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A PROFESSIONAL LIMITED LIABILITY COMPANY

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August 12, 2008

**VIA E-MAIL AND HAND DELIVERY**

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

filed electronically in docket office on 08/12/08

**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 Hargett:

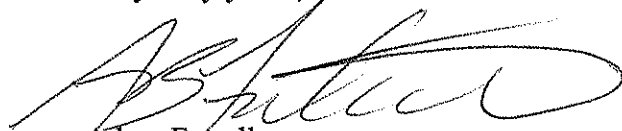
Enclosed please find an original and seven (7) sets of copies of Tennessee American Water Company's First Supplemental Response to First Discovery Requests by the Consumer Advocate and Protection Division. In addition, TAWC includes two compact disks. The first compact disk contains TAWC's Supplemental Responses in their native Word format. The second compact disk contains a pdf image of TAWC's Supplemental Responses.

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,



Adam Futrell

Enclosures

Chairman Tre Hargett  
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cc: Hon. Ron Jones (*w/o enclosure*)  
Hon. Sara Kyle (*w/o enclosure*)  
Hon. Eddie Roberson, PhD (*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*)

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

**Responsible Witness:** Michael Miller

**PART I: GENERAL**

**Question:**

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1. Identify each and every person whom the company expects to call as an expert witness at the hearing on the merits of this matter and the subject matter on which the expert is expected to testify.

**Response:**

The Company has provided direct testimony for nine witnesses consisting of the testimony of:

1. John Watson – President
2. Michael Miller – Treasurer/Comptroller
3. Sheila Miller – Asst. Treasurer
4. Robert Shiltz – Sr. Financial Analyst
5. Dr. Edward Spitznagel – Revenue Normalization
6. Joseph Van den Berg – Management Audit
7. Paul Herbert – Cost of Service and Tariff Design
8. John Spanos – Depreciation Study
9. Dr. Michael Vilbert – Cost of Capital

The Company does not anticipate any other witnesses in this case, but retains the right to do so if required.

**August 12, 2008 Supplemental Response:**

Mark Manner, a shareholder with the law firm of Harwell, Howard, Hyne, Gabbert, and Manner, was retained on August 6, 2008 to serve as a consultant

regarding the Sarbanes-Oxley issues raised by Mr. Majoros and Dr. Brown. On August 11, 2008, the Company determined that Mr. Manner should submit expert testimony to rebut testimony offered by the Intervenor's witnesses. Mr. Manner is expected to offer testimony that refutes allegations made by the Intervenor's witnesses by establishing that American Water Works is compliant with Sarbanes-Oxley and that the management audit sponsored by Mr. Van den Berg is compliant with the requirements of Sarbanes-Oxley.

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