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February 8, 2011

**VIA HAND DELIVERY**

filed electronically in docket office on 02/08/11

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

**Re: Docket No. 10-00189: *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***

Dear Chairman Freeman:

Enclosed please find an original and five (5) sets of copies of Tennessee American Water Company's Rebuttal Testimony filed on behalf of the following witnesses: Bernard L. Uffelman, James H. Vander Weide, James I. Warren, Sheila A. Miller, Patrick L. Baryenbruch, Paul R. Herbert, Dr. Edward L. Spitznagel, John S. Watson and Michael A. Miller.

Two disks are included with this submission. The first disk, labeled "Docket Manager Disk" contains PDF images of the testimony of each witness. The second disk contains all of the documents submitted in their native formats.

Please file the original and four copies of this Rebuttal Testimony and stamp the additional copy as "filed." Then please return the stamped copy 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.

Sincerely,

David Killion

Enclosures

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**
**DOCKET NO. 10-00189**

**FEBRUARY 8, 2011**

# NON-CONFIDENTIAL REBUTTAL TESTIMONY: JOHN S. WATSON

**ON BEHALF OF TENNESSEE AMERICAN WATER COMPANY**

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# Tennessee-American Water Company
# Case No. 10-00189

# Rebuttal Testimony
# John S. Watson

**Q. Please state your name and business address?**

A. My name is John S. Watson and my business address is 1101 Broad Street, Chattanooga, Tennessee, 37402.

**Q. Mr. Watson have you filed testimony is this rate case?**

A. Yes, I filed direct testimony in this case (TRA Docket No. 10-00189) on behalf of Tennessee American Water Company ("TAWC").

**Q. What is the purpose of your testimony?**

A. To provide rebuttal testimony in response to the testimony filed by the Intervenors' witnesses regarding the basis and need for TAWC's rate request which is necessary for TAWC to both serve its customers and provide an appropriate level of return to its shareholders.

## DECISION TO SEEK A RATE INCREASE

**Q. As a preliminary matter, can you please describe the process that leads to the Company's decision to seek a rate adjustment?**

A. Regulated water utilities make investments into their water systems so that they can continue servicing their customers and do so in full compliance with all the requirements imposed on water utilities. Making these capital investments comes at a cost, and if the Company cannot recover its investment and operating costs to the degree necessary to achieve a reasonable return on these investments, then I, as TAWC's President, along with the Officers and Directors, have an obligation to seek a rate adjustment.

The decision to seek a rate increase begins with an examination of the Company's business plan. The Company's business plan takes into account the entirety of its operations, including all of the requirements, standards and regulations that are imposed on it, expectations about its operating costs, revenues, its investments, the financing of long-term and short-term debt and infusion of equity, organic growth of the water system, and its capital investment program needs. Additionally, we give consideration to how the business and its customers may be affected by future regulations and rules. Water utilities are impacted by emerging issues and trends such as U. S. EPA Contaminant Candidate List, the oversight of regulatory changes on issues such as fluoridation, development of additional perchlorate regulations, the regulation of MTBE, consideration of the occurrence of pharmaceutics in drinking water, and other salient issues. Furthermore, water utilities' operations are impacted by reports such as the *Clean Water and Drinking Water Infrastructure Gap Analysis* published by the U. S. EPA and the American Society of Civil Engineers Report Card for America's Infrastructure.

Mr. Miller reviews the Company's business plan and advises me when the business plan necessitates additional rate recovery. We use a very rigorous process to review, at least monthly, the Company's financial performance. In doing so, we must analyze individual expenses, the costs of supplies and materials, and other services we must obtain externally in the marketplace. We continually strive to reduce these costs. If that is not possible, then we seek to contain the costs and work on improving efficiencies, improving work methods, using technology to increase productivity, and making capital investments to replace and upgrade the assets and equipment that are essential to our ability to provide quality service. If the Company still cannot recover its investment and operating costs to the degree necessary to achieve a reasonable return on its capital investments, then a rate increase becomes necessary.

If this is the case, Mr. Miller and I jointly report to the Board of Directors of Tennessee American on the business plan and the recommendation to seek rate relief. We also advise on the duration and the impact of a rate request and identify the steps

taken to address the shortfall as well as those steps necessary to request a recovery of expenses, investments in plant assets, property and equipment through water rates.

These are the same processes and considerations that were used to reach the decision to file this rate request.

## EMPLOYMENT LEVELS

**Q. In this rate request, Tennessee American has requested authorization for 110 employees. How did the Company determine the proper level of employees to include in its petition?**

A. TAWC's employee number is derived from the number of employees the Company needs to provide the appropriate level of service. The decision also involves detailed considerations of work practices, workloads, necessary capital investments planned in the year, and whether there are efficiencies that can be achieved by employing other technology in lieu of employing personnel. The employee level is also influenced by our review of the quantity of subdivisions and multi-family housing planned, business development and re-development, as well as the various expected municipal, county and state agency planning activities that will require TAWC to move, upgrade, or remove facilities during that budget cycle.

The decision to create new positions or hire additional personnel is driven by consumer demands and expectations and only implemented after a careful assessment of present and future demand. For example, when TAWC service metrics in 2005 evidenced that the Company required more management and support level staff to maintain and improve the provision of water service to its customers, TAWC undertook to hire thirty-seven additional employees over the course of the next 3½ years. Likewise, the Company has lost employees due to retirements over the course of the past 6 years from its aging workforce and due to unforeseeable events such as illness, accident, disciplinary action, and in one case the untimely death of an active employee.

The Company also must consider the skill set of its existing workforce to determine whether it has the appropriate complement of employees to fulfill the requisite duties and service obligations that are required. If the workforce does not have the needed skill sets, Tennessee American management must then work to find individuals who possess the correct skills sets and educational background required by particular technical and professional positions.

**Q. How does this compare with the CAPD's witness, Mr. Buckner's, assessment of TAWC's workforce?**

A. Mr. Bucker recommends a significant reduction in TAWC's workforce to a level of 104 employees. This would seriously compromise TAWC's ability to provide quality water service to its customers. Moreover, the downward "headcount" adjustment recommended by Mr. Buckner is contradictory to the direct testimony of CAPD witness Michael Chrysler in TAWC Docket 06-00290. In that case, Mr. Chrysler complemented TAWC for its service metrics reporting, its level of service, and its prompt responses to customers that were illustrated in the metrics and even stated that those metrics were a model for other utilities.

In this case, Mr. Buckner seeks to remove positions for a professional engineer project manager (the only company employee required to hold a Tennessee professional engineering license.), a senior management position (Field Service Superintendent), and a Master Maintenance Mechanic (a position which requires electrical and electronics certification). The removal of some of these positions would seriously undermine the ability of Tennessee American to serve its customers, design and construct water utility facilities, perform maintenance on its assets, operate the water treatment plant and the nearly 1300 miles of distribution assets, read water meters, and perform all of the additional functions that are necessary for the Company to meet its public service obligations.

**Q. What would be the impact to TAWC and its ability to provide service to its customers if Mr. Buckner's recommendation were adopted?**

A. Mr. Buckner's recommendation would essentially increase overtime for hourly employees. Mr. Buckner also recommended the elimination of six positions. Mr. Buckner is effectively claiming that the functioning of the six positions at issue should not be performed by anyone. If no one performs these functions, there would be decreases in service, water quality, or other consequences of not fulfilling the responsibilities of these posts.

Mr. Buckner does not face the day-to-day requirement of having to ensure that the Company has the resources necessary to meet the public's demands for water service and perform the Company's public obligation to provide water service at all times. The Company will not be in a position to consistently deliver the standard of service expected of it going forward without a full complement of employees.

**Q. What was Mr. Buckner's methodology in justifying his recommendation?**

A. Mr. Buckner states that the "The Consumer Advocate rejects TAWC's projection of employee levels because TAWC continues to demonstrate in case after case an overstated number of employees when compared to what they actually keep on the payroll." (Bucker at 4, lines 14-19). Mr. Buckner fails to recognize that even though there are vacancies, the work that is to be completed by those vacant positions must still be completed by someone. To perform this work the Company has had to increase overtime work for its existing employees, contract out the work, or hire temporary help, all depending on the particular work. If it is determined that workload levels are decreased, it becomes prudent to hold the vacancy open until the workload level returns to normal or increases. By way of example, the retirement of former Project Manager Randy Taylor required the Company to assign his work to its outside consulting engineering firms. Likewise, the retirement of Field Service Superintendent Monty Bishop required the Company to temporarily employ the services of Dillard Griffin, a Kentucky American Water employee. TAWC is reimbursing Kentucky American for the associated labor, payroll taxes, group

insurance, pension, and travel and temporary living expenses of the assignment of Mr. Griffin until the vacant positions are filled. Mr. Doug Brock, the Director of the Field Resource Command Center in Lexington , KY, is also functioning as temporary Field Service Superintendent for TAWC until the vacancies are filled.

Simultaneous with seeking outside help to perform these functions, TAWC has posted the vacant positions both internally and externally. At this time, all initial interviews have been completed and final candidate selection is expected by February 15. Subject to the completion of pre-employment checks, we will be announcing the replacement Project Manager and Field Service Superintendent employee names and hire dates on or before February 28, 2011.

**Q. Please address Tennessee American's response to Mr. Buckner's methodology for recommending an average employment level of 104 employees.**

A. We disagree strongly with Mr. Buckner's adjustment and analysis. Mr. Buckner did no analysis of the other expenses that the Company paid or continues to incur, but simply instead makes the false claim that "water rates should not be set on employee levels that are never sustained". (Buckner at 4, lines 19-20). Mr. Buckner's basis for establishing the appropriate level of employees or expense during the attrition year is incorrect in light of TAWC's service obligation and regulatory requirements and completely disregards the other operation and maintenance expenses the Company has incurred that are independent of its labor expenses. It is not simply the number of employees on the payroll that represents the expenses incurred by the Company to perform its necessary functions; rather, one must also consider the underlying expenses that TAWC paid to offset the unplanned and unscheduled situations that resulted in vacant positions. Interim vacancies require the Company to assign overtime to hourly employees, reschedule work activities, delay the work activity that could be done on a pre-scheduled basis, increase the use of contractors or agencies, or cause the Company to assign work to other entities or obtain personnel from another American Water subsidiary. Similarly, by ignoring vacant, but needed, positions, Mr. Buckner's adjustment does not account for the costs TAWC incurs

related to that vacancy, namely, cost for temporary service personnel, meal allowances, use of contracted services, recruiting expenses, physical exams, and fees for background checks that are incurred to fill these vacancies. Only in some cases can the loss of an employee be absorbed on a short-term basis. Stated another way, the functions of vacant positions must still be performed at a cost and the Company must expend funds to fill vacancies. As such, Mr. Buckner ignores the realities of operating a 24/7 customer-oriented utility

Finally, Mr. Buckner's recommended level of 104 employees simply does not reflect actual 2011 employment levels and needs. It also does not consider workforce turnover and movement – a significant factor affecting employee levels. Further, there is no evidence that Mr. Buckner performed any analysis of the job functions, any review of the job duties, or any study that concludes that Tennessee American can operate effectively and efficiently with an average of 104 employees. Absent such analysis, Mr. Buckner cannot, and does not, offer any justified explanation why the company should or could operate properly without these positions. Under Mr. Buckner's reasoning, the Company's ability to continue to meet customer expectations and regulatory requirements would be severely compromised.

**Q. What is the Company's response to Mr. Buckner's claim that TAWC's recommended employee level is speculative?**

A. TAWC's requested employee level is not speculative. The 110 employee level included in the Company's petition was the result of a tremendous amount of thought, review, and investigation to determine the number of employees needed to meet the Company's service mission. The employee level of 110 reflects the number of employees who are needed and required to meet the service levels during the attrition year. Each position has particular responsibilities that will play an integral role in the Company; however, due to the natural occurrence of workforce turnover and a recently unplanned termination of ten (10) employees, there are a few vacant positions that brought TAWC's actual headcount down. The Company has been working diligently to fill these remaining positions. TAWC is not speculating as to

its need and the mere fact that every position is not filled does not make the need for those positions speculative.

**Q. Mr. Watson, you mention workforce turnover as playing a significant role in determining employee levels – can you please explain?**

A. Workforce turnover is an unavoidable aspect of a business that oftentimes renders actual workforce numbers, which Mr. Buckner relies on, misleading. Mr. Buckner's assessment ignores the corporate reality that all necessary positions cannot be filled at all times – i.e., that staffing a utility is a dynamic process. The fact that the Company is not always at full strength due to turnover in no way reflects a lack of desire, effort or need; instead, it is related to events beyond the Company's control. The Company undertakes great effort to maintain a strong and productive workforce, but TAWC has experienced about a 98.2% turnover in the workforce during the past 6 years. This turnover is the result, in large part, of the Company's aging workforce — a trend occurring across other business sectors as well. This turnover is typically due to retirements, resignations, and in some cases severance, termination for cause, or death — events largely beyond the Company's control. In light of these factors, which are in addition to normal employee turnover from events such as medical leave, military duty, or personal relocations, it is axiomatic that TAWC cannot always maintain full employment levels.

**Q. What is your response to Mr. Buckner's criticism that TAWC does not achieve its requested employee levels?**

A. Contrary to Mr. Buckner's contention, TAWC's employment history supports that TAWC has the need and intention to achieve the requested employee level. Mr. Buckner's criticism is also undermined by TAWC's service metric reporting, which required TAWC to achieve certain levels of performance.

Notably, the Company filled the positions that it identified in the 2008 Rate Case as it had done in previous rate cases. However, given significant personnel turnover, it has been challenging to replenish the workforce.

Mr. Buckner's payroll adjustment should be disregarded because it fails to account for the fact that payroll expenses will increase to the level requested in this rate request when TAWC's employment level returns to 110 employee positions. Mr. Lewis's testimony on behalf of the Union admits that the vacant positions the Company has been working to replace are necessary and that the filling of these jobs would alleviate the concern of the Union in this regard.

Attached for reference is the current status of personnel that have been hired and have either reported to work or will begin employment prior to February 28, 2011. (Also see attached Tennessee American Water Employees (By Department and Job Title)). Furthermore, a closer examination of TAWC's workforce levels as found in response to Union's Data Request TN-UWUA-02-Q08 show that the TAWC employee headcount at January 31, 2011 had reached 97 personnel and is on track to be at the 2010-2011 TAWC employee level of 110 FTEs on or about February 28, 2011.

At this time, I wish to report that five (5) additional employees have been hired by the Company and three (3) additional candidates have accepted offers of employment and will be hired the week of February 21, 2011 which brings the headcount of employees to 105. The names, positions and date of hire, as applicable, are as follows:

**[ BEGIN CONFIDENTIAL INFORMATION ]**

**[ END CONFIDENTIAL INFORMATION ]**

In this rate case, Mr. Buckner summarily recommended that two union positions be eliminated and four management positions be eliminated. The vacancies of four of those positions and additional positions are now being filled, as I explained above in reference to the hiring of the Project Manager and Field Service Superintendent (these vacancies were the result of retirements on December 1, 2010 and January 1, 2011, respectively).

Filing vacant positions is a time-consuming and lengthy process that can often result in gaps in employment levels, which must be addressed through authorizing employee overtime, deferring work, contracting out work, temporarily assigning employees from adjacent subsidiaries, or temporarily moving the work to a Service Company functional area — all of which result in expense to the Company.

**Q. Mr. Buckner asserts that the current level of TAWC employees is sufficient to sustain the Company's provision of high quality water service – how do you respond to that?**

A. Mr. Buckner ignores the reality of TAWC's corporate and customer growth in terms of both size and increased expectations. As early as 2004 when I began working for TAWC, it quickly became apparent to me that TAWC, and particularly the Company's field operations component, was not adequately staffed to accomplish all the tasks that are integral to meeting customer expectations. As a result, we committed to hiring additional personnel in certain areas such as: adding personnel to read meters, to handle the increasing trend in service order requests, to achieve the Company's meter replacement and testing program, and to address field service maintenance requirements. Simultaneously, based on customer satisfaction and tactical service surveys, we were receiving favorable ratings from our customers.

Increased growth and expectations continue into the 2011 attrition year. For example, we have an increased target of having 918 2-inch water meters tested for accuracy as part of the meter replacement program. In order to remain on schedule, these water meters must be either field tested or removed and bench tested for accuracy during 2011. This work is performed exclusively by TAWC hourly employees and will require approximately 1,800 man-hours, or an increased workload of 65% in 2011 over the work actually accomplished in 2010. We also expect to operate at least 2,067 distribution main line valves in 2011, inspect and operate 4,988 fire hydrants, and perform additional work on the hydrants including locating, raising, and cleaning out the valve box to access the associated lateral gate or tapping valve and, as

necessary, operating the valve to ascertain its condition. Historically, the valve inspection on the fire hydrant lateral valve has not been an aspect of the fire hydrant inspection; however, doing so is important so that the condition of hydrants are tested and duly recorded in the Company records. This work is expected to require an additional 1500 man-hours.

There has also been a substantial increase in the number of customer service orders over the last 7 years – from 55,910 in 2003 to 101,363 orders in 2008 – this represents an 82 % increase. Although the level of orders did decline between 2008 and 2010, the number of customer service orders completed in 2010 was still 69,789, well above the 2003 level. The Company has instructed the employees who perform this work to spend additional time with the customer to explain the results of the work performed, if the customer is home during the appointment, in order to assure that the customer is satisfied and aware of the work completed. Originally, to address the increase in service orders, the Company used additional overtime labor but this was not a viable long-term option as the increased work level has been sustained and the cost of performing the work on overtime requires paying the employees 1.5 times the regular hourly rate. The service call times associated with this overtime work were also not convenient for the customers. Our success in meeting this increased demand has been achieved through adding additional personnel and establishing baseline goals for improvement. Indeed, Tennessee American has completed its service call work on time over 99.2% of the time in the past year.

As TAWC's President, I continually evaluate staffing levels and our efficiencies so that expenses are controlled and we are able to service our customers and meet our goals and demands. Ultimately, it has become clear that new positions are necessary to sustain quality of service and meet our goals and demands.

To say that periodic vacancies in employee levels means that these positions should remain vacant simply because the Company has been able to manage in the interim period ignores the dynamic nature of the business as described above. Ultimately,

Mr. Buckner's recommendations would require the Company to perform the same amount of work, but with fewer employees. The Company absolutely must recover the expense of the 110 personnel that are necessary to perform the functions that maintain the high level of quality service our customers have come to expect.

The Company has provided updated salary and wage information in response to TN-UWUA 02-Q008 and TN- UWUA-02-Q0012 to supplement the support for the salary and wage expenses in its petition.

**Q. Please discuss the other two positions included in this rate case that Mr. Buckner addressed in his testimony.**

A. One of the positions, Manager of Finance for Tennessee American, was identified in my direct testimony. Mr. Buckner takes issue with the decision to fill the Manager of Finance position in 2009 by hiring Mr. Kevin Rogers to replace a supporting Intermediate Financial Analyst who was an AWWSC employee working remotely from Charleston, West Virginia that prepared the annual business plan and monthly, quarterly and annual financial reports and the annual budget. Tennessee American made the decision to employ Mr. Rogers as the Finance Manager because the Company required the services of a senior level finance manager with a Tennessee CPA license, working at TAWC's headquarters, to perform all of the existing functions formerly performed by the Intermediate Financial Analyst, plus supervise a staff of three, and manage TAWC's financial transactions to satisfy Sarbanes Oxley Act obligations.

The second position, Governmental Affairs Specialist, held by Kino Becton, is absolutely necessary to our business, given the amount of regulations that are imposed on and affect TAWC. New bills related to banking, finance, government operations, environment and health, commerce, employment, safety, labor and education all can directly impact our industry by imposing new or varied regulatory requirements on our operations, so it is necessary for the Company to monitor and remain apprised of these laws. Second, the Governmental Affairs Specialist works

with the local city councils, city employees and local businesses to address any issues that may arise from their constituents with respect to the services TAWC provides or regarding any matters related to TAWC's billing service that it provides for the municipal sewer system. The Governmental Affairs Specialist spends a vast majority of his time in the local community to ensure continued active communication between the Company, its customers, and local government. As such, this position is critical to the Company. The Consumer Advocate has mischaracterized the majority of the function and duties of the Governmental Affairs Specialist and does not fully comprehend the importance of this position.

## UTILIZATION OF AMERICAN WATER WORKS SERVICE COMPANY

**Q. Please comment on the importance and the advantages of the services and support provided by American Water Work Service Company.**

A. The efficiencies and functional support provided to TAWC by utilizing the personnel and resources of American Water Works Service Company (AWWSC) is described in great detail in the direct and rebuttal testimony of Mr. Mike Miller, Mr. Pat Baryenbruch, and in the Schumaker Management Audit ordered by the TRA. The results of the Management Audit were filed with the TRA in September 2010 just prior to the filing of the petition for this rate request. Ultimately, the utilization of AWWSC reduces the costs to TAWC's customers. TAWC can not perform the services provided by AWWSC on its own as cost-effectively and as adeptly as AWWSC is able to perform these services. Thus, if TAWC did not utilize AWWSC, TAWC customers would have to absorb the heightened costs of performing these services, if TAWC could perform them at all.

**Q. Can you please describe an example or two illustrating the benefit and/or value Tennessee American Water receives by utilizing the American Water Works Service Company?**

A. For example, TAWC could not afford to hire a Director of Rates and Revenues solely for TAWC. To do so would require creating a full-time position that the Company

does not need since it does not annually file for rate adjustments. Because TAWC is able to obtain the services of a Director of Rates and Revenues from AWWSC, we can share the cost of that position with other American Water operating companies, as well as other functional positions that are dedicated to AWWSC, only when those services are needed.

TAWC also utilizes the services of the AWWSC-operated Central Laboratory located in Belleville, Illinois, a facility dedicated solely to drinking water analysis and water quality research for all American Water operating companies. Belleville Central Laboratory was granted certification under the Safe Drinking Water Act and is available to Tennessee American at cost to provide technical expertise to analyze and conduct the most sophisticated of water quality analyses. By allowing the operating companies to utilize this specialized laboratory, the companies share the expense and enjoy much lower costs as a result. TAWC also has access to a nationally recognized microbiologist at the Central Laboratory, Dr. Mark LeChavalier, who we can call upon as needed to review the extensive water quality database for our operations in Tennessee and to provide his expertise regarding water quality issues. TAWC could not otherwise afford to retain such an expert. This same concept can be applied to the use of personnel in a number of functions including: accounting services, audit services, financial services, rates and revenue services, communication services, administrative services, human resources services, legal services, engineering services, customer service such as the Call Centers, information technology services, supply chain functions for the procurement of goods and services, and additional water quality and environmental compliance functions that are all essential to TAWC's business.

Providing these services in-house would cost several million dollars more in operating expenses annually – a cost much greater than what customers pay now for TAWC to utilize AWWSC. This would include added costs for hiring additional employees to fulfill these functions, the lease of additional building space, adding an information systems department, accounting department, finance department and

legal department, and expanding its water quality laboratory and staff. In addition, TAWC would also incur costs for performing specialized financing work to obtain the necessary utility grade bonds and loans at the same competitive rates. To perform the billing functions in-house, the Company would have to purchase or lease a billing system mainframe computer and bill printing system. For customer service function, TAWC would need to hire sufficient staff and management to provide around-the-clock coverage, incurring all the costs associated with hiring these employees and setting up a call center at TAWC. Ultimately, AWWSC's services are simply much more cost effective.

**Q. The Intervenors have called into question TAWC's service company bills. Can you describe how you review Company bills for service company charges?**

A. In this rate case TAWC has provided volumes of data and examples of the reports summarizing the charges the Company is billed each month. I personally review these bills, along with my staff, to validate that the charges to TAWC for these support services are reasonable, accurate, and appropriate. To the extent we have any questions regarding the hours billed or other charges, I contact the appropriate employee in the Service Company to discuss and resolve any issues. If there was an error, I have the charge removed from the applicable TAWC invoice. The review process has improved in the past 18 months and the analysis of charges is provided in greater detail, providing greater transparency to charges billed or allocated to the Company, which in turn gives us the ability to detect any issues easier.

## UNACCOUNTED FOR WATER LEVELS

**Q. Please describe what unaccounted for water is and how it is calculated.**

A. Unaccounted for water loss is determined by subtracting the amount of water that is sold to customers (billed water sales less credit adjustments) from the amount of water treated, pumped, and measured from the water treatment facilities into the distribution system of the utility (also referred to as system delivery). Certain water losses that are the result of particular uses are included in the accounting of water

used but not billed (non-revenue water) because they are implicitly or explicitly authorized uses. These include, but are not limited to, water main flushing, distribution storage tank draining for inspection, repair or painting of the tank interior/.exterior, city public works street sweeping, sewer flushing, fire department usage for firefighting, and water meter testing by the water utility.

Leakage causes water loss and will require the Company to respond and repair the leak when the leak occurs in the transmission and distribution mains or service lines up to the point of the customer's meter, or when the leak comes from utility-owned fire hydrants. The Company is also obligated, under Tennessee American Water's Rules, Regulations and Conditions of Service to grant a credit adjustment to customers who experience an underground leak on their individual service line between the water meter in the yard at the property line and the point where the customer's service line enters the home's foundation. This credit adjustment results in additional non-revenue water.

The total percentage of unaccounted for water is obtained by dividing the unaccounted for water volume by the water delivered to the Company's distribution system from its water treatment facilities. This amount is then reduced by the amount of losses that are the result of one of the authorized uses described above and also any measurable losses that occur beyond the water treatment process.

**Q. Have you examined the unaccounted for water levels that occur for other water utilities in Tennessee and in the areas surrounding the Service Area? If so, please describe your findings.**

A. Yes I have reviewed the unaccounted for water levels of other water utilities, to the extent that they are reported, The following table represents other water utilities reported unaccounted for water levels that is available. Reporting annual unaccounted for water percentages was not required during the 2008 rate case, but subsequently the Tennessee Legislature imposed an obligation to report this data. The data indicate that, more often than not, large systems like Nashville and

Knoxville Utility Board, among others, are operating above the percentage of unaccounted for water that the TRA established in the 2008 rate case.

**Unaccounted For Water**
**Tennessee and Georgia Water Systems Comparison**

| | | |
|---|---|---|
| **Sale Creek Utility District** | **June 30, 2008** | **37.25%** |
| **Johnson City** | **June 30, 2010** | **32.94%** |
| **Knoxville Utilities Board** | **June 30, 2009** | **30.43%** |
| **Knoxville Utilities Board** | **June 30, 2010** | **32.48%** |
| **Soddy Daisy Falling Water Utility District** | **August 31, 2008** | **28.92%** |
| **Murfreesboro** | **June 30, 2009** | **26.00%** |
| **Murfreesboro** | **June 30, 2010** | **28.10%** |
| **Atlanta Watershed** | **December 31, 2007** | **26.00%** |
| **Nashville** | **September 23, 2007** | **24.90%** |
| **Savannah Valley Utility District** | **April 30, 2008** | **23.32%** |
| **Tennessee American Water Company** | **March 31, 2010** | **22.93%** |
| **Walden's Ridge Utility District** | **August 31, 2008** | **20.74%** |
| **Union Fork-Bakewell Utility District** | **June 30, 2008** | **19.09%** |
| **Eastside Utility District** | **October 31, 2008** | **18.30%** |
| **Hixson Utility District** | **April 30, 2008** | **16.48%** |
| **Griffith Creek Utility District** | **December 31, 2008** | **13.66%** |

**Source: Annual Audit Report of Utility District or Municipal System to TN Comptroller**

**Q. Is TAWC undertaking any efforts to manage unaccounted for water?**

A. TAWC has an extensive "non-revenue water program" and has made significant efforts to minimize and reduce unaccounted for water for a number of years. TAWC has reinforced the importance of this effort by establishing a "non-revenue water committee," which has been lead by TAWC Non-Revenue Water Supervisor Ron Schleifer. The NRW Committee includes a total of eleven employees from every department, including myself. The Committee meets monthly to discuss the progress of our efforts across the business to reduce unaccounted for water. The Committee has developed a plan of action strategy and has worked to compile data and information on our real and apparent water losses. Additionally, every employee of Tennessee American Water is responsible to assist in reducing unaccounted for water in the execution of their duties by reporting and repairing leaks, inspecting facilities and customer's premises for unauthorized use, and assuring that meter reading and

billing of customers is completed accurately and timely. Finally, there are two full-time employees in the Distribution Department responsible for leak detection.

The Company has also made significant capital investments in electronic leak detection and survey equipment to check for leaks in the distribution system. TAWC has also purchased and installed over 1400 "permalog" electronic surveying devices at a cost of nearly $400,000, which are strategically placed at valve locations throughout the distribution system to detect low-level vibration and sound, which indicates that a leak is beginning in a section of pipe near the permalog device. The permalog devices currently provide coverage for about 80% of the distribution system and the leak detection crew surveys them monthly by mobile survey. The leak detection crew conducts manual surveys of the remainder of the system by walking the pipe route to patrol for leaks. Meter readers and field service personnel also are able to detect leaks as they perform service orders and/or meter readings daily. When distribution department repair crews service pipes, valves and fire hydrants, they also check for leakage in the immediate area.

TAWC has made several other capital investments to reduce unaccounted for water, such as the replacement of customer water meters on a periodic scheduled basis. A small diameter water replacement program was also begun, which replaces on average about five (5) miles of 2-inch and 2-1/2 inch water main per year in the distribution system. Capital investment in small diameter mains is necessary and ongoing and will remain a prudent capital investment going forward, as these pipes have higher maintenance requirements. In addition, TAWC continues to vigilantly maintain its pipelines serving high altitude areas, which are prone to leaks due to increased operating pressure. Having stated that the Company has committed to the replacement of distribution system components, the Company requests that the TRA allow the Company to retain the production costs that are greater than the 15% limit established by the TRA in the 2008 Case and grant TAWC the opportunity to determine the capital investment required to implement the proposed projects identified in its 2007 Non-Revenue Water Study (filed with my direct pre-filed

testimony). Once the estimates are obtained, TAWC would report back to the TRA with its findings. The Company also requests that the TRA, based upon the costs identified for these projects, agree to allow TAWC to recover in future rate base, the actual investments of such capital investment or operating costs in TAWC rates in its next rate filing. The Company seeks assurance from the TRA that it will support the Company as the Company works to continue with its unaccounted for water initiative, in order to effectively and proactively address this issue and reduce the water losses toward the 15% level established by the TRA.

TAWC has conducted water audits of its systems, resulting in a "Water Balance Report", which is used by management to monitor water. From this report, TAWC can categorize the water accounted for in accordance with the International Water Association Guidelines. TAWC has calculated a detailed performance indicator for operational management of real water losses to determine the infrastructure leakage index, or ILI, which is the ratio of annual real losses to the unavoidable annual real losses (UARL). The basis for using the UARL is to make allowance for length of mains, number of service connections, location of customer meters, and average operating pressure. The ILI measures how effectively the three infrastructure activities (speed and quality of repairs, active leakage control and pipe materials) are being managed at the current operating pressure. Values close to 1.0 represent near-perfect technical management of real losses from infrastructure, at actual operating pressures. TAWC has achieved an ILI of 2.46 for the Year 2009 (the last year TAWC's ILI index was calculated) which is an excellent result. The Company would point out that the AWWA and the IWA methodology is gaining recognition in other state regulatory commissions, is currently being considered by water utilities across Tennessee and the nation, and is a thorough analytical approach for determining the efficiency of water losses in water distribution systems.

To set its annual unaccounted for water loss goals, TAWC relies on American Water procedures, practices and strategies, the AWWA standards and recommendations for water systems, the use of the International Water Association's publication "Losses

in Water Distribution Networks," along with the knowledge and experience of our personnel and national experts to audit, monitor and achieve our aggressive goal of a 15% unaccounted for water ratio. TAWC has routinely calculated its water loss on a monthly and annual basis for at least thirty years.

Due to the complexity of TAWC's water system, the variation in operating pressures of its distributions system, the distribution of customers served, and the distribution system's age (142 years old), TAWC's water system is far more complex than many water systems of comparable size in the United States. The Company seeks to achieve water loss reductions in unaccounted for water and, as stated above and in direct testimony, has a plan which provides a road map for a reduction of unaccounted for water.. TAWC is committed to continuing to make capital investments to reduce unaccounted for water going forward and depends upon the adequate return on investments to attract the debt and equity to finance these capital improvements.

## CALCULATING EXPENSE – OPERATING COSTS

**Q. Please describe how increased operating expenses have contributed to TAWC's need to request a rate increase.**

A. Operating expenses are increasing in a number of categories due to the continued escalation of the price of goods and services that TAWC requires to perform its public service obligation. Since the TAWC 2008 rate order, prices have increased for electricity, sewer service, gasoline, diesel fuel, asphalt pavement materials, ductile iron pipe, postage, gravel and other backfill materials, concrete, steel, laboratory supplies, granular activated carbon, and freight costs, just to name a few. Mr. Buckner's testimony fails to mention other Company operating costs that have increased such as street opening permits, the new flowable fill ordinance enacted for street paving requirements, stormwater fees and city property taxes, all of which were decisions of local government which have occurred after the 2008 rate case decision.

Electric rates in Chattanooga increased by 20% in October 2008, the TVA's fuel cost adjustment has overall been at least 20% above expense level, the cost of gasoline and diesel fuel has been increasing and has already reached over $3.29 per gallon in the local area, the cost of asphalt paving has gone up 6%, and sewer rates have increased at a rate of 5.75% per year (approximately 14% increase in the aggregated period), all of which are far greater than what Mr. Buckner has set forth. In the case of the cost of water treatment chemicals chlorine has increased by 15.9% from the 2010 unit price, fluoride increased by 7% from the 2010 unit price, corrosion inhibitor (zinc orthophosphate) has increased 41.3% from the 2010 unit price, and the most significant chemical we use, polyaluminum chloride, increased by 3.7% above the 2010 price. As a general matter, almost anything that is related to the petrochemical industry is rising dramatically faster than inflation (i.e., the cost of products that contain steel in them, such as ductile iron pipe, has increased by 36% in the past year).

TAWC witness Sheila Miller provided further detail in her rebuttal testimony on the adjustments to the accounting exhibits due to operating costs and revenue. The Company faces the prospect that there will be further increases in the costs of goods and services after its testimony and exhibits are filed in this case.

The Intervenors simply disregard the fact that the prices of necessary goods and services have increased, which is the economic reality within which TAWC must operate while simultaneously having to maintain the high level of service that is expected of it.

**Q. Mr. Buckner claims that TAWC's rate request "has requested over $8.977 million more in customer rates than the company actually needs to meet their expenses and provide a fair return to their shareholders while providing quality water services to TAWC customers."(Buckner at 3:19-22) Is this an accurate statement?**

A. No. In making this statement Mr. Buckner has not claimed that TAWC does not actually incur these expenses. Yet, somehow Mr. Buckner and the CAPD argue that the Company should not be allowed to recover these expenses in its revenue requirement. One example of this error in logic is the CAPD's position that TAWC's operation and maintenance expenses are the "same" as Ohio American Water, yet, Ohio American customers are paying an average monthly residential bill of $49.89 and TAWC residential Chattanooga customers are paying less than $17.00 a month on average.

His conclusion ignores the indisputable reality that operating costs have increased and at the same time the water consumption of our customers in general has declined in terms of overall billing determinates since the TAWC 2008 rate order. This is consistent with a historical decline in water consumption, as detailed by Dr. Spitznagel in his direct and rebuttal testimony. Even the CAPD 's own witness John Hughes recognizes the drop in water use of the Catoosa Utility District Authority that began shortly after the conclusion of the 2008 rate case hearings. (Hughes at 11:20 – 12:11). TAWC also lost R.L. Stowe, a manufacturing concern, when it permanently closed in March 2009. At the same time, operating expenses such as fuel and power have increased for nearly 30 months. It is unreasonable for Mr. Buckner to claim that the Company's rate request does not reflect the economic environment when everyone, not just TAWC, has been affected by the increased costs of goods and services and when water consumption has decreased.

The combination of increased operating expenses and reductions in water consumption has caused TAWC to be unable to earn a fair rate of return, which is why it must now seek a revenue increase.

**Q. What is TAWC's response to Mr. Buckner's accusation that "TAWC is unable to operate within their budgets?"**

A. Mr. Buckner's statement is incorrect. The decision to request a rate increase is not even remotely caused by the Company's inability to operate within its budget. As

noted above, the cost increases being experienced in the water utility industry and nationwide are real and measurable. More importantly, many of those costs are set by external factors beyond TAWC's control. As the President of TAWC, I have a fiduciary obligation on behalf of customers and stockholders to file a rate increase when the earnings are substandard and the assets and capitalization are not aligned – such is the current reality.

If Mr. Buckner's statement were true, then practically no utilities operate within their budget because rate increases are occurring throughout the country due to increased operating costs. TAWC and other water utilities face significant, and in some cases, overwhelming challenges related to deferred infrastructure replacement and upgrades and due to increased water quality requirements, by way of example. These challenges, when combined with the increased costs of goods and services needed to meet the challenges, result in the need for a rate increase.

## RATE DESIGN AND RATE COMPARISONS

**Q. What are the relevant issues that should be reviewed prior to making judgments about TAWC's request for a rate increase?**

A. It is appropriate to consider the retail price for water in the market place, as it is a commodity like any other commodity whose price, value and cost can fluctuate. Attached to my rebuttal testimony are reports and data on the residential water bills of neighboring water utilities. These reports and data demonstrate that TAWC's cost of water is well within the price range of the market and is relatively lower than the average monthly water bill of other water providers.

The attached data show that TAWC's rates are relatively lower than the average monthly water bill of neighboring water providers and are comparable looking at the largest five cities in Tennessee. Using an average of 4,153 gallons per month, a TAWC customers' bill would be $16.62. Other Tennessee utilities' water bills for the same average usage are as follows: Johnson City – $16.71; Knoxville – $17.62 inside

the city and $21.02 outside the city (rates effective January 2010); Murfeesboro, TN – $19.28 (rate increase effective July 1, 2009); Memphis – $13.44 inside the city and $19.96 outside the city; Nashville – $10.38 (for rates effective May 2011). Metro Atlanta customer bills would be $24.86 inside the city and $29.94 outside the city based on rates set July 1, 2010 but which will be increased by an additional 12% on July 1, 2011.

The most recent Allen and Hoshall Water Rate Study, published in June 2010, is also provided. It provides context for the relative price of water service in the State of Tennessee based upon a 5,000 gallon water usage bill. The Allen and Hoshall Water and Sewer study (a) provides a general idea of the water utility bill amounts for each of the surveyed entities at the 5,000 gallon quantity and (b) sets forth the water utility billing amount based upon a hypothetical quantity of water service for a pre-determined meter size upon which the utility can calculate a sample bill for water service. The study demonstrates that TAWC was below average in terms of monthly water bills relative to other water utilities across the state (TAWC's monthly bill for 5,000 gallons is $21.19 under current rates imposed in the 2008 case). As can be seen from the list, 70% of the utilities in the Study have a higher monthly water bill compared to TAWC's $21.19 bill amount. If TAWC's proposed rate increase requested in its petition were adopted in full it would only increase the bill amount to $25.96 placing it almost exactly at the 50% mark. Accordingly, under its proposed rate increase TAWC would still be providing water to its customers at rates that are in line with rates across Tennessee. Of course, other Tennessee utilities have likewise sought rate adjustments so as their bills increase TAWC will maintain or improve its position relative to other utilities.

Ultimately, what this means is that TAWC has been providing water to its customers at very affordable rates compared to other utilities, despite the fact that TAWC's unique distribution system demands are greater than most other utilities due to Chattanooga's topography and despite the fact that our operating costs have continued to rise.

**Q. What additional differences between TAWC and other utility providers makes TAWC's request for a rate increase reasonable?**

A. Unlike many comparable utilities in Tennessee, TAWC does not get additional revenue from charging its customers fees and other charges. Moreover, TAWC has unique operating costs compared to some of these comparable utilities. Thus, a comparison based on rates alone is wholly inappropriate because it does not account for the fees and charges adding to revenues for some other utility providers. For example, Metro/Nashville Water Service, Knoxville Utility Board, and Memphis Light Gas and Water charge tap fees when, for example, builders wish to connect new construction to the water lines. Lenoir City Water Board charges an infrastructure surcharge. Each of these water utilities also charge plan review fees, fees for flow testing of hydrants, inspection fees, and even fees for providing the customer a copy of their lost bill. In comparison, TAWC does not charge these fees, saving our customers money. These savings can be substantial. For example, Utility Districts in Hamilton County charge between a $325 to $3,500 tap fee per residential connection.

Additionally, TAWC pays property taxes and income taxes that the other six municipal systems do not have to pay. Memphis Gas Light and Water's treatment costs are much lower since it has a groundwater source, which is much less expensive than the costs TAWC incurs for purifying water. Further, TAWC operates in a geographical location that requires increased operating expenses for fuel and power to pump water to extremely high elevations. TAWC's maintenance expenses are also uniquely high due to the extreme pressure of pumping water to high elevations, coupled with the age of the infrastructure.

Accordingly, it becomes evident after comparing TAWC to these other utilities that the intervenors' vehement criticisms of TAWC's requested rate increase are unfounded. TAWC is providing affordable water to its customers (under current and proposed rates) at a cost that is at, or below, the average cost of water for other Tennessee and nearby utilities. TAWC is also not charging many of the fees to its

customers that its counterparts charge. This saves our customers money but also means fewer revenues for the Company. On top of all this, TAWC faces many unique operating expenses, as detailed above. The ultimate result is that TAWC is not operating with a reasonable rate of return. This is exactly why TAWC has filed its petition for a rate increase in this case and also this is why the Authority should reject the intervenors' repeated attempts to attack the justifications for TAWC's decision to seek a rate increase.

## VALVE MAINTENANCE AND OTHER OPERATIONAL PROGRAMS

**Q. The Union has raised issues with American Water's practice of conducting a valve exercising, maintenance and inspection program. Please discuss the Company's valve program and practices.**

A. The company has had an ongoing valve inspection program in Tennessee for many years. The company has placed only the distribution system line valves in the routine inspection program, although there are numerous and varying types of valving. In 2008, the Company invested in a new vehicle that was designed and equipped to provide a comprehensive approach to valve exercising and inspection, in addition to the other vehicles and equipment that Tennessee American currently had in its fleet. TAWC trained its employees on the use and operation of this equipment. As part of the inspection program, the Company maintains an extensive paper records system that contains distribution system valves information, the related construction records, and the valve inspection records, similar to how it maintains a fire hydrant database and inspection records.

**Q. The Union, in Mr. Jim Lewis' direct testimony, has expressed concerns regarding the staffing level of the full-time employees with respect to the valve operation and maintenance program. Please explain what is meant when the company indicates that current staffing levels are inadequate to perform long-term valve operation and maintenance.**

A. The Company believes it properly and adequately staffed its departments with regard to the valve operation and maintenance program, despite Mr. Haddock's suggestions to the contrary. Mr. Haddock was just one crew member in the maintenance group of the Field Services Department and was one, of many, involved in the Company's valve operation and maintenance activities. Indeed, Mr. Haddock's duties were largely limited to preventative measures and there were also additional valves not under his purview.

Although the Company has been able to effectively maintain its valves, the Company cannot continue to perform valve operation and maintenance in the long-term without the additional staff requested in its petition, as discussed previously in my testimony, the Union does not contest this fact.

**Q. Mr. Lewis, through Mr. Haddock's statement, contends that the Company is no longer performing preventative valve maintenance. Is the Company continuing with the Preventative Valve Maintenance Program?**

A. Yes, it is. During 2009, the Company set goals to inspect/operate 151 valves equal to or greater than 16-inches and 5,064 valves less than 16-inches. The Company was able to inspect/operate 187 valves 16-inches or greater and 5,898 valves less than 16-inches. During 2010, the Company's goal was to inspect/operate 152 valves greater than 16-inches and 2,400 valves 16-inches or less. The Company was able to inspect/operate 157 16-inch valves and 2,067 valves 16-inches or less. In 2009 and 2010, the Company focused on valve repair and maintenance due to employee work force mix and economic conditions. The Company met its valve inspection/operation goals except for the smaller valves in 2010, which was very close to being met. However, Mr. Haddock's retirement along with other changes did not permit the completion of that work in the last couple of months of 2010. The credit crisis and weak economy led to constructions of fewer new housing units in our service area, so employees who normally engaged in new service installations were reassigned to maintenance work. This also was a significant part of the reason that the capitalized payroll percentage declined in 2009 and 2010 because new service installations are

capitalized and because valve inspection, maintenance and repair are operational and maintenance labor. The capitalized labor adjustment is further explained by Company witness Sheila Miller in her rebuttal testimony. Construction activities for new construction had not yet returned to normal levels experienced in 2007 and early 2008, therefore Company personnel have been able to spend more hours working on preventative valve maintenance. Given the recent replenishment of the hourly employees in that department, I expect that our employees will meet the established valve maintenance goals by the end of 2011.

**Q. Does this conclude your testimony?**

A. Yes, it does.

**TENNESSEE REGULATORY AUTHORITY**

**STATE OF TENNESSEE**

**COUNTY OF HAMILTON**

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared John S. Watson, being by me first duly sworn deposed and said that:

He is appearing as a witness on behalf of Tennessee-American Water Company before the Tennessee Regulatory Authority, and if present before the Authority and duly sworn, his rebuttal testimony would set forth in the annexed transcript consisting of 29 pages.

John S. Watson

Sworn to and subscribed before me
this 3rd day of February 2011.

Virginia B. Scealf
Notary Public

My commission expires August 25, 2012.

VIRGINIA B. SCEALF
STATE OF TENNESSEE NOTARY PUBLIC
HAMILTON COUNTY, TN

2/7/2011 11:50 AM

# TENNESSEE AMERICAN WATER EMPLOYEES

## By Department and Job Title

### Administrative

| | |
|---|---|
| John Watson | President |
| Kevin Rogers | Manager - Finance |
| Doug Brock | Acting Superintendent - Field Operations |
| Sally Thornton | Senior HR Generalist |
| Pamela Cummings | Supervisor - Field Operations |
| Kimberly Dalton | Manager - External Affairs |
| Ginny Scealf | Executive Assistant |
| B. Stacie Buchanan | Executive Secretary |
| Kevin Highsmith | Sr Specialist - ORM |
| Brian Markham | Specialist - Operations |
| Kino Becton | Specialist Government Affairs |

### Field Operations

***Supervisors/Specialists***

| | |
|---|---|
| Rachel Bartley | Supervisor - Field Operations |
| Phyllis Lovelace | Supervisor - Field Operations |
| Bryan Mitchell | Supervisor - Field Operations |
| Leah Morrison | Supervisor - Field Operations |
| Ron Schleifer | Supervisor - Field Operations |
| Vacancy | Supervisor - Field Operations |
| David McBay | Specialist - Maint Services |
| Mark Turley | Specialist - Operations |

***Heavy Equipment Operator***

| | |
|---|---|
| Tad Autry | Heavy Equipment Operator |
| Rich Bednarski | Heavy Equipment Operator |
| Brian Billups | Heavy Equipment Operator |
| Scott Crane | Heavy Equipment Operator |
| Jack Derryberry | Heavy Equipment Operator |
| Renee Grace | Heavy Equipment Operator |
| Joe Green | Heavy Equipment Operator |
| Lamar Jenkins | Heavy Equipment Operator |
| Billy Welch | Heavy Equipment Operator |

***Distribution Clerk***

| | |
|---|---|
| Linda Russell | Distribution Clerk |
| Jane Hughes | Distribution Clerk |

***Truck Driver Utility Worker***

| | |
|---|---|
| William Blevins | Truck Driver Utility Worker |
| Tony Borders | Truck Driver Utility Worker |
| John Denton | Truck Driver Utility Worker |
| Stephen Goins | Truck Driver Utility Worker |
| Ramon Grant | Truck Driver Utility Worker |
| Erich Haws | Truck Driver Utility Worker |
| Chris Hays | Truck Driver Utility Worker |
| Roy Hindman | Truck Driver Utility Worker |
| Elijah King | Truck Driver Utility Worker |
| Chase Layne | Truck Driver Utility Worker |
| B. Shawn McGhee | Truck Driver Utility Worker |
| Vance Pituch | Truck Driver Utility Worker |
| Danny Seebeck | Truck Driver Utility Worker |
| William Taylor Simms | Truck Driver Utility Worker |

| | |
|---|---|
| Monique Spear | Truck Driver Utility Worker |
| Jeff Stanley | Truck Driver Utility Worker |
| Rick Stephens | Truck Driver Utility Worker |
| George David Stuart | Truck Driver Utility Worker |
| Dustin Lance Talley | Truck Driver Utility Worker |
| Nathan Talley | Truck Driver Utility Worker |
| Morris Taylor | Truck Driver Utility Worker |
| Keith Wilson | Truck Driver Utility Worker |
| Vacancy | Utility Worker - Bid as TDUW |

***Meter Reader***

| | |
|---|---|
| Denise Hays | Meter Reader |
| Brenda Melton | Meter Reader |

***Field Representative***

| | |
|---|---|
| Kelly Atkins | Field Services Representative |
| Randolph Beck | Field Services Representative |
| Tim Blevins | Field Services Representative |
| John Boyer | Field Services Representative |
| Amber Clark | Field Services Representative |
| Joseph Fino | Field Services Representative |
| Michael Griffith | Field Services Representative |
| Herbert Hester (Chase) | Field Services Representative |
| Andrew Hixson | Field Services Representative |
| Courtney Johnson | Field Services Representative |
| Edward Johnson | Field Services Representative |
| Jeffrey Jones | Field Services Representative |
| Will O'Donnell | Field Services Representative |
| Korey Owens | Field Services Representative |
| Jonathon Raines | Field Services Representative |
| Maurice Ragland | Field Services Representative |
| Shannon Shackleford | Field Services Representative |
| Jeff Stafford | Field Services Representative |
| Derick Williams | Field Services Representative |

***Meter Repair***

| | |
|---|---|
| Stacy Knight | Meter Repair |
| Rick Skiles | Meter Repair |

***Field Services***

| | |
|---|---|
| Glenn Eady | Field Service Person |
| Greg Robinson | Field Service Person |

***Clerical***

| | |
|---|---|
| Myra Kelley | Field Service Records Specialist |
| Donette Satterfield | Field Service Records Specialist |

## Engineering

***Management***

| | |
|---|---|
| Kate Nartey | Engineer |
| Vacancy | Engineering Project Manager |

***Draftsperson***

| | |
|---|---|
| Robbie Harvey | CAD Drafter |

***Clerical***

| | |
|---|---|
| Cindy Steed | Engineering Clerk |
| Faye Williams | Engineering Clerk |

| | |
|---|---|
| Vacancy | Engineering Clerk |

## Production

***Management***

| | |
|---|---|
| Mark Zinnanti | Superintendent - Production |
| Neil Bratcher | Supervisor - Production |
| Stan Moorhouse | Supervisor - Production |

***Process Technician***

| | |
|---|---|
| Debbie Camp | Process Technician |
| Arthur Scruggs | Process Technician |
| Ben Pitman | Process Technician |
| Charlotte Hutsell | Process Technician |

***Laborer/Relief Process Tech in Training***

| | |
|---|---|
| Matthew McCrary | Laborer/Relief Proc Tech Apprentice |
| Jason Campbell | Laborer/Relief Proc Tech Apprentice |

***Laborer/Relief Process Technician***

| | |
|---|---|
| James Beets | Laborer/Relief Process Tech-1st |
| Eric Sowell | Laborer/Relief Process Tech-2nd |

***Master Maintenance Mechanic***

| | |
|---|---|
| Adam Chrnalogar | Master Maintenance Mechanic |
| Melvin Walker | Master Maintenance Mechanic |
| Dale Burrell | Master Maintenance Mechanic |
| Jason Ha | Master Maintenance Mechanic |
| Ken Hughes | Master Maintenance Mechanic |
| Matthew Justice | Master Maintenance Mechanic |
| Vacancy | Master Maintenance Mechanic |

***Lab Worker***

| | |
|---|---|
| Barbara Upshaw | Laboratory Worker |

***Production Clerk***

| | |
|---|---|
| Dianna Vaughn | Production Clerk |

## Service Delivery/Environmental

***Management***

| | |
|---|---|
| Kitty Banks | Sr Specialist - Cross Connection |
| Steve Betty | Sr Specialist - Cross Connection |
| Kim Durham | Chemist II |
| Susan Holmes | Supervisor/WQ Envrn Compliance |
| Adrien Partridge | Chemist II |

**Tennessee - American Water Company**
**Comparison of Average Usage to Peer Water Utilities**
**Based on average usage 5.537CCF or 4.153 (1,000 gallons)**

| | | |
|---|---|---|
| **Tennessee American** | | |
| **Average Consumption TN** | **4153** | **Gallons** |
| **Average Consumption TN** | **5.5370** | **CCF** |

| **Metro Water-Nashville** | | |
|---|---|---|
| | **Effective 5/1/10** | |
| Meter Charge | 0.0000 | **Scheduled for 5% increases per year 2010-12** |
| 2.98 per 200 (CCF) | 5.9600 | |
| 2.22 per 200 (CCF) over 200 | 3.9261 | |
| Total Bill | 9.8861 | |
| | **Effective 5/1/11** | |
| Meter Charge | 0.0000 | |
| 3.13 per 200 (CCF) | 6.2600 | |
| 2.33 per 200 (CCF) over 200 | 4.1206 | |
| Total Bill | 10.3806 | |

| **Memphis - MGLW** | | |
|---|---|---|
| **Inside City** | **Effective 1/3/11** | |
| Meter Charge | 5.8200 | **This was a 5% rate increase** |
| 1.376 per 100 (CCF) | 7.6189 | |
| | 13.4389 | |
| **Outside City** | **Effective 1/3/11** | |
| Meter Charge | 8.1000 | |
| 2.142 per 100 (CCF) | 11.8636 | |
| | 19.9636 | |

| **Knoxville-Knoxville Utility Board** | | |
|---|---|---|
| **Inside City** | **Effective 1/1/10** | |
| Meter Charge | 8.0000 | **This was 12% increase per KNS** |
| .25 per 200 (CCF) | 0.2500 | |
| 2.65 per 100 (CCF) over 200 | 9.3731 | |
| | 17.6231 | |
| **Outside City** | **Effective 1/1/10** | |
| Meter Charge | 9.4 | |
| .30 per 200 (CCF) | 0.3 | |
| 3.20 per 100 (CCF) over 200 | 11.3184 | |
| | 21.0184 | |

| **Murfreesboro** | | |
|---|---|---|
| | **Effective 7/1/2009 for 2010 & 2011** | |
| Service Connection Fee | 1,200.000 | **No current recommended increases** |
| Meter Charge | 8.2200 | |
| 0 - 150 CCF allowance, 2.74 per CCF over 150 | 11.0614 | |
| | 19.2814 | |

| **Johnson City** | | |
|---|---|---|
| | **Effective 7/1/2010** | |
| Meter Charge | 3.9600 | **No information on future increases found** |
| 0 - 20,000 gallons is 3.07 per 1000 | 12.7497 | |
| | 16.7097 | |

**Tennessee - American Water Company**
**Comparison of Average Usage to Peer Water Utilities**
**Based on average usage 5.537CCF or 4.153 (1,000 gallons)**

2/3/2011

| | |
|---|---|
| **Tennessee American** | |
| **Average Consumption TN** | **4153 Gallons** |
| **Average Consumption TN** | **5.5370 CCF** |

| **Atlanta - City** | | |
|---|---|---|
| **Inside** | **Effective 7/1/2010** | |
| Base Charge | 5.8600 | **Expecting 12% rate increases per year through 2012** |
| 2.30 per 100 (CCF) to 300 | 6.9000 | |
| 4.77 per 100 (CCF) from 400 to 600 | 12.1015 | |
| | 24.8615 | |
| **Outside** | **Effective 7/1/2010** | |
| Base Charge | 5.8600 | **Expecting 12% rate increases per year through 2012** |
| 3.13 per 100 (CCF) to 300 | 9.3900 | |
| 5.79 per 100 (CCF) from 400 to 600 | 14.6892 | |
| | 29.9392 | |
| **Inside** | **Effective 7/1/2011** | |
| Base Charge | 6.5600 | |
| 2.58 per 100 (CCF) to 300 | 7.7400 | |
| 5.34 per 100 (CCF) from 400 to 600 | 13.5476 | |
| | 27.8476 | |
| **Outside** | **Effective 7/1/2011** | |
| Base Charge | 6.5600 | |
| 3.51 per 100 (CCF) to 300 | 10.5300 | |
| 6.48 per 100 (CCF) from 400 to 600 | 16.4398 | |
| | 33.5298 | |

| **Atlanta - Gwinnett County** | **Effective 1/1/2011** | |
|---|---|---|
| Meter Installation Fee 3/4" | 395.0000 | No 5/8" meters listed in the schedule |
| System Development Fee 3/4" | 1128.0000 | **May 2010 proposed 16% per year increases through 2014, final 2011 increase was 6.5%** |
| Base Charge | 7.5000 | **Can't find final approved % increase for 2012-14** |
| 0 - 7,999 gallons is 4.38 | 18.1901 | |
| | 25.6901 | |

| **Atlanta - Cobb County** | **Effective 1/1/2011, annual review** | |
|---|---|---|
| Meter Charge 5/8" | 7.0000 | **2011 increase was 6%, 8% proposed for 2012** |
| 2.83 for 0-1,000 gallons | 2.8300 | |
| 4.11 for 1,001-2,000 gallons | 4.1100 | |
| 5.12 for 3,001-4,000 gallons | 5.1200 | |
| 6.00 for 4,001-4,999 gallons | 0.9180 | |
| | 19.9780 | |

| **Atlanta - DeKalb County** | **Effective 1/1/2011** | |
|---|---|---|
| Tap Fee | 1100.0000 | No 5/8" meters listed in the schedule |
| Water Access Fee | 2000.0000 | |
| | | **Just passed in December an 11% per year rate** |
| Meter Charge 3/4" | 2.0800 | **increase for 2012-14** |
| 1.58 per 1,000 up to 2,000 gallons | 3.1600 | |
| 2.25 per 1,000 2,001 to 10,000 gallons | 4.8443 | |
| | 10.0843 | |

| **Tennessee - American** | **Effective 10/1/2008** |
|---|---|
| Tap Fee | 0.0000 |
| Water Access Fee | 0.0000 |
| Meter Charge 5/8" | 10.8800 |
| .2028 per CCF up 4 CCF | 0.8112 |
| 3.207 per CCF for 4-10 CCF | 4.9292 |
| | 16.6204 |

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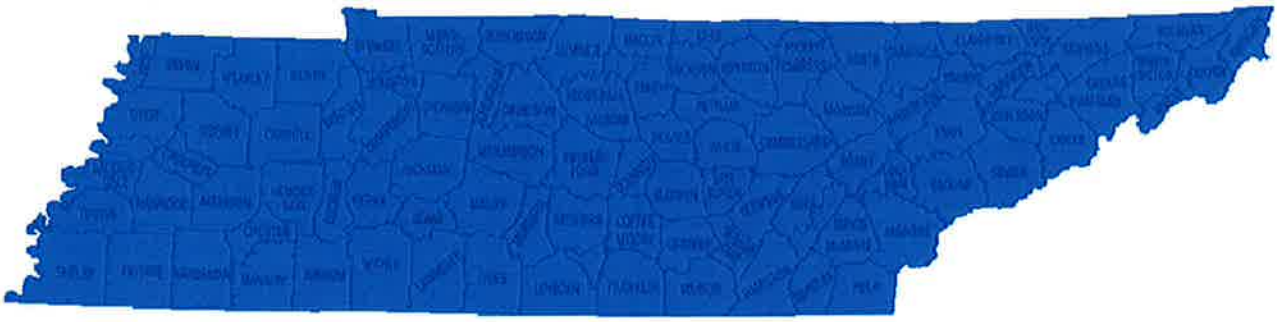
# TENNESSEE WATER AND SEWER RATE SURVEY



JUNE 2010

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# Tennessee Water and Sewer Rate Survey 2010
## Document Overview

In May of 2010, Allen & Hoshall mailed form letters to 444 utility organizations throughout the State of Tennessee. The purpose of the mailing was to survey the respective utility entities, soliciting information on water and sewer billing rates. If no response was received from a Utility in 2010, last available data was used and is indicated by an "*." The monthly water and sewer bill for the three usage volumes was generally calculated using the "inside residential" rate schedule for a ¾" or smaller meter size.

The Survey is divided into the following twelve sections:

- *Section 1 – Tennessee Water Rates – Rank of 5,000 Gallon Water Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the water bills for a monthly residential volume of 5,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

- *Section 2 – Tennessee Water Rates – Rank of 5,000 Gallon Water Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 1, but the entries are sorted alphabetically by Utility.

- *Section 3 – Tennessee Water Rates – Rank of 15,000 Gallon Water Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the water bills for a monthly residential volume of 15,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

- *Section 4 – Tennessee Water Rates – Rank of 15,000 Gallon Water Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 3, but the entries are sorted alphabetically by Utility.

- *Section 5 – Tennessee Water Rates – Rank of 25,000 Gallon Water Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the water bills for a monthly residential volume of 25,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

- *Section 6 – Tennessee Water Rates – Rank of 25,000 Gallon Water Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 5, but the entries are sorted alphabetically by Utility.

- *Section 7 – Tennessee Sewer Rates – Rank of 5,000 Gallon Sewer Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the sewer bills for a monthly residential volume of 5,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

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## Tennessee Water and Sewer Rate Survey 2010
## Document Overview

- *Section 8 – Tennessee Sewer Rates – Rank of 5,000 Gallon Sewer Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 7, but the entries are sorted alphabetically by Utility.

- *Section 9 – Tennessee Sewer Rates – Rank of 15,000 Gallon Sewer Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the sewer bills for a monthly residential volume of 15,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

- *Section 10 – Tennessee Sewer Rates – Rank of 15,000 Gallon Sewer Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 9, but the entries are sorted alphabetically by Utility.

- *Section 11 – Tennessee Sewer Rates – Rank of 25,000 Gallon Sewer Bill – Sorted Numerically*
  Using the compiled Utility rate schedules, a list was generated of the sewer bills for a monthly residential volume of 25,000 gallons. This list was sorted from the lowest calculated monthly bill to the highest calculated monthly bill.

- *Section 12 – Tennessee Sewer Rates – Rank of 25,000 Gallon Sewer Bill – Sorted Alphabetically*
  This list reports the same information as that in Section 11, but the entries are sorted alphabetically by Utility.

Allen & Hoshall wishes to thank all the participants in the 2010 Survey and hopes this document is useful and beneficial to your organization's planning and informational referencing.

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# SECTION 1

# 2010 TENNESSEE WATER RATES

# RANK OF 5,000 GALLON WATER BILL, SORTED NUMERICALLY

# TENNESSEE WATER RATES

June 1, 2010

## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 1 | Hixson Utility District (Hamilton Co.) | $ 4.89 |
| 2 | Duck River Utility Commission | $ 6.00 |
| 3 | Germantown, City of * | $ 6.75 |
| 4 | Rossville, Town of | $ 7.39 |
| 5 | Bartlett, City of * | $ 7.72 |
| 6 | Madison Suburban Utility District | $ 8.50 |
| 7 | Memphis Light Gas & Water | $ 8.73 |
| 8 | Crossville, City of | $ 9.35 |
| 9 | Jefferson City | $ 10.89 |
| 10 | Greenville Water Commission | $ 11.14 |
| 11 | Munford, City of | $ 11.25 |
| 12 | Marion Natural Gas * | $ 11.48 |
| 13 | Kingsport, City of | $ 11.49 |
| 14 | Hendersonville Utility District * | $ 11.80 |
| 15 | Greenfield, City of * | $ 12.00 |
| 16 | Millington, City of * | $ 12.00 |
| 17 | Alamo, City of * | $ 12.50 |
| 18 | Collierville, Town of | $ 13.00 |
| 19 | Dresden, City of | $ 13.04 |
| 20 | Gallaway, City of * | $ 13.20 |
| 21 | Metro Water Services - Nashville | $ 13.41 |
| 22 | Brownsville Utility Department | $ 13.96 |
| 23 | Manchester, City of * | $ 14.05 |
| 24 | Erwin Utilities | $ 14.07 |
| 25 | Old Hickory Utility District * | $ 14.15 |
| 26 | Spring Hill, City of * | $ 14.34 |
| 27 | Smyrna Utilities | $ 14.40 |
| 28 | Bethel Springs, Town of | $ 14.50 |
| 29 | Union City, City of | $ 14.50 |
| 30 | Harpeth Valley Utilities District * | $ 14.65 |
| 31 | Middleton, City of | $ 14.70 |
| 32 | Algood, City of * | $ 14.88 |
| 33 | Morristown Utility Systems | $ 14.90 |
| 34 | Gatlinburg Utility Department | $ 15.25 |
| 35 | Humboldt Utilities | $ 15.25 |
| 36 | Covington, City of | $ 15.32 |
| 37 | Maryville, City of | $ 15.51 |
| 38 | Lexington Water Systems * | $ 15.71 |
| 39 | Athens Utilities Board * | $ 15.75 |
| 40 | Somerville Water & Gas | $ 15.84 |
| 41 | Sharon, City of | $ 16.11 |
| 42 | Clinton Utilities Board | $ 16.22 |
| 43 | First Utility District of Knox County * | $ 16.38 |
| 44 | Camden Water & Sewer | $ 16.43 |
| 45 | Loudon Utilities Board * | $ 16.50 |
| 46 | Dayton, City of * | $ 16.53 |
| 47 | Martin, City of | $ 16.81 |
| 48 | Springfield Water & Wastewater Dept. * | $ 16.86 |
| 49 | LaVergne, City of | $ 16.90 |

## TENNESSEE WATER RATES
## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

June 1, 2010

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 50 | Eastside Utility District (Hamilton Co.) | $ 16.95 |
| 51 | Savannah, City of | $ 17.00 |
| 52 | Centerville, Town of * | $ 17.03 |
| 53 | Graysville, City of * | $ 17.13 |
| 54 | Paris Board of Public Utilities | $ 17.33 |
| 55 | Cookeville, City of | $ 17.39 |
| 56 | Estill Springs, Town of | $ 17.50 |
| 57 | Smithville, City of | $ 17.50 |
| 58 | Cleveland Utilities | $ 17.76 |
| 59 | White Pine, Town of * | $ 17.87 |
| 60 | Johnson City Water & Sewer | $ 17.99 |
| 61 | Columbia Power & Water System | $ 18.00 |
| 62 | Lewisburg, City of * | $ 18.20 |
| 63 | Leoma Utility District * | $ 18.25 |
| 64 | Oneida Water & Wastewater | $ 18.40 |
| 65 | McKenzie, City of | $ 18.48 |
| 66 | Milan Dept. of Public Utilities | $ 18.52 |
| 67 | Grand Junction Water * | $ 18.53 |
| 68 | Gallatin Public Utilities | $ 18.54 |
| 69 | Bristol, City of | $ 18.70 |
| 70 | Tullahoma Utilities Board * | $ 18.80 |
| 71 | Knoxville Utilities Board | $ 18.85 |
| 72 | Lobelville, City of | $ 18.92 |
| 73 | Portland, City of | $ 18.93 |
| 74 | Elizabethton, City of | $ 19.03 |
| 75 | Sparta Electric & Water System * | $ 19.10 |
| 76 | Hampton Utility District | $ 19.25 |
| 77 | Mosheum, Town of * | $ 19.43 |
| 78 | Elbridge Water Association * | $ 19.50 |
| 79 | Jackson Energy Authority | $ 19.63 |
| 80 | Russellville-Whitesburg Utility District * | $ 19.75 |
| 81 | Kenton, City of * | $ 19.78 |
| 82 | Oliver Springs Water Department * | $ 19.80 |
| 83 | Englewood Water & Gas * | $ 19.89 |
| 84 | McMinnville, City of | $ 19.95 |
| 85 | Mount Pleasant, City of | $ 19.98 |
| 86 | Toone, Town of | $ 20.00 — TAWC $ 20.19 |
| 87 | Lafayette, City of | $ 20.46 |
| 88 | Rockwood Water Sewer & Gas | $ 20.48 |
| 89 | Madisonville, City of * | $ 20.55 |
| 90 | Dowelltown Liberty Water * | $ 20.88 |
| 91 | Dyersburg, City of * | $ 20.98 |
| 92 | Trenton Light & Water | $ 21.00 |
| 93 | Niota Water Department * | $ 21.01 |
| 94 | Riceville Utility District | $ 21.04 |
| 95 | Etowah Utilities * | $ 21.32 |
| 96 | Ripley Gas & Water * | $ 21.45 |
| 97 | Shelbyville Power Water & Sewerage * | $ 21.50 |
| 98 | Northwest Dyersburg Utility District * | $ 21.65 |

# TENNESSEE WATER RATES

June 1, 2010

## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 99 | West Knox Utility District | $ 21.79 |
| 100 | Newbern, City of | $ 21.85 |
| 101 | Sweetwater Utilities Board | $ 21.87 |
| 102 | Signal Mountain, Town of | $ 21.96 |
| 103 | Piperton Water System | $ 21.99 |
| 104 | Bloomingdale Utility District * | $ 22.00 |
| 105 | First Utility District of Tipton County * | $ 22.00 |
| 106 | Obion, Town of * | $ 22.01 |
| 107 | Greenbrier, City of * | $ 22.05 |
| 108 | Franklin, City of | $ 22.10 |
| 109 | Scotts Hill Water Department | $ 22.15 |
| 110 | Atoka, Town of | $ 22.25 |
| 111 | Pulaski, City of | $ 22.36 |
| ✓ 112 | Murfreesboro Water & Sewer | $ 22.41 |
| 113 | Jonesborough, Town of * | $ 22.50 |
| 114 | Mallory Valley Utility District | $ 22.50 |
| 115 | Michie, City of | $ 22.50 |
| 116 | Poplar Grove Utility District * | $ 22.50 |
| 117 | Hartsville/Trousdale Water | $ 22.68 |
| 118 | Adamsville, Town of * | $ 22.85 |
| 119 | Byrdstown, Town of | $ 23.02 |
| 120 | Fayetteville Public Utilities * | $ 23.03 |
| 121 | Gleason, City of * | $ 23.10 |
| 122 | Monterey, Town of * | $ 23.25 |
| 123 | Mountain City, Town of | $ 23.30 |
| 124 | Decherd Water System | $ 23.32 |
| 125 | Sevierville, City of * | $ 23.39 |
| 126 | Lakewood, City of * | $ 23.43 |
| 127 | Aqua Utilities Company, Inc. * | $ 23.56 |
| 128 | Luttrell-Blaine-Corryton Utility District * | $ 23.73 |
| 129 | Tiptonville, Town of | $ 24.00 |
| 130 | Tellico Area Services System | $ 24.09 |
| 131 | Norris Water Commission | $ 24.15 |
| 132 | Huntland Waterworks | $ 24.56 |
| 133 | Halls, Town of * | $ 24.70 |
| 134 | Lafollette Utilities | $ 24.70 |
| 135 | Winchester Utilities | $ 24.89 |
| 136 | Celina, City of * | $ 25.21 |
| 137 | Hornsby Water District | $ 25.25 |
| 138 | South Elizabethton Utility * | $ 25.25 |
| 139 | Perryville Utility District | $ 25.50 |
| 140 | Ardmore Water System * | $ 25.70 |
| 141 | Lauderdale Co. Water System | $ 25.75 |
| 142 | Huntingdon, Town of | $ 26.01 |
| 143 | Old Gainesboro Road Utility District * | $ 26.10 |
| 144 | Tennessee Ridge, City of * | $ 26.16 |
| 145 | Northeast Knox Utility District | $ 26.40 |
| 146 | Lebanon, City of * | $ 26.77 |
| 147 | Jellico Water System | $ 26.80 |

## TENNESSEE WATER RATES
June 1, 2010

## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 148 | South Fulton, City of * | $ 26.80 |
| 149 | Moscow Water Department | $ 27.00 |
| 150 | Rogersville Water Department | $ 27.01 |
| 151 | Bangham Utility Water District | $ 27.05 |
| 152 | Soddy Daisy Falling Water UD | $ 27.24 |
| 153 | Friendship, City of | $ 27.50 |
| 154 | Nolensville/College Grove UD * | $ 27.58 |
| 155 | Lenoir City Utilities Board | $ 27.70 |
| 156 | Alcoa, City of | $ 27.75 |
| 157 | Bell Buckle, Town of * | $ 28.06 |
| 158 | Ocoee Utility District | $ 28.25 |
| 159 | Dunlap, City of | $ 28.30 |
| 160 | South Blount Utility District * | $ 28.49 |
| 161 | E. Montgomery Utility District * | $ 28.50 |
| 162 | Savannah Valley Utility District * | $ 28.50 |
| 163 | Surgoinsville Utility District * | $ 28.50 |
| 164 | Alpha-Talbott Utility District | $ 28.60 |
| 165 | Waynesboro, City of | $ 28.78 |
| 166 | Chapel Hill, Town of * | $ 29.30 |
| 167 | New Johnsonville, City of | $ 29.34 |
| 168 | Waverly Water System * | $ 29.43 |
| 169 | Big Sandy Waterworks * | $ 29.48 |
| 170 | Blountville Utility District | $ 29.54 |
| 171 | Dandridge Water Department | $ 29.66 |
| 172 | Henning, Town of | $ 29.71 |
| 173 | Claiborne Utilities District | $ 29.79 |
| 174 | Friendsville City Water Works * | $ 29.85 |
| 175 | Center Grove-Winchester Springs UD | $ 29.95 |
| 176 | Gibson Co. Municipal Water District * | $ 29.98 |
| 177 | County-Wide Utility Dist. Of Crockett Co. | $ 30.00 |
| 178 | DeKalb Utility District #1 * | $ 30.00 |
| 179 | Summertown Utility District | $ 30.00 |
| 180 | Kingston, City of * | $ 30.07 |
| 181 | Big Creek Utility District | $ 30.13 |
| 182 | Warren County Utility District * | $ 30.83 |
| 183 | Collinwood, City of * | $ 30.94 |
| 184 | Dover, Town of | $ 31.10 |
| 185 | Maury City, Town of | $ 31.25 |
| 186 | Pigeon Forge Utility | $ 31.27 |
| 187 | Spring City, Town of * | $ 31.30 |
| 188 | First Utility District of Hawkins County | $ 31.41 |
| 189 | Bolivar, City of * | $ 31.42 |
| 190 | Crab Orchard Utility District | $ 31.45 |
| 191 | Woodbury Water & Sewer Department | $ 31.45 |
| 192 | Walden's Ridge Utility District * | $ 31.52 |
| 193 | Ashland City Water & Sewer * | $ 31.70 |
| 194 | Northeast Henry Co Utility District | $ 31.70 |
| 195 | Bradford, Town of * | $ 31.93 |
| 196 | Cons. Utility District of Rutherford Co. * | $ 31.95 |

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 197 | Pikeville, City of | $ 32.13 |
| 198 | South Paris Water Co-Operative * | $ 32.17 |
| 199 | Chuckey Utility District | $ 32.63 |
| 200 | Grandview Utility District | $ 32.70 |
| 201 | Rutledge, Town of | $ 32.99 |
| 202 | South Side Utility District #1 * | $ 33.00 |
| 203 | Vanleer, Town of * | $ 33.00 |
| 204 | Knox Chapman Utility District | $ 33.27 |
| 205 | Cedar Grove Utility District * | $ 33.50 |
| 206 | Shady Grove Utility District | $ 33.50 |
| 207 | Lynnville, Town of * | $ 33.58 |
| 208 | North Utility District (Rhea County) * | $ 33.75 |
| 209 | Bedford Co. Utility District | $ 34.13 |
| 210 | Glen Hills Utility District * | $ 34.41 |
| 211 | Cross Anchor Utility District | $ 34.61 |
| 212 | Lawrenceburg Utility Systems | $ 34.68 |
| 213 | White House Utility District | $ 35.15 |
| 214 | Huntsville Utility District * | $ 35.48 |
| 215 | Dickson County Water Authority | $ 35.60 |
| 216 | Fentress County Utility District | $ 35.83 |
| 217 | Arthur-Shewanee Utility District * | $ 35.99 |
| 218 | Cumberland Gap, Town of | $ 36.00 |
| 219 | Martel Utility District | $ 36.00 |
| 220 | Petersburg Water System * | $ 36.58 |
| 221 | Clearfork Utility District * | $ 36.66 |
| 222 | Dyer Public Works | $ 36.75 |
| 223 | Pleasant View Utility District | $ 37.17 |
| 224 | McLemoresville Water System | $ 37.25 |
| 225 | North Overton Utility District | $ 37.30 |
| 226 | North Anderson Co. Utility District * | $ 37.40 |
| 227 | DeWhite Utility District (White/DeKalb Cos.) * | $ 37.55 |
| 228 | North Stewart Utility District * | $ 37.67 |
| 229 | Maynardville, City of | $ 37.95 |
| 230 | Adams-Cedar Hill Water System | $ 38.00 |
| 231 | Hallsdale-Powell Utility District * | $ 38.09 |
| 232 | New Market Utility District | $ 38.20 |
| 233 | Mowbray Mountain Utility District | $ 38.27 |
| 234 | Tarpley Shop Utility District | $ 38.50 |
| 235 | Lincoln Co. Board of Public Utilities * | $ 38.57 |
| 236 | West Warren-Viola Utility District | $ 38.61 |
| 237 | West Overton Utility District | $ 38.90 |
| 238 | La Grange, Town of | $ 39.05 |
| 239 | Maury County Board of Public Utilities | $ 39.50 |
| 240 | HB & TS Utility District (Williamson Co.) | $ 39.54 |
| 241 | Milcrofton Utility District | $ 39.92 |
| 242 | Monteagle Rural Utility District | $ 40.00 |
| 243 | Witt Utility District | $ 40.33 |
| 244 | Metro Utility Dept. - Lynchburg * | $ 40.45 |
| 245 | Brownlow Utility District | $ 40.50 |

## TENNESSEE WATER RATES
June 1, 2010

## RANK OF 5,000 GALLON WATER BILL - SORTED NUMERICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 246 | Plateau Utility District | $ 40.50 |
| 247 | Watertown, City of | $ 40.55 |
| 248 | Mt. Carmel Public Utilities | $ 40.75 |
| 249 | Holston Utility District | $ 40.80 |
| 250 | South Bristol-Weaver Pike Utility Dist. | $ 40.80 |
| 251 | O'Connor Utility District | $ 41.00 |
| 252 | Cumberland Heights Utility District * | $ 41.30 |
| 253 | North Utility District (Decatur & Benton Cos.) | $ 42.00 |
| 254 | Cagle-Fredonia Water Utility District * | $ 42.14 |
| 255 | Copper Basin Board of Public Utility | $ 42.39 |
| 256 | Cumberland UD (Roane & Morgan Cos.) * | $ 42.47 |
| 257 | Sewanee Utility District | $ 42.64 |
| 258 | Sale Creek Utility District | $ 43.48 |
| 259 | Carderview Utility District | $ 43.66 |
| 260 | Baxter Waterworks * | $ 44.24 |
| 261 | South Side Utility District #3 * | $ 44.50 |
| 262 | New Canton Utility District | $ 44.60 |
| 263 | Laguardo Utility District | $ 44.76 |
| 264 | Sylvia Tenessee City Pond Utility Dist. * | $ 44.81 |
| 265 | Sunbright Utility District * | $ 45.27 |
| 266 | Jackson County Utility District | $ 46.13 |
| 267 | Gladeville Utility District | $ 46.60 |
| 268 | West Cumberland Utility District * | $ 47.05 |
| 269 | Persia Utility District | $ 47.13 |
| 270 | Striggersville Utility District * | $ 47.26 |
| 271 | South Side Utility District #2 * | $ 47.50 |
| 272 | Fall River Utility District | $ 47.75 |
| 273 | Northwest Henry Utility District | $ 49.32 |
| 274 | DeKalb Utility District #4 * | $ 50.00 |
| 275 | Harbor Utility District | $ 50.50 |
| 276 | West Wilson Utility District | $ 50.87 |
| 277 | Woodlawn Utility District | $ 52.67 |
| 278 | Bon Aqua-Lyles Utility District | $ 53.77 |
| 279 | Lakeview Utility District (Hawkins Co.) | $ 56.00 |
| 280 | River Road Utility District | $ 56.03 |
| 281 | Webb Creek Utility District | $ 60.24 |
| 282 | Griffith Creek Utility District * | $ 64.20 |
| 283 | Cold Springs Utility District | $ 65.50 |
| 284 | Cordell Hull Utility District | $ 70.51 |
| 285 | Mid Hawkins County Utility District | $ 72.90 |

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# SECTION 2

# 2010 TENNESSEE WATER RATES

# RANK OF 5,000 GALLON WATER BILL, SORTED ALPHABETICALLY

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 230 | Adams-Cedar Hill Water System | $ 38.00 |
| 118 | Adamsville, Town of * | $ 22.85 |
| 17 | Alamo, City of * | $ 12.50 |
| 156 | Alcoa, City of | $ 27.75 |
| 32 | Algood, City of * | $ 14.88 |
| 164 | Alpha-Talbott Utility District | $ 28.60 |
| 127 | Aqua Utilities Company, Inc. * | $ 23.56 |
| 140 | Ardmore Water System * | $ 25.70 |
| 217 | Arthur-Shewanee Utility District * | $ 35.99 |
| 193 | Ashland City Water & Sewer * | $ 31.70 |
| 39 | Athens Utilities Board * | $ 15.75 |
| 110 | Atoka, Town of | $ 22.25 |
| 151 | Bangham Utility Water District | $ 27.05 |
| 5 | Bartlett, City of * | $ 7.72 |
| 260 | Baxter Waterworks * | $ 44.24 |
| 209 | Bedford Co. Utility District | $ 34.13 |
| 157 | Bell Buckle, Town of * | $ 28.06 |
| 28 | Bethel Springs, Town of | $ 14.50 |
| 181 | Big Creek Utility District | $ 30.13 |
| 169 | Big Sandy Waterworks * | $ 29.48 |
| 104 | Bloomingdale Utility District * | $ 22.00 |
| 170 | Blountville Utility District | $ 29.54 |
| 189 | Bolivar, City of * | $ 31.42 |
| 278 | Bon Aqua-Lyles Utility District | $ 53.77 |
| 195 | Bradford, Town of * | $ 31.93 |
| 69 | Bristol, City of | $ 18.70 |
| 245 | Brownlow Utility District | $ 40.50 |
| 22 | Brownsville Utility Department | $ 13.96 |
| 119 | Byrdstown, Town of | $ 23.02 |
| 254 | Cagle-Fredonia Water Utility District * | $ 42.14 |
| 44 | Camden Water & Sewer | $ 16.43 |
| 259 | Carderview Utility District | $ 43.66 |
| 205 | Cedar Grove Utility District * | $ 33.50 |
| 136 | Celina, City of * | $ 25.21 |
| 175 | Center Grove-Winchester Springs UD | $ 29.95 |
| 52 | Centerville, Town of * | $ 17.03 |
| 166 | Chapel Hill, Town of * | $ 29.30 |
| 199 | Chuckey Utility District | $ 32.63 |
| 173 | Claiborne Utilities District | $ 29.79 |
| 221 | Clearfork Utility District * | $ 36.66 |
| 58 | Cleveland Utilities | $ 17.76 |
| 42 | Clinton Utilities Board | $ 16.22 |
| 283 | Cold Springs Utility District | $ 65.50 |
| 18 | Collierville, Town of | $ 13.00 |
| 183 | Collinwood, City of * | $ 30.94 |
| 61 | Columbia Power & Water System | $ 18.00 |
| 196 | Cons. Utility District of Rutherford Co. * | $ 31.95 |
| 55 | Cookeville, City of | $ 17.39 |
| 255 | Copper Basin Board of Public Utility | $ 42.39 |

# TENNESSEE WATER RATES
June 1, 2010

## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 284 | Cordell Hull Utility District | $ 70.51 |
| 177 | County-Wide Utility Dist. Of Crockett Co. | $ 30.00 |
| 36 | Covington, City of | $ 15.32 |
| 190 | Crab Orchard Utility District | $ 31.45 |
| 211 | Cross Anchor Utility District | $ 34.61 |
| 8 | Crossville, City of | $ 9.35 |
| 218 | Cumberland Gap, Town of | $ 36.00 |
| 252 | Cumberland Heights Utility District * | $ 41.30 |
| 256 | Cumberland UD (Roane & Morgan Cos.) * | $ 42.47 |
| 171 | Dandridge Water Department | $ 29.66 |
| 46 | Dayton, City of * | $ 16.53 |
| 124 | Decherd Water System | $ 23.32 |
| 178 | DeKalb Utility District #1 * | $ 30.00 |
| 274 | DeKalb Utility District #4 * | $ 50.00 |
| 227 | DeWhite Utility District (White/DeKalb Cos.) * | $ 37.55 |
| 215 | Dickson County Water Authority | $ 35.60 |
| 184 | Dover, Town of | $ 31.10 |
| 90 | Dowelltown Liberty Water * | $ 20.88 |
| 19 | Dresden, City of | $ 13.04 |
| 2 | Duck River Utility Commission | $ 6.00 |
| 159 | Dunlap, City of | $ 28.30 |
| 222 | Dyer Public Works | $ 36.75 |
| 91 | Dyersburg, City of * | $ 20.98 |
| 161 | E. Montgomery Utility District * | $ 28.50 |
| 50 | Eastside Utility District (Hamilton Co.) | $ 16.95 |
| 78 | Elbridge Water Association * | $ 19.50 |
| 74 | Elizabethton, City of | $ 19.03 |
| 83 | Englewood Water & Gas * | $ 19.89 |
| 24 | Erwin Utilities | $ 14.07 |
| 56 | Estill Springs, Town of | $ 17.50 |
| 95 | Etowah Utilities * | $ 21.32 |
| 272 | Fall River Utility District | $ 47.75 |
| 120 | Fayetteville Public Utilities * | $ 23.03 |
| 216 | Fentress County Utility District | $ 35.83 |
| 188 | First Utility District of Hawkins County | $ 31.41 |
| 43 | First Utility District of Knox County * | $ 16.38 |
| 105 | First Utility District of Tipton County * | $ 22.00 |
| 108 | Franklin, City of | $ 22.10 |
| 153 | Friendship, City of | $ 27.50 |
| 174 | Friendsville City Water Works * | $ 29.85 |
| 68 | Gallatin Public Utilities | $ 18.54 |
| 20 | Gallaway, City of * | $ 13.20 |
| 34 | Gatlinburg Utility Department | $ 15.25 |
| 3 | Germantown, City of * | $ 6.75 |
| 176 | Gibson Co. Municipal Water District * | $ 29.98 |
| 267 | Gladeville Utility District | $ 46.60 |
| 121 | Gleason, City of * | $ 23.10 |
| 210 | Glen Hills Utility District * | $ 34.41 |
| 67 | Grand Junction Water * | $ 18.53 |

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 200 | Grandview Utility District | $ 32.70 |
| 53 | Graysville, City of * | $ 17.13 |
| 107 | Greenbrier, City of * | $ 22.05 |
| 15 | Greenfield, City of * | $ 12.00 |
| 10 | Greenville Water Commission | $ 11.14 |
| 282 | Griffith Creek Utility District * | $ 64.20 |
| 133 | Halls, Town of * | $ 24.70 |
| 231 | Hallsdale-Powell Utility District * | $ 38.09 |
| 76 | Hampton Utility District | $ 19.25 |
| 275 | Harbor Utility District | $ 50.50 |
| 30 | Harpeth Valley Utilities District * | $ 14.65 |
| 117 | Hartsville/Trousdale Water | $ 22.68 |
| 240 | HB & TS Utility District (Williamson Co.) | $ 39.54 |
| 14 | Hendersonville Utility District * | $ 11.80 |
| 172 | Henning, Town of | $ 29.71 |
| 1 | Hixson Utility District (Hamilton Co.) | $ 4.89 |
| 249 | Holston Utility District | $ 40.80 |
| 137 | Hornsby Water District | $ 25.25 |
| 35 | Humboldt Utilities | $ 15.25 |
| 142 | Huntingdon, Town of | $ 26.01 |
| 132 | Huntland Waterworks | $ 24.56 |
| 214 | Huntsville Utility District * | $ 35.48 |
| 266 | Jackson County Utility District | $ 46.13 |
| 79 | Jackson Energy Authority | $ 19.63 |
| 9 | Jefferson City | $ 10.89 |
| 147 | Jellico Water System | $ 26.80 |
| 60 | Johnson City Water & Sewer | $ 17.99 |
| 113 | Jonesborough, Town of * | $ 22.50 |
| 81 | Kenton, City of * | $ 19.78 |
| 13 | Kingsport, City of | $ 11.49 |
| 180 | Kingston, City of * | $ 30.07 |
| 204 | Knox Chapman Utility District | $ 33.27 |
| 71 | Knoxville Utilities Board | $ 18.85 |
| 238 | La Grange, Town of | $ 39.05 |
| 87 | Lafayette, City of | $ 20.46 |
| 134 | Lafollette Utilities | $ 24.70 |
| 263 | Laguardo Utility District | $ 44.76 |
| 279 | Lakeview Utility District (Hawkins Co.) | $ 56.00 |
| 126 | Lakewood, City of * | $ 23.43 |
| 141 | Lauderdale Co. Water System | $ 25.75 |
| 49 | LaVergne, City of | $ 16.90 |
| 212 | Lawrenceburg Utility Systems | $ 34.68 |
| 146 | Lebanon, City of * | $ 26.77 |
| 155 | Lenoir City Utilities Board | $ 27.70 |
| 63 | Leoma Utility District * | $ 18.25 |
| 62 | Lewisburg, City of * | $ 18.20 |
| 38 | Lexington Water Systems * | $ 15.71 |
| 235 | Lincoln Co. Board of Public Utilities * | $ 38.57 |
| 72 | Lobelville, City of | $ 18.92 |

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 45 | Loudon Utilities Board * | $ 16.50 |
| 128 | Luttrell-Blaine-Corryton Utility District * | $ 23.73 |
| 207 | Lynnville, Town of * | $ 33.58 |
| 6 | Madison Suburban Utility District | $ 8.50 |
| 89 | Madisonville, City of * | $ 20.55 |
| 114 | Mallory Valley Utility District | $ 22.50 |
| 23 | Manchester, City of * | $ 14.05 |
| 12 | Marion Natural Gas * | $ 11.48 |
| 219 | Martel Utility District | $ 36.00 |
| 47 | Martin, City of | $ 16.81 |
| 37 | Maryville, City of | $ 15.51 |
| 185 | Maury City, Town of | $ 31.25 |
| 239 | Maury County Board of Public Utilities | $ 39.50 |
| 229 | Maynardville, City of | $ 37.95 |
| 65 | McKenzie, City of | $ 18.48 |
| 224 | McLemoresville Water System | $ 37.25 |
| 84 | McMinnville, City of | $ 19.95 |
| 7 | Memphis Light Gas & Water | $ 8.73 |
| 244 | Metro Utility Dept. - Lynchburg * | $ 40.45 |
| 21 | Metro Water Services - Nashville | $ 13.41 |
| 115 | Michie, City of | $ 22.50 |
| 285 | Mid Hawkins County Utility District | $ 72.90 |
| 31 | Middleton, City of | $ 14.70 |
| 66 | Milan Dept. of Public Utilities | $ 18.52 |
| 241 | Milcrofton Utility District | $ 39.92 |
| 16 | Millington, City of * | $ 12.00 |
| 242 | Monteagle Rural Utility District | $ 40.00 |
| 122 | Monterey, Town of * | $ 23.25 |
| 33 | Morristown Utility Systems | $ 14.90 |
| 149 | Moscow Water Department | $ 27.00 |
| 77 | Mosheum, Town of * | $ 19.43 |
| 85 | Mount Pleasant, City of | $ 19.98 |
| 123 | Mountain City, Town of | $ 23.30 |
| 233 | Mowbray Mountain Utility District | $ 38.27 |
| 248 | Mt. Carmel Public Utilities | $ 40.75 |
| 11 | Munford, City of | $ 11.25 |
| 112 | Murfreesboro Water & Sewer | $ 22.41 |
| 262 | New Canton Utility District | $ 44.60 |
| 167 | New Johnsonville, City of | $ 29.34 |
| 232 | New Market Utility District | $ 38.20 |
| 100 | Newbern, City of | $ 21.85 |
| 93 | Niota Water Department * | $ 21.01 |
| 154 | Nolensville/College Grove UD * | $ 27.58 |
| 131 | Norris Water Commission | $ 24.15 |
| 226 | North Anderson Co. Utility District * | $ 37.40 |
| 225 | North Overton Utility District | $ 37.30 |
| 228 | North Stewart Utility District * | $ 37.67 |
| 253 | North Utility District (Decatur & Benton Cos.) | $ 42.00 |
| 208 | North Utility District (Rhea County) * | $ 33.75 |

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 194 | Northeast Henry Co Utility District | $ 31.70 |
| 145 | Northeast Knox Utility District | $ 26.40 |
| 98 | Northwest Dyersburg Utility District * | $ 21.65 |
| 273 | Northwest Henry Utility District | $ 49.32 |
| 106 | Obion, Town of * | $ 22.01 |
| 158 | Ocoee Utility District | $ 28.25 |
| 251 | O'Connor Utility District | $ 41.00 |
| 143 | Old Gainesboro Road Utility District * | $ 26.10 |
| 25 | Old Hickory Utility District * | $ 14.15 |
| 82 | Oliver Springs Water Department * | $ 19.80 |
| 64 | Oneida Water & Wastewater | $ 18.40 |
| 54 | Paris Board of Public Utilities | $ 17.33 |
| 139 | Perryville Utility District | $ 25.50 |
| 269 | Persia Utility District | $ 47.13 |
| 220 | Petersburg Water System * | $ 36.58 |
| 186 | Pigeon Forge Utility | $ 31.27 |
| 197 | Pikeville, City of | $ 32.13 |
| 103 | Piperton Water System | $ 21.99 |
| 246 | Plateau Utility District | $ 40.50 |
| 223 | Pleasant View Utility District | $ 37.17 |
| 116 | Poplar Grove Utility District * | $ 22.50 |
| 73 | Portland, City of | $ 18.93 |
| 111 | Pulaski, City of | $ 22.36 |
| 94 | Riceville Utility District | $ 21.04 |
| 96 | Ripley Gas & Water * | $ 21.45 |
| 280 | River Road Utility District | $ 56.03 |
| 88 | Rockwood Water Sewer & Gas | $ 20.48 |
| 150 | Rogersville Water Department | $ 27.01 |
| 4 | Rossville, Town of | $ 7.39 |
| 80 | Russellville-Whitesburg Utility District * | $ 19.75 |
| 201 | Rutledge, Town of | $ 32.99 |
| 258 | Sale Creek Utility District | $ 43.48 |
| 162 | Savannah Valley Utility District * | $ 28.50 |
| 51 | Savannah, City of | $ 17.00 |
| 109 | Scotts Hill Water Department | $ 22.15 |
| 125 | Sevierville, City of * | $ 23.39 |
| 257 | Sewanee Utility District | $ 42.64 |
| 206 | Shady Grove Utility District | $ 33.50 |
| 41 | Sharon, City of | $ 16.11 |
| 97 | Shelbyville Power Water & Sewerage * | $ 21.50 |
| 102 | Signal Mountain, Town of | $ 21.96 |
| 57 | Smithville, City of | $ 17.50 |
| 27 | Smyrna Utilities | $ 14.40 |
| 152 | Soddy Daisy Falling Water UD | $ 27.24 |
| 40 | Somerville Water & Gas | $ 15.84 |
| 160 | South Blount Utility District * | $ 28.49 |
| 250 | South Bristol-Weaver Pike Utility Dist. | $ 40.80 |
| 138 | South Elizabethton Utility * | $ 25.25 |
| 148 | South Fulton, City of * | $ 26.80 |

## TENNESSEE WATER RATES — June 1, 2010
## RANK OF 5,000 GALLON WATER BILL - SORTED ALPHABETICALLY

| RANK | UTILITY COMPANY | 5,000 GAL BILL FOR |
|---|---|---|
| 198 | South Paris Water Co-Operative * | $ 32.17 |
| 202 | South Side Utility District #1 * | $ 33.00 |
| 271 | South Side Utility District #2 * | $ 47.50 |
| 261 | South Side Utility District #3 * | $ 44.50 |
| 75 | Sparta Electric & Water System * | $ 19.10 |
| 187 | Spring City, Town of * | $ 31.30 |
| 26 | Spring Hill, City of * | $ 14.34 |
| 48 | Springfield Water & Wastewater Dept. * | $ 16.86 |
| 270 | Striggersville Utility District * | $ 47.26 |
| 179 | Summertown Utility District | $ 30.00 |
| 265 | Sunbright Utility District * | $ 45.27 |
| 163 | Surgoinsville Utility District * | $ 28.50 |
| 101 | Sweetwater Utilities Board | $ 21.87 |
| 264 | Sylvia Tenessee City Pond Utility Dist. * | $ 44.81 |
| 234 | Tarpley Shop Utility District | $ 38.50 |
| 130 | Tellico Area Services System | $ 24.09 |
| 144 | Tennessee Ridge, City of * | $ 26.16 |
| 129 | Tiptonville, Town of | $ 24.00 |
| 86 | Toone, Town of | $ 20.00 |
| 92 | Trenton Light & Water | $ 21.00 |
| 70 | Tullahoma Utilities Board * | $ 18.80 |
| 29 | Union City, City of | $ 14.50 |
| 203 | Vanleer, Town of * | $ 33.00 |
| 192 | Walden's Ridge Utility District * | $ 31.52 |
| 182 | Warren County Utility District * | $ 30.83 |
| 247 | Watertown, City of | $ 40.55 |
| 168 | Waverly Water System * | $ 29.43 |
| 165 | Waynesboro, City of | $ 28.78 |
| 281 | Webb Creek Utility District | $ 60.24 |
| 268 | West Cumberland Utility District * | $ 47.05 |
| 99 | West Knox Utility District | $ 21.79 |
| 237 | West Overton Utility District | $ 38.90 |
| 236 | West Warren-Viola Utility District | $ 38.61 |
| 276 | West Wilson Utility District | $ 50.87 |
| 213 | White House Utility District | $ 35.15 |
| 59 | White Pine, Town of * | $ 17.87 |
| 135 | Winchester Utilities | $ 24.89 |
| 243 | Witt Utility District | $ 40.33 |
| 191 | Woodbury Water & Sewer Department | $ 31.45 |
| 277 | Woodlawn Utility District | $ 52.67 |