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January 3, 2007

VIA HAND-DELIVERY

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

RECEIVED
2007 JAN -3 PM 2:57
T.R.A. DOCKET ROOM

***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:

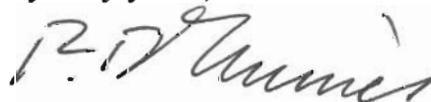
Enclosed please find an original and sixteen (16) copies of Tennessee American Water Company's revised response to Question 71 of the TRA Staff's Data Request dated November 28, 2006. I would greatly appreciate your filing this in the above docket and respectfully request that you substitute this revised response in place of the original response filed December 28, 2006. In addition, a compact disk is provided with this revised Response only.

Please return two copies of Response Number 71, 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

Chairman Sara Kyle
January 3, 2007
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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 (*w/enclosure*)
Timothy C. Phillips, Esq. (*w/enclosure*)
David C. Higney, Esq. (*w/enclosure*)
Mr. John Watson (*w/enclosure*)
Mr. Michael A. Miller (*w/enclosure*)

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

Responsible Witness: Michael Miller

COST OF CAPITAL

Question:

71. Provide the computer file showing items below for the Parent, Multi-State Utility, or Affiliated Utility Service Company, for each of the last fifteen (15) fiscal years:

- a. Earnings, annual dividends declared, annual dividends paid, book value of common equity, and price of common equity (each item should be shown per average actual common share outstanding, adjusted for stock splits and stock dividends)
- b. Rate of return to average common equity
- c. Common stock earnings retention ratio
- d. For common stock not issued to the public, but issued pursuant to a) tax reduction act stock ownership plans, b) employee stock option plans, and c) dividend reinvestment plans, provide net proceeds per common share issued, and number of shares issued and previously outstanding at the beginning of the year. Provide the information separately for each of the three (3) types of plans and report each plan's information as annual aggregate or as an average and indicate whether you are providing an average or aggregate figure.
- e. For those issues of common stock sold to the public and not falling under d. above, provide:
 - 1) Date of issue
 - 2) Number of shares issued and previously outstanding for each issue and in the aggregate

- 3) Number of shares sold to the public
- 4) Gross proceeds per share from the public
- 5) Net proceeds per share from the public
- 6) Price per share to the public

Answer:

See revised schedule attached.

Tennessee American Water Company
TRA Data Request Item 71
TN-TRA-01-Q071 revised-Attachment

A.	Earnings Per Share	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	Annual Dividends Declared Per Share (Dollars in thousands)	1.13	1.02	1.05	1.15	1.29	1.26	1.42	1.54	1.40	1.61	1.61	1.47	n/a	n/a	n/a
2	Annual Dividends Paid Per Share (Dollars in thousands)	0.43	0.46	0.50	0.54	0.64	0.70	0.76	0.82	0.86	0.90	0.94	0.96	n/a	n/a	n/a
3	Book Value Per Share	9.23	9.61	10.41	11.15	11.99	13.29	14.18	15.46	16.62	16.92	17.56	18.02	n/a	n/a	n/a
4	Price of Common Equity Per Share	10.63	13.47	14.35	14.25	16.47	20.04	23.97	30.33	27.50	25.32	35.37	43.62	n/a	n/a	n/a
	Formula: (Market Price at Year End)/Market Price at Year End															
B.	Ratio of Return-Average Common Equity	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
		12.82%	10.89%	11.25%	10.75%	11.35%	10.41%	10.47%	10.67%	9.66%	9.52%	9.39%	9.25%	n/a	n/a	n/a
	Formula: (Net Income to Common Stock)/(Common Stock Equity previous year)															
C.	Common Stock Earnings Retention Ratio	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
		62%	55%	52%	53%	50%	44%	46%	47%	39%	44%	42%	33%	n/a	n/a	n/a
	Formula: (EPS-Div. Per Share)/EPS/100%															
	*All figures for Common Stock Earnings Retention Ratio to formula															
D.	a. Tax Reduction Act Stock Ownership Plan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	1. Net Proceeds per Common Shares Issued	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2. Number of Shares Issued	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
E.	Employee Stock Ownership and Savings Plans	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	1. Net Proceeds per Common Shares Issued	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2. Number of Shares Issued	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
F.	Common Stock Issued to the Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	1. Date of Issue	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2. Number of Shares Issued	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
G.	Previously outstanding Shares	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	1. Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2. Number of Shares Sold to the Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
H.	Gross Proceeds per Share from the Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	1. Net Proceeds per Share from the Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2. Price per Share to the Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

* - All common stock of American Water Works Company, Inc. was purchased by RWE AG on January 10, 2003