

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:)	
)	
PETITION OF TENNESSEE)	
AMERICAN WATER COMPANY TO)	
CHANGE AND INCREASE CERTAIN)	
RATES AND CHARGES SO AS TO)	DOCKET NO. 08-00039
PERMIT IT TO EARN A FAIR AND)	
ADEQUATE RATE OF RETURN ON)	
ITS PROPERTY USED AND USEFUL IN)	
FURNISHING WATER SERVICE TO)	
ITS CUSTOMERS)	

JOINT MOTION TO MODIFY PROCEDURAL SCHEDULE

The Consumer Advocate and Protection Division of the Office of the Attorney General and Reporter ("Consumer Advocate"), the City of Chattanooga ("Chattanooga"), and the Chattanooga Manufacturers Association ("CMA") (collectively, the "Intervenors"), jointly file this motion requesting an expansion of the time allowed for their witnesses to analyze the issues in this case and prepare prefiled direct testimony. As grounds for this motion, the Intervenors would show the following:

1. On May 1, 2008, the Hearing Officer entered his *Order Granting Petitions to Intervene and Establishing a Procedural Schedule*. The Hearing Officer's procedural schedule allows the Intervenors from May 28 to June 23, a period of only three and one-half weeks, to analyze all the issues and prepare their prefiled testimony and workpapers in this matter. And, significantly, the Intervenors have only two weeks, from June 9 to June 23, to analyze and incorporate the supplemental discovery responses of Tennessee American Water Company ("TAWC" or

“Company”).

2. The amount of the Company’s requested rate increase is substantial -- \$7.6 million per year. And, in addition to the Company’s in-house witnesses, it has submitted the testimony of outside consultants relating to cost of capital, depreciation, management fees, and weatherization adjustments, all of which have a material impact on the amount of the requested rate increase. Likewise, the Intervenor has hired outside consultants to respond to TAWC’s outside consultants.

3. Furthermore, various Intervenor’s in-house witnesses are analyzing hundreds of pages of testimony and are preparing to rebut the Company’s witnesses in such broad areas as revenues, salaries and wages, pensions, other operations and maintenance expenses, rate base investment, income taxes, other taxes, cost of capital, capital structure, and rate design.

4. Not only do the Intervenor have to rebut the Company’s case in the prefiled direct testimony of their witnesses, they must also present their expert opinions on just and reasonable water rates for TAWC’s customers.

5. Based on the preliminary investigation into the Company’s petition, prefiled testimony and exhibits, and responses to the TRA staff’s data requests, the Intervenor believe that this case will contain more material issues than the Authority considered in TAWC’s last rate case, TRA Docket 06-00290.

6. The amount of time presently allowed for the Intervenor to both rebut the Company’s petition and related testimony, exhibits and workpapers, as well as to formulate their own expert opinions regarding just and reasonable water rates, is inadequate in light of the number of anticipated issues in this case -- especially considering the need for coordination of in-house witnesses and outside consultants, all of whom are involved in matters other than this one.

7. The current two-week period between the Company's supplemental discovery responses and the due date for the Intervenor's prefiled direct testimony is especially not viable and simply cannot be met by the Intervenor should the discovery be supplemented in any meaningful way.

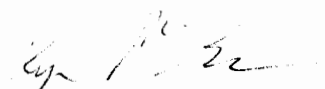
8. Unless the Intervenor has sufficient time to analyze the issues and prepare prefiled testimony and workpapers that are responsive to the Company's petition and prefiled testimony and exhibits, which have already been prepared and submitted, the Intervenor will be materially prejudiced. Moreover, the TRA will be deprived of the full benefit of the knowledge and expertise of the Intervenor's in-house witnesses, hired consultants, or others on material issues affecting the TRA's setting of just and reasonable rates in this matter.

9. The Intervenor proposes at least a one-week expansion in the amount of time to submit their prefiled direct testimony. The Intervenor has attached a proposed procedural schedule that incorporates the Intervenor's request for that very limited additional time to prepare their case. The proposed schedule is careful to maintain the time intervals the Hearing Officer established for the Company's filings. The attached proposed schedule essentially achieves the requested one-week expansion by shortening the second round of discovery by three days and by lengthening the time for the Pre-Hearing Conference by one week. The Intervenor also allows for an extra day between the Company's filing of its rebuttal testimony and the Pre-Hearing Conference in order to give the Intervenor an opportunity to read the rebuttal testimony prior to the conference. The Intervenor submits that the Pre-Hearing Conference will be more meaningful and the hearing on the merits will proceed more orderly should this limited extra time be granted.


10. This motion is submitted assuming the TRA intends to accept TAWC's initial petition as adequate for the purposes of starting the period set forth in Tenn. Code Ann. § 65-5-103. The Intervenor reserve the right to challenge such conclusion.

Wherefore, the Intervenor jointly request the Hearing Officer to modify the current procedural schedule by expanding the amount of time allowed for the submission of their prefiled direct testimony by one week and by adopting the attached proposed procedural schedule.

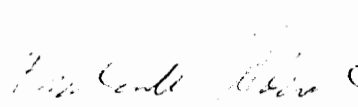
RESPECTFULLY SUBMITTED,




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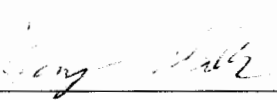
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Dated: May 6, 2008.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing is being served via U.S. Mail and/or electronic mail upon:

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This the 6th day of May, 2008.



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TRA DOCKET NO. 08-00039

**PROCEDURAL SCHEDULE
(May 1, 2008)**

May 12, 2008	1st Round of Discovery Due
May 28, 2008	Discovery Responses and Objections Due
June 2, 2008	Motions to Compel Due
June 4, 2008	Status Conference
June 9, 2008	Supplemental Discovery Responses Due
June 30, 2008	Intervenors' Pre-Filed Testimony Due
July 8, 2008	2nd Round of Discovery Due
July 15, 2008	Discovery Responses and Objections Due
July 18, 2008	Motions to Compel Due
July 21, 2008	Status Conference (Parties will report on settlement talks)
July 25, 2008	Supplemental Discovery Responses Due
August 1, 2008	Company's Pre-Filed Rebuttal Testimony Due
August 8, 2008	Pre-Hearing Conference
August 20, 2008	Hearing (2-3 days)

EXHIBIT A