

**BASS**  
**BERRY • SIMS**<sub>PLC</sub>

**E. Steele Clayton IV**  
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February 11, 2011

**Via Hand-Delivery**

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

filed electronically in docket office on 02/11/11

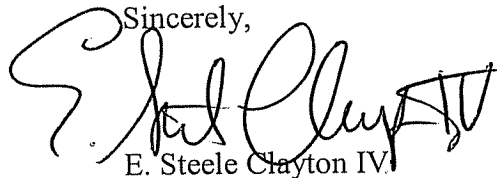
**Re: *Petition Of Tennessee American Water Company To Change And Increase  
Certain Rates And Charges So As To Permit It To Earn A Fair And Adequate  
Rate Of Return On Its Property Used And Useful In Furnishing Water Service  
To Its Customers***  
**Docket No. 10-00189**

Dear Chairman Freeman:

Enclosed please find an original and five (5) copies of Tennessee American Water Company's Supplemental Responses to the City of Chattanooga's First Set of Discovery Requests, Questions 83 and 84, and to their Second Set, Questions 12, 14, 15 and 17. These Supplemental Responses are intended to update our Responses in light of the Company's February 8, 2011 filing of its rebuttal testimony. In addition to the specific Responses supplemented here, to the extent the Company's rebuttal testimony is applicable to any other Response, the Company hereby incorporates its rebuttal testimony as a supplement to its previous responses. This material is being filed today by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon also.

Please file the original and four copies of this material 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,  
  
E. Steele Clayton IV

ESCIV/smb  
Enclosures

Chairman Mary Freeman  
February 11, 2011  
Page 2

cc: Hon. Sara Kyle (*w/o enclosure*)  
Hon. Eddie Roberson (*w/o enclosure*)  
Richard Collier, Esq. (*w/o enclosure*)  
Mr. David Foster, Chief of Utilities Division (*w/o enclosure*)  
Mr. Jerry Kettles, Chief of Economic Analysis & Policy Division (*w/o enclosure*)  
Ryan McGehee, Esq. (*w/enclosure*)  
Mary L. White, Esq. (*w/enclosure*)  
David C. Higney, Esq. (*w/enclosure*)  
Henry M. Walker, Esq. (*w/enclosure*)  
Michael A. McMahan, Esq. (*w/enclosure*)  
Valerie L. Malueg, Esq. (*w/enclosure*)  
Frederick L. Hitchcock, Esq. (*w/enclosure*)  
Harold L. North, Jr., Esq. (*w/enclosure*)  
Mark Brooks, Esq. (*w/enclosure*)  
Scott H. Strauss, Esq. (*w/enclosure*)  
Katharine M. Mapes, Esq. (*w/enclosure*)  
Donald L. Scholes, Esq. (*w/enclosure*)

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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: Sheila Miller/Lisa Brooks/Other Witnesses**

**Question:**

83. Please produce a copy of all trade articles, journals, treatises, speeches and publications of any kind in any way utilized or relied upon by any of *TAWC's* proposed expert witnesses in evaluating, reaching conclusions, or formulating an opinion in the captioned matter as well as all articles, journals, speeches, or books written or co-written by any of the *TAWC* witnesses.

**Response:**

The Publications written by the expert witnesses were identified in their testimony provided in the original filing of this rate case. Also see the response submitted to TN-CAPD-01-SUPPLEMENTAL-Q81c.

**February 11, 2011 Supplemental Response:**

Please see Appendix 1 of Rebuttal Exhibit BLU-1 to Mr. Uffelman's rebuttal testimony which identifies Mr. Uffelman's authored Publications and Presentations. For a list of Mr. Warren's Speeches and Presentations please see the Company's February 11, 2011 supplemental response to TN-CAPD-01-SUPPLEMENTAL-Q81 and the attachments appended thereto.

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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: Sheila Miller/Lisa Brooks/Other Witnesses**

**Question:**

84. Please *Identify* and produce any and all *Documents* or evidence of any kind that *TAWC* intends to offer as evidence at the hearing or to refer to in any way at the hearing.

**Response:**

At this time, the Company intends to offer the testimony and exhibits thereto, which it has already filed in this docket along with the responses it has provided to data and discovery requests from the TRA staff and intervenors. The Company does not know at this time if additional testimony or exhibits will be offered including, but not limited to, rebuttal testimony and any document produced in discovery. The Company will seasonably supplement its response.

**February 11, 2011 Supplemental Response:**

The Company also intends to offer the rebuttal testimony and exhibits thereto which have been filed in this docket.

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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: None**

**Question:**

12. Please *Identify* all persons known to you who have or claim to have knowledge, information, or possess any document(s) that support your answer to the previous discovery request.

**Response:**

The Company objects to this question on the grounds that the requested information is overly broad and unduly burdensome. The identity of the Company's direct witnesses has been disclosed. In addition, the Company has identified other employees of TAWC and AWWSC that participated in responding to the voluminous discovery requests propounded by the City in this proceeding. In addition, Pat Shumaker, the TRA's expert witness, and Barry Uffelman have knowledge. Mr. Uffelman and Mr. James Warren may be rebuttal witnesses and if so, their rebuttal testimony will be filed in accordance with the procedural order in this case. Ms. Schumaker is the TRA's expert witness and the Company has moved the TRA either to call Ms. Schumaker to testify or to order that TAWC's calling of Ms. Schumaker will not compromise her independence.

**February 11, 2011 Supplemental Response:**

In addition to the identity of the Company's direct witnesses, the Company also identifies Mr. Uffelman and Mr. Warren who have filed rebuttal testimony in this proceeding.

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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: None**

**Question:**

14. Please *Identify* and produce any and all engagement letters, expert reports and work papers (including drafts) created by or provided to any expert or other witness.

**Response:**

The Company has previously supplied the engagement letters, expert reports and workpapers for its expert and other witnesses in previous discovery requests. In addition, per the agreement of the Company and the intervenors, communications with expert witnesses are not subject to discovery. Without waiving these objections, the Company has not made a determination of what additional experts it intends to call in rebuttal.

**February 11, 2011 Supplemental Response:**

See attached document labeled as TN-COC-02-Q14-SUPPLEMENTAL ATTACHMENT for the engagement correspondence for Bernard L. Uffelman. The engagement services for James I. Warren was a verbal agreement.



"Bernard L. Uffelman"  
<bluffelman@austin.rr.com>  
01/20/2011 09:56 AM

To <Mike.Miller@amwater.com>  
cc <Paul.Foran@amwater.com>  
bcc  
Subject TAWC-UAS Engagement Letter for Services Related to TRA  
Docket No. 10-00189

Mike,

This email sets for the charges for services provided by Uffelman Advisory Services, LLC ("UAS") to Tennessee-American Water Company ("TAWC") related to TRA Docket No. 10-00189. UAS will provide assistance on an as needed basis including, but not limited to, preparation of testimony and exhibits, assistance with discovery, and provision of expert witness services. Fees for professional services provided by UAS to TAWC will be billed to TAWC at the rate of \$300 per hour. In addition to professional fees, UAS will also bill TAWC for travel and other out-of-pocket costs incurred on behalf of TAWC.

Bernie

**Bernard L. Uffelman**  
**President**  
**Uffelman Advisory Services, LLC**

32 Autumn Oaks Drive  
Austin, TX 78738

Phone: 512 608 9005  
Mobile: 512 422 7936  
Fax: 512 261 3120  
bluffelman@austin.rr.com

*Mike Miller*  
*1-20-11*

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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: None**

**Question:**

15. Please produce in electronic media (Word, Excel, or other Microsoft Office compatible format) and in hard copy all work papers and other documents, created by or relied upon by all expert or fact witnesses of *TA WC*.

**Response:**

The Company objects to the extent this question seeks work product. In addition, per the agreement of the Company and the intervenors, communications with expert witnesses are not subject to discovery. Without waiving these objections, the Company has previously provided the workpapers and other documents relied upon by its experts and fact witnesses with its pre-filed testimony or in response to the voluminous discovery responses served, by the intervening parties. The Company will provide any workpapers relied upon by any rebuttal witnesses when it files its rebuttal testimony, the due date for which is February 8, 2011.

**February 11, 2011 Supplemental Response:**

All work papers relied upon by the Company's witnesses have been previously produced in this proceeding. For additional documents created or relied upon by the Company's experts and fact witnesses please see the rebuttal testimony and exhibits thereto filed with the Authority on February 8, 2011.



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

**Responsible Witness: Michael A. Miller**

**Other Participating Employees: None**

**Question:**

17. If you believe that the City of Chattanooga or any other Intervenor in this proceeding has made any admission or statement against interest that contradicts the position of the City or the other Intervenor, please state with specificity any and all admissions or statements against interest allegedly made by the City or the other Intervenor. For each such admission or statement against interest state:
- (a) The identity of the person making each admission or statement;
  - (b) The location where each admission or statement was made;
  - (c) The date and time each admission or statement was made;
  - (d) The identity of all persons present when each admission or statement was made; and
  - (e) Identify all *Documents* which refer or relate to each admission or statement and attach copies of said *Documents* hereto.

**Response:**

The Company continues to review the testimony of the intervening parties and will review the discovery responses of the intervening parties to the Company's discovery requests once received. Accordingly, at this time the Company cannot answer this question. The Company may file rebuttal testimony in accordance with the procedural order for this case and such testimony may be responsive to this request.

**February 11, 2011 Supplemental Response:**

Please see the Company's rebuttal testimony filed with the TRA for information responsive to this request.

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

PETITION OF TENNESSEE AMERICAN )  
WATER COMPANY TO CHANGE AND )  
INCREASE CERTAIN RATES AND )  
CHARGES SO AS TO PERMIT IT TO )  
EARN A FAIR AND ADEQUATE )  
RATE OF RETURN ON ITS PROPERTY )  
USED AND USEFUL IN FURNISHING )  
WATER SERVICE TO ITS CUSTOMERS )

DOCKET NO. 10-00189

AFFIDAVIT

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA

I, MICHAEL A. MILLER, Treasurer/Comptroller for Tennessee American Water Company, do hereby certify that the foregoing responses to the Supplemental Responses to the Consumer Advocate and Protection Division, City of Chattanooga and Chattanooga Regional Manufacturers Association were prepared by me or under my supervision and are true and accurate to the best of my knowledge and information.

DATED this 9th day of February, 2011.

Michael A. Miller  
(signature)

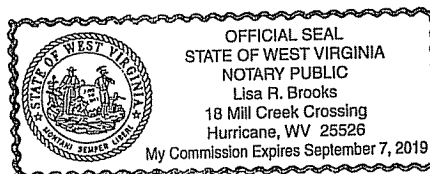
Michael A. Miller  
(printed name)

Sworn to and subscribed before me this 9th day of February, 2011.

Lisa R. Brooks  
NOTARY PUBLIC

My Commission Expires:

September 7, 2019



## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served by way of the method(s) indicated, on this the 11<sup>th</sup> day of February, 2011, upon the following:

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

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☐ U.S. Mail  
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☒ Email

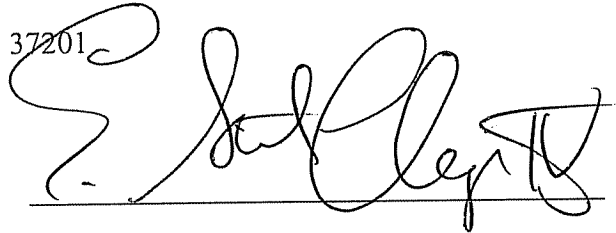
Mark Brooks, Esq.  
Counsel for Utility Workers Union of America,  
AFL-CIO and UWUA Local 121  
521 Central Avenue  
Nashville, TN 37211

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Scott H. Strauss, Esq.  
Katharine M. Mapes, Esq.  
Counsel for UWUA, AFL-CIO and UWUA Local 121  
SPIEGEL & MCDIARMID LLP  
1333 New Hampshire Avenue, NW  
Washington, DC 20036

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Donald L. Scholes, Esq.  
Counsel for Walden's Ridge Utility District and Signal  
Mountain  
BRANSTETTER, STRANCH & JENNINGS PLLC  
227 Second Avenue North  
Fourth Floor  
Nashville, TN 37201

A handwritten signature in black ink, appearing to read "D. Scholes", is written over a horizontal line.