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A PROFESSIONAL LIMITED LIABILITY COMPANY

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T.R.A. DOCKET ROOM

June 17, 2008

Via Hand Delivery

Chairman Eddie Roberson, PhD
c/o Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
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. 08-00039

Dear Chairman Roberson:

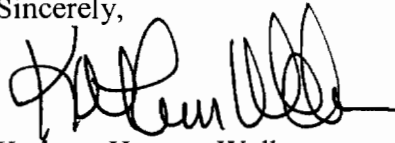
Enclosed please find an original and seven (7) copies of Tennessee American Water Company's ("TAWC") attachment to Response to Request Number 6 of the Chattanooga Manufacturers Association's Discovery Requests to Tennessee American Water Company. The TAWC's supplemental responses were filed on June 13, 2008. In its supplemental response to Request Number 6, the TAWC indicated that it would be producing the information attached hereto. Furthermore, the TAWC is also producing the native file of the attachment to the TAWC's Response to Request Numbered 8, which was produced in pdf format last week.

In addition, enclosed please find two compact disks. The first compact disk contains the responsive documents to Requests Numbered 6 and 8 in their native format. The second disk contains a pdf image of this letter and its attachment to question number 6.

Please stamp three (3) copies of this material as "filed," and return it to me by way of our courier.

Should you have any questions concerning any of the enclosed, please do not hesitate to contact me.

Sincerely,



Kathryn Hannen Walker

Enclosures

Chairman Eddie Roberson, PhD

June 17, 2008

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cc: Hon. Ron Jones (*w/o enclosure*)
Hon. Sara Kyle (*w/o enclosure*)
Hon. Tre Hargett (*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*)
Timothy C. Phillips, Esq. (*w/enclosure*)
David C. Higney, Esq. (*w/enclosure*)
Henry M. Walker, Esq. (*w/enclosure*)
Michael A. McMahan, Esq. (*w/enclosure*)
Frederick L. Hitchcock, Esq., (*w/enclosure*)
Mr. John Watson (*w/o enclosure*)
Mr. Michael A. Miller (*w/o enclosure*)

**STRATEGIC CAPITAL EXPENDITURE PLAN
PROGRAM**

Business Unit	Tennessee
Date	May 12, 2008
Description	2008-2012 SBP

Business Unit	Sub Business Unit	Business Unit No.	Project Title	Total 2008	Total 2009	Total 2010	Total 2011	Total 2012
RECURRING PROJECTS								
Tennessee		DV Projects	Projects Funded by Others (Contrib./Adv./ Refunds)					
Tennessee		A	Mains - New	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Tennessee		B	Mains - Replaced / Restored	300,248	200,000	200,000	200,000	200,000
Tennessee		C	Mains - Unscheduled	1,600,000	2,046,240	2,192,400	2,192,400	2,338,560
Tennessee		D	Mains - Relocated	80,000	107,800	115,500	115,500	123,200
Tennessee		E	Hydrants, Valves, and Manholes - New	220,000	645,960	692,100	692,100	738,240
Tennessee		F	Hydrants, Valves, and Manholes - Replaced	99,500	200,000	200,000	200,000	200,000
Tennessee		G	Services and Laterals - New	67,200	90,000	100,000	100,000	110,000
Tennessee		H	Services and Laterals - Replaced	614,100	750,000	750,000	750,000	750,000
Tennessee		I	Meters - New	119,700	150,000	150,000	150,000	160,000
Tennessee		J	Meters - Replaced	580,045	500,000	500,000	500,000	500,000
Tennessee		K	ITS Equipment and Systems	1,007,952	1,000,000	1,000,000	1,300,000	1,000,000
Tennessee		L	SCADA Equipment and Systems	171,500	100,000	100,000	100,000	100,000
Tennessee		M	Security Equipment and Systems	75,000	75,000	75,000	75,000	75,000
Tennessee		N	Offices and Operations Centers	75,000	75,000	75,000	75,000	75,000
Tennessee		O	Vehicles	80,581	100,000	100,000	100,000	100,000
Tennessee		P	Tools and Equipment	468,765	650,000	675,000	700,000	650,000
Tennessee		Q	Process Plant Facilities and Equipment	120,663	250,000	250,000	250,000	250,000
Tennessee		R	Capitalized Tank Rehabilitation / Painting	330,000	550,000	550,000	550,000	550,000
Tennessee		S	Engineering Studies	390,000	600,000	600,000	600,000	600,000
			Total Recurring Projects	8,450,293	10,090,000	10,325,000	10,750,000	10,620,000
INVESTMENT PROJECTS								
Tennessee		26020501	TN DOT Relocations	200,000	150,000	150,000	150,000	150,000
Tennessee		IP-2602-4	Ringold Rd @ I-75	1,280,000				
Tennessee		26020503	Citico WTP Pretreatment Phase 1	3,323,538	12,026,308	2,313,449		
Tennessee		B-8	Citico WTP Filtration - Phase 2		360,000	2,210,000	3,350,000	
Tennessee		26020702	Missionary Ridge Storage Tank	225,000	100,000	2,700,000		
Tennessee		B-5	Wastewater Treatment & Handling Improvements					500,000
Tennessee		26029804	CHAT - Replace Lkt Mtn Supp Mal	30,000	850,000			
Tennessee		26020701	NRW Pressure Reduction	200,000	100,000		100,000	100,000
Tennessee		A-5	Convert East Ridge Resv. To Pumped Storage			350,000		
Tennessee		B-17	3000'-24" Tennessee River Crossing					1,000,000
Tennessee		B-16	Replace Lookout Mtn. Pump #4, Install 2,100'-8"					1,200,000
Tennessee			Electrical Motor Efficiency Enhancements					500,000
			Total Investment Projects	6,238,538	13,586,308	7,823,449	3,600,000	3,450,000
			Grand Total	13,688,831	23,676,308	18,148,449	14,350,000	14,070,000