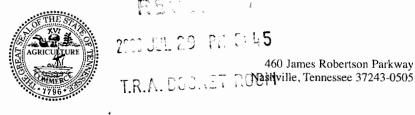
TENNESSEE REGULATORY AUTHORITY

Tre Hargett, Chairman Eddie Roberson, Director Sara Kyle, Director Mary Freeman, Director



July 29, 2008

Mr. Michael McMahan Assistant City Attorney City of Chattanooga Office of the City Attorney 801 Broad Street, Suite 400 Chattanooga, Tennessee 37402

RE: Docket No. 08-00039 – 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

Dear Mr. Grimes:

To further the Staff's review of the Direct Testimony filed with this Authority on July 18, 2008 by The City of Chattanooga, please furnish additional information as requested on the attached Staff Data Request. If you have questions regarding the attached request, please contact Patsy Fulton (extension 193) or Paul Greene (extension 156) for clarification before responding.

Thank you for your attention to this matter. Please provide all response by August 5, 2008.

Sincerely,

Darlene Standley

Darles Stardley

Chief

Utilities Division

Enclosure

C: Service List

Tennessee American Water Company Docket No. 08-00039 Page 2 of 2

1. Please provide source data for information used in Mr. Gorman's Direct Testimony, Exhibit MPG-7 page 2 of 6 and 3 of 6.

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