TENNESSEE REGULATORY, AUTHORITY

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



460 James Robertson Parkway Nashville, Tennessee 37243-0505

August 14, 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 file a response in the TRA Docket Room by Monday, August 18, 2008 and bring copies to the Hearing Room at the Hamilton County Courthouse in Chattanooga so that the Authority and Parties can have them available at the start of the Hearing that commences on August 18, 2008 at 1:00 p.m.

Sincerely,

Darlene Standley

Chief

Utilities Division

Enclosure

C: Service List

1. Please update Table 1 contained on page 4 of Michael Gorman's testimony based upon the amended position of TAWC as filed on August 5, 2008.