

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

In 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

**FIRST DISCOVERY REQUEST OF THE UTILITY
WORKERS UNION OF AMERICA, AFL-CIO AND
UWUA LOCAL 121 TO TENNESSEE AMERICAN
WATER COMPANY**

To: Tennessee American Water Company, Inc.
c/o R. Dale Grimes, Esq.
Bass, Berry & Sims PLC
AmSouth Center
315 Deaderick Street, Suite 2700
Nashville, TN 37238

Pursuant to the schedule approved at the October 18, 2010, pre-hearing conference in this proceeding, and Rules 26, 33, 34 and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-1-2-.11, the Utility Workers Union of America, AFL-CIO, (“UWUA”) and UWUA Local 121 (referred to collectively as “UWUA”), hereby serves its first data request upon Tennessee American Water Company (“TAWC” or “Company”).

The responses should be delivered to:

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DEFINITIONS

“AWWC” refers to American Water Works Company, of which TAWC is a wholly-owned subsidiary.

“Company” or “TAWC” refers to Tennessee-American Water Company, as well as its affiliates, operating subsidiaries, attorneys, agents, employees, or other representatives.

“Document” or “documents” refers to any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, cards, tapes, film, electronic facsimile, computer storage device, or any other media, including but not limited to, memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, e-mail messages, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contract agreements, books, pamphlets, periodicals, appointment calendars records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports and summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recordings that is capable of being transcribed into written form.

“You” and “yours” refer to TAWC together with its affiliates, parent companies, directors, officers, employees, agents, representatives, witnesses, and unless privileged, its attorneys.

“UWUA Local No. 121” refers to the Utility Workers Union of America, AFL-CIO System Local No. 121, including all of its members who are employees of the Company.

INSTRUCTIONS

1. These data requests call for all information, including information contained in documents, which relates to the subject matter of the discovery requests and which is known or available to you. If there is no responsive information or document, please state so.
2. Where a data request has a number of separate subdivisions or related parts or portions, a complete response is required to each subdivision, part, or portion. Any objection to a specific data request should clearly indicate the subdivision, part, or portion of the data request to which it is directed.
3. If a data request specifically requests an answer in response rather than the production of documents, an answer is required. The production of documents alone will not suffice.
4. If information requested is not available in the exact form requested, provide such information or documents as are available that best respond to the data request.
5. These data requests are continuing in nature and require supplemental responses when further or different information responsive to the request is obtained.
6. Each response should be furnished on a separate page headed by the individual data request number being answered. Individual responses of more than one page should be stapled or bound and each page consecutively numbered.
7. In each response, including the production of all documents, designate the data request(s) being answered.
8. Each request to "Provide all documents . . ." or similar phrases includes a request for the "identification" (*see* Definitions) of all such documents. To the extent that a document is self-identifying, it need not be separately identified.
9. For each document produced or identified in a response which is computer generated, state separately: (a) what types of data, files, or tapes are included in the input and the source thereof; (b) the form of the data which constitutes machine input (*e.g.*, punch cards, tapes); (c) a description of the recordation system employed (including program descriptions, flow charts, *etc.*); and (d) the identity of the person who was in charge of the collection of input materials, the processing of input materials, the data bases utilized, and the programming to obtain the output.
10. If a data request can be answered in whole or in part by reference to the response to another data request served on you in this proceeding, it is sufficient so to indicate by specifying the other data request by participant and number, by specifying the parts of the other response which are responsive, and by specifying whether the response to the other data request is a full or partial response to the instant data request. If it constitutes a partial response, the balance of the data request must be answered.

11. If you cannot answer a data request in full, after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, state why you cannot answer the discovery request in full, and state what information or knowledge you have concerning the unanswered portions.
12. If, in answering any of these data requests, you believe that any data request or definition or instruction applicable thereto is ambiguous, set forth the language you believe is ambiguous and the interpretation you are using in responding to the data request.
13. If a document requested is unavailable, identify the document, describe in detail the reasons the document is unavailable, and state where the document can be obtained.
14. If any document responsive to a data request has been destroyed, state when and why it was destroyed, identify the person who directed the destruction, and identify all documents relevant to the destruction or the explanation. If the document was destroyed pursuant to your document retention/destruction program, identify and produce a copy of the guideline, policy, or company manual describing such retention/destruction program.
15. Where a data request seeks information by year or years, indicate whether the information is provided on a calendar or fiscal year basis. If provided on a fiscal year basis, state the dates on which each fiscal year begins and ends.
16. If you refuse to respond to any data request by reason of a claim of privilege, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for refusing to respond. With respect to requests for documents to which You refuse to respond by reason of claim of privilege, identify such document, including the date of the document, its subject matter, its recipient(s) and its sender(s), and state the basis for the claim.
17. Each response must be verified under oath in writing and each document produced shall be verified under oath in writing as being an authentic original document or a true duplicate of an authentic original document.
18. Identify the person responsible (whether primarily or indirectly) for preparing and providing each response. If a data request is directed to the testimony or an exhibit of a witness and is answered by another person, please state whether the witness agrees with the response.
19. If no document is responsive to a data request, then so state. In each such instance the data request should be treated as an interrogatory: provide a full and detailed explanation of the rationale, support, or basis underlying the information included in filings with the West Virginia Public Service Commission, or underlying the position You have taken on the issue, which relates to the subject of the request.
20. If you need any clarification, have any questions, or anticipate any delay in responding, please contact Scott Strauss at (202) 879-4035, or by e-mail at scott.strauss@spiegelmc.com.

The Company is requested to deliver its responses or objections to this data request as soon as possible, but no later than November 15th. In the event such responses are available sooner (for example, responses to other data requests that already have been served), please produce those responses on a rolling basis.

DATA REQUESTS

- UWUA-1. With reference to the direct testimony of witness John S. Watson, at page 9, lines 22-23, please (a) explain in detail (including through reference to specific components of the TAWC filing in this case) the ways in which approval of the proposed rate increase will enable TAWC to “fairly compensate employees for their work”; and (b) provide all documents that concern or relate to your answer.
- UWUA-2. Please provide all documents prepared by or for the Company during the past two years that contain an evaluation or assessment of either the safety, adequacy or efficiency of the services furnished by the Company. Please include in your response documents submitted by or for the Company to the Authority, prepared by or for the Company for internal use, or sent by the Company to or received from AWWC.
- UWUA-3. With reference to the direct testimony of witness John S. Watson, at page 9, lines 22-23, is it the Company’s position that at the present time TAWC employees are not “fairly compensate[d] for their work”? Please explain your answer fully.
- UWUA-4. With reference to the direct testimony of witness John S. Watson, at page 9, lines 27 through page 10, line 15, please provide a complete copy of the cited “American Society of Civil Engineers 2009 Report Card.”
- UWUA-5. With reference to the direct testimony of witness John S. Watson, at page 21, lines 12-17, please (a) identify, by job classification, the six (6) employee positions which, notwithstanding the Authority’s order in Docket No. 08-00039, are not currently filled; (b) state for how long the positions have remained unfilled; (c) describe in detail the activities undertaken by the Company to recruit persons to fill the six unfilled positions authorized by the Authority in Docket 08-00039; and (d) explain fully why the number of employees involved in daily operations as of the filing of direct testimony in this proceeding (September 12, 2010), is six less than the number of employees “granted by” the Authority in Docket 08-00039.
- UWUA-6. With reference to the direct testimony of witness John S. Watson, at page 21, lines 12-13, please state the number of employees employed by TAWC “directly in its daily operations”: (a) currently (*i.e.*, as of November 1); (b) as of May 1, 2010; (c) during 2008; and (d) 2009.
- UWUA-7. With reference to the direct testimony of witness John S. Watson, at page 21, lines 12-17, please provide all documents that concern, relate to or otherwise address the Company’s request “to recover fully loaded labor and labor-related expenses for 110 full-time employees in this rate

request[,]” including any documents that address (a) the impact of the additional hiring on the ability of the Company to meet the day-to-day service needs of its customers, or (b) consideration by the Company of seeking authorization to hire more or less than the seven (7) additional hires sought in Mr. Watson’s presentation.

- UWUA-8. With reference to the direct testimony of witness John S. Watson, at page 21, lines 12-17, please provide (a) all forecasts that have been prepared by or for the Company concerning the number of full-time employees anticipated to be directly involved in daily operations for each of the next five years; and (b) all documents that concern or relate to such forecasts, broken down into supervisory and non-supervisory personnel.
- UWUA-9. With reference to the direct testimony of witness John S. Watson, at page 21, lines 14-17, Mr. Watson states that each of the 110 employees is “directly and integrally involved in the provision of water service to the customers of TAWC.” Please describe the impacts on the provision of “water service to the customers of TAWC” that have been experienced as a result of the Company’s failure to fill the 109 positions “granted by” the Authority in Docket 08-00039, and provide all documents that concern or relate to such impacts.
- UWUA-10. With reference to the direct testimony of witness John S. Watson, at page 21, lines 14-17, assuming the Company’s proposed 110 employee complement is approved, please provide the Company’s estimates of when each of the seven (7) additional positions will be filled, and state fully the basis for each estimate.
- UWUA-11. With reference to the direct testimony of witness John S. Watson, at page 21, lines 12-17, please state how many of the referenced 110 hourly employees will be supervisory or management personnel as opposed to employee-members of UWUA Local 121.
- UWUA-12. With reference to the direct testimony of witness John S. Watson, at page 22, lines 1-2, please (a) state how long the two (2) vacant positions in the Production Department have been vacant; (b) describe the efforts undertaken by the Company to fill these positions; and (c) provide all related documents.
- UWUA-13. With reference to the direct testimony of witness John S. Watson, at page 22, lines 12-13, please (a) state how long the seven (7) vacant positions in the Distribution Department have been vacant; (b) describe the efforts undertaken by the Company to fill these positions; and (c) provide all related documents.
- UWUA-14. With reference to the direct testimony of witness John S. Watson, at page 22, lines 16-17, please (a) state how long the two (2) vacant positions in

the Outside Commercial Department have been vacant; (b) describe the efforts undertaken by the Company to fill these two positions; and (c) provide all related documents.

- UWUA-15. With reference to the direct testimony of witness John S. Watson, at page 23, lines 1-2, please provide (a) each “review” of the appropriate level of employees that has been conducted by or for TAWC during the past three years; and (b) all documents that concern or relate to each such review.
- UWUA-16. With reference to the direct testimony of witness John S. Watson, at page 23, lines 1-2, please describe in detail the differences, if any, that exist between the provision of service “at a level that meets the needs of the business” and the provision of service that meets “the needs of its customers.”
- UWUA-17. With reference to the direct testimony of witness John S. Watson, at page 23, lines 3-4, and for each of the past three years, please identify with specificity each of the “operational gaps” that have been identified by TAWC as necessary to “satisfy all laws, regulations, and company policies.”
- UWUA-18. With reference to the direct testimony of witness John S. Watson, at page 23, lines 6-9, please (a) identify which seven (7) positions are currently vacant, (b) state how long they have been vacant, (c) explain why the filling of these positions is “necessary for TAWC to meet the day-to-day service needs of our customers” and (d) state the “day-to-day service needs” of customers that are not currently being met as a result of these vacancies.
- UWUA-19. With reference to the direct testimony of witness John S. Watson, at page 23, line 21 through page 24, line 3, please state for how long the “Government Affairs Specialist” position was vacant prior to its being filled on August 30, 2010.
- UWUA-20. With reference to the direct testimony of witness John S. Watson, at page 24, lines 5-13, please define what is meant by the phrase “backfilling hourly positions.”
- UWUA-21. With reference to the direct testimony of witness John S. Watson, at page 24, lines 5-13, please: (a) state how long each of the referenced positions has been vacant; and (b) for each such vacant position, please describe the efforts that have been made to fill each position.
- UWUA-22. With reference to the direct testimony of witness John S. Watson, at page 24, line 15 through 25, line 7, please (a) state for how long the Company has been “in the process of hiring” one (1) Laborer Relief/Process

Technician Apprentice, (b) describe the components of the referenced “process”; and (c) provide any related documents.

- UWUA-23. With reference to the direct testimony of witness John S. Watson, at page 25, lines 9-11, please (a) state when the Company was notified that the referenced Master Maintenance Mechanic in the Production Department would be retiring, (b) describe the status of the Company’s efforts to fill the position vacated due to retirement; and (c) provide any related documents.
- UWUA-24. With reference to the direct testimony of witness John S. Watson, at page 25, line 27 through 26, line 1, please state how many of the referenced 28 “booster stations” “must operate continuously.”
- UWUA-25. With reference to the direct testimony of witness John S. Watson, at page 29, lines 21 through 30, line 13, please state whether the Company has limited the use of flowable fill for backfilling excavations to the excavation of paved streets in the City of Chattanooga or is using the same backfilling procedure more broadly, *i.e.* in areas not covered by the Chattanooga ordinance referenced at page 29, lines 16-19.
- UWUA-26. Please provide all documents generated in the past two years that reflect communications among TAWC personnel, or TAWC and AWWC, that address, evaluate, concern or relate to (a) staffing of the TAWC; or (b) the impact of staffing decisions upon the ability of TAWC to “meet the day-to-day needs” of its customers.
- UWUA-27. With reference to the direct testimony of witness John S. Watson, at page 33, lines 6-16, please provide, for each of the last five years: (a) the amount of emergency work performed on an overtime basis; and (b) the overall amount of work performed on an overtime basis.
- UWUA-28. With reference to the direct testimony of witness John S. Watson, at page 33, lines 6-16, please provide all documents that assess, concern or relate to the impact of the Company’s decision to limit the amount of work performed on an overtime basis upon the ability of the Company to meet the day-to-day service needs of its customers.
- UWUA-29. With reference to the direct testimony of witness John S. Watson, at page 33, lines 6-16, please provide all documents prepared by or for the Company that assess the impact of approval of the Company’s request to hire seven (7) additional hourly employees on the use of overtime.
- UWUA-30. With reference to the direct testimony of witness John S. Watson, at page 33, lines 6-16, please provide all documents that assess or quantify the impact (including the dollar impact) that the Company’s decision to defer certain repairs until normal working hours has had on (a) the level of

expense incurred for water treatment chemicals; and (b) the expense associated with the operation of “booster stations.”

- UWUA-31. With reference to the direct testimony of witness John S. Watson, at page 34, line 26 through 35, line 8, please identify, by job classification, each instance over the past twenty-four (24) months in which the Company has not (a) replaced an employee “who left the business in Tennessee” or (b) filled a vacancy even if the result was more overtime work. For each such instance, please provide all documents that concern, relate to, or assess the impact of the Company’s decision.
- UWUA-32. With reference to the direct testimony of witness John S. Watson, at page 35, lines 1-8, please provide a listing of all instances during the past two years in which (a) overtime was required but there was no employee to perform the overtime; or (b) “the Company chose not to complete all customer service orders assigned to an FSR because the work would require overtime or there were less than the number of FSRs required to perform the work on a given day.”
- UWUA-33. With reference to the direct testimony of witness John S. Watson, at page 38, lines 2-8, please explain fully how customers contribute to TAWC’s “Non Revenue Water” or “Unaccounted For Water usage” when they “ran their water to prevent freezing in their service lines.”
- UWUA-34. With reference to the direct testimony of Michael A. Miller, at page 9, lines 18-19, please provide all documents generated in the past three years, whether prepared by or for TAWC or AWWC, in which the “parent company” “evaluates the Company’s financial performance.”
- UWUA-35. With reference to the direct testimony of Michael A. Miller, at page 12, line 1, please describe in detail the “resources and training” currently provided to employees that is “necessary to “provide high-quality, reliable service.”
- UWUA-36. With reference to the direct testimony of Michael A. Miller, at page 13, lines 3-4, please explain fully why the Company is operating with an employee complement that is fewer than the number of employees granted by the Authority in the 2008 Rate Case Order.

Respectfully submitted,

/s/ Scott H. Strauss

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November 1, 2010

CERTIFICATE OF SERVICE

I, Scott H. Strauss, counsel for UWUA Intervenors, hereby certify that on the 1st day of November, 2010, caused a copy of the foregoing Motion to Intervene to be served upon all parties of record by postage prepaid, first-class, U.S. mail.

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