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BASS, BERRY & SIMS, PLLC
Attorneys at Law

A PROFESSIONAL LIMITED LIABILITY COMPANY

R. Dale Grimes
PHONE: (615) 742-6244
FAX: (615) 742-2744
E-MAIL: dgrimes@bassberry.com

315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238-3001
(615) 742-6200

OTHER OFFICES
KNOXVILLE
MEMPHIS

June 24, 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 Charge 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:

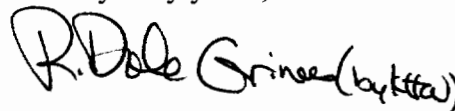
Enclosed please find an original and seven (7) sets of copies of Tennessee American Water Company's Supplemental Response to the City of Chattanooga's Discovery Request No. 23, which was filed electronically today in Docket No. 08-00039. This document is designated "Confidential Information" pursuant to the Protective Order entered in this matter.

Please return three (3) copies of this Supplemental Response to me by way of our courier, which I would appreciate your stamping as "filed."

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

Enclosures

Chairman Eddie Roberson, PhD

June 24, 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*)
Ms. Pat Murphy (*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
CITY OF CHATTANOOGA'S
FIRST DISCOVERY REQUESTS

Responsible Witness: Michael Miller

Question:

23. Besides Appendix 1 to the Direct Testimony of Joe Van den Berg, please provide all Documents constituting, referencing containing, relating to, responding to, or referring to other benchmarking studies or similar reports, performed by outside consulting or benchmarking firms (for example, but not limited to: Gartner, Ernst & Young, Towers-Perrin, Hackett, Saratoga, and industry or functional associations), whether in draft or final form, with all associated documentation, including, but not limited to definitions, instructions, data inputs, and supplementary reports that have been initiated or completed for **TAWC** or and **TAWC Parent or Affiliate** since January 1, 1997. The requested **Documents** include, without limitation, all **Documents** constituting, referencing, containing, relating to, responding to, or referring to internal analyses of these reports, including, without limitation, remediation plans, schedules and progress reports associated with follow-up for this work.

June 25, 2008 Supplemental Response:

In accordance with the discussions held during the June 20, 2008 hearing, TAWC conducted a further examination of its files in an effort to locate a color copy of the "Hackett Study" produced on June 18, 2008. TAWC has located a color copy of the study, which it now produces as Confidential Information pursuant to the Protective Order entered in this matter.

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 24th day of June, 2008, upon the following:

<input 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 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 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 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
<input checked="" type="checkbox"/> Email	Suite 400
	801 Broad Street
	Chattanooga, TN 37402
<input 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.
<input checked="" type="checkbox"/> Email	1000 Tallan Building
	Two Union Square
	Chattanooga, TN 37402

