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Via E-Mail and FedEx

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

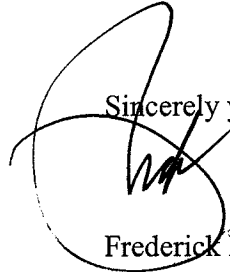
**Re: Petition of Tennessee American Water Company
Docket No. 10-00189**

Dear Chairman Freeman:

Enclosed please find an original and five (5) copies of The City of Chattanooga's Motion to Compel. I would appreciate you stamping the extra copy of each document as "filed," and returning it to me in the enclosed, self-addressed and stamped envelope.

With best regards, I am

Sincerely yours,



Frederick L. Hitchcock

FLH:kwr

Enclosures

cc: Mr. J. Richard Collier (w/encl.)
Mr. Vance L. Broemel (w/encl.)
Mr. T. Jay Warner
Mr. Ryan L. McGehee
Ms. Mary L. White
Mr. David C. Higney (w/encl.)
Mr. Henry M. Walker (w/encl.)
Mr. Michael A. McMahan (w/enc.)
Ms. Valerie L. Maleug (w/encl.)
Mr. R. Dale Grimes (w/encl.)
Mr. Mark Brooks (w/encl.)
Mr. Scott H. Strauss (w/encl.)
Ms. Katharine M. Mapes
Mr. Donald L. Scholes (w/encl.)

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

IN RE:)	
)	
PETITION OF TENNESSEE AMERICAN)	
WATER COMPANY TO CHANGE AND)	Docket No. 10-00189
INCREASE CERTAIN RATES AND CHARGES.)	

**THE CITY OF CHATTANOOGA'S MOTION TO COMPEL TENNESSEE AMERICAN
WATER COMPANY TO RESPOND TO DISCOVERY REQUESTS**

The City of Chattanooga ("Chattanooga") by and through counsel, submits this Motion seeking an Order compelling the Petitioner, Tennessee American Water Company ("TAWC") to respond fully to discovery requests submitted by Chattanooga in accordance with the Scheduling Order entered in this proceeding.

**I.
INTRODUCTION**

The Authority's Rules and Procedures specify that discovery should be sought and effectuated in accordance with the Tennessee Rules of Civil Procedure. *See* Tenn. Comp. R. & Regs. 1220-1-2-.11(1). As explained below, Chattanooga's discovery requests that are subject to this Motion seek information that is clearly discoverable under the Tennessee Rules of Civil Procedure and which is essential to Chattanooga's ability to meaningfully participate in this proceeding.

TAWC seeks in this proceeding the largest rate increase it has ever sought from this Authority, totaling some twenty-eight percent (28%) The Petition was filed barely eighteen (18) months after TAWC was granted its last rate increase in January, 2009. As Chattanooga has explained in its separate Motion for Permission to Propound Additional Discovery Requests and

in its Reply in support of that Motion, information sought in Chattanooga's Discovery Requests are essential to permit Chattanooga to meaningfully participate in this Authority's consideration of TAWC's historic rate request, in order to protect its citizens. As explained in greater detail in Chattanooga's papers relating to its Motion for Permission, its discovery requests focus upon two critical issues, (i) the question of whether TAWC is entitled to recover a rate of return, recovery of depreciation expense, and recovery of taxes on capital expenses that it claims are "used and useful in purchasing water service," and (ii) whether TAWC should be permitted to recover management fees paid to its parent and affiliates.

Unfortunately, as it has done in each of the last two rate cases, TAWC has refused to follow the requirements of the Rules of Civil Procedure, has asserted baseless objections, and has otherwise refused to provide properly discoverable information. Certain discovery issues were resolved in an abbreviated conference between counsel for Chattanooga and for TAWC.¹ This Motion is filed to resolve the remaining outstanding issues.

A copy of TAWC's responses to Chattanooga's First Discovery Requests is attached as Exhibit A.

¹ TAWC provided incomplete responses via Internet on Monday afternoon, November 15, 2010. Those responses indicated that various documents were contained on a CD Rom. Chattanooga received the CD Rom on Tuesday, November 16, and ultimately determined that a number of documents referenced in the TAWC Responses were not included on either the Internet-transmitted set or on the CD Rom.

Counsel for Chattanooga contacted TAWC's counsel on November 16 to request an opportunity to meet and confer to resolve outstanding issues and provided a range of times on November 17 for the conference. When TAWC had not responded on the morning of the 17th to Chattanooga's suggested times, counsel for Chattanooga restated its request. TAWC scheduled the conference for 4:30 p.m., EST, but was delayed in joining the discussion. Counsel for TAWC terminated the discussion after 55 minutes because they had scheduled a similar conference with another party. Counsel for TAWC declined the invitation to continue the discussion later in the evening.

II.
INADEQUACY OF TAWC'S RESPONSES

A. TAWC's Refusal to Respond to Requests 32-40.

Rule 1220-1-2-.11(5)(a) authorizes a party to propound forty (40) discovery requests without leave of the Authority or a Hearing Officer. Chattanooga's Motion for Permission to Propound Additional Discovery Requests is pending. Nevertheless, TAWC only responded to thirty-one (31) of the discovery requests propounded by Chattanooga. TAWC argued that the thirty-one (31) requests really constituted forty (40) requests, although its creative counting is not countenanced by any Rule of this Authority or by any provision of the Rules of Civil Procedure. Chattanooga respectfully requests that the Authority compel TAWC to immediately respond to requests 32-40 and, upon grant of Chattanooga's Motion for Permission, to compel immediate responses to Chattanooga's remaining discovery requests.

B. TAWC's Failure to Provide a Privilege Log.

In spite of the mandatory requirements of Tenn. R. Civ. P. 26.02(5), TAWC has refused to provide a log of documents or information that it has withheld based upon claims of attorney-client privilege and work product protection. Of course, the Rule requires that a statement be made that is sufficient to "enable other parties to assess the applicability of the privilege or protection" asserted. Federal courts addressing the virtually identical language of Fed. R. Civ. P. 26(b)(5) have noted that one of the most important pieces of information to be identified in the privilege log is the basis for withholding discovery, if only because *neither the court nor the opposing parties* can determine whether a privilege has been properly asserted without this information. *See, e.g., Glidden Co. v. Jandernoa*, 173 F.R.D. 459, 476 (W.D. Mich. 1997) ("A log must be sufficiently detailed so that the court can judge the propriety of assertion of the privilege."). TAWC has refused to produce a privilege log and has not otherwise identified the

basis of withholding such that the Authority or other parties can assess the validity of TAWC's assertions. Accordingly, Chattanooga respectfully requests that TAWC be ordered to immediately provide the log required by Tenn. R. Civ. P. 26.02(5).

C. Groundless Objections to Defined Terms.

In general objection Nos. 2 and 3, TAWC broadly objects to words defined in Chattanooga's requests. However, none of the terms to which objections were made were defined in a misleading or unnatural manner. For example, TAWC objected to the defined term "*Schumaker & Company*" referring to the author of the management audit ordered by this Authority, that company's named subcontractor, and any other employee, agent, contractor or subcontractor of those entities. Similarly, the definitions define "*Baryenbruch*" as Patrick L. Baryenbruch and Baryenbruch & Company, LLC and their associates, employees, contractors and agents. TAWC broadly asserted these objections, without specifying documents or information, or classes of documents or information, that it has withheld in reliance upon the objections. Chattanooga respectfully requests that TAWC be ordered to provide any documents or information withheld in reliance upon its objections to naturally defined terms.

D. Request To Produce Information in Native Format.

Despite a specific request from Chattanooga, TAWC has failed to provide documents in native format. As the Authority is aware, TAWC prepared spreadsheets containing what it believes is information responsive to one or more requests. However, rather than producing these spreadsheets in their native format, TAWC instead chose only to provide electronic images of those spreadsheets. When TAWC's counsel was asked to provide this information as originally requested, counsel indicated that the TAWC would inquire about their availability, but has not yet provided the spreadsheets in native format.

Tenn. R. Civ. P. 34.02(3) allows parties to request the form in which documents should be produced, as Chattanooga did here. However, the Rule otherwise requires a party to produce information in the format in which it is ordinary maintained or that is reasonably useful. The time, expense and other resources needed to "recreate" this information in electronic format is entirely wasted if, as is the case here, the information already exists in this format. Moreover, production of these spreadsheets also unreasonably reduces the usability of the spreadsheets, as attributes such as formulae used in the computations are missing.

TAWC has also failed to provide emails in response to Chattanooga's discovery requests in their native format and has failed to provide attachments that are part of those emails. Tenn. R. Civ. P. 26.02(1) requires that information stored electronically, such as the emails, are discoverable. Together with Tenn. R. Civ. P. 34.02(3), the Rules clearly require TAWC to provide all documents in their native and complete form, including emails.

Chattanooga respectfully requests that TAWC be ordered to immediately provide all documents in their native electronic format, including all spreadsheets and emails.

E. Baseless Objection to "Requests that Call Upon TAWC to Create, Categorize, Manipulate, Customize, or Otherwise Organize Data Regarding Time Periods Outside of TAWC's Historical Test Year."

In general objection No. 9, TAWC "objects to requests that call upon TAWC to create, categorize, manipulate, customize or otherwise organize data regarding time periods outside of TAWC's historical test year." This objection apparently "form[s] a part of each discovery response," and is thus present in all 31 of the responses made by TAWC.

Nevertheless, no legal basis exists for TAWC's refusal to provide information outside of its test year, and no legal basis exists for a blanket refusal to compile or organize information sought in response to discovery requests in the form of interrogatories. Chattanooga respectfully

requests that TAWC be ordered to immediately provide all information withheld pursuant to this baseless objection.

F. Request Nos. 2, 18, and 19: Refusal to Provide "Confidential" Information.

In its sworn response to Request No. 2, TAWC asserted that it had attached to its responses a comprehensive planning study identified as "TN-COC-01-Q2-Confidential Attachment" pursuant to the Protective Order entered in this cause. In response to Requests 18 and 19, TAWC asserted that it had provided documents identified as TN-COC-01-Q18-CONFIDENTIAL ATTACHMENT and TN-00C-01-Q19-CONFIDENTIAL ATTACHMENTS 1, respectively, containing information responsive to these requests.

Upon inquiry, counsel for Chattanooga was advised that TAWC's counsel had deliberately withheld these documents, because an amendment to the Protective Order filed by TAWC without any consultation with Chattanooga had not yet been approved by the Authority. Counsel for TAWC advised that he would not provide the materials that the sworn TAWC responses asserted had been provided unless counsel for Chattanooga signed some sort of further statement that the confidential documents would not be distributed to members of Intervenor UWUA. Counsel for Chattanooga responded that the Protective Order already prohibits Chattanooga from providing documents marked Confidential to others. However, counsel for TAWC has adamantly refused to provide the documents referenced in TAWC's sworn responses to Request Nos. 2, 18, and 19. Chattanooga respectfully requests an order compelling immediate production of the documents referenced in TAWC's responses to Requests Nos. 2, 18, and 19. Chattanooga reserves its right, after reviewing the document, to file a further motion to compel if the documents and information ultimately provided do not prove responsive to these requests.

G. Request No. 3: "Explain any Addition, Subtraction, Acceleration, Delay, Deferral, or Change in Any Recommended Capital Improvement Projects"

TAWC refused to provide the requested information, although it acknowledged that the information was readily available and was contained in annual "capital spending plan[s]" and in "studies" involving the "continuous reassessment" of capital needs.

As the Authority is aware, this information is extremely relevant to these proceedings generally and to the issue of amounts included within the proposed tariff to recover the cost of capital improvements. In addition, although TAWC objects to the "timeframe" of the request, the objection is inexplicable in that the objection notes that capital improvement studies contemplate needs to be addressed in long-term planning horizons. TAWC has failed to identify other "timeframes" it believes would be appropriate, choosing instead to offer no response at all. Chattanooga respectfully requests that TAWC be ordered to immediately provide the requested information.

H. Request No. 4: "Information Concerning Net Additions to UPIS".

TAWC has asserted an objection to providing the requested information, but then provided a copy of an image of a spreadsheet containing certain of the information. In response to an inquiry as to whether any responsive information was actually withheld, counsel for TAWC advised that it will determine whether any information in fact was withheld pursuant to the objection. Chattanooga reserves its right, after reviewing any subsequent production, to seek further relief if necessary.

Chattanooga respectfully requests that TAWC be required to immediately provide any information withheld from TAWC's response.

I. Request No. 4, 5, and 6: "Failure to Provide Information Concerning Payments Made to TAWC's Parent or Affiliates Other Than the Service Company": "Failure to Provide Spreadsheets in Native Format"; Request No. 9: "Payments Related to Claimed Capital Expenses Made to TAWC's Parent or Any Affiliate".

These requests ask that TAWC provide information concerning the portion of amounts claimed as net plant additions that were paid to TAWC's parent or to any TAWC affiliate. The tables provided by TAWC indicate that TAWC has provided payment information only as it relates to payments made to the service company, American Waterworks Service Company. However, in a case seeking to examine the reasonableness of various elements contained within the massive rate increase requested, it is certainly relevant to know whether any amounts are also being paid to TAWC's parent or any other affiliate, and if so, what the amounts are. Accordingly, Chattanooga respectfully requests that TAWC be compelled to provide the requested information concerning payments made to TAWC's parent or any affiliate other than American Waterworks Service Company.

The responses to Requests Nos. 4, 5, and 6 are among those that provide images of spreadsheets instead of providing the spreadsheets in native format. As noted in Section II.D., Chattanooga requests that TAWC be ordered to immediately provide spreadsheets in native format.

J. Request No. 7: "Identification of the Location of Additions to Plant".

In response to Request No. 7, TAWC refused to provide the requested information, instead asserting that it would make available massive capital expense files. Counsel for Chattanooga requested, as an alternative, that TAWC make available location information in another form, as it certainly was included in planning descriptions of the projects. TAWC's counsel refused to do so. Accordingly, Chattanooga respectfully requests that TAWC be ordered

to make available information concerning the location of the referenced capital projects in whatever form available.

- K. Request No. 8: "Documents Showing the Dates Capital Projects Were Put in Service and Explaining How They are Used and/or Useful to TAWC Ratepayers as of the Date Put in Service".

TAWC has refused to provide any meaningful response to this request, which sought documents showing that referenced capital projects were "used and useful" to TAWC ratepayers. TAWC's response referenced management representations to TAWC's auditor that capital additions are "used and useful" and to the auditor's confirmation of those representations. However, no information was provided concerning such representations and audit confirmation. Counsel for Chattanooga requested that the referenced auditing information be provided, but counsel for TAWC refused to do so. TAWC's offer to make its "massive property records" available in unorganized form is not consistent with the requirements of the Rules of Civil Procedure. *See* Tenn. R. Civ. P. 34.02(2). Chattanooga respectfully requests that TAWC be ordered to immediately provide the requested information.

- L. Request No. 11: "Financial Statements for TAWC Parent and Affiliates Receiving Payments from TAWC".

TAWC has refused to provide financial statements for TAWC affiliates *to which TAWC has made payments*. Contrary to TAWC's assertions otherwise, the information sought is directly relevant to this proceeding, in which TAWC seeks a huge increase in rates to recover a vast array of expenses, including payments made to its affiliates and its parent. Chattanooga's request asks for information concerning all amounts classified as management fees, not just amounts paid to the American Waterworks Service Company. However, TAWC only provided

copies of what Chattanooga understands to be Service Company bills.² Chattanooga respectfully requests that TAWC be ordered to immediately provide the requested financial statements from all TAWC affiliates that were paid by TAWC any amounts classified as management fees.

M. Requests No. 21-27: "Documents Relating to Schumaker Management Audit".

TAWC has provided photocopies of certain email messages, but has failed to provide any of the numerous attachments referenced in and forwarded by those email messages. Without the attachments, the email messages are incomplete and unintelligible. *See* discussion, *infra*, at Section II.D. Chattanooga respectfully requests that TAWC be ordered to immediately provide all emails in electronic format, including all attachments.

N. Request No. 28: "Documents Referring to, Relating to, Discussing, Responding to, or Transmitting the Baryenbruch Report".

TAWC has refused to provide any of the requested documents, referencing only certain work papers previously provided to the TRA. The Baryenbruch Report is a key element of TAWC's filing, and the requested documents are clearly relevant and otherwise discoverable under Tenn. R. Civ. P. 26. Chattanooga respectfully requests that TAWC be ordered to immediately provide the requested information.

² Images of what appear to be spreadsheets constituting these bills were provided in non-native format in response to Chattanooga Request No. 12. Counsel for Chattanooga sought to confirm whether there were separate bills from other TAWC affiliates, but counsel for TAWC failed to provide the requested confirmation and declined to provide any additional information.

Respectfully Submitted,

OFFICE OF THE CITY ATTORNEY

By:

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing pleading was emailed and was served upon the following person(s) via ☐ hand delivery or ☒ United States first class mail with proper postage applied thereon to ensure prompt delivery:

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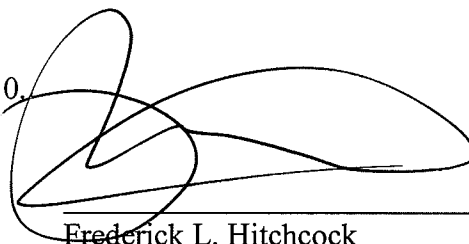
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This 18th day of November, 2010.



Frederick L. Hitchcock

**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

**TENNESSEE AMERICAN WATER COMPANY'S RESPONSES TO THE CITY OF
CHATTANOOGA'S FIRST DISCOVERY REQUESTS TO
PETITIONER TENNESSEE AMERICAN WATER COMPANY**

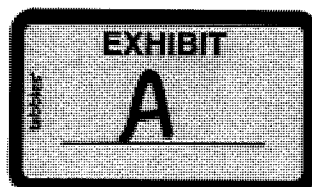
The Tennessee American Water Company ("TAWC") hereby responds as follows to the City of Chattanooga's ("COC") First Discovery Requests to Petitioner TAWC:

GENERAL OBJECTIONS

(1) TAWC objects to all requests that seek information protected by the attorney-client privilege, the work product doctrine and/or any other applicable privilege or restriction on disclosure.

(2) TAWC objects to the definitions and instructions accompanying the requests to the extent the definitions and instructions contradict, are inconsistent with, or impose any obligations beyond those required by applicable provisions of the Tennessee Rules of Civil Procedure or the rules, regulations or orders of the Tennessee Regulatory Authority.

(3) TAWC objects to the definitions of the words "document," "communication," "explain," "identify," "non-regulated company," "non-regulated service," "Schumaker &



Company,” and “Baryenbruch,” that accompany the data requests because such definitions are overbroad and unduly burdensome.

(4) The specific responses set forth below are based upon information now available to TAWC, and TAWC reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information and/or documents produced.

(5) TAWC is providing its responses herein without waiver of, or prejudice to, its right at any later time to raise objections to: (a) the competence, relevance, materiality, privilege, or admissibility of the response, or the subject matter thereof; and (b) the use of any response, or subject matter thereof, in any subsequent proceedings.

(6) TAWC objects to each request to the extent that it is unreasonably cumulative or duplicative, or seeks information obtainable from some other source that is more convenient, less burdensome or less expensive.

(7) TAWC objects to each request to the extent it seeks information outside TAWC’s custody or control.

(8) TAWC objects to the COC’s requests to the extent that they have exceeded the number of discovery requests authorized by the Tennessee Regulatory Authority in contested case proceedings pursuant to Rule 1220-1-2-.11(5)(a). As such, the TAWC has responded to the COC’s first 40 requests (inclusive of subparts). The TAWC reserves all of its objections with respect to the discovery propounded by the COC that is in excess of the limit.

(9) TAWC objects to requests that call upon TAWC to create, categorize, manipulate, customize or otherwise organize data regarding time periods outside of TAWC’s historical test year. TAWC objects to all such requests because they are unduly burdensome, seek to have TAWC create work product and seek information that is not relevant to this rate case.

(10) TAWC's specific objections to each request are in addition to the General Objections set forth in this section. These General Objections form a part of each discovery response, and they are set forth here to avoid the duplication and repetition of restating them for each discovery response. The absence of a reference to a General Objection in response to a particular request does not constitute a waiver of any General Objection with respect to that discovery request. All responses are made subject to and without waiver of TAWC's general and specific objections.

Respectfully submitted,



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*Counsel for Petitioner
Tennessee American Water Company*

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

1. Please *Identify* each person who provided information or participated in the preparation of the responses to each of these discovery requests, and for each such person specify the responses for which he or she provided information or participated in preparing, and describe the information provided or the participation in preparation.

Response:

The Company objects to this question on the grounds that it is overly broad and vague. The Company has provided the responsible witness under whose direction each discovery response is prepared and who will provide testimony if required on the response. Many of the discovery responses were sent to the SSC rate group, corporate treasury or the Charleston rate analysts for preparation of schedules or support data for the response and it would be unduly burdensome to determine each employee who participated in a portion of the response with a description of each of the multiple tasks required to generate the response.

Notwithstanding the objection, the Company will attempt to identify the employees or departments who participated in preparing a specific response when possible to do so.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller/John Watson

Other Responsible Employees: None

Question:

2. Provide copies of all Comprehensive Planning Studies completed since 2000 for or by *TAWC*.

Response:

The Company has not prepared a comprehensive planning study of its distribution and production facilities since 2000. Please see the attached Comprehensive Planning Study for the Business Transformation Project identified as TN-COC-01-Q2-CONFIDENTIAL ATTACHMENT. This Confidential Document is being submitted pursuant to the Protective Order entered in this matter. The Company is providing this information as Confidential Information because public disclosure of this information would provide the Company's competitors insight into the Company's business process that would place the Company at a competitive disadvantage if made available to the Company's competitors.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson

Other Participating Employees: None

Question:

3. *Explain* any addition, subtraction, acceleration, delay, deferral, or change in any recommended capital improvement projects identified in any Comprehensive Planning Study completed or dated since January 1, 2000.

Response:

The Company objects to this request on the grounds the requested information is over broad, unduly burdensome, not available in the format requested and can not be easily or cost effectively created, and is irrelevant to this proceeding in relation to the extremely long timeframe requested in the question above.

CPS studies are prepared to identify areas of the Company's distribution system and water production/water quality facilities that need to be addressed in both its long and short-term planning horizons. The studies also take into account known areas needing to be addressed and others that are expected to need improvements based on trends, growth, and potential changes in service levels, water quality regulations, and other factors. The study makes recommendations as to the priority of those capital projects in the scope of the facts, expectations, and assumptions on which those studies are prepared. Those projects identified in the CPS are subject to change in scope and priority based on various factors that may and often do occur as each year's capital plan is developed.

During each year's planning process, the Company consistently reviews the recommended capital improvement projects which were identified in the 2000 CPS, along with many other capital investment needs not identified in the CPS, in order to

develop the capital spending plan that best addresses the Company's needs. During this process, factors such as the impact on customer rates and service reliability are taken into consideration as to what level of capital investment is requested for approval by the Company's Board of Directors. Given the nature of these studies, which requires the continuous reassessment of capital needs from year to year, and the fact that the CPS is meant to be a guide as to timing, the massive effort required to comply with this request would be unduly burdensome and not relevant to this proceeding.

Without waiving these objections, the Company reports that since the rate case filing in TRA Case Number 08-00039, the Company has reviewed the CPS within the planning process, and the rate base requested through the attrition year in this case includes CPS projects related to upgrades to the Citico Water Treatment Plant Improvement Project, and the Lookout Mountain Supply Main project.

No projects have been subtracted from the CPS.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: Gary Akmentins and others at SSC Rates

Question:

4. For each addition to plant reflected by a capital expense listed in the Net Additions to UPIS sought by TAWC in case No. 10-00189, as shown in Exhibit 1, Schedule 2 ("Capital Expense"), *identify* the cost of the addition to plant utilizing the following tabular format:

Description of Capital Expense	Date Initiated	Date In Service	Total Cost	Equipment Cost	Material Cost	Labor Costs	Overhead Costs	Amount Paid to Contractor	Amount Paid to TAWC Parent or Affiliate

Response:

See attached document labeled as TN-COC-01-Q4-ATTACHMENT showing actual expenditures through September 30, 2010. The net additions included in Exhibit 1, Schedule 2 are projections through the attrition year. Therefore, until those expenditures occur, the Company cannot provide the requested information.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson/Michael A. Miller

Other Participating Employees: Gary Akmentins and others at SSC Rates

Question:

5. For each addition to plant reflected by a capital expense listed in the Net Additions to UPIS sought by TAWC in case No. 08-00039, as shown in Exhibit 1, Schedule 2 ("Capital Expense"), *identify* the cost of the addition to plant utilizing the following tabular format:

Description of Capital Expense	Date Initiated	Date In Service	Total Cost	Equipment Cost	Material Cost	Labor Costs	Overhead Costs	Amount Paid to Contractor	Amount Paid to TAWC Parent or Affiliate

Response:

See attached document labeled as TN-COC-01-Q5-ATTACHMENT for the actual net additions from December 2007 through August 2009.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson/Michael A. Miller

Other Participating Employees: Gary Akmentins and others at SSC Rates

Question:

6. For each addition to plant reflected by a capital expense listed in the Net Additions to UPIS sought by TAWC in case No. 06-00290, as shown in Exhibit 1, Schedule 2 ("Capital Expense"), *identify* the cost of the addition to plant utilizing the following tabular format:

Description of Capital Expense	Date Initiated	Date In Service	Total Cost	Equipment Cost	Material Cost	Labor Costs	Overhead Costs	Amount Paid to Contractor	Amount Paid to TAWC Parent or Affiliate

Response:

Please see the attachment document labeled as TN-COC-01-Q6-ATTACHMENT for the Net Additions to UPIS for the months July 2006 through February 2008. The expenditures for the months July 2006 through March 2007 were recorded prior to company switching to Power Plant, a new utility plant accounting software. The dollars for these months could not be categorized and appear on the attachment in the column headed Conversion/Other.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson/Michael A. Miller

Other Participating Employees: None

Question:

7. *Identify* the location, by latitude and longitude or by census tract and block number, of each addition to plant reflected by a Capital Expense *identified* in response to Requests Nos. 4, 5, and 6 in excess of Five Hundred Dollars (\$500.00).

Response:

The Company objects to this question on the grounds that it is unduly burdensome and overly broad, and is not presently available in the format requested. Furthermore, the requested information is not relevant to this proceeding. Notwithstanding its objections, the Company does not own, contract for, or utilize a GPS system in its operation currently and does not have or possess latitude and longitude coordinates, census tract or block number for every plant addition addressed in TN-COC-01-Q4 thru Q6. In addition, a portion of the plant additions in response to TN-COC-01-Q4 relate to attrition year additions of which the majority of those projects are currently under construction or will be constructed at some point in the future prior to December 2011. Due to the large volume of capital work orders involved in the Company's property records, at a mutually agreeable time, the Company will make available at its office in Chattanooga the files supporting each project from which the City can review those files and recap any information they believe is needed and appropriate.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller/John Watson

Other Participating Employees: None

Question:

8. For each Capital Expense identified in response to Request Nos. 4, 5, and 6, produce all *Documents* indicating, referring to, or regarding the date that the addition to plant associated with the Capital Expense was put in service and *explain* how the addition to plant was used and useful to *TAWC* ratepayers as of that date.

Response:

The Company objects to this question on the grounds that it is overly broad and unduly burdensome, and is of such detail to not be relevant or necessary for the establishment of fair and reasonable rates in this proceeding. The Company's plant additions and plant balances each year are subject to management's representations that they are used and useful for the provision of service. Management's representations have been confirmed by its independent outside auditors, PwC, in each of the annual reports (audited financial statements of TAWC) issued by PwC supported by statistically valid sampling of numerous capital project files and UPIS additions and retirements. The Company would indicate that all utility plant in service ("UPIS") requested in rate base for this case and completed through September 2010 (the latest monthly completed accounting close) is used and useful in the business. There are literally thousands of individual additions to UPIS each year including thousands of mass property additions (i.e. individual replacements of meters, meter installations, service lines, hydrants, mains, booster pumps, electrical equipment, vehicles, computers, field service equipment, etc). The Company further objects because it would be unduly burdensome for the Company to provide explanations of each UPIS addition and how it is used in providing service. The descriptions of the types of property are ample and self-evident of the types of UPIS

additions, i.e., meters, services, hydrants, cars, trucks, mains, tanks, booster stations, etc. It would take thousands of work hours to recap the information as requested and would cost the Company to undue burden and expense. The Company is willing to make its massive property records available to the City for review and would be willing for the City to pick a mutually agreeable representative sample from the extensive information provided in response to TN-COC-01-Q4 thru Q6 for review at the Company's office in Chattanooga.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: Basil D'Antonio

Question:

9. For each Capital Expense identified in response to Request Nos. 4, 5, and 6, *identify* all amounts paid to any *TAWC Parent or Affiliate*, state the date of each such payment, and provide all *Documents* reflecting, recording, referring to, reporting, or relating to each such payment to a *TAWC Parent or Affiliate*.

Response:

For the total Service Company expenditures please refer to the attachments in response to TN-COC-01-Q4, Q5 and Q6 under the column heading "Service Company Charges". The dates in which these expenditures were incurred are not readily identifiable but as with all payments for Service Company charges, TAWC makes reimbursement at regular intervals each month in accordance with the 1989 Service Company Agreement.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson/Michael A. Miller

Other Participating Employees: None

Question:

10. For each Capital Expense identified in response to Request Nos. 4, 5, and 6, provide the date and amount of each payment made by *TAWC* prior to the date the plant addition associated with the Capital Expense was placed in service.

Response:

The Company incorporates as its partial answer here all objections set forth in the Company's response to TN-COC-01-Q8. Without waiving those objections, the Company's responses to TN-COC-01-Q4 thru Q6 and the breakdown of those costs as requested by the City provide ample support for the expenditures and type of expenditures for each capital addition. The City's request would require the Company to review each invoice for the thousands of individual plant additions which exponentially increases the requested information. The Company is willing to make its massive property records available to the City for review and would be willing for the City to pick a mutually agreeable representative sample from the extensive information provided in response to TN-COC-01-Q4 thru Q6 for review at the Company's office in Chattanooga.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: Bob Engle

Question:

11. Provide for each year and quarter since January 1, 2003, the complete audited financial statements (including income statement and balance sheet) for *AWWSC* and any other *TAWC Parent or Affiliate* that has been paid any amount by *TAWC*. If audited financial statements are not available, provide unaudited financial statements (including income statement and balance sheet) for such periods.

Response:

The unaudited balance sheets and income statements for AWWSC and AWCC are attached for this response and identified as TN-COC-01-Q11-ATTACHMENT.

The Company objects to providing the information requested for any other "affiliate companies" as being totally irrelevant, unlikely to lead to the discovery of admissible evidence, unduly burdensome, and overbroad.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: Robert Shiltz

Question:

12. Please provide copies of all bills or statements in the form received by *TAWC* from *AWWSC* or *AWWC* or any subsidiary or affiliate of *AWWC* from January 1, 2007 through the present date for expenses classified as Management Fees.

Response:

Due to the volume of pages, the bills are included on the enclosed CD. Please refer to the document labeled as TN-COC-01-Q12-ATTACHMENT.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller/John Watson

Other Participating Employees: Kevin Rogers

Question:

13. Please *Identify* each charge or expense reflected on a bill or statement referenced in the previous Request that was challenged by *TAWC* and explain the disposition of each such challenged charge or expense. Provide all *Documents* describing, referring to, or relating to any such challenged charges and expenses. Provide all *Workpapers* that support your response.

Response:

The Company objects to this question on the grounds that it is unduly burdensome and overly broad. Without waiving these objections, please see the direct testimony of Mr. Miller, Exhibit MAM-8, pages 76-81 for an in-depth discussion about the internal controls surrounding the review and controls in place to assure accurate AWWSC bills prior to and after receipt of the monthly AWWSC bill by TAWC. See attached document labeled as TN-COC-01-Q13-ATTACHMENT regarding an accounting error identified by the TAWC Manager of Finance when reviewing an AWWSC bill. The accounting error was promptly corrected by AWWSC.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: George Conroy

Question:

14. Please provide a schedule of all fees or charges billed to, charged to, owed by, accrued by, or paid by *TAWC* for expenses classified as Management Fees, *Identifying* for each such fee or charge its total amount; any discount allowed or taken; its nature; its purpose; the business unit or entity providing it; and the entity, functional area, business unit, or service provider by month for the period January 1, 2007 to present. In this schedule, please *identify* the budget for each Management Fee or charge, the corresponding actual expenditure, the variance calculation, and detailed variance explanation, by month for the period.

Response:

Please see the attached document labeled as TN-COC-01-Q14-ATTACHMENT for actual Tennessee monthly Service Company charges by function, business unit and object account excluding capital costs for 2007 through September 2010.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: George Conroy

Question:

15. Please provide a schedule by calendar quarter from January 1, 2007 to present listing for each *AWWSC* employee (i) employee identification number; (ii) title, (iii) business unit; (iv) unburdened salary; (v) hourly rate; and (vi) number of hours billed or allocated to *TAWC*. Provide all worksheets supporting the schedule.

Response:

The Company objects to this question on the grounds that it is unduly burdensome, overly broad and in part is not relevant to this proceeding as it asks for dated information not relevant to either the historical test-year or the attrition year in this case. In addition the requested information is not readily available in the format requested and in part has been supplied in previous discovery requests of the CAPD. AWWSC has over 1,500 employees and the task of generating this data on a quarterly basis for four years (15 quarters) is overly burdensome and extremely costly, particularly when salary rates typically only change once a year by union contract or the Company's salary administration policy.

Without waiving these objections, see the response to TN-COC-01-Q10 from Docket No. 08-00039 for a breakdown of employee information by month from January 2007 through March 2008. Also see the current rate case response and attachments to the TN-CAPD-01-Part III-Q41 for a detailed listing of employees by business unit including hours and rates for the 12 month periods ended March 2010 and September 2010.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: David Weber

Question:

16. Please provide a schedule *Identifying* for January 1, 2007 to present (i) the number of FTE's provided by contractors, by function, by *AWWSC*; (ii) the original approved budgeted FTE's for each functional category of employees, and (iii) the actual FTE's for each functional category of employees these periods.

Response:

The Company objects to this question on the grounds that the question is overly broad and unduly burdensome, and requests information not in the possession of the Company. Notwithstanding the objection, the Company does not track the number of employees or FTE's whom contractors may employ in meeting their contractual obligations to AWWSC. Please see the attachment, identified as TN-COC-01-Q16-ATTACHMENT which provides the AWWSC actual and budgeted amount of costs associated with contracting outside services for 2007, 2008, 2009, and YTD Sep 2010.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: John Watson

Other Participating Employees: None

Question:

17. *Identify* the management or supervisory employee of *TAWC* that has the greatest knowledge concerning the date of initiation and completion of all additions to plant reflected by Capital Expenses sought as additions to UPIS in Case Nos. 06-00290, 08-00039, and 10-00189.

Response:

While each supervisor at TAWC would have involvement in and knowledge of utility plant additions related to their area of responsibility, Mr. Watson as president of the Company would have the overall knowledge of the capital projects and rate case filings to address any questions concerning the Company's utility plant additions.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller
Other Participating Employees: Tom McKittrick

Question:

18. Please provide all *Documents* constituting, referencing, containing, relating to, responding to, or referring to any benchmarking studies or similar reports for *TAWC*, *AWWC*, *AWWSC*, and any other subsidiary or affiliate of *AWWC*, performed by outside consulting or benchmarking firms (for example, but not limited to: Gartner, Ernst & Young, Towers-Perrin, Hackett, Saratoga, and industry or functional associations), whether in draft or final form, with all associated documentation, including, but not limited to definitions, instructions, data inputs, and supplementary reports that have been initiated or completed since January 1, 2000. The requested *Documents* include, without limitation, all *Documents* constituting, referencing, containing, relating to, responding to, or referring to internal analyses of these reports, including, without limitation, remediation plans, schedules and progress reports associated with follow-up for this work. Please provide all *Documents* referencing, relating to, responding to, or referring to any such benchmarking stud(ies).

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, attached are a number of Confidential Documents responsive to this question labeled as TN-COC-01-Q18-CONFIDENTIAL ATTACHMENT which are being provided on a compact disc subject to the Protective Order entered in this matter. In addition, the Schumaker Management Audit attached to the

direct testimony of Mr. Miller as Exhibit MAM-8, the study prepared by Mr. Baryenbruch and provided with his testimony in this case, and copies of Mr. Baryenbruch's studies in other proceedings provided in discovery in this case contain benchmarking information regarding services provided by AWWSC. The Company has an additional Hackett Study that requires release from a confidentiality clause in the contract between AWWSC and Hackett. Once that release is obtained, the Company will supplement this response with that study.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

**Other Participating Employees: Various employees who provided information or took
part in the Management Audit process**

Question:

19. Please provide all *Workpapers* and *Documents* containing, referring to, relating to, or discussing information used or consulted in the preparation of the Schumaker Report.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. The Schumaker management audit ordered and authorized by the TRA encompasses a vast array of employees of both AWWSC and TAWC with numerous interviews, extensive discovery and months of correspondence.

Without waiving these objections, the Schumaker and Company Management Audit and all non-confidential working papers and discovery requests are available on the TRA website under Docket No. 09-00086. In addition, the Company is providing all confidential data provided in Docket No. 09-00086 on the enclosed CD labeled as TN-COC-01-Q19-CONFIDENTIAL ATTACHMENTS 1. These Confidential Documents are being submitted pursuant to the Protective Order entered in this matter.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

20. Please provide all *Documents* referring to, relating to, discussing, responding to, or transmitting to any person or entity the *Schumaker Report*.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

21. Please provide all *Documents* submitted to or received from *Schumaker & Company* by *TAWC, AWWC, AWWSC*, or any subsidiary or affiliate of any of them since January 1, 2008.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, see the response to TN-COC-01-Q19. The Company is also including certain correspondence regarding communications between Schumaker and the Company. Due to the volume of pages, the correspondence is included on the enclosed CD. Please refer to the document labeled as TN-COC-01-Q21-ATTACHMENT 1.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

22. Please provide all *Documents* constituting, containing, referring to, or relating to questions or other requests for information submitted by *Schumaker & Company* to *TAWC, AWWC, AWWSC*, or any subsidiary or affiliate of any of them.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

23. Please provide all *Documents* constituting, containing, referring to, or relating to responses or answers to questions or other requests for information submitted by *Schumaker & Company* to *TAWC, AWWC, AWWSC*, or any subsidiary or affiliate of any of them.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

24. Please provide all *Documents* constituting, containing, referring to, or relating to recommendations contained in the *Schumaker Report*.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

25. Please *Identify* all persons, including, without limitation, all employees, contractors, agents, and officers of *TAWC, AWWC, AWWSC* or any subsidiary or affiliate of any of them, who had any written or verbal *Communication* with *Schumaker & Company* since January 1, 2008.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome. The Schumaker management audit ordered and authorized by the TRA encompasses a significant number of employees of both AWWSC and TAWC with numerous interviews, extensive discovery and months of correspondence. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

To the best of our knowledge this is the list of employees of TAWC, AWWSC or AWW who had verbal or written communications with Schumaker and Co. and/or Work & Greer:

Michael A. Miller
Paul Foran
Tom McKittrick
David Weber
George Conroy
Basil D'Antonio
John Bastian
Sue Cole
Christi Woodward
Susan Holmes
Ron Schleifer

Monty Bishop
Kevin Rogers
Rachel Bartley
Mark Zinnanti
Steven Snowden
Doug Brock
Adam Pearlman
Nicole Lawrence
John Watson
Pam Cummings
Leah Morrison

Rochelle Kowalski
Michael O'Donnell
Len Crane
Michael Maloney
Ellen Wolf
Mark Chesla
Edward Keiffer
Danny Amos
Deborah Degillio
Richard O'Neal
Lisa Brooks
Karen Cooper

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

26. Please provide all *Documents* constituting, containing, referring to, or relating to written or verbal *Communications* by persons identified in response to the previous Request.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome. Further, the Company objects on the grounds that the request is vague and ambiguous. The Company also objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, and to the extent the request is limited to communications between the individuals identified in the Company's response to TN-COC-01-Q25 and Schumaker & Company since January 1, 2008, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller

Other Participating Employees: None

Question:

27. Please provide all *Workpapers* or other *Documents* prepared in connection with, transmitted in connection with, or which concern, refer to, or relate to the *Schumaker Report*.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks information protected by the attorney client privilege and work product doctrine. Without waiving these objections, see the response to TN-COC-01-Q19 and TN-COC-01-Q21.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Michael A. Miller/Patrick Baryenbruch

Other Participating Employees: None

Question:

28. Please provide all *Documents* referring to, relating to, discussing, responding to, or transmitting to any person or entity the *Baryenbruch Report*.

Response:

The Company objects to this question on the grounds that the request is overly broad, unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, the Company also objects to this request to the extent it seeks work product. Without waiving these objections, the Company responds that it filed Mr. Baryenbruch's direct testimony and report with its petition to increase rates in this case. Please also see documents provided in response to TN-TRA-01-Q13, sub folder Patrick Baryenbruch.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Patrick Baryenbruch/Michael A. Miller

Other Participating Employees: None

Question:

29. Please provide all *Documents* submitted to or received from *Baryenbruch* by *TAWC*, *AWWC*, *A WWSC*, or any subsidiary or affiliate of any of them since January 1, 2008.

Response:

The Company objects to this question on the grounds that the request is overly broad, unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company also objects to this request to the extent it seeks work product.

In response, see the attached information identified as TN-COC-01-Q29 that is responsive to this request that consists of 1) Baryenbruch data request and 2) 2009 Service Company income statement. Please also see the Company's response to TN-COC-01-Q28.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Patrick Baryenbruch/Michael A. Miller

Other Participating Employees: None

Question:

30. Please provide all *Documents* constituting, containing, referring to, or relating to questions or other requests for information submitted by *Baryenbruch* to *TAWC, AWWC, AWWSC*, or any subsidiary or affiliate of any of them.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, see the response to TN-COC-01-Q29.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Patrick Baryenbruch/Michael A. Miller

Other Participating Employees: None

Question:

31. Please provide all *Documents* constituting, containing, referring to, or relating to responses or answers to questions or other requests for information submitted by *Baryenbruch* to *TAWC, AWWC, AWWSC*, or any subsidiary or affiliate of any of them.

Response:

The Company objects to this question on the grounds that the request is overly broad and unduly burdensome and seeks information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, see the response to TN-COC-01-Q29.

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. 10-00189

AFFIDAVIT

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA

I, MICHAEL A. MILLER, Treasurer/Comptroller for Tennessee American Water Company, do hereby certify that the foregoing responses to the Data Requests from the City of Chattanooga were prepared by me or under my supervision and are true and accurate to the best of my knowledge and information.

DATED this 15th day of November, 2010.

Michael A. Miller
(signature)

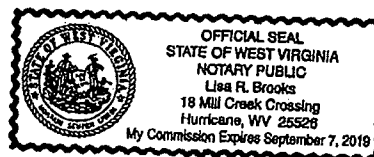
Michael A. Miller
(printed name)

Sworn to and subscribed before me this 15th day of November, 2010.

Lisa R. Brooks
NOTARY PUBLIC

My Commission Expires:

September 7, 2019



CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served by way of the method(s) indicated, on this the 15th day of November, 2010, upon the following:

<input checked="" type="checkbox"/> Hand-Delivery	T. Jay Warner, Esq.
<input type="checkbox"/> U.S. Mail	Ryan McGehee, Esq.
<input type="checkbox"/> Facsimile	Mary L. White, Esq.
<input type="checkbox"/> Overnight	Counsel for the Consumer Advocate and Protection Division
<input checked="" type="checkbox"/> Email	Office of the Attorney General
	425 5th Avenue North, 2nd Floor
	Nashville, TN 37243-0491

<input type="checkbox"/> Hand-Delivery	David C. Higney, Esq.
<input type="checkbox"/> U.S. Mail	Counsel for Chattanooga Manufacturers Association
<input type="checkbox"/> Facsimile	Grant, Konvalinka & Harrison, P.C.
<input checked="" type="checkbox"/> Overnight	633 Chestnut Street, 9th Floor
<input checked="" type="checkbox"/> Email	Chattanooga, TN 37450

<input checked="" type="checkbox"/> Hand-Delivery	Henry M. Walker, Esq.
<input type="checkbox"/> U.S. Mail	Counsel for Chattanooga Manufacturers Association
<input type="checkbox"/> Facsimile	Boult, Cummings, Conners & Berry, PLC
<input type="checkbox"/> Overnight	1600 Division Street, Suite 700
<input checked="" type="checkbox"/> Email	Nashville, TN 37203

<input type="checkbox"/> Hand-Delivery	Michael A. McMahan, Esq.
<input type="checkbox"/> U.S. Mail	Valerie L. Malueg, Esq.
<input type="checkbox"/> Facsimile	Special Counsel
<input checked="" type="checkbox"/> Overnight	City of Chattanooga (Hamilton County)
<input checked="" type="checkbox"/> Email	Office of the City Attorney
	100 East 11 th Street, Suite 200
	Chattanooga, TN 37402

<input type="checkbox"/> Hand-Delivery	Frederick L. Hitchcock, Esq.
<input type="checkbox"/> U.S. Mail	Harold L. North, Jr., Esq.
<input type="checkbox"/> Facsimile	Counsel for City of Chattanooga
<input checked="" type="checkbox"/> Overnight	Chambliss, Bahner & Stophel, P.C.
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