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A PROFESSIONAL LIMITED LIABILITY COMPANY

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August 1, 2008

Via Email and Drop Box

Hon. Tre Hargett
c/o Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

filed electronically in docket office on 08/01/08

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 Amended Exhibit No. 1, Schedule 3 to the testimony of Sheila Miller.

Our courier will pick up the three (3) copies of this document as stamped "filed," on Monday.

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

Sincerely,



Adam B. Futrell

Enclosure

Chairman Hon. Tre Hargett
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cc: Hon. Eddie Roberson, PhD (*w/o enclosure*)
Hon. Mary Freeman (*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*)

Average Days Interval between Number of Days
 From Date Services are Furnished to Date Collections are Received

Test Year: Twelve Months Ended: November 30, 2007
 Exhibit No. 1, Schedule 3
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Line No.	Revenues Amount	Median Service Days	Dollar Days
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12	Revenues less private fire 34,283,659	15.21	521,454,457
13	Private Fire billed in advance 1,489,608	(45.63)	(67,970,813)
14			
15			
16	Total <u>35,773,267</u>		<u>453,483,644</u>
17			
18			
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Average Median Service Days	12.68
Number of Days between the Reading Date and the Date the Bills are Issued	4.62
Number of Days between the Billed Date and the Date the Bills are paid	24.43
Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received	<u>41.73</u>

Notes: private fire Quarterly is billed in advance
 All monthly customers are billed in arrears