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December 8, 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 12/08/10

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:

Enclosed please find the original and five (5) copies of Tennessee American Water Company's December 8th Supplemental Responses to the First Discovery Request of the Utility Workers Union of America, AFL-CIO and UWUA Local 121. A compact disk is being provided in the binder of each set of copies. This disk contains all responses and attachments, as well as attachments included only in electronic form, due to volume or specific instructions in the data requests. We are including a disk marked "Docket Manager Disc," which contains the entire filing in PDF format, excluding Excel spreadsheets. This material is also being filed today by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon.

Please file the original and four copies of this material and stamp the additional copy as "filed". Then please return the stamped copies to me by way of our courier.

Should you have any questions concerning this matter, please do not hesitate to contact me at the email address or telephone number listed above.

With kindest regards, I remain

Very truly yours,

R. Dale Grimes

RDG:smb Enclosures Chairman Mary Freeman December 8, 2010 Page 2

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)

Ryan McGehee, Esq. (w/enclosure)

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Donald L. Scholes, Esq. (w/enclosure)

TENNESSEE AMERICAN WATER COMPANY **DOCKET NO. 10-00189**

FIRST DISCOVERY REQUEST OF THE UTILITY WORKERS UNION OF AMERICA,

AFL-CIO AND UWUA LOCAL 121

Responsible Witness: John Watson

Question:

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.

Response:

The Company objects on the grounds that the question mischaracterizes the facts of the

case and is argumentative. Without waiving these objections, see the response to

UWUA-01-Q10 and the Company's responses to the UWUA's other discovery requests.

In addition, with respect to subpart (c), please see the Company's pre-filed testimony and

supporting documents.

December 8, 2010 Supplemental Response:

(c) There are long term maintenance issues the Company is not able to address in a

manner that would be more efficient and cost effective in the long run due to the

shortage of funding. Examples of long term maintenance issues include: 1) valve

operation and maintenance, 2) cross connection programs, and 3) enhanced

addressing of main breaks.

(d) All service needs are being adequately addressed on a short term basis through the

use of currently existing employees, through the use of overtime, and in some

instances through the redistribution of employees to meet immediate service needs.

The Company's efforts to adequately address service needs in the short term, however, will not work over the long term. The Company cannot continue to adequately address service needs on a long term basis without obtaining the appropriate staffing levels that have been proposed in this rate case.

TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 10-00189
FIRST DISCOVERY REQUEST OF THE
UTILITY WORKERS UNION OF AMERICA,
AFL-CIO AND UWUA LOCAL 121

Responsible Witness: John Watson

Question:

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.

Response:

The Company incorporates its responses to UWUA-01-Q05 and UWUA-01-Q10.

December 8, 2010 Supplemental Response:

As stated during the December 2, 2010 meet and confer, please see the Company's response to TN-CAPD-01-PART III-Q23 for the monthly recaps. The UWUA Intervenors already possess the applicable bid sheets.

TENNESSEE AMERICAN WATER COMPANY **DOCKET NO. 10-00189**

FIRST DISCOVERY REQUEST OF THE UTILITY WORKERS UNION OF AMERICA,

AFL-CIO AND UWUA LOCAL 121

Responsible Witness: John Watson

Question:

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.

Response:

The Company objects to this request on the grounds that it is overly broad, unduly

burdensome, seeks information that is neither relevant nor reasonably calculated to lead

to the discovery of admissible evidence, and objects to the extent it seeks information that

is subject to Attorney Client Privilege and/or the work product doctrine. Without

waiving these objections, see the responses to UWUA-01-Q9 and UWUA-01-Q18. The

Company has no additional documents responsive to this question other than what has

already been filed in this case or what has already been filed in discovery.

December 8, 2010 Supplemental Response:

The documents already served and filed in this case that are responsive to this request

include the following:

TRA-01-Q004-ATTACHMENT 1

TRA-01-Q013-Labor

TRA-01-Q030-ATTACHMENT

TRA-01-Q031-ATTACHMENT

TRA-01-Q033-ATTACHMENT

TN-CAPD-01-PART III-Q21

TN-CAPD-01-PART III-Q22

TN-CAPD-01-PART III-Q23

TN-CAPD-01-PART III-Q24

TN-CAPD-01-PART III-Q25-ATTACHMENT

TN-CAPD-01-PART III-Q26

TN-CAPD-01-PART III-Q40

TN-COC-01-Q081

TENNESSEE AMERICAN WATER COMPANY DOCKET NO. 10-00189

FIRST DISCOVERY REQUEST OF THE UTILITY WORKERS UNION OF AMERICA,

AFL-CIO AND UWUA LOCAL 121

Responsible Witness: Joh

John Watson

Question:

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.

Response:

The Company objects to this question on the grounds that it is vague and ambiguous,

overly broad, unduly burdensome and seeks information that is neither relevant nor

reasonably calculated to lead to the discovery of admissible evidence. Without waiving

these objections, the Company has produced all documents that support the 110

employees the Company is requesting in this case.

December 8, 2010 Supplemental Response:

The documents already served and filed in this case that are responsive to this request

include the following:

TRA-01-Q004-ATTACHMENT 1

TRA-01-Q013-Labor

TRA-01-Q030-ATTACHMENT

TRA-01-Q031-ATTACHMENT

TRA-01-Q033-ATTACHMENT

TN-CAPD-01-PART III-Q21

TN-CAPD-01-PART III-Q22

TN-CAPD-01-PART III-Q23

TN-CAPD-01-PART III-Q24

TN-CAPD-01-PART III-Q25-ATTACHMENT
TN-CAPD-01-PART III-Q26
TN-CAPD-01-PART III-Q40
TN-COC-01-Q081

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)	DOCKET NO. 10-00189
WATER SERVICE TO ITS CUSTOMERS)	

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 First Supplemental Responses to the Utility Workers Union of America, AFL-CIO and UWUA Local 121 Data Requests #18, 23. 26, and 29 were prepared by me or under my supervision and are true and accurate to the best of my knowledge and information.

DATED this $\mathcal{I}^{\mathcal{T}\lambda}$ day of December, 2010.

Michael A. Mill. (signature)

MICHAEL A. MILLER (printed name)

Sworn to and subscribed before me this 27th day of December, 2010.

My Commission Expires:

September 7, 2019

STATE OF WEST VIRGINIA NOTARY PUBLIC Lisa R. Brooks

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 8th day of December, 2010, upon the following:

[x] Hand-Delivery[] U.S. Mail[] Facsimile[] Overnight[x] Email	Ryan McGehee, Esq. Mary L. White, Esq. Counsel for the Consumer Advocate and Protection Division OFFICE OF THE ATTORNEY GENERAL 425 5th Avenue North, 2nd Floor Nashville, TN 37243-0491
[] Hand-Delivery[] U.S. Mail[] Facsimile[x] Overnight[x] Email	David C. Higney, Esq. Counsel for Chattanooga Regional Manufacturers Association GRANT, KONVALINKA & HARRISON, P.C. 633 Chestnut Street, 9th Floor Chattanooga, TN 37450
[x] Hand-Delivery[] U.S. Mail[] Facsimile[] Overnight[x] Email	Henry M. Walker, Esq. Counsel for Chattanooga Regional Manufacturers Association BRADLEY, ARANT, BOULT, CUMMINGS, PLC 1600 Division Street, Suite 700 Nashville, TN 37203
[] Hand-Delivery[] U.S. Mail[] Facsimile[x] Overnight[x] Email	Michael A. McMahan, Esq. Valerie L. Malueg, Esq. City of Chattanooga (Hamilton County) OFFICE OF THE CITY ATTORNEY 100 East 11 th Street, Suite 200 Chattanooga, TN 37402
[] Hand-Delivery[] U.S. Mail[] Facsimile[x] Overnight[x] Email	Frederick L. Hitchcock, Esq. Harold L. North, Jr., Esq. Counsel for City of Chattanooga CHAMBLISS, BAHNER & STOPHEL, P.C. 1000 Tallan Building Two Union Square Chattanooga, TN 37402

[x] Hand-Delivery [] U.S. Mail [] Facsimile	Mark Brooks, Esq. Counsel for Utility Workers Union of America, AFL-CIO and UWUA Local 121
[] Overnight [x] Email	521 Central Avenue Nashville, TN 37211
[] Hand-Delivery[] U.S. Mail[] Facsimile[x] Overnight[x] Email	Scott H. Strauss, Esq. Katharine M. Mapes, Esq. Counsel for UWUA, AFL-CIO and UWUA Local 121 SPIEGEL & McDiarmid LLP 1333 New Hampshire Avenue, NW Washington, DC 20036
[x] Hand-Delivery[] U.S. Mail[] Facsimile[] Overnight[x] Email	Donald L. Scholes, Esq. Counsel for Walden's Ridge Utility District and Signal Mountain BRANSTETTER, STRANCH & JENNINGS PLLC 227 Second Avenue North Fourth Floor Nashville, TN 37201

12.12 hours