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November 5, 2010

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Mary Freeman, Chairman
Tennessee Regulatory Authority
c/o Sharla Dillon, Docket Clerk
460 James Robertson Parkway
Nashville, TN 37243

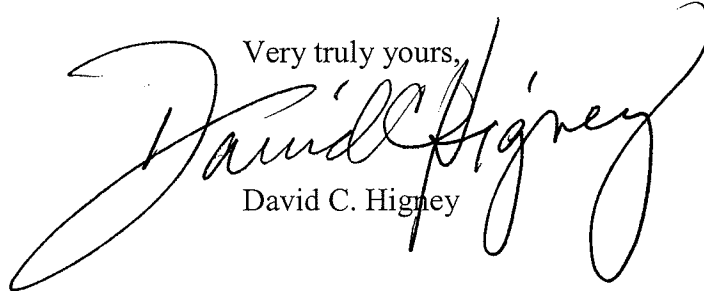
filed electronically in docket office on 11/05/10

Re: In re Petition of Tennessee American Water Company for a General Rate Increase
TRA Docket No. 10-00189

Dear Chairman Freeman:

Enclosed is a copy of a Resolution approved November 3, 2010 by the Hamilton County Commission that the Chattanooga Manufacturers Association ("CMA") respectfully requests be considered in this matter. Clearly the County Commission's Resolution opposes the requested increase and, further, supports CMA's presently outstanding request that the Tennessee Regulatory Authority hold its public hearings in Hamilton County during the Agency's consideration of the utility's petition to increase water rates Hamilton County citizens must pay.

Very truly yours,



David C. Higney

Enclosure

cc: Counsel for All Parties
Henry M. Walker, Esq. (via email)
Timothy L. Spires (via email)



Hamilton County Board of Commissioners

RESOLUTION

No. 1110-13

A RESOLUTION EXPRESSING HAMILTON COUNTY'S OPPOSITION TO A REQUESTED RATE INCREASE BY THE TENNESSEE AMERICAN WATER COMPANY PRESENTLY PENDING BEFORE THE TENNESSEE REGULATORY AUTHORITY.

WHEREAS, The Tennessee American Water Company ("TAWC") has petitioned the Tennessee Regulatory Authority ("TRA") seeking approval for approximately 28% increase in its rates to its customers; and

WHEREAS, Said request follows TAWC having been granted a rate increase in 2008; and

WHEREAS, This legislative body of Hamilton County feels that such an additional increase at this time would be detrimental to many of the citizens of Hamilton County.

NOW, THEREFORE, BE IT RESOLVED BY THIS COUNTY LEGISLATIVE BODY IN SESSION ASSEMBLED:

That Hamilton County, Tennessee, does hereby express its strong objection and opposition to the request before the Tennessee Regulatory Authority on behalf of the Tennessee American Water Company for a rate increase of approximately 28%, and hereby asks the Tennessee Regulatory Authority to hold public hearings within Hamilton County during its consideration of said request, and consider this resolution and reject said petition.

BE IT FURTHER RESOLVED THAT THIS RESOLUTION TAKE EFFECT FROM AN AFTER ITS PASSAGE, THE PUBLIC WELFARE REQUIRING IT.

Approved: ☒Rejected: ☐Approved: ☒Vetoed: ☐

CERTIFICATION OF ACTION

County Clerk

County Mayor

November 3, 2010

Date



Hamilton County, Tennessee
Analysis of Water Utilities Operating Within Hamilton County
March 2008

	Eastside		Hixson		Mowbray		Sale Creek		Savannah		Soddy-Daisy		Town of		Union-Fork		Walden's		TN American	
	Utility District	District	Utility District	District	Utility District	District	Utility District	District	Valley Utility District	District	Utility District	District	Signal Mountain (1)	District	Utility District	District	Ridge Utility District	District	Water Company	District

Water Rates (based upon Monthly Usage per 1,000 gallons)

Residential

Minimum mo. charge	\$8.37	\$9.78	\$23.54	\$22.87	\$16.50	\$17.17	\$15.57	\$12.21	\$18.26	\$11.20
Minimum mo. usage	2,244 gal	6,000 gal	2,000 gal	2,000 gal	2,500 gal	2,000 gal	4,000 gal	2,000 gal	2,500 gal	3,000 gal
First 2,000 gallons	\$3.0800	\$1.6300	\$11.7700	\$11.4350	\$6.6000	\$8.5850	\$3.8933	\$6.1050	\$7.3040	\$3.7333
Next 1,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$3.8933	\$4.2700	\$4.4200	\$3.7333
Next 3,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$3.8933	\$4.2700	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$3.8933	\$4.3300	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$3.8933	\$4.4400	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$3.8933	\$4.4400	\$4.4200	\$4.0973
Over 18,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$4.4600	\$3.4400	\$4.4200	\$4.0973
Over 18,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$4.4600	\$1.7800	\$4.4200	\$4.0973
Over 28,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$4.5000	\$2.6200	\$4.4600	\$1.7800	\$4.4200	\$4.0973

Commercial (2" line, if applicable)

Minimum mo. charge	\$136.52	\$77.33	\$23.54	\$22.87	\$330.00	\$118.65	\$15.57	\$66.60	\$18.26	\$94.05
Minimum mo. usage	44,132 gal	47,442 gal	2,000 gal	2,000 gal	30,000 gal	50,000 gal	4,000 gal	15,000 gal	2,500 gal	3,000 gal
First 2,000 gallons	\$3.0800	\$1.6300	\$11.7700	\$11.4350	\$11.0000	\$2.3730	\$3.8933	\$6.1050	\$7.3040	\$31.3500
Next 1,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$3.8933	\$4.2700	\$4.4200	\$31.3500
Next 3,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$3.8933	\$4.2700	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$3.8933	\$4.3300	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$3.8933	\$4.4400	\$4.4200	\$4.0973
Next 4,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$3.8933	\$4.4400	\$4.4200	\$4.0973
Over 18,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$4.4600	\$1.7800	\$4.4200	\$4.0973
Over 28,000 gallons	\$3.0800	\$1.6300	\$4.9100	\$6.0000	\$11.0000	\$2.3730	\$4.4600	\$1.7800	\$4.4200	\$4.0973
Over 50,000 gallons	\$2.5000	\$1.3800	\$4.9100	\$6.0000	\$4.5000	\$2.3730	\$4.4600	\$1.7800	\$4.4200	\$4.0973
Over 100,000 gallons	\$2.5000	\$1.2000	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$2.5747
Over 150,000 gallons	\$2.0800	\$1.2000	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$2.5747
Over 200,000 gallons	\$2.0800	\$1.1600	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$2.5747
Over 350,000 gallons	\$1.9400	\$1.1600	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$2.5747
Over 375,000 gallons	\$1.9400	\$1.1600	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$2.5747
Over 450,000 gallons	\$1.9400	\$0.9900	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$1.9240
Over 750,000 gallons	\$1.9400	\$0.8900	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$1.9240
Over 800,000 gallons	\$1.7600	\$0.8900	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$1.9240
Over 3,750,000 gallons	\$1.7600	\$0.8900	\$4.9100	\$6.0000	\$4.5000	\$2.8300	\$4.4600	\$1.7800	\$4.4200	\$1.4707

New Service Installation Fees

(Tap Fees) - 3/4" line	\$325.00	\$400.00	\$975.00	\$575.00	\$700.00	\$550.00	\$650-\$750	\$600.00	\$3,500.00	\$0.00
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Hamilton County, Tennessee
Analysis of Water Utilities Operating Within Hamilton County
March 2008

	Eastside Utility District	Hixson Utility District	Mowbray Utility District	Sale Creek Utility District	Savannah Valley Utility District	Soddy-Daisy Falling Water Utility District	Town of Signal Mountain (1)	Union-Fork Bakewell Utility District	Walden's Ridge Utility District	TN American Water Company
<u>Comparison of Water Bills at Various Levels of Usage</u>										
<u>Residential</u>										
Minimum mo. charge	\$8.37	\$9.78	\$23.54	\$22.87	\$16.50	\$17.17	\$15.57	\$12.21	\$18.26	\$11.20
Cost at 5,000 gallons	\$15.40	\$9.78	\$38.27	\$40.87	\$26.70	\$25.03	\$19.47	\$25.02	\$27.87	\$20.42
Cost at 10,000 gallons	\$30.80	\$16.30	\$62.82	\$70.87	\$49.20	\$38.13	\$38.93	\$46.61	\$49.97	\$41.93
Cost at 15,000 gallons	\$46.20	\$24.45	\$87.37	\$100.87	\$71.70	\$51.23	\$61.23	\$67.81	\$72.07	\$60.36
Cost at 20,000 gallons	\$61.60	\$32.60	\$111.92	\$130.87	\$94.20	\$64.33	\$83.53	\$81.69	\$94.17	\$81.88
<u>Commercial</u>										
Minimum mo. charge	\$136.52	\$77.33	\$23.54	\$22.87	\$330.00	\$118.65	\$15.57	\$66.60	\$18.26	\$93.27
Cost at 10,000 gallons	\$136.52	\$77.33	\$62.82	\$70.87	\$330.00	\$118.65	\$38.93	\$66.60	\$49.97	\$133.22
Cost at 20,000 gallons	\$136.52	\$77.33	\$111.92	\$130.87	\$330.00	\$118.65	\$83.53	\$81.69	\$94.17	\$173.17
Cost at 40,000 gallons	\$136.50	\$77.33	\$210.12	\$250.87	\$375.00	\$118.65	\$172.73	\$117.29	\$182.57	\$256.14
Cost at 80,000 gallons	\$229.00	\$122.90	\$406.52	\$490.87	\$555.00	\$203.55	\$351.13	\$188.49	\$359.37	\$372.19
Cost at 100,000 gallons	\$279.00	\$150.50	\$504.72	\$610.87	\$645.00	\$260.15	\$440.33	\$224.09	\$447.77	\$424.32

Hamilton County, Tennessee
Analysis of Water Utilities Operating Within Hamilton County
March 2008

No. of Customers Served	Eastside		Hixson Utility		Mowbray		Sale Creek		Savannah		Soddy-Daisy		Town of		Union-Fork		Walden's		TN American	
	Utility District	District	Utility District	District	Utility District	District	Utility District	District	Valley Utility	District	Falling Water	Utility District	Signal	Mountain (1)	Bakewell	Utility District	Ridge Utility	District		Water
	18,457	23,003			1,409	664			7,362		4,394		3,210		1,690		2,784		73,969	

Financial Highlights

Date of Financial Statements	10/31/2007	4/30/2007	6/30/2007	6/30/2007	6/30/2007	8/31/2007	6/30/2007	6/30/2007	8/31/2007	6/30/2007	12/31/2006
Current Assets	\$11,163,871	\$7,088,588	\$970,683	\$275,002	\$2,540,309	\$499,823	\$2,217,621	\$894,959	\$1,500,192	\$4,508,000	
Total Assets	\$50,847,873	\$31,015,475	\$3,719,662	\$2,471,855	\$15,796,032	\$10,838,475	\$5,754,179	\$3,152,628	\$8,980,963	\$155,872,000	
Long Term Debt	\$7,989,325	\$0	\$1,202,820	\$1,502,553	\$6,452,879	\$5,684,957	\$147,000	\$668,000	\$3,846,863	\$39,880,000	
Total Liabilities	\$8,910,690	\$1,112,157	\$1,275,374	\$1,545,951	\$6,657,478	\$5,944,105	\$466,407	\$751,306	\$4,307,833	\$66,023,000	
Net Assets	\$41,937,183	\$29,903,318	\$2,444,288	\$925,904	\$9,138,554	\$4,894,370	\$5,287,772	\$2,401,322	\$4,673,130	\$89,849,000	
Water sales revenues	\$6,765,138	\$3,565,238	\$563,520	\$280,328	\$2,586,139	\$1,667,553	\$1,265,445	\$582,460	\$1,316,503	\$32,610,000	
Total revenues	\$8,641,405	\$6,049,657	\$787,401	\$337,155	\$3,531,828	\$2,104,090	\$1,385,942	\$675,151	\$2,692,963	\$33,999,000	
Change in Net Assets	\$4,035,553	\$2,346,053	\$192,519	\$23,792	\$414,526	\$150,125	\$369,906	\$184,902	\$1,336,751	\$12,011,000	

Analysis of Financial Highlights

Total Assets per Customer	\$2,755	\$1,348	\$2,640	\$3,723	\$2,146	\$2,467	\$1,793	\$1,865	\$3,226	\$2,107	
Long Term Debt per Customer	\$433	\$0	\$854	\$2,263	\$877	\$1,294	\$46	\$395	\$1,382	\$539	
Total Liabilities per Customer	\$483	\$48	\$905	\$2,328	\$904	\$1,353	\$145	\$445	\$1,547	\$893	
Net Assets per Customer	\$2,272	\$1,300	\$1,735	\$1,394	\$1,241	\$1,114	\$1,647	\$1,421	\$1,679	\$1,215	
Water Sales per Customer	\$367	\$155	\$400	\$422	\$351	\$380	\$394	\$345	\$473	\$441	
Total Revenues per Customer	\$468	\$263	\$559	\$508	\$480	\$479	\$432	\$399	\$967	\$460	

(1) - Town of Signal Mountain - above rates are for service Inside Town limits; rates for Outside Town limits are approximately 25% higher than for Inside Town limits.