

R. DALE GRIMES
TEL: (615) 742-6244
FAX: (615) 742-2744
dgrimes@bassberry.com

BASS
BERRY • SIMS
A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW
150 THIRD AVENUE SOUTH, SUITE 2800
NASHVILLE, TN 37201
(615) 742-6200
www.bassberry.com

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OTHER OFFICES:
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September 23, 2010

Via Hand-Delivery

Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

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. 10-00189

Dear Ms. Dillon:

At the request of the Tennessee Regulatory Authority, enclosed please find a replacement disc containing PDF files of the documents filed on behalf of the Company on September 17, 2010. Should you have any questions, please do not hesitate to contact me.

With kindest regards, I remain

Very truly yours,



R. Dale Grimes

RDG:cdk
Enclosure

8875749.1

BASS

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September 17, 2010

Via Hand-Delivery

Chairman Mary W. Freeman
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

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. 10- 00189

Dear Chairman Freeman:

Enclosed please find the original and six (6) copies of a Petition to be filed on behalf of our client, Tennessee American Water Company, pursuant to T.C.A. § 65-5-203. I am also enclosing the original and six (6) copies of the sworn testimony and exhibits of the following witnesses who will testify in behalf of the Company:

John S. Watson
Michael A. Miller
Sheila A. Miller
James Vander Weide
Patrick Baryenbruch
Paul R. Herbert, and
Edward L. Spitznagel, Jr.

We are simultaneously, with the filing of this Petition, filing with Ms. Pat Murphy certain tariffs for Tennessee American Water Company, which are explained and discussed in the Petition and which tariffs have an effective date of October 17, 2010. Also enclosed is our check in the amount of \$25.00, payable to the Tennessee Regulatory Authority for the filing fee.

Please return two copies of the Petition and sworn testimony and exhibits, which I would appreciate your stamping as "filed," and returning to me by way of our courier.

The entire contents of this filing in PDF format are also contained on a compact disk filed herewith. Also, we have emailed to Ms. Sharla Dillon an electronic version in PDF format of the Petition, the testimony of witnesses, their exhibits, and the tariff filings.

I am sending a copy of this letter to Richard Collier, Esq., Mr. David Foster, and Mr. Jerry Kettles. I am sending a copy of this letter and the tariffs to Ms. Pat Murphy. Assistant Attorney General Vance Broemel, of the Consumer Advocate Division of the Attorney General's office will receive a copy of the complete filing.

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,



R. Dale Grimes

RDG:smb
Enclosures

cc: Hon. Sara Kyle (*w/o enclosure*)
Hon. Kenneth C. Hill (*w/o enclosure*)
Hon. Eddie Roberson (*w/o enclosure*)
Mr. David Foster, 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/enclosure*)
Vance Broemel, Esq. (*w/enclosure*)

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**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. _____

PETITION

Tennessee American Water Company ("Company"), a Tennessee corporation authorized to conduct and conducting a public utility business in the State of Tennessee, does hereby simultaneously file with the Tennessee Regulatory Authority (TRA), this Petition and a revised schedule of tariffs to become effective thirty (30) days after date of issue and requests that the TRA, pursuant to T.C.A. § 65-5-201, et seq., investigate the Company's present and projected earnings and hear and determine that the increased rates as reflected in its Tariffs that it has filed to become effective October 17, 2010, are just and reasonable. In support of this request, the Company avers that:

1. The Company is a public utility as defined in T.C.A. § 65-4-101 and is engaged in providing residential, commercial, industrial and municipal water service, including public and private fire protection service to the City of Chattanooga and surrounding areas including 74,587 customers as of March 31, 2010, subject to the jurisdiction and supervision of the Authority pursuant to Chapter 4 and Chapter 5 of Title 65 of Tennessee Code Annotated. The rates of the customers located in the State of Georgia are not regulated by the Public Service Commission of the State of Georgia but are regulated by this Authority.

2. The Company is a wholly-owned subsidiary of American Water Works Company, Inc. ("AWWC"). AWWC is the largest water holding company in the United States which provides water and waste water services to 16 million people in thirty-five (35) states and two Canadian Provinces. The Company's existing rates and charges will not provide, and cannot be made to provide, sufficient revenues to cover all the costs incurred in providing adequate quality water service including its cost of capital.

3. The Company has the responsibility to its customers to provide them with the best high quality water service possible. This responsibility includes meeting the present and future service requirements of customers, improving existing service and introducing new technologies as they are developed. The Company has the technological capability to do this, however, it cannot accomplish such a program without adequate earnings. As this Authority knows, the Company, like all regulated utilities, must have customer rates approved that will permit it to earn a rate of return on its investment in the State of Tennessee which will be sufficient to attract new capital at reasonable terms, as it is needed.

4. The Company is also continuing its program of replacing small diameter water mains throughout the system; improvements to the Citico Water Treatment Plant, Phase 1A which involves the construction of raw water piping improvements, chemical mixing equipment, and flocculation equipment in two sedimentation basins, and electrical improvements; replacing the Lookout Mountain Supply Main which includes one 8" steel water main and one 12" water main; the NRW pressure reduction project; converting the East Ridge Reservoir to Pump Storage; the replacement of meters and service lines; the installation of main extensions; and the general relocation and replacement of existing facilities. All of these programs have been

planned and are being instituted to bring about more and better water service. Some of them must continue to be carried out at additional costs.

5. The Company's capital expenditures program for 2009 was \$4,603,946 for "normal recurring" items, and \$604,989 for specific projects, for a grand total of \$5,208,935. In 2010, the "normal recurring" items are estimated at \$6,588,101 and the special projects at \$7,040,999 for a grand total of \$13,629,100. In 2011, the "normal recurring" items are estimated at \$7,522,582 and the special projects at \$5,628,577 for a grand total of \$13,151,159. These capital expenditures have resulted and will result in more and better service to the Company's customers throughout the area it serves. The testimony of the Company's witnesses will detail the major construction projects, the expenditures, the anticipated results and benefits to its customers.

6. Under the present rates, the Company's revenues and revenue projections are not sufficient and cannot be made sufficient to: (a) allow the Company to earn a fair rate of return to which it is entitled under Article 1, Section 8 of the Constitution of Tennessee, and the 14th Amendment to the Constitution of the United States; (b) provide a fair rate of return on its investment for a reasonable period; (c) attract on reasonable terms the large sums of additional capital required to adequately maintain, expand and improve the Company's plant in Tennessee to meet the needs of the public for additional improved quality water service and to maintain existing service levels; (d) maintain its credit; and (e) maintain its operations at a level that will not be materially impaired or damaged.

7. The Company avers that a fair rate of return on the Company's operations is essential to the continued provision of adequate quality service, to make the necessary improvements and to meet the expansion needs of the customers it serves. Consequently, it is

essential and in the public interest that the Company's rates and charges be revised to provide an increase in revenue. Because of the continued increase in expenses and costs of providing new and improved services, the earnings situation of the Company has deteriorated to a level that, without rate relief, the Company cannot meet demands for service in an orderly and economical fashion.

8. As will be testified to and as shown by the accounting exhibits filed by its witness, Sheila A. Miller, the Company selected as the historical test year the twelve months ended March 31, 2010, and has adjusted the test period for two levels of adjustments. The first adjustment normalizes the test year and the second level adjusts the normalized year to arrive at the attrition year, which is the twelve months ended December 31, 2011. The resulting rate of return for the attrition year, using current rates, was 3.62% on a rate base of \$125,472,973 and net operating income of \$4,547,326. At a proposed rate of return of 8.38%, the Company would have a revenue deficiency of \$9,984,463 for the attrition year.

9. The Company would like to be in a position to continue its upgrading program and improve the quality of service offered its customers, but the Company cannot provide the necessary new facilities, maintain existing ones adequately, and meet the needs of its customers for the future with such an unrealistic rate of return. The Company has no other alternative but to petition this Authority to permit it to place higher rates into effect in order to: (a) avoid material impairment or damage to the Company's long range operations; and (b) to enable the Company to earn a fair rate of return on its Tennessee operations during the foreseeable future.

10. Mr. Michael A. Miller will testify as to the Company's capital structure and the cost of debt and preferred stock for the attrition period. The testimony of Mr. Miller will recommend that the capital structure that should be used for the Company for the attrition year

should be comprised of \$54,015,215 equity, 44.035%; \$63,032,353¹ long term debt, 51.386%; \$1,381,600 preferred stock, 1.126%; and \$4,236,175 short term debt, 3.453%. The Company in its overall cost of capital has used an equity cost of 11.50%.² Using the capital structure and cost of capital as set out above and shown in the exhibits of Dr. James H. Vander Weide and Mr. Miller, the calculated weighted cost of capital is 8.38%.

11. The Company proposes that it be allowed to place into effect customer rates that will produce an overall rate of return of 8.38% on a rate base of \$125,472,973. The additional gross revenues required would be approximately \$9,984,463. The amount requested is the minimum additional annual gross revenues necessary for the Company to attract the necessary capital required to continue to provide adequate water service to the people of the City of Chattanooga and surrounding area and to meet the demand for water service in the foreseeable future.

12. The Company has filed simultaneously with this Petition revised Tariffs effective October 17, 2010, designed to produce the additional gross revenues needed. The testimony of various Company witnesses and the exhibits that Ms. Miller will sponsor will show how these additional gross revenues will be derived. The tariffs filed will produce a total increase in annual revenue of approximately \$9,984,463 by increasing rates.

13. The Company avers that the above-proposed changes are necessary and proper and are designed to meet the present and future needs of its customers in an economically feasible manner. The Company's Tariffs as filed and the overall rate of return it has requested

¹ Included in this figure are the 6.212% New Series \$9,000,000 and the 6.612% New Series \$8,000,000 General Mortgage Bonds .

² The Company is filing the testimony of Dr. James H. Vander Weide, which testimony is that his analysis shows that the cost of common equity capital requested by the Company of 11.5% is reasonable.

are all fair and reasonable in the best interests of the Company and the customers it serves, and, therefore, should be approved.

WHEREFORE, the Company requests the Tennessee Regulatory Authority to:

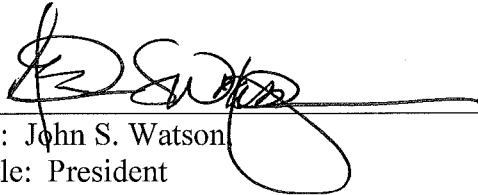
1. Schedule a hearing upon proper notice for the presentation of evidence as to the present and projected earnings and the additional revenues required to provide a fair rate of return on the Company's property used and useful in providing quality water service to its customers.

2. Enter an order approving the Company's schedule of rates filed with the Commission designed to increase the Company's annual revenues by approximately \$9,984,463 and adopt as the method to affect this increase in revenues, the Tariffs filed to become effective October 17, 2010, or as soon thereafter as lawfully permitted.

3. Grant such other relief as may be required in light of the evidence to be produced at the hearing.

This the 14TH day of SEPTEMBER, 2010.

TENNESSEE AMERICAN WATER COMPANY


By: John S. Watson
Title: President



R. Dale Grimes (#006332)

E. Steele Clayton (#017298)

C. David Killion (#026412)

BASS, BERRY & SIMS PLC

150 Third Avenue South, Suite 2800

Nashville, TN 37201

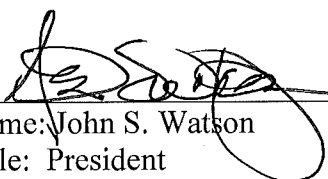
(615) 742-6200

Attorneys for Petitioner

VERIFICATION

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

I, John S. Watson, hereby declare under penalty of perjury, that I am President of TENNESSEE-AMERICAN WATER COMPANY; that I am authorized to make this verification on behalf of TENNESSEE-AMERICAN WATER COMPANY; that I have read the foregoing petition; and that the facts stated therein are true and correct to the best of my knowledge, information, and belief.



Name: John S. Watson
Title: President

Sworn to and subscribed before me this 14 day of September, 2010.



Notary Public

My Commission Expires:

3-17-12

Overall Financial Summary

Line No.	Description	Reference to Supporting Exhibit	Proposed Test Year
1			
2			
3			
4			
5			
6			
7			
8	Rate Base	Exhibit 1, Schedule 2	\$125,472,973
9	Operating Income at Attrition Year Present Rates	Exhibit 2, Schedule 1	4,547,326
10			
11	Earned Rate of Return		3.620%
12			
13	Rate of Return	Exhibit 3, Schedule 1	8.380%
14			
15	Required Operating Income		10,514,635
16			
17	Operating Income Deficiency		5,967,309
18			
19	Gross Revenue Deficiency Factor		1.67319346
20			
21	Revenue Deficiency		9,984,463
22			
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Computation of Attrition Year Rate Base

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 1, Schedule 2
Page 1 of 3

Line No.	Footnote Reference	Per Books Rate Base @ 3/31/10	Adjustments	Rate Base 13 mo average @ 12/31/11
1				
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Line No.	FOOTNOTE REFERENCE	DESCRIPTION	AMOUNT
1			
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7			
8	(1)	Net Additions to UPIS through December 31, 2011 (13 month average)	\$16,012,217
9	(2)	Adjustment to CWIP through December 31, 2011 (13 month average)	1,092,104
10	(3)	Adjustment to Deferred Maintenance	0
11	(4)	Adjustment to Limited -Term Utility Plant - Net	0
12			
13			
14	(5)	Adjustment to Accumulated Provision for Depreciation of UPIS	5,978,096
15	(6)	Adjustment to Accumulated Amortization of Utility Plant - Capital Lease	132,542
16			
17	(7)	Adjustment to Deferred Income Taxes	(3,477,553)
18			
19	(8)	Change in Customer Advances	187,001
20			
21			
22	(9)	Change in Contributions in Aid of Construction	685,305
23			
24	(10)	Change in Unamortized Investment Tax Credit	(3,870)
25			
26			
27	(11)	Adjustment to Utility Plant Acquisition Adjustment	(9,669)
28			
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Net Additions to Utility Plant in Service & 13 Month Average
From End of Test Year to End of Forecasted Period

Tennessee Regulatory Authority
Company: Tennessee-American Water Company
Case No:

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 1, Schedule 2
Page 3 of 3

Line No.	Account Number	Account Description	2010 Net Additions	2011 Net Additions	Net Additions to Utility Plant in Service 4/1/10 - 12/31/11	13 month average Utility Plant In Service @ 12/31/11
1	301000	Organization	\$0	\$0	\$0	\$0
2	301000	Land & Land Rights	\$210,000	\$250,000	\$460,000	860,965
3	303000	Comprehensive Planning Study	\$0	\$0	\$0	144,469
4	339600	SS Structures	\$0	\$0	\$0	47,382
5	304100	Pumping Structures	\$318,507	\$37,003	\$355,510	4,266,507
6	304300	Water Treatment Structures	\$5,214,642	\$244,108	\$5,458,750	7,408,035
7	304300	Water Treatment Structures-Depr	\$0	\$0	\$0	1,894,808
8	304301	T & D Structures	\$0	\$0	\$0	524,049
9	304400	Office Structures	\$0	\$0	\$0	384,768
10	304600	Stores, Shop, & Garage Structures	\$0	\$0	\$0	312,642
11	304700	Miscellaneous Structures	\$0	\$0	\$0	654,988
12	304800	Lakes, Rivers, & Other Intakes	\$0	\$0	\$0	489,123
13	306000	Supply Mains	\$0	\$0	\$0	603,834
14	309000	Power Generation Equipment	\$0	\$0	\$0	227,422
15	310100	Electric Pumping Equipment	\$243,574	\$173,430	\$417,004	5,909,060
16	311200	Diesel Pumping Equipment	\$0	\$0	\$0	119,286
17	311300	Other Pumping Equipment	\$0	\$0	\$0	420,932
18	311500	Water Treatment Equipment	\$6,524	\$6,524	\$13,048	12,612,181
19	320100	Granular Activated Carbon	\$214,000	\$175,000	\$214,000	442,189
20	320200	T & D Reservoirs & Standpipes	\$105,556	\$0	\$280,556	8,510,563
21	330000	T & D Reservoirs & Standpipes-Painting	\$0	\$0	\$0	3,477,221
22	330003	Ground Level Facilities	\$0	\$0	\$0	2,571
23	330300	Clearwells	\$0	\$0	\$0	680,784
24	330400	T & D Mains not Classified	\$0	\$0	\$0	2,039,803
25	331001	T & D Mains - Mains (4" or less)	\$50,000	\$329,454	\$379,454	5,349,381
26	331100	T & D Mains - Mains (6" - 8")	(\$1,936)	(\$41,158)	(\$43,094)	1,458
27	331200	T & D Mains - Mains (8" - 10")	\$1,669,345	\$2,590,300	\$4,259,645	67,319,698
28	331300	T & D Mains - Mains (10" - 16")	\$0	\$0	\$0	9,816,243
29	331350	T & D Mains - Mains (12" or More)	\$1,910,306	\$1,043,596	\$2,953,902	27,318,258
30	333000	Services	\$1,025,171	\$1,193,441	\$2,218,612	22,657,563
31	334000	Meters	\$388,012	\$510,208	\$898,220	5,098,755
32	334100	Meters-Metal Case/Old Style	\$0	\$0	\$0	3,274,936
33	334130	Meters - rem rd	\$0	\$0	\$0	0
34	334120	Meters - Plastic Case	\$481,812	\$603,368	\$1,085,180	11,757,828
35	334131	Meter Installations	\$304,057	\$390,191	\$694,258	8,538,535
36	334200	Hydrants	\$0	\$0	\$0	8,526
37	335000	Other P/E SS	\$0	\$0	\$0	591,338
38	340100	Office Furniture	\$76,340	\$40,359	\$116,699	319,777
39	340200	Computer & Peripheral Equipment	\$37,577	\$181,650	\$219,227	603,486
40	340210	Computer & Mainframe Equipment	\$0	\$0	\$0	353,178
41	340220	Computer & Periph Personal	\$2,400	\$23,826	\$26,226	284,721
42	340230	Computer & Periph Other	\$0	\$0	\$0	431,702
43	340300	Computer Software Mainframe	\$15,500	\$6,992	\$22,492	3,535,059
44	340310	Computer Software Personal	\$0	\$0	\$0	177,213
45	340320	Computer Software Other	\$0	\$0	\$0	14,222
46	340330	Data Handling Equipment	\$0	\$0	\$0	15,284
47	340400	Other Office Equipment	\$0	\$0	\$0	55,208
48	340500	Light Trucks	\$221,467	\$37,100	\$258,567	1,204,633
49	341100	Heavy Trucks	\$159,903	\$234,800	\$394,703	1,308,188
50	341200	Automobiles	(\$2,700)	\$106,720	\$104,020	261,215
51	341300	Transportation-Other	\$0	\$0	\$0	452,786
52	341400	Stores Equipment	\$0	\$0	\$0	43,392
53	342000	Tools, Shop, & Garage Equipment	\$58,477	\$87,844	\$146,321	1,290,439
54	343000	Laboratory Equipment	\$9,500	\$21,500	\$31,000	419,542
55	344000	Power Operated Equipment	\$0	\$0	\$0	287,053
56	345000	Communication Equipment	\$0	\$0	\$0	517,256
57	346100	Communication Equipment-Telephone	\$0	\$0	\$0	90,325
58	346200	Miscellaneous Equipment	\$5,684	\$6,684	\$12,368	1,110,618
59	347000	Other Tangible Plant	\$0	\$0	\$0	4,918
60	348000	Total Plant in Service	12,723,728	8,252,940	20,976,668	226,384,490

Computation of Working Capital

Line No.	Item	Amount
1		
2		
3		
4		
5		
6		
7	Prepaid Taxes	284,235
8		
9	Materials & Supplies	254,110
10		
11	Deferred Regulatory Expenses	630,897
12		
13	Unamortized Debt Expense	460,845
14		
15	Other Deferred Debits	280,983
16		
17	Lead - Lag Study	663,000
18		
19	Total	2,574,070
20		
21	Less:	
22		
23	Incidental Collections	1,562,812
24		
25	Total	1,562,812
26		
27	Working Capital Requirement	1,011,258
28		
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Computation of Working Capital
Lead/Lag Study

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 1, Schedule 3
Page 2 of 6

Line No.	Description	Days	Amount
1			
2			
3			
4	Net Operating Funds		37,296,455
5			
6	Average Daily Operating Funds		102,182
7			
8	Composite Average Days Interval Between:		
9			
10	(A) Date Service Furnished and Date Collections Deposited	43.53	
11			
12	(B) Date Expenses Incurred and Date of Payment	37.04	
13			
14	(C) Net Interval	6.49	
15			
16	Operating Funds Advanced		662,794
17			
18	Lead/Lag Study Capital		662,794
19			
20	Use		663,000
21			
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Composite Average Days Interval between Date Expenses
are Incurred and Date of Payment

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 1, Schedule 3
Page 3 of 6

Line No.	Description	Amount	Post Payment or (Lead) Days	Dollar Days
1	Payrolls Charged to Expense - Hourly	3,674,972	17.08	62,788,518
2	Payrolls Charged to Expense - Salary	1,858,687	17.08	31,746,371
3	Purchased Water	50,962	36.44	1,857,055
4	Fuel and Power	2,511,238	28.04	70,415,101
5	Chemicals	1,069,369	23.64	25,279,892
6	Waste Disposal	197,386	73.61	14,529,558
7	AWWS Charges	5,226,034	(11.97)	(62,555,632)
8	Group Insurance	1,075,184	(13.63)	(14,654,751)
9	OPEB's	959,573	(1.63)	(1,564,105)
10	Pensions	1,645,113	(1.63)	(2,681,534)
11	Regulatory Expense	379,918	76.64	29,116,916
12	Insurance Other than Group	485,904	(40.00)	(19,436,151)
13	Rents	8,706	(33.42)	(290,952)
14	Uncollectibles	198,122	0.00	0
15	Maintenance Expense	1,110,317	21.74	24,138,284
16	Amortizations	0	0.00	0
17				
18				
19				
20	Other Operating Expenses	3,023,526	34.05	102,951,058
21	Total O & M Expenses	23,475,010		
22				
23	Depreciation and Amortization	4,877,687	0.00	0
24	Taxes, Other than Income			
25	Payroll	438,774	15.79	6,928,245
	Property Tax	2,936,068	241.00	707,592,388
	Franchise Tax	377,690	37.50	14,163,375
	Utility Tax	117,779	267.00	31,446,993
26	Gross Receipts Tax	529,961	47.74	25,300,338
27	FIT-Current	(458,997)	29.64	(13,604,671)
28	SIT-Current	(103,266)	29.64	(3,060,804)
29	Deferred Taxes	558,423	0.00	0
30	Interest Expense	4,090,419	85.08	348,012,849
31	Preferred Dividends	69,010	45.63	3,148,926
32	Net Earnings	387,897	0.00	0
33	Net Operating Funds	37,296,455		
34				
35				
36	Average Days Interval between Date Expenses are Incurred and Date of Payment		37.04	
37				
38				
39				
40				
41				
42				
43				
44				
45				

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

Line No.	Revenues Amount	Median Service Days	Dollar Days
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12	34,044,254	14.74	501,946,743
13			
14	1,735,066	(45.63)	(79,171,053)
15			
16	<u>35,779,320</u>		<u>422,775,690</u>
17			
18			
19			
20			
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45			

Average Median Service Days	11.82
Number of Days between the Reading Date and the Date the Bills are Issued	4.38
Number of Days between the Billed Date and the Date the Bills are paid	27.33
Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received	<u>43.53</u>

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

Computation of Average Materials & Supplies Paid

Line No.
 1
 2
 3
 4
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End of Month	
Date	Amount
Mar-09	347,613
Apr-09	402,814
May-09	377,802
Jun-09	368,124
Jul-09	318,939
Aug-09	296,762
Sep-09	333,712
Oct-09	344,398
Nov-09	321,963
Dec-09	301,488
Jan-10	342,557
Feb-10	325,265
Mar-10	335,827
Total	4,417,262
Average Balance	339,789

Computation of Average Materials and Supplies Unpaid

Line
No.
1
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45

End of Month	
Date	Amount
Mar-09	72,819
Apr-09	37,813
May-09	44,500
Jun-09	41,302
Jul-09	54,837
Aug-09	51,015
Sep-09	80,838
Oct-09	52,586
Nov-09	18,040
Dec-09	38,256
Jan-10	66,200
Feb-10	482,800
Mar-10	72,819
Total	1,113,825
Average Balance	85,679

Operating Revenues Per Books for the Test Year and
for the Attrition Year under both Present and Proposed Rates

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 2, Schedule 2
Page 1 of 1

Line No.	Description	Per Books 12 Months Ended 3/31/10	Test Year Adjustments Present Rates	Normalized Test Year	Attrition Year Adjustments	Attrition Year at Present Rates	Adjustments for Proposed Rates	Attrition Year at Proposed Rates
1	Sales of Water							
2								
3	Metered Sales to General Customers							
4								
5	Residential	\$15,613,436	(\$453,784)	\$15,159,652	\$83,545	\$15,243,197	\$4,220,880	\$19,464,077
6								
7	Commercial	11,512,840	(109,816)	11,403,023	131,323	11,534,346	\$3,214,388	14,748,734
8								
9	Industrial	3,400,242	1,722	3,401,964	0	3,401,964	\$940,828	4,342,792
10								
11	Other Public Authorities	2,556,475	(222)	2,556,253	0	2,556,253	\$678,596	3,234,849
12								
13	Sales for Resale	1,248,931	59,562	1,308,493	0	1,308,493	\$362,033	1,670,526
14								
15	Private Fire Service	1,721,772	0	1,721,772	13,294	1,735,066	479,784	2,214,850
16								
17	Miscellaneous	0	0	0	0	0	0	0
18								
19	Total Sales of Water	36,053,695	(502,537)	35,551,158	228,162	35,779,320	9,896,509	45,675,829
20								
21								
22	Other Operating Revenues							
23								
24	Activity / New Service Fees	267,248	0	267,248	0	267,248	0	267,248
25								
26	Late Payment Penalty	317,926	(4,431)	313,495	2,012	315,507	87,269	402,776
27								
28	Rents from Water Property	170,861	0	170,861	0	170,861	0	170,861
29								
30	Sewer Billing Revenues	424,667	0	424,667	2,335	427,002	0	427,002
31								
32	Miscellaneous	72,368	66	72,435	0	72,435	0	72,435
33								
34	Reconnection Fee	264,083	0	264,083	0	264,083	0	264,083
35								
36	Total Other Operating Revenues	1,517,153	(4,365)	1,512,788	4,347	1,517,135	87,269	1,604,404
37								
38								
39	Total Operating Revenues	37,570,848	(506,902)	37,063,946	232,509	37,296,455	9,983,778	47,280,233
40								
41								
42								
43								
44								
45								

Summary of Adjustments to Operation and Maintenance Expenses

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 2, Schedule 3
Page 1 of 1

Line No.	Adjustment Number	Description	Per Books 12 Months Ended 3/31/10	Test Year Adjustments Present Rates	Normalized Test Year	Attrition Year Adjustments	Attrition Year at Present Rates	Adjustments for Proposed Rates	Attrition Year at Proposed Rates
1	1	Operation and Maintenance Labor	\$5,167,248	\$334,498	\$5,501,746	\$178,553	\$5,680,299	\$0	\$5,680,299
2	2	Purchased Water	\$46,840	0	46,840	4,122	50,962	0	50,962
3	3	Fuel and Power	\$2,316,133	163,093	2,479,226	32,012	2,511,238	0	2,511,238
4	4	Chemicals	\$1,139,659	(75,405)	1,064,254	5,115	1,069,369	0	1,069,369
5	5	Waste Disposal	\$183,965	0	183,965	13,421	197,386	0	197,386
6	6	Management Fees	\$5,008,401	(46,230)	4,962,171	263,863	5,226,034	0	5,226,034
7	7	Group Insurance	\$2,043,181	(31,136)	2,012,045	22,712	2,034,757	0	2,034,757
8	8	Pensions	\$1,282,517	(178,694)	1,103,823	541,290	1,645,113	0	1,645,113
9	9	Regulatory Expense	\$869,835	0	869,835	(489,917)	379,918	0	379,918
10	10	Insurance Other than Group	\$403,673	45,113	448,787	37,117	485,904	0	485,904
11	11	Customer Accounting	\$836,303	3,348	839,651	17,627	857,278	0	857,278
12	12	Uncollectible Expense	\$202,677	(8,343)	194,334	3,788	198,122	165,769	363,891
13	13	Rents	\$9,799	(1,093)	8,706	0	8,706	0	8,706
14	14	General Office Expense	\$210,461	(2,769)	207,691	10,241	217,933	0	217,933
15	15	Miscellaneous Expense	\$1,945,947	(252,769)	1,693,178	312,497	2,005,675	0	2,005,675
16	16	Other Maintenance Expense	\$1,042,628	44,838	1,087,466	22,851	1,110,317	0	1,110,317
17	17	Interest on Customer Deposits	0	0	0	0	0	0	0
18	18	AFUDC	(\$179,759)	0	(179,759)	(24,241)	(204,000)	0	(204,000)
Total Operation and Maintenance Expenses			22,529,507	(5,549)	22,523,958	951,052	23,475,010	165,769	23,640,779

Summary of Adjustments to Depreciation and Amortization Expenses

Tennessee Regulatory Authority
 Company: Tennessee-American Water Company
 Case No:

Test Year: Twelve Months Ended: March 31, 2010
 Exhibit No. 2, Schedule 4
 Page 1 of 2

Line No.	Adjustment Number Reference	Description	Per Books 12 Months Ended 3/31/10	Test Year Adjustments Present Rates	Normalized Test Year	Attrition Year Adjustments	Attrition Year at Present Rates	Adjustments for Proposed Rates	Attrition Year at Proposed Rates
1	1	Depreciation Expense	\$4,672,090	(\$247,478)	\$4,424,612	\$536,919	\$4,961,531	\$0	\$4,961,531
2	2	Amortization of Utility Plant Acquisition Adjustment	0	0	0	0	0	0	0
3	3	Amortization of Utility Capital Lease	106,033	0	106,033	0	106,033	0	106,033
4	4	Amortization of Leased Alteration Expense	0	0	0	0	0	0	0
5	5	Amortization of Accumulated Depreciation on CIAC	(157,057)	(20,975)	(178,032)	(11,845)	(189,877)	0	(189,877)
10									
11									
12									
13									
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44									
45									
			4,621,066	(268,453)	4,352,613	525,074	4,877,687	0	4,877,687

Attrition Year Provision for Depreciation Expense
For Utility Plant in Service

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 2, Schedule 4
Page 2 of 2

Line No.	Account Number	Account Description	Depreciable Property at 3/31/10	Depreciation Rate	Normalized Test Year Depreciation Expense	13 Month Avg. Depreciable Property at End of Attrition Year	New Depreciation Rates	Attrition Year Depreciation Expense
1	339600	Comprehensive Planning Study	\$144,499	10.00%	\$14,450	144,499	10.00%	\$14,450
2	304100	SS Structures	\$47,382	1.98%	\$938	47,382	1.98%	\$938
3	304200	Pumping Structures	3,933,768	1.98%	\$77,889	4,286,507	1.98%	84,477
4	304300	Water Treatment Structures	2,128,558	4.11%	\$87,484	7,408,035	4.11%	304,470
5	304301	Water Treatment Structures-Depr	1,694,808	0.00%	\$0	1,694,808	0.00%	0
6	304400	T & D Structures	524,049	2.13%	\$11,162	524,049	2.13%	11,162
7	304600	Office Structures	394,768	1.13%	\$4,461	394,768	1.13%	4,461
8	304700	Stores, Shop, & Garage Structures	312,642	0.73%	\$2,282	312,642	0.73%	2,282
9	304800	Miscellaneous Structures	654,998	0.49%	\$3,209	654,998	0.49%	3,209
10	306000	Lakes, Rivers, & Other Intakes	489,123	0.83%	\$4,060	489,123	0.83%	4,060
11	309000	Supply Mains	603,834	1.87%	\$11,292	603,834	1.87%	11,292
12	310100	Power Generation Equipment	227,422	12.33%	\$28,041	227,422	12.33%	28,041
13	311200	Electric Pumping Equipment	5,604,762	2.45%	\$137,317	5,909,060	2.45%	144,772
14	311300	Diesel Pumping Equipment	119,296	2.50%	\$2,982	119,296	2.50%	2,982
15	311500	Other Pumping Equipment	251,454	1.83%	\$4,602	251,454	1.83%	4,602
16	311520	Water Treatment Equipment SS	169,477	2.45%	\$4,152	169,477	2.45%	4,152
17	320100	Granular Activated Carbon	12,603,650	1.09%	\$137,380	12,612,181	1.09%	137,473
18	320200	T & D Reservoirs & Standpipes	228,199	30.31%	\$69,167	442,199	30.31%	134,031
19	330000	T & D Reservoirs & Standpipes-Painting	6,464,368	1.08%	\$134,459	6,610,309	2.08%	137,494
20	330003	Elevated Tanks & Standpipes	3,477,221	11.08%	\$385,276	3,477,221	11.08%	385,276
21	330100	Ground Level Facilities	1,900,254	2.74%	\$52,067	1,900,254	2.74%	52,067
22	330200	Cleanwells	2,571	1.65%	\$11,233	2,571	1.65%	70
23	330400	T & D Mains not Classified	680,784	1.25%	\$24,148	680,784	1.25%	11,233
24	331001	T & D Mains - Mains (4" or less)	1,931,852	1.25%	\$56,978	2,039,803	1.25%	25,498
25	331100	T & D Mains - Mains (6" - 8")	5,358,217	1.25%	\$66,978	5,349,391	1.25%	66,867
26	331200	T & D Mains - Mains (8" - 10")	18	1.25%	\$18	1,458	1.25%	18
27	331210	T & D Mains - Mains (10" - 16")	64,594,213	1.25%	\$807,428	67,319,897	1.25%	841,489
28	331300	T & D Mains - Mains (16" - 24")	9,816,243	1.25%	\$122,703	9,816,243	1.25%	122,703
29	331350	T & D Mains - Mains (24" or More)	24,867,028	1.11%	\$234,033	27,318,258	1.11%	341,478
30	333000	Services	1,084,061	7.47%	\$335,237	22,687,562	7.47%	251,499
31	334100	Meters	4,487,775	7.23%	\$238,778	5,098,755	7.23%	360,877
32	334110	Meters-Metal Case/Old Style	3,274,936	7.23%	\$0	3,274,936	7.23%	238,778
33	334120	Meters-rem rdr	0	7.23%	\$0	0	7.23%	0
34	334131	Meter Installations	17,907	7.23%	\$1,295	17,907	7.23%	1,295
35	334200	Hydrants	11,004,198	2.73%	\$300,415	11,757,829	2.73%	320,989
36	335000	Other P/E SS	8,046,226	2.30%	\$185,063	8,538,536	2.30%	196,386
37	339200	Office Furniture	8,526	4.68%	\$399	8,526	4.68%	399
38	340100	Computer & Peripheral Equipment	500,945	1.39%	\$6,963	591,337	1.39%	8,220
39	340200	Computer & Mainframe Equipment	181,673	2.19%	\$3,979	316,777	2.19%	7,003
40	340210	Computer & Periph Personal	603,486	0.00%	\$0	603,486	0.00%	0
41	340220	Computer & Mainframe Equipment	345,333	2.19%	\$7,563	353,178	2.19%	7,735
42	340230	Computer & Periph Other	294,721	2.19%	\$6,454	294,721	2.19%	6,454
43	340300	Computer Software	415,089	0.00%	\$0	431,702	0.00%	0
44	340310	Computer Software Mainframe	3,535,059	0.00%	\$0	3,535,059	0.00%	0
45	340320	Computer Software Personal	177,213	0.00%	\$0	177,213	0.00%	0
46	340330	Computer Software Other	14,222	0.00%	\$0	14,222	0.00%	0
47	340400	Data Handling Equipment	15,284	4.94%	\$755	15,284	4.94%	755
48	340500	Other Office Equipment	55,208	1.39%	\$767	55,208	1.39%	767
49	341100	Heavy Trucks	980,312	16.00%	\$156,850	1,204,633	16.00%	192,741
50	341200	Automobiles	1,130,223	16.62%	\$187,843	1,308,187	16.62%	217,421
51	341300	Transportation-Other	255,706	11.38%	\$29,099	261,215	11.38%	29,726
52	341400	Stores Equipment	452,786	7.24%	\$32,782	452,786	7.24%	32,782
53	342000	Tools, Shop, & Garage Equipment	43,392	0.00%	\$0	43,392	0.00%	0
54	343000	Laboratory Equipment	1,207,973	6.89%	\$83,229	1,290,439	6.89%	88,911
55	344000	Power Operated Equipment	398,388	1.01%	\$4,024	419,542	1.01%	4,237
56	345000	Communication Equipment	287,053	0.00%	\$0	287,053	0.00%	0
57	346100	Communication Equipment-Telephone	517,256	4.21%	\$21,776	517,256	4.21%	21,776
58	346200	Miscellaneous Equipment	90,325	3.51%	\$3,170	90,325	3.51%	3,170
59	347000	Miscellaneous Equipment	1,102,699	6.33%	\$69,801	1,110,618	6.33%	70,302
60	347000	Other Tangible Plant	4,918	5.10%	\$251	4,918	5.10%	251
61	348000	Amortization of CIAC			(\$178,032)			(\$189,877)
62								
63								
64								
65								
Total Plant in Service			209,759,771		4,246,580	225,523,525		4,771,654
Land			612,502			860,965		2.12%
Cap Lease Asset			1,590,500			1,590,500		
Total UP			211,962,773			227,974,990		

Summary of Income Taxes

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 2, Schedule 6
Page 1 of 2

Line No.	Description	Per Books 12 Months Ended 3/31/10	Test Year Adjustments Present Rates	Normalized Test Year	Attrition Year Adjustments	Attrition Year at Present Rates	Adjustments for Proposed Rates	Attrition Year at Proposed Rates
1	Federal Income Tax - Current	\$85,408	(\$397,978)	(\$312,570)	(\$146,427)	(\$468,997)	\$3,213,188	\$2,754,171
2								
3	State Income Tax - Current	128,787	(190,871)	(62,084)	(41,182)	(103,266)	638,215	534,949
4								
5	Deferred Federal Income Tax	1,433,827	(584,986)	848,841	(330,316)	518,525	0	518,525
6								
7	Deferred State Income Tax	123,058	(64,705)	58,353	57,912	116,265	0	116,265
8								
9	Amortization of ITC	(76,368)	0	(76,368)	0	(76,368)	0	(76,368)
10								
11	Adjustment of Prior Years - FIT	113,953	(113,953)	0	0	0	0	0
12								
13	Adjustment of Prior Years - SIT	(131,939)	131,939	0	0	0	0	0
14								
15	Total	1,676,725	(1,220,553)	456,172	(460,012)	(3,840)	3,851,383	3,847,543
16								
17								
18								
19								
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Line No.	Description	Per Books Test Year Present Rates		Normalized Year Present Rates		Attrition Year Present Rates	
		Federal	State	Federal	State	Federal	State
1	Operating Revenues	\$37,570,848	\$37,570,848	\$37,063,946	\$37,063,946	\$47,260,918	\$47,260,918
2							
3							
4	Operation and Maintenance Expenses	22,529,507	22,529,507	22,523,958	22,475,010	23,640,779	23,640,779
5	Depreciation and Amortization	4,621,066	4,621,066	4,352,613	4,352,613	4,877,687	4,877,687
6	Taxes, Other than Income	4,018,157	4,018,157	4,270,802	4,270,802	4,400,272	4,400,272
7	State Income Taxes - Current	(201,711)	(201,711)	(62,084)	(62,084)	534,949	534,949
8	State Income Taxes - Deferred	321,617	321,617	58,353	58,353	116,265	116,265
9	Federal Income Taxes - Current	(950,986)	(950,986)	(312,570)	(312,570)	2,754,171	2,754,171
10	Federal Income Taxes - Deferred	2,584,174	2,584,174	848,841	848,841	518,525	518,525
11	Investment Tax Credit	(76,368)	(76,368)	(76,368)	(76,368)	(76,368)	(76,368)
12	Subtotal	32,845,456	32,845,456	31,603,545	31,603,545	38,769,281	38,769,281
13	Total Income Before Deductions	4,725,392	4,725,392	5,460,401	5,460,401	10,514,637	10,514,637
14							
15	Total Other Income	-4,522	-4,522				
16							
17	Total Other Deductions	46,375	46,375				
18							
19	Total Taxes Applicable to Other Income and Deductions	-21,031	-21,031				
20							
21	Total Interest Charges	2,954,478	2,954,478	4,090,419	4,090,419	4,090,419	4,090,419
22							
23	Net Income	1,741,049	1,741,049	1,369,982	1,369,982	456,907	456,907
24							
25	State Income Taxes	116,430	116,430	-3,731	-3,731	12,999	12,999
26	Federal Income Taxes	1,539,264	1,539,264	459,603	459,603	-16,940	-16,940
27							
28	Pretax Income	3,396,743	3,396,743	1,826,154	1,826,154	453,067	453,067
29	Statutory Additions (Deductions);						
30	Permanent Difference						
31	617.001 Book Over Tax Travel and Entertainment	6,671	6,671	6,671	6,671	6,671	6,671
32	618.005 Medicare subsidiary	(184,631)	(184,631)	0	0	0	0
33	618.008 Lobbying Expenses	340	340	340	340	340	340
34	638.006 Nondeductible Penalties	(50)	(50)	(50)	(50)	(50)	(50)
35							
36	Total Permanent Differences	(177,670)	(177,670)	6,961	6,961	6,961	6,961
37							
38	Financial Taxable Income	3,219,073	3,219,073	1,833,115	1,833,115	460,028	460,028
39							
40	Temporary Differences						
41	604.004 Contributions and Advances	17,782	17,782	0	0	0	0
42	606.001 Book Over Tax Depreciation	0	0	0	0	0	0
43	612.001 Book Over Tax Bad Debts	(267,925)	(267,925)	0	0	0	0
44	618.002 Amortization of Regulatory Assets - AFUDC	24,857	24,857	0	0	0	0
45	618.070 Deferred Maintenance Expense	(1,014,689)	(1,014,689)	0	0	0	0
46	618.025 Management Study Expense	(32,661)	(32,661)	0	0	0	0
47	618.028 Accrued CRFB Expense	417,444	417,444	0	0	0	0
48	618.029 Incentive Plan Expense	(101,985)	(101,985)	0	0	0	0
49	618.032 Regulatory Period Expense	(352,479)	(352,479)	0	0	0	0
50	618.030 Miscellaneous Deferred Expenses	1,014,689	1,014,689	0	0	0	0
51	628.001 Tax Over Book Depreciation	(1,758,093)	(1,758,093)	0	0	0	0
52	638.014 Cost of Removal	125,312	125,312	(1,758,093)	(1,758,093)	(1,351,745)	(1,351,745)
53	638.015 AFUDC over interest Capitalized for Taxes	(189,432)	(189,432)	0	0	0	0
54	638.016 Refund of Taxable Advances	0	0	0	0	0	0
55	638.022 Accrued Vacation Pay Expense	16,543	16,543	0	0	0	0

TENNESSEE AMERICAN WATER COMPANY
CASE NO.
RATE OF RETURN SUMMARY
13 MONTH AVERAGE

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 3, Schedule 1
Page 1 of 1

Line No.	Class of Capital	13 Month Average Amount	% of Total	Adjusted Capital	Cost Rate	Average Weighted Cost
1						
2	Short-Term Debt	\$ 4,236,175	3.453%	\$4,236,175	1.900%	0.07%
3						
4	Long-Term Debt	63,032,353	51.386%	63,032,353	6.200%	3.19%
5						
6	Preferred Stock	1,381,600	1.126%	1,381,600	5.000%	0.06%
7						
8	Common Equity - Common Stock	29,862,828	24.345%	29,862,828	11.500%	2.80%
9	Common Equity - Retained Earnings	24,152,387	19.690%	24,152,387	11.500%	2.26%
10						
11	Total Capital	<u>\$122,665,344</u>	<u>100.000%</u>	<u>\$122,665,344</u>		<u>8.38%</u>
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
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26						
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48						
49						
50						

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 3, Schedule 2

6.20%

TENNESSEE AMERICAN WATER COMPANY
PREFERRED STOCK AVERAGING FOR FORECASTED PERIOD
13 MONTH AVERAGE

Test Year: Twelve Months Ended: March 31, 2010
Exhibit No. 3, Schedule 3

Line No.	Debt Issue Type & Rate	13 Month Average	Cost Rate At Issue	Cost Rate @ Maturity	Forecasted Amort of Issuance Exp	Annualized Cost	Average Unamortized Issue Exp	Net Carrying Value
1								
2								
3								
4								
5	Cumulative 5% Series	1,381,600	5.000%	5.000%	0	69,080	0	1,381,600
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
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28								
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31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
TOTAL		<u>\$ 1,381,600</u>				<u>69,080</u>	<u>\$ -</u>	<u>\$ 1,381,600</u>
13 MONTH AVERAGE COST RATE			<u>5.000%</u>					

Attrition Year Revenues at Current and Proposed Rates

Line No.	Class/Description	Per Book Sales (CCF)	Per Book Total Revenues	Normalized Sales (CCF)	Normalized Total Revenues	Current Rates Sales (CCF)	Attrition Total Revenues	Proposed Rates Sales (CCF)	Total Revenues	Total Revenue Difference	Total Revenue Percent Change
1											
2											
3	Class/Description										
4											
5	Residential	4,366,253	15,613,436	4,270,606	15,159,553	4,297,853	15,243,199	4,297,853	19,464,079	4,220,880	27.690%
6	Commercial	3,900,531	11,512,840	3,897,353	11,403,023	3,933,111	11,534,347	3,933,111	14,748,735	3,214,388	27.868%
7	Industrial	2,561,716	3,400,242	2,561,716	3,401,964	2,561,716	3,401,964	2,561,716	4,342,792	940,828	27.655%
8	Other Public Authority	1,032,836	2,556,475	1,032,836	2,556,253	1,032,836	2,556,253	1,032,836	3,234,849	678,596	26.547%
9	Other Water Utility	1,345,487	1,248,931	1,345,488	1,308,493	1,345,488	1,308,493	1,345,488	1,570,526	362,033	27.668%
10	Private Fire Service	0	1,721,772	0	1,721,772	0	1,735,066	0	2,214,850	479,784	27.652%
11	Public Fire Service	0	(66)	0	0	0	0	0	-	-	
12	Subtotal	13,206,823	36,053,629	13,107,999	35,551,158	13,171,004	35,779,322	13,171,004	45,675,831	9,895,509	27.660%
13											
14	Other Operating Revenues		1,517,219		1,512,788		1,517,135		1,504,404	87,269	5.752%
15											
16	Total		37,570,848		37,063,946		37,296,457		47,280,235	9,983,778	26.769%

Per book revenues include unbilled revenues.

**Tennessee Regulatory Authority
Residential Class
Company : Tennessee-American Water Company
Case No. :**

Test Year Twelve Months Ending March 31, 2010
Exhibit No 4, Schedule 2
Page No. 1 of 13

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	720,015	10.88	\$7,833,768	720,015	10.88	\$7,833,768	724,498	10.88	\$7,882,543	724,498	13.84	\$10,027,058
7	3/4 - inch meter	1,089	18.28	19,911	1,089	18.28	19,911	1,089	18.28	19,911	1,089	23.25	25,324
8	1 - inch meter	1,949	30.41	59,257	1,949	30.41	59,257	1,949	30.41	59,257	1,949	38.68	75,372
9	1 1/2 - inch meter	207	60.85	12,598	207	60.85	12,598	207	60.85	12,598	207	77.40	16,024
10	2 - inch meter	114	97.35	11,104	114	97.35	11,104	114	97.35	11,104	114	123.83	14,126
11	3 - inch meter	1	182.53	134	1	182.53	134	1	182.53	134	1	232.18	170
12	4 - inch meter	0	304.23	0	0	304.23	-	-	304.23	-	-	386.98	0
13	6 - inch meter	0	608.47	0	0	608.47	-	-	608.47	-	-	773.97	0
14	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	-	-	1,238.33	0
15	Total Meters	723,375		7,936,772	723,375		7,936,772	727,858		7,985,547	727,858		10,158,073
16													
17	Volumetric												
18	First 400 Cubic Feet	2,277,055	0.202	459,965	2,277,055	0.202	459,965	2,294,987	0.202	463,587	2,294,987	0.283	649,481
19	Next 6,100 Cubic Feet	1,626,452	3.207	5,216,032	1,539,822	3.207	4,938,210	1,546,547	3.207	4,959,777	1,546,547	4.120	6,371,774
20	Next 43,500 Cubic Feet	62,450	2,015	125,836	62,450	2,015	125,836	62,450	2,015	125,836	62,450	2,530	157,998
21	Next 450,000 Cubic Feet	2,540	1,506	3,825	2,540	1,506	3,825	2,540	1,506	3,825	2,540	1,892	4,806
22	Next 1,000,000 Cubic Feet	0	1,151	0	0	1,151	0	-	1,151	0	-	1,445	0
23	All Over 1,500,000 Cubic Feet	0	0.684	0	0	0.684	-	-	0.684	-	-	0.943	0
24	Chattanooga Amount	3,968,497		13,742,430	3,881,867		13,464,608	3,906,524		13,538,572	3,906,524		17,342,132
25													
26	Lookout Mountain												
27	5/8 - inch meter	20,711	12.21	252,878	20,711	12.21	252,878	20,853	12.21	254,612	20,853	13.84	288,602
28	3/4 - inch meter	501	18.28	9,157	501	18.28	9,157	501	18.28	9,157	501	23.25	11,647
29	1 - inch meter	1,403	30.41	42,678	1,403	30.41	42,678	1,403	30.41	42,678	1,403	38.68	54,285
30	1 1/2 - inch meter	24	60.85	1,460	24	60.85	1,480	24	60.85	1,480	24	77.40	1,858
31	2 - inch meter	31	97.35	3,021	31	97.35	3,021	31	97.35	3,021	31	123.83	3,843
32	3 - inch meter	0	182.53	0	0	182.53	-	-	182.53	-	-	232.18	0
33	4 - inch meter	0	304.23	0	0	304.23	-	-	304.23	-	-	386.98	0
34	6 - inch meter	0	608.47	0	0	608.47	-	-	608.47	-	-	773.97	0
35	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	-	-	1,238.33	0
36	Total Meters	22,670		309,194	22,670		309,194	22,812		310,928	22,812		360,235
37													
38	Volumetric												
39	First 400 Cubic Feet	73,629	0.753	55,443	73,629	0.753	55,443	74,197	0.753	55,871	74,197	1.180	87,524
40	Next 6,100 Cubic Feet	132,138	4.131	545,860	127,300	4.131	525,875	128,124	4.131	529,279	128,124	5.017	642,745
41	Next 43,500 Cubic Feet	15,806	2,939	46,454	15,806	2,939	46,454	15,806	2,939	46,454	15,806	3,427	54,161
42	Next 450,000 Cubic Feet	56	2,055	115	56	2,055	115	56	2,055	115	56	2,789	166
43	Next 1,000,000 Cubic Feet	0	1,701	0	0	1,701	-	-	1,701	-	-	2,342	0
44	All Over 1,500,000 Cubic Feet	0	1,233	0	0	1,233	-	-	1,233	-	-	1,840	0
45	Lookout Mountain Amount	221,629		957,066	216,791		937,081	218,183		942,647	218,183		1,144,821
46													

Line No.	Description	Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues
1													
2													
3													
4													
5	Lakeview												
6	5/8 - inch meter	33,461	12.21	408,553	33,461	12.21	408,553	33,672	12.21	411,129	33,672	13.84	466,014
7	3/4 - inch meter	0	18.28	0	0	18.28	0	-	18.28	-	-	23.25	0
8	1 - inch meter	38	30.41	1,169	38	30.41	1,169	38	30.41	1,169	38	38.68	1,487
9	1 1/2 - inch meter	0	60.85	0	0	60.85	0	-	60.85	-	-	77.40	0
10	2 - inch meter	0	97.35	0	0	97.35	0	-	97.35	-	-	123.83	0
11	3 - inch meter	0	182.53	0	0	182.53	0	-	182.53	-	-	232.18	0
12	4 - inch meter	0	304.23	0	0	304.23	0	-	304.23	-	-	386.98	0
13	6 - inch meter	0	608.47	0	0	608.47	0	-	608.47	-	-	773.97	0
14	8 - inch meter	0	973.53	0	0	973.53	0	-	973.53	-	-	1,238.33	0
15	Total Meters	33,499		409,722	33,499		409,722	33,710		412,298	33,710		467,501
16													
17	Volumetric												
18	First 400 Cubic Feet	107,248	0.372	39,896	107,248	0.372	39,896	108,092	0.372	40,210	108,092	1.180	127,506
19	Next 6,100 Cubic Feet	77,557	3.534	274,086	73,507	3.534	259,773	73,824	3.534	260,894	73,824	5.017	370,345
20	Next 43,500 Cubic Feet	704	2,342	1,649	704	2,342	1,649	704	2,342	1,649	704	3,427	2,412
21	Next 450,000 Cubic Feet	0	1,674	0	0	1,674	0	-	1,674	-	-	2,789	0
22	Next 1,000,000 Cubic Feet	0	1,320	0	0	1,320	0	-	1,320	-	-	2,342	0
23	All Over 1,500,000 Cubic Feet	0	0.852	0	0	0.852	0	-	0.852	-	-	1,840	0
24	Lakeview Amount	185,509		725,353	181,459		711,040	182,620		715,051	182,620		967,764
25													
26	Lone Oak												
27	5/8 - inch meter	1,441	32.76	47,215	1,441	32.76	47,215	1,441	32.76	47,215	1,441	28.04	40,412
28	3/4 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	23.25	0
29	1 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	38.68	0
30	1 1/2 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	77.40	0
31	2 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	123.83	0
32	3 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	232.18	0
33	4 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	386.98	0
34	6 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	773.97	0
35	8 - inch meter	0	32.76	0	0	32.76	0	-	32.76	-	-	1,238.33	0
36	Total Meters	1,441		47,215	1,441		47,215	1,441		47,215	1,441		40,412
37													
38	Volumetric												
39	First 2.67 (100 CCF)	3,211	0.000	0	3,211	0.000	-	3,211	0.000	-	-		
40	In Excess 2.67 (100 CCF)	4,226	4.1200	17,411	4,226	4.1200	17,411	4,226	4.1200	17,411	4,226		
41													
42													
43	First 400 Cubic Feet										4,429	1.180	5,224
44	Next 6,100 Cubic Feet										3,008	5.017	15,090
45	Next 43,500 Cubic Feet										-		0
46	Lone Oak Amount	7,437		64,626	7,437		64,626	7,437		64,626	7,437		60,726

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	61,845	10.81	\$668,544	61,845	10.81	\$668,544	61,845	10.81	\$668,544	61,845	13.84	\$855,934
7	3/4 - inch meter	1,621	18.16	29,429	1,621	18.16	29,429	1,621	18.16	29,429	1,621	23.25	37,678
8	1 - inch meter	16,816	30.22	508,178	16,816	30.22	508,178	17,718	30.22	535,437	17,718	38.68	685,331
9	1 1/2 - inch meter	4,283	60.47	259,022	4,283	60.47	259,022	4,283	60.47	269,022	4,283	77.40	331,542
10	2 - inch meter	12,802	96.74	1,238,432	12,802	96.74	1,238,432	12,802	96.74	1,238,432	12,802	123.83	1,585,228
11	3 - inch meter	472	181.40	85,651	472	181.40	85,651	472	181.40	85,651	472	232.18	109,628
12	4 - inch meter	289	302.34	87,447	289	302.34	87,447	289	302.34	87,447	289	386.98	111,928
13	6 - inch meter	144	604.69	87,075	144	604.69	87,075	144	604.69	87,075	144	773.97	111,452
14	8 - inch meter	24	967.50	23,284	24	967.50	23,284	24	967.50	23,284	24	1,238.33	29,802
15	Total Meters	98,296		2,987,062	98,296		2,987,062	99,198		3,014,321	99,198		3,858,523
16													
17	Volumetric												
18	First 400 Cubic Feet	261,144	0.201	52,490	261,144	0.201	52,490	264,752	0.201	53,215	264,752	0.283	74,925
19	Next 6,100 Cubic Feet	1,182,457	3.187	3,768,489	1,182,457	3.187	3,768,489	1,214,027	3.187	3,869,103	1,214,027	4.120	5,001,790
20	Next 43,500 Cubic Feet	1,578,959	2.003	3,160,853	1,574,929	2.003	3,154,583	1,574,929	2.003	3,154,583	1,574,929	2.530	3,984,571
21	Next 450,000 Cubic Feet	794,410	1.497	1,189,232	794,410	1.497	1,189,232	794,410	1.497	1,189,232	794,410	1.892	1,503,024
22	Next 1,000,000 Cubic Feet	12,676	1.144	14,501	12,676	1.144	14,501	12,676	1.144	14,501	12,676	1.445	18,317
23	All Over 1,500,000 Cubic Feet	0	0.679	0	0	0.679	-	-	0.679	-	-	0.943	0
24	Chattanooga Amount	3,828,746		11,172,627	3,825,616		11,166,357	3,860,794		11,294,955	3,860,794		14,441,150
25													
26	Lookout Mountain												
27	5/8 - inch meter	638	12.14	7,747	638	12.14	7,747	638	12.14	7,747	638	13.84	8,832
28	3/4 - inch meter	24	18.16	436	24	18.16	436	24	18.16	436	24	23.25	558
29	1 - inch meter	230	30.22	6,954	230	30.22	6,954	240	30.22	7,256	240	38.68	9,287
30	1 1/2 - inch meter	36	60.47	2,177	36	60.47	2,177	36	60.47	2,177	36	77.40	2,786
31	2 - inch meter	95	96.74	9,203	95	96.74	9,203	95	96.74	9,203	95	123.83	11,780
32	3 - inch meter	0	181.40	0	0	181.40	-	-	181.40	-	-	232.18	0
33	4 - inch meter	0	302.34	0	0	302.34	-	-	302.34	-	-	386.98	0
34	6 - inch meter	0	604.69	0	0	604.69	-	-	604.69	-	-	773.97	0
35	8 - inch meter	0	967.50	0	0	967.50	-	-	967.50	-	-	1,238.33	0
36	Total Meters	1,023		26,517	1,023		26,517	1,033		26,819	1,033		33,243
37													
38	Volumetric												
39	First 400 Cubic Feet	2,776	0.748	2,076	2,776	0.748	2,076	2,816	0.748	2,106	2,816	1.180	3,321
40	Next 6,100 Cubic Feet	15,249	4.105	62,596	15,249	4.105	62,596	15,576	4.105	63,938	15,576	5.017	78,137
41	Next 43,500 Cubic Feet	14,262	2.921	41,669	14,231	2.921	41,568	14,231	2.921	41,568	14,231	3.427	48,763
42	Next 450,000 Cubic Feet	5,221	2.042	10,661	5,221	2.042	10,661	5,221	2.042	10,661	5,221	2.789	14,559
43	Next 1,000,000 Cubic Feet	0	1.691	0	0	1.691	-	-	1.691	-	-	2.342	0
44	All Over 1,500,000 Cubic Feet	0	1.225	0	0	1.225	-	-	1.225	-	-	1.840	0
45	Lookout Mountain Amount	37,507		143,509	37,476		143,418	37,843		145,092	37,843		178,023
46													

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Lakeview												
6	5/8 - inch meter	1,641	12.14	19,917	1,641	12.14	19,917	1,641	12.14	19,917	1,641	13.84	22,706
7	3/4 - inch meter	0	18.16	0	0	18.16	-	-	18.16	-	-	23.25	0
8	1 - inch meter	216	30.22	6,529	216	30.22	6,529	234	30.22	7,073	234	38.68	9,054
9	1 1/2 - inch meter	0	60.47	0	0	60.47	-	-	60.47	-	-	77.40	0
10	2 - inch meter	84	96.74	8,126	84	96.74	8,126	84	96.74	8,126	84	123.83	10,402
11	3 - inch meter	0	181.40	0	0	181.40	-	-	181.40	-	-	232.18	0
12	4 - inch meter	0	302.34	0	0	302.34	-	-	302.34	-	-	386.98	0
13	6 - inch meter	0	604.69	0	0	604.69	-	-	604.69	-	-	773.97	0
14	8 - inch meter	0	967.50	0	0	967.50	-	-	967.50	-	-	1,238.33	0
15	Total Meters	1,941		34,572	1,941		34,572	1,959		35,116	1,959		42,182
17	Volumetric												
18	First 400 Cubic Feet	4,962	0.369	1,831	4,962	0.369	1,831	5,034	0.369	1,858	5,034	1.180	5,938
19	Next 6,100 Cubic Feet	11,405	3.512	40,056	11,405	3.512	40,056	11,542	3.512	40,537	11,542	5.017	57,904
20	Next 43,500 Cubic Feet	6,182	2.328	14,392	6,164	2.328	14,351	6,164	2.328	14,351	6,164	3.427	21,123
21	Next 450,000 Cubic Feet	0	1.664	0	0	1.664	-	-	1.664	-	-	2.789	0
22	Next 1,000,000 Cubic Feet	0	1.312	0	0	1.312	-	-	1.312	-	-	2.342	0
23	All Over 1,500,000 Cubic Feet	0	0.846	0	0	0.846	-	-	0.846	-	-	1.840	0
24	Lakeview Amount	22,550		90,851	22,532		90,810	22,741		91,862	22,741		127,127
26	Lone Oak												
27	5/8 - inch meter	17	32.56	568	17	32.56	568	17	32.56	568	17	28.04	489
28	3/4 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	23.25	0
29	1 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	38.68	0
30	1 1/2 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	77.40	0
31	2 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	123.83	0
32	3 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	232.18	0
33	4 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	386.98	0
34	6 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	773.97	0
35	8 - inch meter	0	32.56	0	0	32.56	-	-	32.56	-	-	1,238.33	0
36	Total Meters	17		568	17		568	17		568	17		489
38	Volumetric												
39	First 2.67 (100 CCF)	11	0.000	0	11	0.000	-	11	0.000	-	11	1.180	14
40	In Excess 2.67 (100 CCF)	2	4.094	10	2	4.094	10	2	4.094	10	1	5.017	5
41													0
42													508
43	First 400 Cubic Feet										12	1.180	14
44	Next 6,100 Cubic Feet										1	5.017	5
45	Next 43,500 Cubic Feet												0
46	Lone Oak Amount	13		578	13		578	13		578	13		508

Line No.	Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates			
	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	Billing Determine	Rates	Revenues	
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	268	10.88	\$2,917	268	10.88	\$2,917	268	10.88	\$2,917	268	13.84	\$3,711
7	3/4 - inch meter	25	18.28	457	25	18.28	457	25	18.28	457	25	23.25	581
8	1 - inch meter	271	30.41	8,229	271	30.41	8,229	271	30.41	8,229	271	38.68	10,467
9	1 1/2 - inch meter	79	60.85	4,815	79	60.85	4,815	79	60.85	4,815	79	77.40	6,125
10	2 - inch meter	979	97.35	95,312	979	97.35	95,312	979	97.35	95,312	979	123.83	121,237
11	3 - inch meter	0	182.53	0	0	182.53	-	-	182.53	0	232.18	0	0
12	4 - inch meter	203	304.23	61,820	203	304.23	61,820	203	304.23	61,820	203	386.98	78,634
13	6 - inch meter	61	608.47	37,178	61	608.47	37,178	61	608.47	37,178	61	773.97	47,290
14	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	0	1,238.33	0	0
15	Total Meters	1,886		210,728	1,886		210,728	1,886		210,728	1,886		268,045
16													
17	Volumetric												
18	First	4,987	0.202	1,007	4,987	0.202	1,007	4,987	0.202	1,007	4,987	0.283	1,411
19	Next	48,999	3.207	157,140	48,999	3.207	157,140	48,999	3.207	157,140	48,999	4.120	201,876
20	Next	220,492	2.015	444,292	220,492	2.015	444,292	220,492	2.015	444,292	220,492	2.530	557,846
21	Next	856,123	1.506	1,289,321	856,123	1.506	1,289,321	856,123	1.506	1,289,321	856,123	1.892	1,619,785
22	Next	691,165	1.151	795,531	691,165	1.151	795,531	691,165	1.151	795,531	691,165	1.445	998,733
23	All Over	1,500,000	0.684	507,174	741,482	0.684	507,174	741,482	0.684	507,174	741,482	0.943	699,218
24	Chattanooga Amount	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		4,346,914
25													
26	Lookout Mountain												
27	5/8 - inch meter	0	12.21	0	0	12.21	0	-	12.21	-	-	13.84	0
28	3/4 - inch meter	0	18.28	0	0	18.28	0	-	17.51	-	-	23.25	0
29	1 - inch meter	0	30.41	0	0	30.41	0	-	29.14	-	-	38.68	0
30	1 1/2 - inch meter	0	60.85	0	0	60.85	0	-	58.30	-	-	77.40	0
31	2 - inch meter	0	97.35	0	0	97.35	0	-	93.27	-	-	123.83	0
32	3 - inch meter	0	182.53	0	0	182.53	0	-	174.89	-	-	232.18	0
33	4 - inch meter	0	304.23	0	0	304.23	0	-	291.49	-	-	386.98	0
34	6 - inch meter	0	608.47	0	0	608.47	0	-	582.99	-	-	773.97	0
35	8 - inch meter	0	973.53	0	0	973.53	0	-	932.77	-	-	1,238.33	0
36	Total Meters	0		0	0		0	-		-	-		0
37													0
38	Volumetric												
39	First	0	0.753	0	0	0.753	0	-	0.753	-	-	1.180	0
40	Next	0	4.131	0	0	4.131	0	-	4.131	-	-	5.017	0
41	Next	0	2.939	0	0	2.939	0	-	2.939	-	-	3.427	0
42	Next	0	2.055	0	0	2.055	0	-	2.055	-	-	2.789	0
43	Next	0	1.701	0	0	1.701	0	-	1.701	-	-	2.342	0
44	All Over	0	1.233	0	0	1.233	0	-	1.233	-	-	1.840	0
45	Lookout Mountain Amount	0		0	0		0	-		-	-		0
46													0

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	1,998	10.88	\$21,739	1,998	10.88	\$21,739	1,998	10.88	\$21,739	1,998	13.94	\$27,653
7	3/4 - inch meter	145	18.28	2,651	145	18.28	2,651	145	18.28	2,651	145	23.25	3,371
8	1 - inch meter	1,537	30.41	46,752	1,537	30.41	46,752	1,537	30.41	46,752	1,537	38.68	59,467
9	1 1/2 - inch meter	822	60.85	50,025	822	60.85	50,025	822	60.85	50,025	822	77.40	63,631
10	2 - inch meter	3,474	97.35	338,191	3,474	97.35	338,191	3,474	97.35	338,191	3,474	123.83	430,181
11	3 - inch meter	81	182.53	14,742	81	182.53	14,742	81	182.53	14,742	81	232.18	18,752
12	4 - inch meter	252	304.23	76,707	252	304.23	76,707	252	304.23	76,707	252	386.98	97,571
13	6 - inch meter	36	608.47	21,905	36	608.47	21,905	36	608.47	21,905	36	773.97	27,863
14	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	-	-	1,238.33	0
15	Total Meters	8,345		572,712	8,345		572,712	8,345		572,712	8,345		728,489
16													
17	Volumetric												
18	First 400 Cubic Feet	21,333	0.202	4,309	21,333	0.202	4,309	21,333	0.202	4,309	21,333	0.283	6,037
19	Next 6,100 Cubic Feet	159,646	3.207	511,985	159,646	3.207	511,985	159,646	3.207	511,985	159,646	4.120	657,742
20	Next 43,500 Cubic Feet	331,280	2.015	667,530	331,280	2.015	667,530	331,280	2.015	667,530	331,280	2.530	838,139
21	Next 450,000 Cubic Feet	449,116	1.506	676,369	449,116	1.506	676,369	449,116	1.506	676,369	449,116	1.892	849,727
22	Next 1,000,000 Cubic Feet	61,517	1.151	70,806	61,517	1.151	70,806	61,517	1.151	70,806	61,517	1.445	88,892
23	All Over 1,500,000 Cubic Feet	0	0.684	0	0	0.684	-	-	0.684	-	-	0.943	0
24	Chattanooga Amount	1,022,892		2,503,711	1,022,892		2,503,711	1,022,892		2,503,711	1,022,892		3,169,026
25													
26	Lookout Mountain												
27	5/8 - inch meter	158	12.21	1,931	158	12.21	1,931	158	12.21	1,931	158	13.94	2,189
28	3/4 - inch meter	16	18.28	297	16	18.28	297	16	18.28	297	16	23.25	378
29	1 - inch meter	130	30.41	3,944	130	30.41	3,944	130	30.41	3,944	130	38.68	5,017
30	1 1/2 - inch meter	12	60.85	730	12	60.85	730	12	60.85	730	12	77.40	929
31	2 - inch meter	72	97.35	7,016	72	97.35	7,016	72	97.35	7,016	72	123.83	8,924
32	3 - inch meter	0	182.53	0	0	182.53	-	-	182.53	-	-	232.18	0
33	4 - inch meter	0	304.23	0	0	304.23	-	-	304.23	-	-	386.98	0
34	6 - inch meter	0	608.47	0	0	608.47	-	-	608.47	-	-	773.97	0
35	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	-	-	1,238.33	0
36	Total Meters	388		13,918	388		13,918	388		13,918	388		17,437
37													
38	Volumetric												
39	First 400 Cubic Feet	861	0.753	648	861	0.753	648	861	0.753	648	861	1.180	1,015
40	Next 6,100 Cubic Feet	5,226	4.131	21,587	5,226	4.131	21,587	5,226	4.131	21,587	5,226	5.017	26,214
41	Next 43,500 Cubic Feet	3,172	2.939	9,322	3,172	2.939	9,322	3,172	2.939	9,322	3,172	3.427	10,868
42	Next 450,000 Cubic Feet	648	2.055	1,332	648	2.055	1,332	648	2.055	1,332	648	2.789	1,807
43	Next 1,000,000 Cubic Feet	0	1.701	0	0	1.701	-	-	1.701	-	-	2.342	0
44	All Over 1,500,000 Cubic Feet	0	1.233	0	0	1.233	-	-	1.233	-	-	1.840	0
45	Lookout Mountain Amount	9,906		46,807	9,906		46,807	9,906		46,807	9,906		57,341
46													

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Chattanooga												
6	5/8 - inch meter	0	10.88	\$0	-	10.88	\$0	-	10.88	\$0	0	13.84	\$0
7	3/4 - inch meter	0	18.28	0	-	18.28	0	-	18.28	-	-	23.25	0
8	1 - inch meter	0	30.41	0	-	30.41	-	-	30.41	-	-	38.68	0
9	1 1/2 - inch meter	0	60.85	0	-	60.85	-	-	60.85	-	-	77.40	0
10	2 - inch meter	12	97.35	1,181	12	97.35	1,181	12	97.35	1,181	12	123.83	1,502
11	3 - inch meter	0	182.53	0	-	182.53	-	-	182.53	-	-	232.18	0
12	4 - inch meter	36	304.23	10,993	36	304.23	10,993	36	304.23	10,993	36	386.98	13,983
13	6 - inch meter	0	608.47	0	-	608.47	-	-	608.47	-	-	773.97	0
14	8 - inch meter	0	973.53	0	-	973.53	-	-	973.53	-	-	1,238.33	0
15	Total Meters	48		12,174	48		12,174	48		12,174	48		15,485
16													
17	Volumetric												
18	First 400 Cubic Feet	5	0.202	1	5	0.202	1	5	0.202	1	5	0.283	1
19	Next 6,100 Cubic Feet	1	3.207	3	1	3.207	3	1	3.207	3	1	4.120	4
20	Next 43,500 Cubic Feet	0	2.015	0	0	2.015	-	-	2.015	-	-	2.530	0
21	Next 450,000 Cubic Feet	0	1.506	0	0	1.506	-	-	1.506	-	-	1.892	0
22	Next 1,000,000 Cubic Feet	0	1.151	0	0	1.151	-	-	1.151	-	-	1.445	0
23	All Over 1,500,000 Cubic Feet	0	0.684	0	0	0.684	-	-	0.684	-	-	0.943	0
24	FL Ogleshorpe	469,025	0.9353	427,124	469,025	0.9353	438,679	469,025	0.9353	438,679	469,025	1.1940	560,016
25	Catoosa Co	27,241	0.9353	25,479	27,241	0.9353	25,479	27,241	0.9353	25,479	27,241	1.1940	32,526
26	Signal Mtn	415,455	0.8977	360,674	415,455	0.8977	372,954	415,455	0.8977	372,954	415,455	1.1460	476,111
27	Walden's Ridge	434,358	1.0572	448,567	434,358	1.0572	459,203	434,358	1.0572	459,203	434,358	1.3500	586,383
28	Chattanooga Amount			1,274,022	1,346,085		1,308,493	1,346,085		1,308,493	1,346,085		1,670,526
29													
30	Lookout Mountain												
31	5/8 - inch meter	0	12.21	0	0	12.21	-	-	12.21	-	-	13.84	0
32	3/4 - inch meter	0	18.28	0	0	18.28	-	-	18.28	-	-	23.25	0
33	1 - inch meter	0	30.41	0	0	30.41	-	-	30.41	-	-	38.68	0
34	1 1/2 - inch meter	0	60.85	0	0	60.85	-	-	60.85	-	-	77.40	0
35	2 - inch meter	0	97.35	0	0	97.35	-	-	97.35	-	-	123.83	0
36	3 - inch meter	0	182.53	0	0	182.53	-	-	182.53	-	-	232.18	0
37	4 - inch meter	0	304.23	0	0	304.23	-	-	304.23	-	-	386.98	0
38	6 - inch meter	0	608.47	0	0	608.47	-	-	608.47	-	-	773.97	0
39	8 - inch meter	0	973.53	0	0	973.53	-	-	973.53	-	-	1,238.33	0
40	Total Meters	0		0	0		-	-		-	-		0
41													
42	Volumetric												
43	First 400 Cubic Feet	0	0.753	0	0	0.753	-	-	0.753	-	-	1.180	0
44	Next 6,100 Cubic Feet	0	4.131	0	0	4.131	-	-	4.131	-	-	5.017	0
45	Next 43,500 Cubic Feet	0	2.939	0	0	2.939	-	-	2.939	-	-	3.427	0
46	Next 450,000 Cubic Feet	0	2.055	0	0	2.055	-	-	2.055	-	-	2.789	0
47	Next 1,000,000 Cubic Feet	0	1.701	0	0	1.701	-	-	1.701	-	-	2.342	0
48	All Over 1,500,000 Cubic Feet	0	1.233	0	0	1.233	-	-	1.233	-	-	1.840	0
49	Lookout Mountain Amount			1,274,022	1,346,085		1,308,493	1,346,085		1,308,493	1,346,085		1,670,526

Line No.		Rates Effective October 1, 2008				Proposed Rates				Percent Increase		
		Chattanooga	Mountain	Lakeview	Chattanooga	Mountain	Lakeview	Lone Oak	Suck Creek	Chattanooga	Mountain	Lakeview
1	Res, ind, OPA, SFR:											
2	5/8 - inch meter	10.88	12.21	12.21	13.84	13.84	13.84	28.04	19.13	27.20588%	13.34971%	13.34971%
3	3/4 - inch meter	18.28	18.28	18.28	23.25	23.25	23.25	23.25	23.25	27.18818%	27.18818%	27.18818%
4	1 - inch meter	30.41	30.41	30.41	38.68	38.68	38.68	38.68	38.68	27.19500%	27.19500%	27.19500%
5	1 1/2 - inch meter	60.85	60.85	60.85	77.40	77.40	77.40	77.40	77.40	27.19803%	27.19803%	27.19803%
6	2 - inch meter	97.35	97.35	97.35	123.83	123.83	123.83	123.83	123.83	27.20082%	27.20082%	27.20082%
7	3 - inch meter	182.53	182.53	182.53	232.18	232.18	232.18	232.18	232.18	27.20101%	27.20101%	27.20101%
8	4 - inch meter	304.23	304.23	304.23	386.98	386.98	386.98	386.98	386.98	27.19982%	27.19982%	27.19982%
9	6 - inch meter	608.47	608.47	608.47	773.97	773.97	773.97	773.97	773.97	27.19937%	27.19937%	27.19937%
10	8 - inch meter	973.53	973.53	973.53	1,238.33	1,238.33	1,238.33	1,238.33	1,238.33	27.19998%	27.19998%	27.19998%
11	Commercial:											
12	5/8 - inch meter	10.81	12.14	12.14	13.84	13.84	13.84	28.04	19.13	28.02960%	14.00329%	14.00329%
13	3/4 - inch meter	18.16	18.16	18.16	23.25	23.25	23.25	23.25	23.25	28.02863%	28.02863%	28.02863%
14	1 - inch meter	30.22	30.22	30.22	38.68	38.68	38.68	38.68	38.68	27.99471%	27.99471%	27.99471%
15	1 1/2 - inch meter	60.47	60.47	60.47	77.40	77.40	77.40	77.40	77.40	27.99735%	27.99735%	27.99735%
16	2 - inch meter	96.74	96.74	96.74	123.83	123.83	123.83	123.83	123.83	28.00289%	28.00289%	28.00289%
17	3 - inch meter	181.4	181.4	181.4	232.18	232.18	232.18	232.18	232.18	27.99338%	27.99338%	27.99338%
18	4 - inch meter	302.34	302.34	302.34	386.98	386.98	386.98	386.98	386.98	27.99497%	27.99497%	27.99497%
19	6 - inch meter	604.69	604.69	604.69	773.97	773.97	773.97	773.97	773.97	27.99451%	27.99451%	27.99451%
20	8 - inch meter	967.50	967.50	967.50	1,238.33	1,238.33	1,238.33	1,238.33	1,238.33	27.99276%	27.99276%	27.99276%
21	Volumetric-res, ind, OPA, SFR											
22	First 400 Cubic Feet	0.202	0.753	0.372	0.283	1.180	1.180	1.180	1.180	40.09901%	56.65364%	217.09729%
23	Next 6,100 Cubic Feet	3.207	4.131	3.534	4.120	5.017	5.017	5.017	5.017	28.46897%	21.43796%	41.95252%
24	Next 43,500 Cubic Feet	2.015	2.939	2.342	2.530	3.427	3.427	3.427	3.427	25.55831%	16.59074%	46.31093%
25	Next 450,000 Cubic Feet	1.506	2.055	1.674	1.892	2.789	2.789	2.789	2.789	25.63081%	35.68839%	66.58315%
26	Next 1,000,000 Cubic Feet	1.151	1.701	1.320	1.445	2.342	2.342	2.342	2.342	25.54301%	37.66031%	77.38409%
27	All Over 1,500,000 Cubic Feet	0.684	1.233	0.852	0.943	1.840	1.840	1.840	1.840	37.86550%	49.19724%	115.91572%
28	Ft Oglethorpe; Catoosa;	0.9353			1.194					27.65957%		
29	Signal Mountain	0.8977			1.146					27.65957%		
30	Walden's Ridge	1.0572			1.350					27.65980%		
31	Volumetric-commercial											
32	First 400 Cubic Feet	0.201	0.748	0.369	0.283	1.180	1.180	1.180	1.180	40.79602%	57.70079%	219.67532%
33	Next 6,100 Cubic Feet	3.187	4.105	3.512	4.120	5.017	5.017	5.017	5.017	29.27518%	22.20711%	42.84174%
34	Next 43,500 Cubic Feet	2.003	2.921	2.328	2.530	3.427	3.427	3.427	3.427	26.31053%	17.30921%	47.19080%
35	Next 450,000 Cubic Feet	1.497	2.042	1.864	1.892	2.789	2.789	2.789	2.789	26.38611%	36.58229%	67.58425%
36	Next 1,000,000 Cubic Feet	1.144	1.691	1.312	1.445	2.342	2.342	2.342	2.342	26.31119%	38.47439%	78.47576%
37	All Over 1,500,000 Cubic Feet	0.679	1.225	0.846	0.943	1.840	1.840	1.840	1.840	38.88071%	50.17159%	117.44704%

Line No.		Rates Effective October 1, 2008				Proposed Rates				Percent Increase		
		Chattanooga	Lookout Mountain	Lakeview	Chattanooga	Lookout Mountain	Lakeview	Lone Oak	Suck Creek	Chattanooga	Lookout Mountain	Lakeview
3	Private Fire Service											
6	1 - Inch Service	28.34			36.18					27.65228%		
7	1 1/2 - Inch Service	63.92			81.60					27.65228%		
8	2 - Inch Service	113.68			145.12					27.65228%		
9	2 1/2 - Inch Service	173.35			221.29					27.65228%		
10	3 - Inch Service	255.53			326.19					27.65228%		
11	4 - Inch Service	511.71			653.21					27.65228%		
12	6 - Inch Service	1,022.61			1,305.38					27.65228%		
13	8 - Inch Service	2,046.95			2,612.98					27.65228%		
14	10 - Inch Service	3,070.65			3,919.75					27.65228%		
15	12 - Inch Service	4,094.54			5,226.77					27.65228%		
16		975.54			1,245.30					27.65228%		
17	Public Fire Service											
18												
19												
20	Ridgeside	0.00			0.00							
21	Public Fire	0.00			0.00							
22												
23	Suck Creek & Lone Oak present and proposed:											
24												
25	Suck Creek											
26	First 1500 gal	2	23.85	meter charge	23.70							
27	Next 8000 gal	10.67	4.59	3.444	4.56							
28	All over 9500 gal	>12.67	3.44	2.583	3.42							
29												
30	Lone Oak											
31	First 2000 gal	2.67	32.76	meter charge	32.56							
32	All over 2000 gal	>2.67	5.48	4.120	5.46							
33												

Present		Proposed	
Residential	CGF	Residential	Commercial
First 400 CF	1.180	1.180	1.180
Next 6,100 CF	3.423	5.017	5.017
Next 43,500 CF	2.567	3.427	3.427

Present		Proposed	
Residential	CGF	Residential	Commercial
First 400 CF	1.180	1.180	1.180
Next 6,100 CF	3.423	5.017	5.017
Next 43,500 CF	2.567	3.427	3.427

CLASSIFICATION OF SERVICE**RESIDENTIAL****SERVICE CHARGES:****Service Charge Per Month**

<u>Meter Size</u>	Chattanooga General Water Service <u>Tariff</u>		Lookout Mountain <u>Tariff</u>		Lakeview <u>Tariff</u>		Suck Creek <u>Tariff</u>	
5/8"	\$13.84	(I)	\$13.84	(I)	\$13.84	(I)	\$19.13	(N)
3/4"	23.25	(I)	23.25	(I)	23.25	(I)	23.25	(N)
1"	38.68	(I)	38.68	(I)	38.68	(I)	38.68	(N)
1-1/2"	77.40	(I)	77.40	(I)	77.40	(I)	77.40	(N)
2"	123.83	(I)	123.83	(I)	123.83	(I)	123.83	(N)
3"	232.18	(I)	232.18	(I)	232.18	(I)	232.18	(N)
4"	386.98	(I)	386.98	(I)	386.98	(I)	386.98	(N)
6"	773.97	(I)	773.97	(I)	773.97	(I)	773.97	(N)
8"	1,238.33	(I)	1,238.33	(I)	1,238.33	(I)	1,238.33	(N)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	Chattanooga General Water Service <u>Tariff</u>		Lookout Mountain <u>Tariff</u>		Lakeview <u>Tariff</u>		Suck Creek <u>Tariff</u>	
0-4 CCF/Mo.	\$0.283	(I)	\$1.180	(I)	\$1.180	(I)	\$1.180	(N)
4-65	4.120	(I)	5.017	(I)	5.017	(I)	5.017	(N)
65-500	2.530	(I)	3.427	(I)	3.427	(I)	3.427	(N)
500-5,000	1.892	(I)	2.789	(I)	2.789	(I)	2.789	(N)
5,000-15,000	1.445	(I)	2.342	(I)	2.342	(I)	2.342	(N)
Over 15,000	0.943	(I)	1.840	(I)	1.840	(I)	1.840	(N)

(I) Increase

(N) New Rate

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE**COMMERCIAL****SERVICE CHARGES:****Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>	<u>Suck Creek Tariff</u>
5/8"	\$13.84 (I)	\$13.84 (I)	\$13.84 (I)	\$19.13 (N)
3/4"	23.25 (I)	23.25 (I)	23.25 (I)	23.25 (N)
1"	38.68 (I)	38.68 (I)	38.68 (I)	38.68 (N)
1-1/2"	77.40 (I)	77.40 (I)	77.40 (I)	77.40 (N)
2"	123.83 (I)	123.83 (I)	123.83 (I)	123.83 (N)
3"	232.18 (I)	232.18 (I)	232.18 (I)	232.18 (N)
4"	386.98 (I)	386.98 (I)	386.98 (I)	386.98 (N)
6"	773.97 (I)	773.97 (I)	773.97 (I)	773.97 (N)
8"	1,238.33 (I)	1,238.33 (I)	1,238.33 (I)	1,238.33 (N)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>	<u>Suck Creek Tariff</u>
0-4 CCF/Mo.	\$0.283 (I)	\$1.180 (I)	\$1.180 (I)	\$1.180 (N)
4-65	4.120 (I)	5.017 (I)	5.017 (I)	5.017 (N)
65-500	2.530 (I)	3.427 (I)	3.427 (I)	3.427 (N)
500-5,000	1.892 (I)	2.789 (I)	2.789 (I)	2.789 (N)
5,000-15,000	1.445 (I)	2.342 (I)	2.342 (I)	2.342 (N)
Over 15,000	0.943 (I)	1.840 (I)	1.840 (I)	1.840 (N)

(I) Increase
(N) New Rate

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
INDUSTRIAL

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 13.84 (I)	\$ 13.84 (I)	\$ 13.84 (I)
3/4"	23.25 (I)	23.25 (I)	23.25 (I)
1"	38.68 (I)	38.68 (I)	38.68 (I)
1-1/2"	77.40 (I)	77.40 (I)	77.40 (I)
2"	123.83 (I)	123.83 (I)	123.83 (I)
3"	232.18 (I)	232.18 (I)	232.18 (I)
4"	386.98 (I)	386.98 (I)	386.98 (I)
6"	773.97 (I)	773.97 (I)	773.97 (I)
8"	1,238.33 (I)	1,238.33 (I)	1,238.33 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.283 (I)	\$ 1.180 (I)	\$ 1.180 (I)
4-65	4.120 (I)	5.017 (I)	5.017 (I)
65-500	2.530 (I)	3.427 (I)	3.427 (I)
500-5,000	1.892 (I)	2.789 (I)	2.789 (I)
5,000-15,000	1.445 (I)	2.342 (I)	2.342 (I)
Over 15,000	.943 (I)	1.840 (I)	1.840 (I)

(I) Increase

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
OTHER PUBLIC AUTHORITY

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 13.84 (I)	\$ 13.84 (I)	\$ 13.84 (I)
3/4"	23.25 (I)	23.25 (I)	23.25 (I)
1"	38.68 (I)	38.68 (I)	38.68 (I)
1-1/2"	77.40 (I)	77.40 (I)	77.40 (I)
2"	123.83 (I)	123.83 (I)	123.83 (I)
3"	232.18 (I)	232.18 (I)	232.18 (I)
4"	386.98 (I)	386.98 (I)	386.98 (I)
6"	773.97 (I)	773.97 (I)	773.97 (I)
8"	1,238.33 (I)	1,238.33 (I)	1,238.33 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.283 (I)	\$ 1.180 (I)	\$ 1.180 (I)
4-65	4.120 (I)	5.017 (I)	5.017 (I)
65-500	2.530 (I)	3.427 (I)	3.427 (I)
500-5,000	1.892 (I)	2.789 (I)	2.789 (I)
5,000-15,000	1.445 (I)	2.342 (I)	2.342 (I)
Over 15,000	.943 (I)	1.840 (I)	1.840 (I)

(I) Increase

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
SALES FOR RESALE

SERVICE CHARGES:**Service Charge Per Month**

<u>Meter Size</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
5/8"	\$ 13.84 (I)	\$ 13.84 (I)	\$ 13.84 (I)
3/4"	23.25 (I)	23.25 (I)	23.25 (I)
1"	38.68 (I)	38.68 (I)	38.68 (I)
1-1/2"	77.40 (I)	77.40 (I)	77.40 (I)
2"	123.83 (I)	123.83 (I)	123.83 (I)
3"	232.18 (I)	232.18 (I)	232.18 (I)
4"	386.98 (I)	386.98 (I)	386.98 (I)
6"	773.97 (I)	773.97 (I)	773.97 (I)
8"	1,238.33 (I)	1,238.33 (I)	1,238.33 (I)

VOLUMETRIC RATES:**Cost per CCF**

<u>Monthly Use</u>	<u>Chattanooga General Water Service Tariff</u>	<u>Lookout Mountain Tariff</u>	<u>Lakeview Tariff</u>
0-4 CCF/Mo.	\$.283 (I)	\$ 1.180 (I)	\$ 1.180 (I)
4-65	4.120 (I)	5.017 (I)	5.017 (I)
65-500	2.530 (I)	3.427 (I)	3.427 (I)
500-5,000	1.892 (I)	2.789 (I)	2.789 (I)
5,000-15,000	1.445 (I)	2.342 (I)	2.342 (I)
Over 15,000	.943 (I)	1.840 (I)	1.840 (I)

(I) Increase

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
RESIDENTIAL

For all residential customers of Suck Creek.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

<u>Monthly Use</u>	<u>Suck Creek General Water Service</u>	
First 1,500 gallons	\$23.85	(D)
Next 8,000 gallons	\$4.59 per 1,000 gallons	(D)
All over 9,500 gallons	\$3.44 per 1,000 gallons	(D)

VOLUMETRIC RATES:

Cost per CCF

First 2 CCF	\$23.85	(D)
Next 10.667 CCF	\$3.444 per CCF	(D)
Over 12.667 CCF	\$2.583 per CCF	(D)

(D) Indicates Discontinued

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
COMMERCIAL

For all commercial customers of Suck Creek.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

<u>Monthly Use</u>	<u>Suck Creek General Water Service</u>	
First 1,500 gallons	\$23.70	(D)
Next 8,000 gallons	\$4.56 per 1,000 gallons	(D)
All over 9,500 gallons	\$3.42 per 1,000 gallons	(D)

VOLUMETRIC RATES:

Cost per CCF

First 2 CCF	\$23.70	(D)
Next 10.667 CCF	\$3.423 per CCF	(D)
Over 12.667 CCF	\$2.567 per CCF	(D)

(D) Indicates Discontinued

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE

RESIDENTIAL

SERVICE CHARGES:

Service Charge Per Month

<u>Meter Size</u>	Lone Oak Utility District <u>Tariff</u>
5/8"	\$28.04 (N)
3/4"	23.25 (N)
1"	38.68 (N)
1-1/2"	77.40 (N)
2"	123.83 (N)
3"	232.18 (N)
4"	386.98 (N)
6"	773.97 (N)
8"	1,238.33 (N)

VOLUMETRIC RATES:

Cost per CCF

<u>Monthly Use</u>	Lone Oak Utility District <u>Tariff</u>
0-4 CCF/Mo.	\$1.180 (N)
4-65	5.017 (N)
65-500	3.427 (N)
500-5,000	2.789 (N)
5,000-15,000	2.342 (N)
Over 15,000	1.840 (N)

(N) New Rate

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
COMMERCIAL

SERVICE CHARGES:

Service Charge Per Month

<u>Meter Size</u>	Lone Oak Utility District <u>Tariff</u>
5/8"	\$28.04 (N)
3/4"	23.25 (N)
1"	38.68 (N)
1-1/2"	77.40 (N)
2"	123.83 (N)
3"	232.18 (N)
4"	386.98 (N)
6"	773.97 (N)
8"	1,238.33 (N)

VOLUMETRIC RATES:

Cost per CCF

<u>Monthly Use</u>	Lone Oak Utility District <u>Tariff</u>
0-4 CCF/Mo.	\$1.180 (N)
4-65	5.017 (N)
65-500	3.427 (N)
500-5,000	2.789 (N)
5,000-15,000	2.342 (N)
Over 15,000	1.840 (N)

(N) New Rate

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
RESIDENTIAL

For all residential customers of Lone Oak.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

<u>Monthly Use</u>	<u>Lone Oak General Water Service</u>	
First 2,000 gallons	\$32.76	(D)
All over 2,000 gallons	\$5.48 per 1,000 gallons	(D)

VOLUMETRIC RATES:

Cost per CCF

First 2.67 CCF	\$32.76	(D)
All over 2.67 CCF	\$4.12 per CCF	(D)

(D) Indicates discontinued

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
COMMERCIAL

For all commercial customers of Lone Oak.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

<u>Monthly Use</u>	<u>Lone Oak General Water Service</u>	
First 2,000 gallons	\$32.56	(D)
All over 2,000 gallons	\$5.46 per 1,000 gallons	(D)

VOLUMETRIC RATES:

Cost per CCF

First 2.67 CCF	\$32.56	(D)
All over 2.67 CCF	\$4.094 per CCF	(D)

(D) Indicates discontinued

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE**PRIVATE FIRE SERVICE****Available For:**

Private Fire Service in all territory served by the Company. Private Fire Service is rendered only after approval by the President or Vice President and General Manager of the Company of an "Application for Special Connection," and only in accordance with the terms and conditions as provided therein.

Rates**Rate per Annum****Private Fire Service Connections:**

1" diameter	\$ 36.18 (I)
1-1/2" diameter	81.60 (I)
2" diameter	145.12 (I)
2-1/2" diameter	221.29 (I)
3" diameter	326.19 (I)
4" diameter	653.21 (I)
6" diameter	1,305.38 (I)
8" diameter	2,612.98 (I)
10" diameter	3,919.75 (I)
12" diameter	5,226.77 (I)

Private Fire Hydrants other than those supplied
by Private Fire Service Connections

\$1,254.30 (I)

(I) Increase

ISSUED: September 17, 2010

EFFECTIVE: October 17, 2010

BY: JOHN WATSON, PRESIDENT
1101 Broad Street
Chattanooga, Tennessee 37401