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November 12, 2010

Via Hand-Delivery

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

filed electronically in docket office on 11/12/10

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:

Tennessee American Water Company (the "Company") submits this letter in response to the Hamilton County Board of Commissioners Resolution No. 1110-13 filed for consideration in this docket by the Chattanooga Manufacturers Association ("CMA") with its letter dated November 5, 2010.

In response, the Company reiterates its position that it supports the proposal to have a public comment hearing in Chattanooga so that members of the public who wish to have their voices heard can conveniently do so.

The CMA, however, interprets the Commissioners' Resolution as also supporting the CMA's October 18, 2010 request that the full evidentiary hearing be relocated to Chattanooga. The Company must restate its opposition to the excessive, needless, and wasted expense such a move would entail, as previously set forth in the Company's letter of October 22, 2010. Under the circumstances, incurring such additional expense does not seem prudent at all.

The Company's proposal is consistent with the way the TRA handled a similar situation in the Chattanooga Gas Company rate case heard earlier this year, in which the CMA was also an intervenor. In that case, the TRA ordered a one-day public hearing in Chattanooga and kept the evidentiary hearing in Nashville at the offices of the TRA – exactly what the Company proposes in this case.

A one-day public comment hearing in Chattanooga for interested members of the public to voice their comments on the Company's requested rate increase would be much more cost

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effective than the CMA's request, and would be consistent with past TRA practice with the other regulated Chattanooga utility.

With kindest regards, I remain

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Dale Grimes". The signature is stylized with a large, looped "R" and a cursive "Grimes".

R. Dale Grimes

RDG:smb

Enclosures

cc: Hon. Sara Kyle (*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*)
Vance Broemel, Esq. (*w/enclosure*)
David C. Higney, Esq. (*w/o enclosure*)
Henry M. Walker, Esq. (*w/o enclosure*)
Michael A. McMahan, Esq. (*w/o enclosure*)
Frederick L. Hitchcock, Esq. (*w/o enclosure*)
Mark Brooks, Esq. (*w/o enclosure*)
Scott H. Strauss, Es. (*w/o enclosure*)
Donald L. Scholes, Esq. (*w/o enclosure*)
Mr. John Watson (*w/o enclosure*)
Mr. Michael A. Miller (*w/o enclosure*)