TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Eddie Roberson, Director Pat Miller, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

January 5, 2007

HAND DELIVERY

Vance L. Broemel, Esq.
Assistant Attorney General
Consumer Advocate and Protection Division
Office of the Attorney General and Reporter
426 5th Avenue N., 2nd Floor
Nashville, Tennessee 37243

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 Mr. Broemel:

In response to your letter of December 13, 2006, and pursuant to our telephone conversation of yesterday, enclosed is a compact disc containing electronic copies of the Tennessee American Water Company monthly expense data for January, 2005 through October, 2006. Please be advised that these records are provided as submitted by the Company and may include payroll expenses. Therefore, the Authority cannot attest to the accuracy of these reports.

These records are being provided in accordance with Tenn. Code Ann. § 65-4-118 and should not be construed as an acknowledgment that such records are covered by the Tennessee Public Records Act. Inasmuch as this docket is a contested case matter, to which the Consumer Advocate is a party, a copy of this letter is being sent to the Petitioner and other parties who have sought intervention. The Consumer Advocate should provide a copy of this electronic documentation to any party in this docket upon request.

Should you have any questions regarding this information, please do not hesitate to contact me.

Very truly yours,

J. Richard Collier
J. Richard Collier
General Counsel

Enclosure

c: Docket No. 06-00290

Darlene Standley, Chief of Utilities Division (without enclosure)

R. Dale Grimes, Esq. (without enclosure)

David C. Higney, Esq. (without enclosure)

Henry M. Walker, Esq. (without enclosure)

Michael A. McMahan, Esq. (without enclosure)

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