All Over 1,500,000 Cubic Feet	0	1.049	0	0	1.049	-	-	1.049	-	-	1.049	-	-
45	Lookout Mountain Amount	37,270		127,239	37916		130,524	38,200		131,652	38,200		131,652	38,200
46														

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates			
		Billing		Rates	Billing		Rates	Billing		Rates	Billing		Rates	Revenues
Determine	Revenues	Determine	Revenues		Determine	Revenues		Determine	Revenues		Determine	Revenues		
1														
2														
3														
4														
5	Lakeview													
6	5/8 - inch meter	1,796	10.39	18,656	1,796	10.39	18,656	1,796	10.39	18,656	1,796	11.70	21,002	21,002
7	3/4 - inch meter	0	15.55	0	0	15.55	-	-	15.55	-	-	17.51	0	0
8	1 - inch meter	223	25.88	5,771	199	25.88	5,150	218	25.88	5,642	218	29.14	6,351	6,351
9	1 1/2 - inch meter	0	51.79	0	0	51.79	0	-	51.79	-	-	58.30	0	0
10	2 - inch meter	96	82.85	7,954	96	82.85	7,954	96	82.85	7,954	96	93.27	8,954	8,954
11	3 - inch meter	0	155.35	0	0	155.35	-	-	155.35	-	-	174.89	0	0
12	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	291.49	0	0
13	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	582.99	0	0
14	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	932.77	0	0
15	Total Meters	2,115		32,381	2090.53		31,760	2,110		32,252	2,110		36,307	36,307
16														
17	Volumetric													
18	First 400 Cubic Feet	5,556	0.316	1,756	5,460	0.316	1,725	5,536	0.316	1,749	5,536	0.356	1,969	1,969
19	Next 6,100 Cubic Feet	15,514	3.008	46,666	15,291	3.008	45,995	15,468	3.008	46,527	15,468	3.386	52,380	52,380
20	Next 43,500 Cubic Feet	6,954	1.993	13,859	6,586	1.993	13,126	6,586	1.993	13,126	6,586	2.244	14,777	14,777
21	Next 450,000 Cubic Feet	84	1.425	120	84	1.425	120	84	1.425	120	84	1.604	135	135
22	Next 1,000,000 Cubic Feet	0	1.124	0	0	1.124	-	-	1.124	-	-	1.265	0	0
23	All Over 1,500,000 Cubic Feet	0	0.725	0	0	0.725	-	-	0.725	-	-	0.816	0	0
24	Lakeview Amount	28,108		94,782	27,421		92,726	27,674		93,774	27,674		105,568	105,568
25														
26	Lone Oak													
27	5/8 - inch meter	2	31.39	63	2	31.39	63	2	31.39	63	2	31.39	63	63
28	3/4 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
29	1 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
30	1 1/2 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
31	2 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
32	3 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
33	4 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
34	6 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
35	8 - inch meter	0	31.39	0	0	31.39	-	-	31.39	-	-	31.39	0	0
36	Total Meters	2		63	2		63	2		63	2		63	63
37														
38	Volumetric													
39	First 2.67 (100 CCF)	4	0.000	0	4	0.000	-	4	0.000	-	4	0.000	0	0
40	In Excess 2.67 (100 CCF)	7	3.947	29	7	3.947	29	7	3.947	29	7	3.947	29	29
41														
42														
43														
44														
45	Lone Oak Amount	11		92	11		92	11		92	11		92	92
46														

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	1,986	9.26	\$18,390	1,979	9.26	\$18,326	1,979	9.26	\$18,326	1,979	10.42	\$20,631
7	3/4 - inch meter	132	15.55	2,053	130	15.55	2,022	130	15.55	2,022	130	17.51	2,276
8	1 - inch meter	1,572	25.88	40,683	1,694	25.88	43,841	1,694	25.88	43,841	1,694	29.14	49,355
9	1 1/2 - inch meter	794	51.79	41,121	787	51.79	40,759	787	51.79	40,759	787	58.30	45,885
10	2 - inch meter	3,251	82.85	269,345	3,219	82.85	266,694	3,219	82.85	266,694	3,219	93.27	300,239
11	3 - inch meter	49	155.35	7,612	48	155.35	7,457	48	155.35	7,457	48	174.89	8,399
12	4 - inch meter	261	258.92	67,578	256	258.92	66,284	256	258.92	66,284	256	291.49	74,621
13	6 - inch meter	12	517.85	6,214	12	517.85	6,214	12	517.85	6,214	12	582.99	6,986
14	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	932.77	0
15	Total Meters	8,057		452,996	8125		451,597	8,125		451,597	8,125		508,398
16													
17	Volumetric												
18	First	21,210	0.172	3,648	21,558	0.172	3,708	21,558	0.172	3,708	21,558	0.194	4,174
19	Next	169,462	2.730	462,631	176,036	2.730	480,578	176,036	2.730	480,578	176,036	3.073	541,026
20	Next	352,398	1.715	604,363	358,536	1.715	614,889	358,536	1.715	614,889	358,536	1.931	692,231
21	Next	525,785	1.282	674,056	518,335	1.282	664,505	518,335	1.282	664,505	518,335	1.443	748,088
22	Next	1,000,000 Cubic Feet	0.980	92,894	94,790	0.980	92,894	94,790	0.980	92,894	94,790	1.103	104,579
23	All Over	0	0.582	0	0	0.582	-	-	0.582	-	-	0.655	0
24	Chattanooga Amount	1,163,545		2,290,588	1,169,255		2,308,171	1,169,255		2,308,171	1,169,255		2,598,496
25													
26	Lookout Mountain												
27	5/8 - inch meter	153	10.39	1,590	153	10.39	1,590	153	10.39	1,590	153	11.70	1,790
28	3/4 - inch meter	0	15.55	0	0	15.55	-	-	15.55	-	-	17.51	0
29	1 - inch meter	169	25.88	4,374	157	25.88	4,063	157	25.88	4,063	157	29.14	4,574
30	1 1/2 - inch meter	13	51.79	673	13	51.79	673	13	51.79	673	13	58.30	758
31	2 - inch meter	91	82.85	7,539	91	82.85	7,539	91	82.85	7,539	91	93.27	8,488
32	3 - inch meter	0	155.35	0	0	155.35	-	-	155.35	-	-	174.89	0
33	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	291.49	0
34	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	582.99	0
35	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	932.77	0
36	Total Meters	426		14,176	414		13,865	414		13,865	414		15,610
37													
38	Volumetric												
39	First	870	0.640	557	822	0.640	526	822	0.640	526	822	0.721	592
40	Next	5,891	3.516	20,713	5,616	3.516	19,746	5,616	3.516	19,746	5,616	3.958	22,230
41	Next	4,714	2.501	11,790	4,714	2.501	11,790	4,714	2.501	11,790	4,714	2.816	13,273
42	Next	0	1.749	0	0	1.749	-	-	1.749	-	-	1.969	0
43	Next	0	1.448	0	0	1.448	-	-	1.448	-	-	1.630	0
44	All Over	0	1.049	0	0	1.049	-	-	1.049	-	-	1.181	0
45	Lookout Mountain Amount	11,475		47,236	11152		45,927	11,152		45,927	11,152		51,705
46													

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending June 30, 2006
Exhibit No. 4, Schedule 2
Page No. 10 of 13

Tennessee Regulatory Authority
Other Public Authority Class
Company : Tennessee-American Water Company
Case No. :

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues
5	Lakeview												
6	5/8 - inch meter	48	10.39	499	48	10.39	499	48	10.39	499	48	11.70	561
7	3/4 - inch meter	0	15.55	0	0	15.55	-	-	15.55	-	-	17.51	0
8	1 - inch meter	12	25.88	311	12	25.88	311	12	25.88	311	12	29.14	350
9	1 1/2 - inch meter	12	51.79	621	12	51.79	621	12	51.79	621	12	58.30	700
10	2 - inch meter	24	82.85	1,988	24	82.85	1,988	24	82.85	1,988	24	93.27	2,239
11	3 - inch meter	0	155.35	0	0	155.35	-	-	155.35	-	-	174.89	0
12	4 - inch meter	0	258.92	0	0	258.92	-	-	258.92	-	-	291.49	0
13	6 - inch meter	0	517.85	0	0	517.85	-	-	517.85	-	-	582.99	0
14	8 - inch meter	0	828.55	0	0	828.55	-	-	828.55	-	-	932.77	0
15	Total Meters	96		3,419	96		3,419	96		3,419	96		3,850
17	Volumetric												
18	First 400 Cubic Feet	200	0.316	63	200	0.316	63	200	0.316	63	200	0.356	71
19	Next 6,100 Cubic Feet	1,977	3.008	5,947	1,977	3.008	5,947	1,977	3.008	5,947	1,977	3.386	6,695
20	Next 43,500 Cubic Feet	1,858	1.993	3,703	1,858	1.993	3,703	1,858	1.993	3,703	1,858	2.244	4,169
21	Next 450,000 Cubic Feet	0	1.425	0	0	1.425	-	-	1.425	-	-	1.604	0
22	Next 1,000,000 Cubic Feet	0	1.124	0	0	1.124	-	-	1.124	-	-	1.265	0
23	All Over 1,500,000 Cubic Feet	0	0.725	0	0	0.725	-	-	0.725	-	-	0.816	0
24	Lakeview Amount	4,035		13,132	4,035		13,132	4,035		13,132	4,035		14,785
26	Total Gross	1,179,155		2,350,956	1,184,442		2,367,230	1,184,442		2,367,230	1,184,442		2,664,986
27	Less: Correction & Allowances	(31,185)		(37,167)	(31,185)		(37,167)	(31,185)		(37,167)	(31,185)		(41,842)
28	Net Amount	1,210,340		2,388,123	1,215,627		2,404,397	1,215,627		2,404,397	1,215,627		2,706,828
29	Net Amt. Per Revenue Summary	1,205,008		2,387,904	1,210,272		2,404,176	1,210,272		2,404,176	1,210,272		2,706,579
30	Difference	5,332		219	5355		221	5,355		221	5,355		249
31	Percent Difference	0.4425%		0.0092%	0.4425%		0.0092%	0.4425%		0.0092%	0.4425%		0.0092%

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determine	Revenues	Rate	Billing Determine	Revenues	Rate	Billing Determine	Revenues	Rate	Billing Determine	Revenues	Rate
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	0	9.26	0	0	9.26	0	0	9.26	0	0	9.26	0
7	3/4 - inch meter	0	15.55	0	0	15.55	0	0	15.55	0	0	15.55	0
8	1 - inch meter	0	25.88	0	0	25.88	0	0	25.88	0	0	25.88	0
9	1 1/2 - inch meter	0	51.79	0	0	51.79	0	0	51.79	0	0	51.79	0
10	2 - inch meter	12	82.85	994	12	82.85	994	12	82.85	994	12	82.85	994
11	3 - inch meter	0	155.35	0	0	155.35	0	0	155.35	0	0	155.35	0
12	4 - inch meter	38	258.92	9,839	36	258.92	9,321	36	258.92	9,321	36	258.92	9,321
13	6 - inch meter	0	517.85	0	0	517.85	0	0	517.85	0	0	517.85	0
14	8 - inch meter	0	828.55	0	0	828.55	0	0	828.55	0	0	828.55	0
15	Total Meters	50	10,833		48	10,315		48	10,315		48	10,315	
16													
17	Volumetric												
18	First 400 Cubic Feet	0	0.172	0	0	0.172	0	0	0.172	0	0	0.172	0
19	Next 6,100 Cubic Feet	0	2.730	0	0	2.730	0	0	2.730	0	0	2.730	0
20	Next 43,500 Cubic Feet	0	1.715	0	0	1.715	0	0	1.715	0	0	1.715	0
21	Next 450,000 Cubic Feet	0	1.282	0	0	1.282	0	0	1.282	0	0	1.282	0
22	Next 1,000,000 Cubic Feet	0	0.980	0	0	0.980	0	0	0.980	0	0	0.980	0
23	All Over 1,500,000 Cubic Feet	0	0.582	0	0	0.582	0	0	0.582	0	0	0.582	0
24	Ft. Oglethorpe	841,021	0.766	644,222	799,363	0.796	636,293	799,363	0.796	636,293	799,363	0.8961	716,327
25	Catoosa Co	162,740	0.796	129,541	162,740	0.796	129,541	162,740	0.796	129,541	162,740	0.8961	145,835
26	Signal Mtn	334,038	0.766	255,873	304,001	0.796	241,985	304,001	0.796	241,985	304,001	0.8961	272,422
27	Walden's Ridge	173,844	0.9375	162,979	0	0.9375	-	-	0.9375	-	-	0.9375	-
28	Chattanooga Amount	1,511,643	1,203,448		1,266,104	1,018,134		1,266,104	1,018,134		1,266,104	1,146,197	
29													
30	Lookout Mountain												
31	5/8 - inch meter	0	10.39	0	0	10.39	0	0	10.39	0	0	10.39	0
32	3/4 - inch meter	0	15.55	0	0	15.55	0	0	15.55	0	0	15.55	0
33	1 - inch meter	0	25.88	0	0	25.88	0	0	25.88	0	0	25.88	0
34	1 1/2 - inch meter	0	51.79	0	0	51.79	0	0	51.79	0	0	51.79	0
35	2 - inch meter	0	82.85	0	0	82.85	0	0	82.85	0	0	82.85	0
36	3 - inch meter	0	155.35	0	0	155.35	0	0	155.35	0	0	155.35	0
37	4 - inch meter	0	258.92	0	0	258.92	0	0	258.92	0	0	258.92	0
38	6 - inch meter	0	517.85	0	0	517.85	0	0	517.85	0	0	517.85	0
39	8 - inch meter	0	828.55	0	0	828.55	0	0	828.55	0	0	828.55	0
40	Total Meters	0	0		0	-		0	-		0	932.77	0
41													
42	Volumetric												
43	First 400 Cubic Feet	0	0.640	0	0	0.640	0	0	0.640	0	0	0.640	0
44	Next 6,100 Cubic Feet	0	3.516	0	0	3.516	0	0	3.516	0	0	3.516	0
45	Next 43,500 Cubic Feet	0	2.501	0	0	2.501	0	0	2.501	0	0	2.501	0
46	Next 450,000 Cubic Feet	0	1.749	0	0	1.749	0	0	1.749	0	0	1.749	0
47	Next 1,000,000 Cubic Feet	0	1.448	0	0	1.448	0	0	1.448	0	0	1.448	0
48	All Over 1,500,000 Cubic Feet	0	1.049	0	0	1.049	0	0	1.049	0	0	1.049	0
49	Lookout Mountain Amount	0	0		0	-		0	-		0	0.655	0

