

October 20, 2010

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Mary Freeman, Chairman
Tennessee Regulatory Authority
Attention: Sharla Dillon
460 James Robertson Parkway
Nashville, Tennessee 37243

Re: In Re: Petition Of Tennessee American Water Company For A General
Rate Increase
Docket No. 10-00189

Dear Chairman Freeman:

As the parties discussed at the pre-hearing conference on Monday, the Chattanooga Manufacturers Association asks that this \$10 million rate case – the largest in the history of Tennessee American Water Company – be heard where the company's customers live, in Chattanooga.

Tennessee American Water Company has asked for an unprecedented rate increase of 28%. It is the company's third major request in the last five years. Both of the last two rate cases were heard in Chattanooga so that the company's customers and the local news media could attend the proceedings. This case should be heard there also.

As you may recall, Tennessee American said during the conference that the company opposes having the hearing in Chattanooga. The company's attorney said that based on his impression of the prior hearings, the public "wasn't really interested" in this case and that holding the hearing in Chattanooga simply provided an opportunity for "politicians to make speeches."

CMA disputes those characterizations. Customers facing nearly a 30% increase in water rates, especially large users such as industrial and commercial customers, are very interested in how this case turns out and how it will impact their water bills. State and local officials also have a strong interest in how the outcome of this rate case will affect economic development in the area.

When CMA made its suggestion, City Attorney Mike McMahan said that the city would welcome the TRA, just as it did in 2006 and 2008. The facilities of the Hamilton County Courthouse are well suited to holding the hearing and will accommodate a sizable audience. Just as the TRA has done in the past, the agency should return to Chattanooga for this proceeding.


Mary Freeman, Chairman
October 20, 2010
Page 2

Thank you for your consideration of this request.

Very truly yours,

BRADLEY ARANT BOULT CUMMINGS LLP

By:


Henry Walker

HW/dnr

cc: Tim L. Spires, President and CEO of Chattanooga Manufactures Association
David Higney, co-counsel for Chattanooga Manufactures Association
All Parties