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*Attorneys at Law*

A PROFESSIONAL LIMITED LIABILITY COMPANY

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June 20, 2008

**Via Email and Hand Delivery**

Chairman Eddie Roberson, PhD  
c/o Ms. Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243

filed electronically in docket office on 06/20/08

**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") Supplemental Response to the Consumer Advocate and Protection Division's Discovery Requests Part III, Request No. 6 and Part IV, Requests Nos. 62 and 63.

In addition, enclosed please find two compact disks. The first compact disk contains these responsive documents in their native format. The second disk contains a pdf image of this letter and its attachments.

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 20, 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*)

**TENNESSEE AMERICAN WATER COMPANY  
DOCKET NO. 08-00039  
FIRST DISCOVERY REQUEST OF THE  
CONSUMER ADVOCATE AND PROTECTION DIVISION**

**Responsible Witness:** Michael Miller/Others

**PART III: QUESTIONS & REQUESTS REGARDING COST OF CAPITAL  
& MISCELLANEOUS**

**Question:**

6. If American Water Works' current amount of equity is subject to any claims or liability via capital assigned to AWW from RWE or its subsidiaries and where such capital may be withdrawn from AWW by RWE, its subsidiaries or assignees, identify by class of equity and amount any such claims, including common equity and all other equity classes, such as assigns or other items of value.

**Response:**

The Company objects to this request on the grounds that it does not make sense, is vague and ambiguous, overbroad, unduly burdensome, seeks information not readily available to TAWC, and seeks information that is not relevant to this proceeding.

Subject to and without waiving the foregoing objections, the Company provides the following response. Based upon the Company's interpretation of this request, the answer is none.

**Supplemental Response:**

AWW debt and preferred stock previously held by RWE has been refinanced. The only AWW security currently held by RWE is common stock. The AWW

common stock held by RWE is not subject to any claims or liability of assignment. RWE plans to sell its remaining shares of AWW common stock.

**TENNESSEE AMERICAN WATER COMPANY  
DOCKET NO. 08-00039  
CONSUMER ADVOCATE AND PROTECTION DIVISION'S  
FIRST DISCOVERY REQUESTS**

**Responsible Witness:** Sheila Miller/Michael Miller

**PART IV: QUESTIONS & REQUESTS REGARDING REVENUES, EXPENSES,  
TAXES, RATE BASE & MISCELLANEOUS**

**Question: RATE BASE**

62. Provide the information for Plant in Service and Accumulated Depreciation by JDE account in the following format as of July 2002, March 2004, June 30, 2006:

(1)	(2)	(3)	(4)	(5)	(6)
<b>JDE Acct #</b>	<b>Account Description</b>	<b>Plant in Service Balance</b>	<b>Acc. Deprec. Balance</b>	<b>Current Deprec. Rate</b>	<b>Net Book Value</b>

The response should incorporate the format and subsidiary accounts of the Company's Accounting Exhibit No. 2, Schedule 4.

**Supplemental Response (June 20, 2008):**

TAWC incorporates its prior response and objections into this Supplemental Response. Subject to and without waiving its prior objections, TAWC supplements its prior response with a copy of its June 18, 2008 production in Excel format.

**TENNESSEE AMERICAN WATER COMPANY  
DOCKET NO. 08-00039  
CONSUMER ADVOCATE AND PROTECTION DIVISION'S  
FIRST DISCOVERY REQUESTS**

**Responsible Witness:** Sheila Miller/Michael Miller

**PART IV: QUESTIONS & REQUESTS REGARDING REVENUES, EXPENSES,  
TAXES, RATE BASE & MISCELLANEOUS**

**Question: RATE BASE**

63. Provide the Plant in Service and Accumulated Depreciation by JDE account in the following format as of November 2007, December 2007, January 2008, February 2008, and March 2008:

(1) JDE Acct #	(2) Account Description	(3) Plant in Service Balance	(4) Acc. Deprec. Balance	(5) Current Deprec. Rate	(6) Net Book Value
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The response should incorporate the format and subsidiary accounts of the Company's Accounting Exhibit No. 2, Schedule 4.

**Supplemental Response:**

TAWC incorporates its prior response and objections into this Supplemental Response. Subject to and without waiving its prior objections, TAWC supplements its prior response with a copy of its June 18, 2008 production in Excel format.

### 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 20th day of June, 2008, upon the following:

<input checked="" type="checkbox"/> Hand-Delivery	Timothy C. Phillips, Esq.
<input type="checkbox"/> U.S. Mail	Consumer Advocate and Protection Division
<input type="checkbox"/> Facsimile	Office of Attorney General
<input type="checkbox"/> Overnight	2nd Floor
<input checked="" type="checkbox"/> Email	425 5th Avenue North
	Nashville, TN 37243-0491
<input checked="" type="checkbox"/> Hand-Delivery	David C. Higney, Esq.
<input type="checkbox"/> U.S. Mail	Counsel for Chattanooga Manufacturers Association
<input type="checkbox"/> Facsimile	Grant, Konvalinka & Harrison, P.C.
<input type="checkbox"/> Overnight	633 Chestnut Street, 9th Floor
<input checked="" type="checkbox"/> Email	Chattanooga, TN 37450
<input checked="" type="checkbox"/> Hand-Delivery	Henry M. Walker, Esq.
<input type="checkbox"/> U.S. Mail	Counsel for Chattanooga Manufacturers Association
<input type="checkbox"/> Facsimile	Boult, Cummings, Conners & Berry, PLC
<input type="checkbox"/> Overnight	Suite 700
<input checked="" type="checkbox"/> Email	1600 Division Street
	Nashville, TN 37203
<input checked="" type="checkbox"/> Hand-Delivery	Michael A. McMahan, Esq.
<input type="checkbox"/> U.S. Mail	Special Counsel
<input type="checkbox"/> Facsimile	City of Chattanooga (Hamilton County)
<input type="checkbox"/> Overnight	Office of the City Attorney
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	801 Broad Street
	Chattanooga, TN 37402
<input checked="" type="checkbox"/> Hand-Delivery	Frederick L. Hitchcock, Esq.
<input type="checkbox"/> U.S. Mail	Harold L. North, Jr., Esq.
<input type="checkbox"/> Facsimile	Counsel for City of Chattanooga
<input type="checkbox"/> Overnight	Chambliss, Bahner & Stophel, P.C.
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