BRADLEY ARANT BOULT CUMMINGS LLP

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March 28, 2011

Ms. Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Pkwy.
Nashville, TN 37243

filed electronically in docket office on 03/28/11

Re: In Re: Petition of Tennessee American Water Company to Change and Increase Certain Rates and Charges
Docket No. 10-000189

Dear Ms. Dillon:

Please file the attached in the referenced docket. Original and copies to be hand-delivered.

Respectfully submitted,

BRADLEY ARANT BOULT CUMMINGS LLP

By: Henry Walker

HW/dnr
Enclosure

7/2576041.1

Ex 94

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE:	*	
	*	
PETITION OF TENNESSEE-AMERICAN WATER COMPANY TO CHANGE AND INCREASE CERTAIN RATES AND CHARGES	* * * *	DOCKET NO. 10-00189

SUMMARY OF SETTLEMENT BETWEEN CRMA AND TAWC

Petitioner, Tennessee American Water Company (the "Company"), and the Chattanooga Regional Manufacturers Association ("CRMA"), by and through counsel, jointly submit this summary of the announcement made in Chattanooga on February 28, 2011, at the Tennessee Regulatory Authority ("TRA") hearing in this matter, stating as follows:

1. The CRMA and the Company agree that each of the three classes of customers (residential; commercial; industrial) will receive an equal percentage of any rate increase that may be awarded in this matter. This is consistent with Mr. Buckner's description of the Attorney General Consumer Advocate & Protection Division's ("CAPD's") "default position" regarding rate design. (Pre-Filed Direct Testimony of Terry Buckner, January 5, 2011, at p. 62, line 22, to p. 63, line 5.) If, for example, the TRA approves a 30% increase, the rates will be designed so that rates for each of the three classes of customers (residential, commercial and industrial) will increase by 30%. If the TRA's approved rate increase is 5%, then the rates will be designed so that rates for each of the three customer classes (residential, commercial, and industrial) will increase by 5%.

2. CRMA and the Company further have agreed to make revenue neutral adjustments to the rates for industrial customers. Those changes will increase, by slightly more than the class average, both the monthly meter charges and the volumetric rates in the industrial

class lower rate blocks. There will be corresponding reductions in the volumetric rates in the higher rate blocks in the industrial class. To reiterate, those changes will be revenue neutral within the industrial class and will not affect the system-wide allocation of rates among the classes but will only affect the allocation of rates among industrial customers.

3. At this time, we have an estimate of those rates based on the Company's initial rate request.[1] A copy of that estimate is attached for illustrative purposes only. The precise numbers will be consistent with these summarized principles and will be calculated by CRMA expert Mike Gorman and TAWC (and shared with the parties prior to filing) once a final decision by the TRA is made on revenue requirements.

4. CRMA and the Company are authorized to indicate that after consultation with the other parties actively involved in the hearing of this matter (the CAPD; City; and UWUA) there is no objection to the proposed settlement subject to review of the final proposed rates being calculated as described herein.

Respectfully Submitted,

Attorneys for the
Chattanooga Regional Manufacturers Association

GRANT KONVALINKA & HARRISON, P.C.

By: _____

DAVID C. HIGNEY (BPR #14888)
633 Chestnut Street,
One Republic Centre, Suite 900
Chattanooga, Tennessee 37450-0900
(423) 756-8400

and

[1] CRMA has opposed and does not endorse the Company's initial rate request or the revenue requirement alleged; however, for purposes of an **example only**, those revenue numbers are used to create the attached estimate in order to provide an illustration.

BRADLEY ARANT BOULT CUMMINGS LLC

By: _____

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Attorneys for Petitioner
Tennessee American Water Company

BASS BERRY & SIMS, PLC

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that on this 8th day of March, 2011, a true and correct copy of the foregoing document was served either by fax, overnight delivery service, hand-delivery, or first class mail-postage prepaid, to all parties of record at their addresses shown below:

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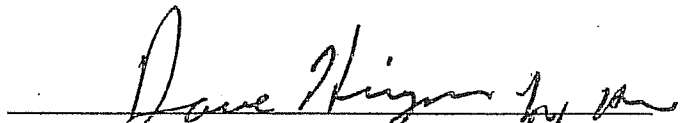

GRANT, KONVALINKA & HARRISON, P.C.

P:\Folders A-H\C271\010\Settlement Summary.doc

					26.79%	37.00%	26.80%							
						25.55%	26.80%		21.17					
Line No.		Rates Effective October 1, 2008						Proposed Rates				Percent Increase		
		Chattanooga	Lookout Mountain	Lakeview	Chattanooga	Industrial	Lookout Mountain	Lakeview	#REF! Lone Oak	#REF! Suck Creek	Chattanooga	Lookout Mountain	Lakeview
1													
2													
3													
4	Res, Ind, OPA, SFR:												
5	5/8 - inch meter	10.88	12.21	12.21	13.80		15.48	15.48	15.48	15.48	26.80%	26.80%	26.80%
6	3/4 - inch meter	18.28	18.28	18.28	23.18		23.18	23.18	23.18	23.18	26.80%	26.80%	26.80%
7	1 - inch meter	30.41	30.41	30.41	38.56		38.56	38.56	38.56	38.56	26.80%	26.80%	26.80%
8	1 1/2 - inch meter	60.85	60.85	60.85	77.16		77.16	77.16	77.16	77.16	26.80%	26.80%	26.80%
9	2 - inch meter	97.35	97.35	97.35	123.44		123.44	123.44	123.44	123.44	26.80%	26.80%	26.80%
10	3 - inch meter	182.53	182.53	182.53	231.45		231.45	231.45	231.45	231.45	26.80%	26.80%	26.80%
11	4 - inch meter	304.23	304.23	304.23	385.76		385.76	385.76	385.76	385.76	26.80%	26.80%	26.80%
12	6 - inch meter	608.47	608.47	608.47	771.54		771.54	771.54	771.54	771.54	26.80%	26.80%	26.80%
13	8 - inch meter	973.53	973.53	973.53	1,234.44		1,234.44	1,234.44	1,234.44	1,234.44	26.80%	26.80%	26.80%
14	Commercial:												
15	5/8 - inch meter	10.81	12.14	12.14	13.71	14.91	15.39	15.39	15.48	15.48	26.80%	26.80%	26.80%
16	3/4 - inch meter	18.16	18.16	18.16	23.03	25.04	23.03	23.03	23.18	23.18	26.80%	26.80%	26.80%
17	1 - inch meter	30.22	30.22	30.22	38.32	41.66	38.32	38.32	38.56	38.56	26.80%	26.80%	26.80%
18	1 1/2 - inch meter	60.47	60.47	60.47	76.68	83.36	76.68	76.68	77.16	77.16	26.80%	26.80%	26.80%
19	2 - inch meter	96.74	96.74	96.74	122.67	133.37	122.67	122.67	123.44	123.44	26.80%	26.80%	26.80%
20	3 - inch meter	181.4	181.4	181.4	230.02	250.07	230.02	230.02	231.45	231.45	26.80%	26.80%	26.80%
21	4 - inch meter	302.34	302.34	302.34	383.37	416.80	383.37	383.37	385.76	385.76	26.80%	26.80%	26.80%
22	6 - inch meter	604.69	604.69	604.69	766.75	833.60	766.75	766.75	771.54	771.54	26.80%	26.80%	26.80%
23	8 - inch meter	967.50	967.50	967.50	1,226.79	1,333.74	1,226.79	1,226.79	1,234.44	1,234.44	26.80%	26.80%	26.80%
24													
25	Volumetric-res, ind, OPA, SFR												
26	First 400 Cubic Feet	0.202	0.753	0.372	0.256	0.277	0.95	0.47	0.472	0.472	26.80%	26.80%	26.80%
27	Next 6,100 Cubic Feet	3.207	4.131	3.534	4.066	4.394	5.24	4.48	4.481	4.481	26.80%	26.80%	26.80%
28	Next 43,500 Cubic Feet	2.015	2.939	2.342	2.555	2.530	3.73	2.97	2.970	2.970	26.80%	26.80%	26.80%
29	Next 450,000 Cubic Feet	1.506	2.055	1.674	1.910	1.891	2.61	2.12	2.123	2.123	26.80%	26.80%	26.80%
30	Next 1,000,000 Cubic Feet	1.151	1.701	1.320	1.459	1.445	2.16	1.67	1.674	1.674	26.80%	26.80%	26.80%
31	All Over 1,500,000 Cubic Feet	0.684	1.233	0.852	0.867	0.859	1.58	1.08	1.080	1.080	26.80%	26.80%	26.80%
32	Ft. Oglethorpe, Catoosa,	0.9353			1.17						25.55%		
33	Signal Mountain	0.8977			1.13						25.55%		
34	Walden's Ridge	1.0572			1.33						25.55%		
35	Volumetric-commercial												
36	First 400 Cubic Feet	0.201	0.748	0.369	0.255		0.948	0.468	0.472	0.472	26.80%	26.80%	26.80%
37	Next 6,100 Cubic Feet	3.187	4.105	3.512	4.041		5.205	4.453	4.481	4.481	26.80%	26.80%	26.80%
38	Next 43,500 Cubic Feet	2.003	2.921	2.328	2.540		3.704	2.952	2.970	2.970	26.80%	26.80%	26.80%
39	Next 450,000 Cubic Feet	1.497	2.042	1.664	1.898		2.589	2.110	2.123	2.123	26.80%	26.80%	26.80%
40	Next 1,000,000 Cubic Feet	1.144	1.691	1.312	1.451		2.144	1.664	1.674	1.674	26.80%	26.80%	26.80%
41	All Over 1,500,000 Cubic Feet	0.679	1.225	0.846	0.861		1.553	1.073	1.080	1.080	26.80%	26.80%	26.80%
42													
43			Present					Proposed					
44	Suck Creek:		Residential	CCF	commercial:			Residential:	commercial:				
45	First 1500 gal	2	23.85	meter charge	23.70		First 400 CF	0.955	0.468				
46	Next 8000 gal	10.67	4.59	3.444	4.56	3.423	Next 6,100 CF	5.238	4.453				
47	All over 9500 gal	>12.67	3.44	2.583	3.42	2.567	Next 43,500 CF	3.727	2.952				
48													
49	Lone Oak												
50	First 2000 gal	2.67	32.76	meter charge	32.56		First 400 CF	0.955	0.468				
51	All over 2000 gal.	>2.67	5.48	4.120	5.46	4.094	Next 6,100 CF	5.238	4.453				
52							Next 43,500 CF	3.727	2.952				

Attrition Year Revenues at Present Rates	35,779,372		
Revenue Increase Needed	19,897,104		IS operating rev 1136
Percent Increase Needed	55.60080%	0.3680	0.2680
Actual Revenues Produced at Proposed Rates	43,274,050		0.2600
Actual Increase Produced by Proposed Rates	8,495,574	$401,020	
Difference Between Amount Needed and Actually Produced	(401,020)		
Additional Percentage Needed	-1.1203%		Manually Inputted

Tennessee Regulatory Authority
Company: Tennessee-American Water Company
Case No.:

Comparison of Present and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No 4, Schedule 3
Page No. 1 of 1

	PRESENT RATES		PROPOSED RATES		
	4.15176				
average no. usage - ccf	5.537	0.000	5.537		
service charge	10.80		13.80		
0 - 4 ccf	0.000		0.0215		
next 0 ccf	4.219		0.250		
total	16.617	199.4	21.070	252.84	1.268004

Line No.		Rates Effective October 1, 2008: Chattanooga	Lookout Mountain	Lakeview	Chattanooga	Industrial	Proposed Rates: Lookout Mountain	Lakeview	3.44 Lone Oak	(14.91) Suck Creek	Percent Increase: Chattanooga	Lookout Mountain	Lakeview
1													
2													
3													
4	Res, Ind, OPA, SFR:												
5	5/8 - inch meter	10.80	12.21	12.21	12.80		15.45	15.45	15.45	15.45	26.00%	26.00%	26.00%
6	3/4 - inch meter	18.20	18.20	18.20	23.19		22.18	22.18	22.18	22.18	26.00%	26.00%	26.00%
7	1 - inch meter	30.41	30.41	30.41	38.56		38.60	38.60	38.56	38.60	26.00%	26.00%	26.00%
8	1 1/2 - inch meter	60.85	60.85	60.85	77.18		77.18	77.18	77.18	77.18	26.00%	26.00%	26.00%
9	2 - inch meter	97.36	97.36	97.36	123.44		123.44	123.44	123.44	123.44	26.00%	26.00%	26.00%
10	3 - inch meter	182.53	182.53	182.53	231.45		231.45	231.45	231.45	231.45	26.00%	26.00%	26.00%
11	4 - inch meter	304.22	304.22	304.22	385.76		385.76	385.76	385.76	385.76	26.00%	26.00%	26.00%
12	6 - inch meter	608.47	608.47	608.47	771.54		771.54	771.54	771.54	771.54	26.00%	26.00%	26.00%
13	8 - inch meter	973.53	973.53	973.53	1,234.44		1,234.44	1,234.44	1,234.44	1,234.44	26.00%	26.00%	26.00%
14	Commercial:												
15	5/8 - inch meter	10.39	12.14	12.14	13.71	16.61	15.39	15.39	15.42	15.42	26.00%	26.00%	26.00%
16	3/4 - inch meter	18.16	18.16	18.16	23.03	23.04	22.03	22.03	22.10	22.10	26.00%	26.00%	26.00%
17	1 - inch meter	30.22	30.22	30.22	38.32	41.06	38.32	38.32	38.56	38.59	26.00%	26.00%	26.00%
18	1 1/2 - inch meter	60.47	60.47	60.47	76.66	82.36	76.63	76.63	77.16	77.19	26.00%	26.00%	26.00%
19	2 - inch meter	96.74	96.74	96.74	122.67	133.97	122.67	122.67	123.44	123.44	26.00%	26.00%	26.00%
20	3 - inch meter	181.4	181.4	181.4	230.02	252.07	230.02	230.02	231.45	231.45	26.00%	26.00%	26.00%
21	4 - inch meter	302.34	302.34	302.34	383.37	419.80	383.37	383.37	385.76	385.76	26.00%	26.00%	26.00%
22	6 - inch meter	604.69	604.69	604.69	766.75	823.60	766.75	766.75	771.54	771.54	26.00%	26.00%	26.00%
23	8 - inch meter	967.50	967.50	967.50	1,226.79	1,317.74	1,226.79	1,226.79	1,234.44	1,234.44	26.00%	26.00%	26.00%
24													
25	Volumetric-res, Ind, OPA, SFR:												
26	First 400 Cubic Feet	0.302	0.353	0.372	0.380	0.377	0.45	0.47	0.472	0.472	26.00%	26.00%	26.00%
27	Next 6,100 Cubic Feet	3.297	4.131	3.534	4.080	4.006	4.14	4.45	4.431	4.431	26.00%	26.00%	26.00%
28	Next 43,500 Cubic Feet	2.010	2.030	2.342	2.535	2.510	2.53	2.57	2.570	2.570	26.00%	26.00%	26.00%
29	Next 450,000 Cubic Feet	1.606	2.055	1.874	1.919	1.931	2.01	2.12	2.123	2.123	26.00%	26.00%	26.00%
30	Next 1,000,000 Cubic Feet	1.151	1.701	1.319	1.459	1.420	1.46	1.67	1.674	1.674	26.00%	26.00%	26.00%
31	All Over 1,500,000 Cubic Feet	0.804	1.233	0.912	0.867	0.859	1.00	1.00	1.050	1.050	26.00%	26.00%	26.00%
32	Ft. Oglethorpe Outside Inc.	0.3537			1.47						26.55%		
33	Signal Mountain	0.9977			1.13						26.55%		
34	Walden's Ridge	1.0372			1.22						26.55%		
35	Volumetric-commercial:												
36	First 400 Cubic Feet	0.301	0.343	0.363	0.355		0.443	0.462	0.472	0.472	26.00%	26.00%	26.00%
37	Next 6,100 Cubic Feet	3.187	4.106	3.312	4.047		4.203	4.463	4.431	4.431	26.00%	26.00%	26.00%
38	Next 43,500 Cubic Feet	2.003	2.321	2.258	2.540		2.704	2.862	2.570	2.570	26.00%	26.00%	26.00%
39	Next 450,000 Cubic Feet	1.497	2.042	1.814	1.898		2.515	2.310	2.123	2.123	26.00%	26.00%	26.00%
40	Next 1,000,000 Cubic Feet	1.144	1.701	1.312	1.451		2.144	1.964	1.674	1.674	26.00%	26.00%	26.00%
41	All Over 1,500,000 Cubic Feet	0.679	1.225	0.840	0.861		1.053	1.073	1.050	1.050	26.00%	26.00%	26.00%
42													
43	Private Fire Service												
45	1 - inch Service	28.34			35.84						26.00%		
46	1 1/2 - inch Service	63.02			81.03						26.00%		
47	2 - inch Service	113.02			144.15						26.00%		
48	2 1/2 - inch Service	173.35			219.21						26.00%		
49	3 - inch Service	252.63			319.01						26.00%		
50	4 - inch Service	415.74			525.46						26.00%		
51	6 - inch Service	1,022.61			1,293.07						26.00%		
52	8 - inch Service	2,048.56			2,590.53						26.00%		
53	10 - inch Service	3,070.05			3,880.59						26.00%		
54	12 - inch Service	4,094.54			5,174.82						26.00%		
55													
56	Public Fire Service												
57	Ridgeside	0.00			0.00								
58	Public Fire	0.00			0.00								

		Present: Residential	CCF	commercial			Proposed: Residential	commercial
59								
60	Suck Creek							
61	First 1500 gal	2	17.85	meter charge	22.70	First 400 CF	0.859	0.468
62	Next 3000 gal	10.67	4.59	3.444	4.56	3.423 Next 6,100 CF	5.230	4.463
63	All over 3500 gal	12.67	3.44	2.583	3.42	2.567 Next 43,500 CF	3.727	2.562
64								
65	Lone Oak							
66	First 2000 gal	2.67	22.78	meter charge	32.50	First 400 CF	0.055	0.468
67	All over 2000 gal	12.67	5.44	4.139	5.43	4.054 Next 6,100 CF	5.230	4.463
68						Next 43,500 CF	3.727	2.562

ANALYSIS OF REVENUES AT PER BOOKS, NORMALIZED, AND THE ATTRITION YEAR AT PRESENT AND PROPOSED RATES

Tennessee Regulatory Authority
Residential Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
1													
2		Billing			Billing			Billing			Billing		
3		Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues
4													
5	Chattanooga												
6	5/8 - Inch meter	720,015	10.88	$7,833,768	720,015	####	$7,833,768	724,498	###	$7,882,543	724,498	13.80	$9,995,064
7	3/4 - Inch meter	1,089	18.28	19,911	1,089	####	19,911	1,089	###	19,911	1,089	23.18	25,247
8	1 - Inch meter	1,949	30.41	59,257	1,949	####	59,257	1,949	###	59,257	1,949	38.56	75,138
9	1 1/2 - Inch meter	207	60.85	12,598	207	####	12,598	207	###	12,598	207	77.16	15,974
10	2 - Inch meter	114	97.35	11,104	114	####	11,104	114	###	11,104	114	123.44	14,080
11	3 - Inch meter	1	182.53	134	1	####	134	1	###	134	1	231.45	170
12	4 - Inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
13	6 - Inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
14	8 - Inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
15	Total Meters	723,375		7,936,772	723,375		7,936,772	727,858		7,985,547	727,858		10,125,673
16													
17	Volumetric												
18	First 400 Cubi	2,277,055	0.202	459,965	2,277,055	####	459,965	2,294,987	###	463,587	2,294,987	0.256	587,829
19	Next 6,100 Cubi	1,626,452	3.207	5,216,032	1,539,822	####	4,938,210	1,546,547	###	4,959,777	1,546,547	4.066	6,288,997
20	Next 43,500 Cubi	62,450	2.015	125,836	62,450	####	125,836	62,450	###	125,836	62,450	2.555	159,561
21	Next 450,000 Cubi	2,540	1.506	3,825	2,540	####	3,825	2,540	###	3,825	2,540	1.910	4,850
22	Next 1,000,000 Cubi	0	1.151	0	0	####	-	-	###	-	-	1.459	0
23	All Over 1,500,000 Cubi	0	0.684	0	0	####	-	-	###	-	-	0.867	0
24	Chattanooga Amoun	3,968,497		13,742,430	3,881,867		13,464,608	3,906,524		13,538,572	3,906,524		17,166,910
25													
26	Lookout Mountain												
27	5/8 - Inch meter	20,711	12.21	252,878	20,711	####	252,878	20,853	###	254,612	20,853	15.48	322,848
28	3/4 - Inch meter	501	18.28	9,157	501	####	9,157	501	###	9,157	501	23.18	11,611
29	1 - Inch meter	1,403	30.41	42,678	1,403	####	42,678	1,403	###	42,678	1,403	38.56	54,116
30	1 1/2 - Inch meter	24	60.85	1,460	24	####	1,460	24	###	1,460	24	77.16	1,852
31	2 - Inch meter	31	97.35	3,021	31	####	3,021	31	###	3,021	31	123.44	3,831
32	3 - Inch meter	0	182.53	0	0	####	-	-	###	-	-	231.45	0
33	4 - Inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
34	6 - Inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
35	8 - Inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
36	Total Meters	22,670		309,194	22,670		309,194	22,812		310,928	22,812		394,258
37													
38	Volumetric												
39	First 400 Cubi	73,629	0.753	55,443	73,629	####	55,443	74,197	###	55,871	74,197	0.955	70,844
40	Next 6,100 Cubi	132,138	4.131	545,860	127,300	####	525,875	128,124	###	529,279	128,124	5.238	671,125
41	Next 43,500 Cubi	15,806	2.939	46,454	15,806	####	46,454	15,806	###	46,454	15,806	3.727	58,903
42	Next 450,000 Cubi	56	2.055	115	56	####	115	56	###	115	56	2.606	146
43	Next 1,000,000 Cubi	0	1.701	0	0	####	-	-	###	-	-	2.157	0
44	All Over 1,500,000 Cubi	0	1.233	0	0	####	-	-	###	-	-	1.563	0
45	Lookout Mountain A	221,629		957,066	216,791		937,081	218,183		942,647	218,183		1,195,276

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Lakeview												
6	5/8 - inch meter	33,461	12.21	408,553	33,461	####	408,553	33,672	###	411,129	33,672	15.48	521,312
7	3/4 - inch meter	0	18.28	0	0	####	-	-	###	-	-	23.18	0
8	1 - inch meter	38	30.41	1,169	38	####	1,169	38	###	1,169	38	38.56	1,482
9	1 1/2 - inch meter	0	60.85	0	0	####	-	-	###	-	-	77.16	0
10	2 - inch meter	0	97.35	0	0	####	-	-	###	-	-	123.44	0
11	3 - inch meter	0	182.53	0	0	####	-	-	###	-	-	231.45	0
12	4 - inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
13	6 - inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
14	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
15	Total Meters	33,499		409,722	33,499		409,722	33,710		412,298	33,710		522,794
16													
17	Volumetric												
18	First 400 Cubi	107,248	0.372	39,896	107,248	####	39,896	108,092	###	40,210	108,092	0.472	50,987
19	Next 6,100 Cubi	77,557	3.534	274,086	73,507	####	259,773	73,824	###	260,894	73,824	4.481	330,813
20	Next 43,500 Cubi	704	2.342	1,649	704	####	1,649	704	###	1,649	704	2.970	2,091
21	Next 450,000 Cubi	0	1.674	0	0	####	-	-	###	-	-	2.123	0
22	Next 1,000,000 Cubi	0	1.320	0	0	####	-	-	###	-	-	1.674	0
23	All Over 1,500,000 Cubi	0	0.852	0	0	####	-	-	###	-	-	1.080	0
24	Lakeview Amount	185,509		725,353	181,459		711,040	182,620		715,051	182,620		906,685
25													
26	Lone Oak												
27	5/8 - inch meter	1,441	32.76	47,215	1,441	####	47,215	1,441	###	47,215	1,441	41.54	59,869
28	3/4 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
29	1 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
30	1 1/2 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
31	2 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
32	3 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
33	4 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
34	6 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
35	8 - inch meter	0	32.76	0	0	####	-	-	###	-	-	41.54	0
36	Total Meters	1,441		47,215	1,441		47,215	1,441		47,215	1,441		59,869
37													
38	Volumetric												
39	First 2.67 (100 C	3,211	0.000	0	3,211	####	-	3,211	###	-	3,211	0.000	
40	In Excess 2.67 (100 C	4,226	4.1200	17,411	4,226	####	17,411	4,226	###	17,411	4,226	5.2242	22,078
41													
42													
43	First 400 Cubic Feet										4,429	0.955	
44	Next 6,100 Cubic Feet										3,008	5.238	
45	Next 43,500 Cubic Feet										-		0
46	Lone Oak Amount	7,437		64,626	7,437		64,626	7,437		64,626	7,437		81,947

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
1													
2		Billing			Billing			Billing			Billing		
3		Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rate	Revenues	Determinate	Rates	Revenues
4													
5	Suck Creek												
6	5/8 - inch meter	2,533	23.85	60,404	2,533	####	60,404	2,533	###	60,404	2,533	30.24	76,592
7	3/4 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
8	1 - inch meter	12	23.85	289	12	####	289	12	###	289	12	30.24	367
9	1 1/2 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
10	2 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
11	3 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
12	4 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
13	6 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
14	8 - inch meter	0	23.85	0	0	####	-	-	###	-	-	30.24	0
15	Total Meters	2,545		60,693	2,545		60,693	2,545		60,693	2,545		76,959
16													
17	Volumetric												
18	First 2 (100 CCF)	4,681		0	4,681		-	4,681		-	4,681		
19	Next 10.67 (100 CCF)	8,712	3.444	30,004	8,712	####	30,004	8,712	###	30,004	8,712	4.367	38,046
20	All Over 12.67 (100 CCF)	1,665	2.583	4,301	1,665	####	4,301	1,665	###	4,301	1,665	3.275	5,454
21													
22													
23	First 400 Cubic Feet										8,251	0.955	
24	Next 6,100 Cubic Feet										6,642	5.238	
25	Next 43,500 Cubic Feet										165	3.727	
26	Suck Creek Amount	15,058		94,998	15,058		94,998	15,058		94,998	15,058		120,459
27													
28	Total Gross	4,398,130		15,584,473	4,302,612		15,272,353	4,329,822		15,355,894	4,329,822		19,471,277
29	Proration adjustment			0									
30	Less: Correction & Allowances	37,685		113,625	37,685		113,625	37,685		113,625	37,685		144,076
31	Net Amount	4,360,445		15,470,848	4,264,927		15,158,728	4,292,137		15,242,269	4,292,137		19,327,201
32	Net Amt. Per Revenue Summary	4,366,253		15,471,799	4,270,606		15,159,653	4,297,853		15,243,199	4,297,853		19,328,380
33	Difference	(5,808)		(951)	(5,679)		(925)	(5,716)		(930)	(5,716)		(1,179)
34	Percent Difference	-0.1330%		-0.0061%	-0.1330%		-0.0061%	-0.1330%		-0.0061%	-0.1330%		-0.0061%
35													
36													
37	USAGE BASED ON CUSTOMER #	67.99	0.186281571	0.139711178									
38	Chatt. LOM, LV	4,337,950	bills	customers		All D	4,360,445						
39		779,544	64,962.015	64,131.00000	831.02		783,530	65294.1853					
40		5.564725703					5.565126163						
41	CCF	0.152468238					0.015246921						
42	1000 gallons	0.13593					0.011435191						
43													
44		4,366,253	68.08334503	5.673612086	4.255209064								
45		67.64200693	5.636833911	4.22762543									
46		0.185320567											
		0.138990425											

Tennessee Regulatory Authority
Commercial Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Chattanooga												
6	5/8 - inch meter	61,845	10.81	$668,544	61,845	####	$668,544	61,845	###	$668,544	61,845	13.71	$847,714
7	3/4 - inch meter	1,621	18.16	29,429	1,621	####	29,429	1,621	###	29,429	1,621	23.03	37,316
8	1 - inch meter	16,816	30.22	508,178	16,816	####	508,178	17,718	###	535,437	17,718	38.32	678,934
9	1 1/2 - inch meter	4,283	60.47	259,022	4,283	####	259,022	4,283	###	259,022	4,283	76.68	328,440
10	2 - inch meter	12,802	96.74	1,238,432	12,802	####	1,238,432	12,802	###	1,238,432	12,802	122.67	1,570,331
11	3 - inch meter	472	181.40	85,651	472	####	85,651	472	###	85,651	472	230.02	108,606
12	4 - inch meter	289	302.34	87,447	289	####	87,447	289	###	87,447	289	383.37	110,883
13	6 - inch meter	144	604.69	87,075	144	####	87,075	144	###	87,075	144	766.75	110,412
14	8 - inch meter	24	967.50	23,284	24	####	23,284	24	###	23,284	24	1,226.79	29,525
15	Total Meters	98,296		2,987,062	98,296		2,987,062	99,198		3,014,321	99,198		3,822,161
16													
17	Volumetric												
18	First 400 Cubic Feet	261,144	0.201	52,490	261,144	####	52,490	264,752	###	53,215	264,752	0.255	67,477
19	Next 6,100 Cubic Feet	1,182,457	3.187	3,768,489	1,182,457	####	3,768,489	1,214,027	###	3,869,103	1,214,027	4.041	4,906,023
20	Next 43,500 Cubic Feet	1,578,059	2.003	3,160,853	1,574,929	####	3,154,583	1,574,929	###	3,154,583	1,574,929	2.540	4,000,011
21	Next 450,000 Cubic Feet	794,410	1.497	1,189,232	794,410	####	1,189,232	794,410	###	1,189,232	794,410	1.898	1,507,946
22	Next 1,000,000 Cubic Feet	12,676	1.144	14,501	12,676	####	14,501	12,676	###	14,501	12,676	1.451	18,388
23	All Over 1,500,000 Cubic Feet	0	0.679	0	0	####	-	-	###	-	-	0.861	0
24	Chattanooga Amount	3,828,746		11,172,627	3,825,616		11,166,357	3,860,794		11,294,955	3,860,794		14,322,006
25													
26	Lookout Mountain												
27	5/8 - inch meter	638	12.14	7,747	638	####	7,747	638	###	7,747	638	15.39	9,823
28	3/4 - inch meter	24	18.16	436	24	####	436	24	###	436	24	23.03	553
29	1 - inch meter	230	30.22	6,954	230	####	6,954	240	###	7,256	240	38.32	9,200
30	1 1/2 - inch meter	36	60.47	2,177	36	####	2,177	36	###	2,177	36	76.68	2,760
31	2 - inch meter	95	96.74	9,203	95	####	9,203	95	###	9,203	95	122.67	11,670
32	3 - inch meter	0	181.40	0	0	####	-	-	###	-	-	230.02	0
33	4 - inch meter	0	302.34	0	0	####	-	-	###	-	-	383.37	0
34	6 - inch meter	0	604.69	0	0	####	-	-	###	-	-	766.75	0
35	8 - inch meter	0	967.50	0	0	####	-	-	###	-	-	1,226.79	0
36	Total Meters	1,023		26,517	1023		26,517	1,033		26,819	1,033		34,006
37													
38	Volumetric												
39	First 400 Cubic Feet	2,776	0.748	2,076	2,776	####	2,076	2,816	###	2,106	2,816	0.948	2,670
40	Next 6,100 Cubic Feet	15,249	4.105	62,596	15,249	####	62,596	15,576	###	63,938	15,576	5.205	81,074
41	Next 43,500 Cubic Feet	14,262	2.921	41,659	14,231	####	41,568	14,231	###	41,568	14,231	3.704	52,708
42	Next 450,000 Cubic Feet	5,221	2.042	10,661	5,221	####	10,661	5,221	###	10,661	5,221	2.589	13,518
43	Next 1,000,000 Cubic Feet	0	1.691	0	0	####	-	-	###	-	-	2.144	0
44	All Over 1,500,000 Cubic Feet	0	1.225	0	0	####	-	-	###	-	-	1.553	0
45	Lookout Mountain Amount	37,507		143,509	37,476		143,418	37,843		145,092	37,843		183,976
46													

Tennessee Regulatory Authority
Commercial Class
Company : Tennessee-American Water Company
Case No.:

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Lakeview												
6	5/8 - inch meter	1,641	12.14	19,917	1,641	####	19,917	1,641	###	19,917	1,641	15.39	25,255
7	3/4 - inch meter	0	18.16	0	0	####	-	-	###	-	-	23.03	0
8	1 - inch meter	216	30.22	6,529	216	####	6,529	234	###	7,073	234	38.32	8,969
9	1 1/2 - inch meter	0	60.47	0	0	####	-	-	###	-	-	76.68	0
10	2 - inch meter	84	96.74	8,126	84	####	8,126	84	###	8,126	84	122.67	10,304
11	3 - inch meter	0	181.40	0	0	####	-	-	###	-	-	230.02	0
12	4 - inch meter	0	302.34	0	0	####	-	-	###	-	-	383.37	0
13	6 - inch meter	0	604.69	0	0	####	-	-	###	-	-	766.75	0
14	8 - inch meter	0	967.50	0	0	####	-	-	###	-	-	1,226.79	0
15	Total Meters	1,941		34,572	1,941		34,572	1,959		35,116	1,959		44,528
16													
17	Volumetric												
18	First 400 Cubic Feet	4,962	0.369	1,831	4,962	####	1,831	5,034	###	1,858	5,034	0.47	2,355
19	Next 6,100 Cubic Feet	11,405	3.512	40,056	11,405	####	40,056	11,542	###	40,537	11,542	4.45	51,401
20	Next 43,500 Cubic Feet	6,182	2.328	14,392	6,164	####	14,351	6,164	###	14,351	6,164	2.95	18,197
21	Next 450,000 Cubic Feet	0	1.664	0	0	####	-	-	###	-	-	2.11	0
22	Next 1,000,000 Cubic Feet	0	1.312	0	0	####	-	-	###	-	-	1.66	0
23	All Over 1,500,000 Cubic Feet	0	0.846	0	0	####	-	-	###	-	-	1.07	0
24	Lakeview Amount	22,550		90,851	22,532		90,810	22,741		91,862	22,741		116,481
25													
26	Lone Oak												
27	5/8 - inch meter	17	32.56	568	17	####	568	17	###	568	17	41.29	720
28	3/4 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
29	1 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
30	1 1/2 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
31	2 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
32	3 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
33	4 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
34	6 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
35	8 - inch meter	0	32.56	0	0	####	-	-	###	-	-	41.29	0
36	Total Meters	17		568	17		568	17		568	17		720
37													
38	Volumetric												
39	First 2.67 (100 CCF)	11	0.000	0	11	####	-	11	###	-	11	0.000	-
40	In Excess 2.67 (100 CCF)	2	4.094	10	2	####	10	2	###	10	2	5.191	12
41													
42													
43	First 400 Cubic Feet										12	0.468	
44	Next 6,100 Cubic Feet										1	4.453	
45	Next 43,500 Cubic Feet												
46	Lone Oak Amount	13		578	13		578	13		578	13		732

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
1													
2		Billing			Billing			Billing			Billing		
3		Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues
4													
5	Suck Creek												
6	5/8 - inch meter	49	23.70	1,150	49	####	1,150	49	###	1,150	49	30.05	1,458
7	3/4 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
8	1 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
9	1 1/2 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
10	2 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
11	3 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
12	4 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
13	6 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
14	8 - inch meter	0	23.70	0	0	####	-	-	###	-	-	30.05	0
15	Total Meters	49		1,150	49		1,150	49		1,150	49		1,458
16													
17	Volumetric												
18	First 2 (100 CCF)	39	0.000	0	39	####	-	39	###	-	39	0.000	-
19	Next 10.67 (100 CCF)	56	3.423	192	56	####	192	56	###	192	56	4.340	243
20	All Over 12.67 (100 CCF)	49	2.567	125	49	####	125	49	###	125	49	3.255	158
21													
22													
23	First 400 Cubic Feet										59	0.468	
24	Next 6,100 Cubic Feet										85	4.453	
25	Next 43,500 Cubic Feet										0	2.952	
26	Suck Creek Amount	144		1,467	144		1,467	144		1,467	144		1,859
27													
28	Total Gross	3,888,960		11,409,032	3,885,781		11,402,630	3,921,535		11,533,954	3,921,535		14,625,054
29	Proration adjustment/billing adj 3/10			24,221									
30	Less: Correction & Allowances	(11,202)		(416)	(11,202)		(416)	(11,202)		(416)	(11,202)		(528)
31	Net Amount	3,900,162		11,433,669	3,896,983		11,403,046	3,932,737		11,534,370	3,932,737		14,625,582
32	Net Amt. Per Revenue Summary	3,900,531		11,433,647	3,897,353		11,403,023	3,933,111		11,534,347	3,933,111		14,625,553
33	Difference	(369)		22	(370)		23	(374)		23	(374)		29
34	Percent Difference	-0.0095%		0.0002%	-0.0095%		0.0002%	-0.0095%		0.0002%	-0.0095%		0.0002%
35													
36													
37													
38	USAGE BASED ON CUSTOMER #	3,900,005	482	1.32	0.9905								
39		101,260	8,438	8,091.00	347.34								
40		38.51472674											
41	CCF	1.055197993	0.791398495	USAGE BASED ON # OF BILLS									
42	1000 gallons	0.98964	1.31952										
43		0.065557993											
44													
45													

Tennessee Regulatory Authority
Industrial Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
1													
2		Billing			Billing			Billing			Billing		
3		Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues	Determinate	Rates	Revenues
4													
5	Chattanooga												
6	5/8 - inch meter	268	10.88	$2,917	268	####	$2,917	268	###	$2,917	268	14.91	$3,997
7	3/4 - inch meter	25	18.28	457	25	####	457	25	###	457	25	25.04	626
8	1 - inch meter	271	30.41	8,229	271	####	8,229	271	###	8,229	271	41.66	11,274
9	1 1/2 - inch meter	79	60.85	4,815	79	####	4,815	79	###	4,815	79	83.36	6,597
10	2 - inch meter	979	97.35	95,312	979	####	95,312	979	###	95,312	979	133.37	130,577
11	3 - inch meter	0	182.53	0	0	####	-	-	###	-	-	250.07	0
12	4 - inch meter	203	304.23	61,820	203	####	61,820	203	###	61,820	203	416.80	84,693
13	6 - inch meter	61	608.47	37,178	61	####	37,178	61	###	37,178	61	833.60	50,933
14	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,333.74	0
15	Total Meters	1,886		210,728	1,886		210,728	1,886		210,728	1,886		288,697
16													
17	Volumetric												
18	First 400 Cubic Feet	4,987	0.202	1,007	4,987	####	1,007	4,987	###	1,007	4,987	0.277	1,380
19	Next 6,100 Cubic Feet	48,999	3.207	157,140	48,999	####	157,140	48,999	###	157,140	48,999	4.394	215,282
20	Next 43,500 Cubic Feet	220,492	2.015	444,292	220,492	####	444,292	220,492	###	444,292	220,492	2.530	557,809
21	Next 450,000 Cubic Feet	856,123	1.506	1,289,321	856,123	####	1,289,321	856,123	###	1,289,321	856,123	1.891	1,618,743
22	Next 1,000,000 Cubic Feet	691,165	1.151	795,531	691,165	####	795,531	691,165	###	795,531	691,165	1.445	998,789
23	All Over 1,500,000 Cubic Feet	741,482	0.684	507,174	741,482	####	507,174	741,482	###	507,174	741,482	0.859	636,757
24	Chattanooga Amount	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		4,317,457
25													
26	Lookout Mountain												
27	5/8 - inch meter	0	12.21	0	0	####	0	-	###	-	-	16.73	0
28	3/4 - inch meter	0	18.28	0	0	####	0	-	###	-	-	23.99	0
29	1 - inch meter	0	30.41	0	0	####	0	-	###	-	-	39.92	0
30	1 1/2 - inch meter	0	60.85	0	0	####	0	-	###	-	-	79.87	0
31	2 - inch meter	0	97.35	0	0	####	0	-	###	-	-	127.78	0
32	3 - inch meter	0	182.53	0	0	####	0	-	###	-	-	239.60	0
33	4 - inch meter	0	304.23	0	0	####	0	-	###	-	-	399.34	0
34	6 - inch meter	0	608.47	0	0	####	0	-	###	-	-	798.70	0
35	8 - inch meter	0	973.53	0	0	####	0	-	###	-	-	1,277.89	0
36	Total Meters	0		0	0		0	-		-	-		0
37													
38	Volumetric												
39	First 400 Cubic Feet	0	0.753	0	0	####	0	-	###	-	-	1.032	0
40	Next 6,100 Cubic Feet	0	4.131	0	0	####	0	-	###	-	-	6.659	0
41	Next 43,500 Cubic Feet	0	2.939	0	0	####	0	-	###	-	-	3.690	0
42	Next 450,000 Cubic Feet	0	2.055	0	0	####	0	-	###	-	-	2.580	0
43	Next 1,000,000 Cubic Feet	0	1.701	0	0	####	0	-	###	-	-	2.136	0
44	All Over 1,500,000 Cubic Feet	0	1.233	0	0	####	0	-	###	-	-	1.548	0
45	Lookout Mountain Amount	0		0	0		0	-		-	-		0
46													

Tennessee Regulatory Authority — Attrition Year Revenues at Current and Proposed Rates — Test Year Twelve Months Ending March 31, 2010

Industrial Class — Exhibit No. 4, Schedule 2

Company - Tennessee-American Water Company — Page No. 8 of 13

Case No.:

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rate	Revenues	Billing Determinate	Rates	Revenues
4													
5	Lakeview												
6	5/8 - inch meter	0	12.21	0	0	#####	0	-	###			16.73	0
7	3/4 - inch meter	0	18.28	0	0	#####	0	-	###			25.04	0
8	1 - inch meter	0	30.41	0	0	#####	0	-	###			41.66	0
9	1 1/2 - inch meter	0	60.85	0	0	#####	0	-	###			83.36	0
10	2 - inch meter	0	97.35	0	0	#####	0	-	###			133.37	0
11	3 - inch meter	0	182.53	0	0	#####	0	-	###			250.07	0
12	4 - inch meter	0	304.23	0	0	#####	0	-	###			416.80	0
13	6 - inch meter	0	608.47	0	0	#####	0	-	###			833.60	0
14	8 - inch meter	0	973.53	0	0	#####	0	-	###			1,333.74	0
15	Total Meters	0		0	0		0						0
16													
17	Volumetric												
18	First 400 Cubic Feet	0	0.372	0	0	#####	0	-	###			0.510	0
19	Next 6,100 Cubic Feet	0	3.534	0	0	#####	0	-	###			4.842	0
20	Next 43,500 Cubic Feet	0	2.342	0	0	#####	0	-	###			2.940	0
21	Next 450,000 Cubic Feet	0	1.674	0	0	#####	0	-	###			2.102	0
22	Next 1,000,000 Cubic Feet	0	1.320	0	0	#####	0	-	###			1.657	0
23	All Over 1,500,000 Cubic Feet	0	0.852	0	0	#####	0	-	###			1.070	0
24	Lakeview Amount	0		0	0		0	-					0
25													
26	Total Gross	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		3,405,193	2,563,248		4,317,457
27	Proration adjustment												
28	Less: Correction & Allowances	512		3,032	512		3,032	512		3,032	512		3,844
29	Net Amount	2,562,736		3,402,161	2,562,736		3,402,161	2,562,736		3,402,161	2,562,736		4,313,613
30	Net Amt. Per Revenue Summary	2,561,716		3,401,965	2,561,716		3,401,964	2,561,716		3,401,964	2,561,716		4,313,363
31	Difference	1,020		196	1,020		197	1,020		197	1,020		250
32	Percent Difference	0.0398%		0.0058%	0.0398%		0.0058%	0.0398%		0.0058%	0.0398%		0.0058%

Tennessee Regulatory Authority
Other Public Authority Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Chattanooga												
6	5/8 - inch meter	1,998	10.88	$21,739	1,998	####	$21,739	1,998	###	$21,739	1,998	13.80	$27,565
7	3/4 - inch meter	145	18.28	2,651	145	####	2,651	145	###	2,651	145	23.18	3,361
8	1 - inch meter	1,537	30.41	46,752	1,537	####	46,752	1,537	###	46,752	1,537	38.56	59,282
9	1 1/2 - inch meter	822	60.85	50,025	822	####	50,025	822	###	50,025	822	77.16	63,431
10	2 - inch meter	3,474	97.35	338,191	3,474	####	338,191	3,474	###	338,191	3,474	123.44	428,826
11	3 - inch meter	81	182.53	14,742	81	####	14,742	81	###	14,742	81	231.45	18,693
12	4 - inch meter	252	304.23	76,707	252	####	76,707	252	###	76,707	252	385.76	97,264
13	6 - inch meter	36	608.47	21,905	36	####	21,905	36	###	21,905	36	771.54	27,775
14	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
15	Total Meters	8,345		572,712	8,345		572,712	8,345		572,712	8,345		726,197
16													
17	Volumetric												
18	First 400 Cubic Feet	21,333	0.202	4,309	21,333	####	4,309	21,333	###	4,309	21,333	0.256	5,464
19	Next 6,100 Cubic Feet	159,646	3.207	511,985	159,646	####	511,985	159,646	###	511,985	159,646	4.066	649,197
20	Next 43,500 Cubic Feet	331,280	2.015	667,530	331,280	####	667,530	331,280	###	667,530	331,280	2.555	846,428
21	Next 450,000 Cubic Feet	449,116	1.506	676,369	449,116	####	676,369	449,116	###	676,369	449,116	1.910	857,636
22	Next 1,000,000 Cubic Feet	61,517	1.151	70,806	61,517	####	70,806	61,517	###	70,806	61,517	1.459	89,782
23	All Over 1,500,000 Cubic Feet	0	0.684	0	0	####	-	-	###	-	-	0.867	0
24	Chattanooga Amount	1,022,892		2,503,711	1,022,892		2,503,711	1,022,892		2,503,711	1,022,892		3,174,704
25													
26	Lookout Mountain												
27	5/8 - inch meter	158	12.21	1,931	158	####	1,931	158	###	1,931	158	15.48	2,448
28	3/4 - inch meter	16	18.28	297	16	####	297	16	###	297	16	23.18	377
29	1 - inch meter	130	30.41	3,944	130	####	3,944	130	###	3,944	130	38.56	5,001
30	1 1/2 - inch meter	12	60.85	730	12	####	730	12	###	730	12	77.16	926
31	2 - inch meter	72	97.35	7,016	72	####	7,016	72	###	7,016	72	123.44	8,896
32	3 - inch meter	0	182.53	0	0	####	-	-	###	-	-	231.45	0
33	4 - inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
34	6 - inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
35	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
36	Total Meters	388		13,918	388		13,918	388		13,918	388		17,648
37													
38	Volumetric												
39	First 400 Cubic Feet	861	0.753	648	861	####	648	861	###	648	861	0.955	822
40	Next 6,100 Cubic Feet	5,226	4.131	21,587	5,226	####	21,587	5,226	###	21,587	5,226	5.238	27,372
41	Next 43,500 Cubic Feet	3,172	2.939	9,322	3,172	####	9,322	3,172	###	9,322	3,172	3.727	11,820
42	Next 450,000 Cubic Feet	648	2.055	1,332	648	####	1,332	648	###	1,332	648	2.606	1,689
43	Next 1,000,000 Cubic Feet	0	1.701	0	0	####	-	-	###	-	-	2.157	0
44	All Over 1,500,000 Cubic Feet	0	1.233	0	0	####	-	-	###	-	-	1.563	0
45	Lookout Mountain Amount	9,906		46,807	9,906		46,807	9,906		46,807	9,906		59,351

Tennessee Regulatory Authority
Other Public Authority Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
5	Lakeview												
6	5/8 - inch meter	60	12.21	733	60	####	733	60	###	733	60	15.48	929
7	3/4 - inch meter	0	18.28	0	-	####	-	-	###	-	-	23.18	0
8	1 - inch meter	12	30.41	365	12	####	365	12	###	365	12	38.56	463
9	1 1/2 - inch meter	12	60.85	731	12	####	731	12	###	731	12	77.16	926
10	2 - inch meter	24	97.35	2,338	24	####	2,338	24	###	2,338	24	123.44	2,964
11	3 - inch meter	0	182.53	0	-	####	-	-	###	-	-	231.45	0
12	4 - inch meter	0	304.23	0	-	####	-	-	###	-	-	385.76	0
13	6 - inch meter	0	608.47	0	-	####	-	-	###	-	-	771.54	0
14	8 - inch meter	0	973.53	0	-	####	-	-	###	-	-	1,234.44	0
15	Total Meters	108		4,167	108		4,167	108		4,167	108		5,282
16													
17	Volumetric												
18	First 400 Cubic Feet	189	0.372	70	189	####	70	189	###	70	189	0.472	89
19	Next 6,100 Cubic Feet	1,511	3.534	5,340	1,511	####	5,340	1,511	###	5,340	1,511	4.481	6,771
20	Next 43,500 Cubic Feet	744	2.342	1,742	744	####	1,742	744	###	1,742	744	2.970	2,209
21	Next 450,000 Cubic Feet	0	1.674	0	0	####	-	-	###	-	-	2.123	0
22	Next 1,000,000 Cubic Feet	0	1.320	0	0	####	-	-	###	-	-	1.674	0
23	All Over 1,500,000 Cubic Feet	0	0.852	0	0	####	-	-	###	-	-	1.080	0
24	Lakeview Amount	2,444		11,319	2444		11,319	2,444		11,319	2,444		14,351
25													
26	Total Gross	1,035,242		2,561,837	1,035,242		2,561,837	1,035,242		2,561,837	1,035,242		3,248,406
27	Proration adjustment												
28	Less: Correction & Allowances	2,311		5,599	2,311		5,599	2,311		5,599	2,311		7,100
29	Net Amount	1,032,931		2,556,238	1,032,931		2,556,238	1,032,931		2,556,238	1,032,931		3,241,306
30	Net Amt. Per Revenue Summary	1,032,836		2,556,254	1,032,836		2,556,253	1,032,836		2,556,253	1,032,836		3,241,325
31	Difference	95		(16)	95		(15)	95		(15)	95		(19)
32	Percent Difference	0.0092%		-0.0006%	0.0092%		-0.0006%	0.0092%		-0.0006%	0.0092%		-0.0006%

Tennessee Regulatory Authority
Other Water Utility Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Chattanooga												
6	5/8 - inch meter	0	10.88	$0	-	####	$0	-	###	$0	0	13.80	$0
7	3/4 - inch meter	0	18.28	0	-	####	0	-	###	-	-	23.18	0
8	1 - inch meter	0	30.41	0	-	####	-	-	###	-	-	38.56	0
9	1 1/2 - inch meter	0	60.85	0	-	####	-	-	###	-	-	77.16	0
10	2 - inch meter	12	97.35	1,181	12	####	1,181	12	###	1,181	12	123.44	1,498
11	3 - inch meter	0	182.53	0	-	####	-	-	###	-	-	231.45	0
12	4 - inch meter	36	304.23	10,993	36	####	10,993	36	###	10,993	36	385.76	13,939
13	6 - inch meter	0	608.47	0	-	####	-	-	###	-	-	771.54	0
14	8 - inch meter	0	973.53	0	-	####	-	-	###	-	-	1,234.44	0
15	Total Meters:	48		12,174	48		12,174	48		12,174	48		15,437
16													
17	Volumetric												
18	First 400 Cubic Feet	5	0.202	1	5	####	1	5	###	1	5	0.256	1
19	Next 6,100 Cubic Feet	1	3.207	3	1	####	3	1	###	3	1	4.066	4
20	Next 43,500 Cubic Feet	0	2.015	0	0	####	-	-	###	-	-	2.555	0
21	Next 450,000 Cubic Feet	0	1.506	0	0	####	-	-	###	-	-	1.910	0
22	Next 1,000,000 Cubic Feet	0	1.151	0	0	####	-	-	###	-	-	1.459	0
23	All Over 1,500,000 Cubic Feet	0	0.684	0	0	####	-	-	###	-	-	0.867	0
24	Ft. Oglethorpe	469,025	0.9353	427,124	469,025	0.94	438,679	469,025	0.9	438,679	469,025	1.1743	550,762
25	Catoosa Co	27,241	0.9353	25,479	27,241	0.94	25,479	27,241	0.9	25,479	27,241	1.1743	31,988
26	Signal Mtn	415,455	0.8977	360,674	415,455	0.9	372,954	415,455	0.9	372,954	415,455	1.1271	468,244
27	Walden's Ridge	434,358	1.0572	448,567	434,358	1.06	459,203	434,358	1.1	459,203	434,358	1.3273	576,530
28	Chattanooga Amount	1,346,085		1,274,022	1,346,085		1,308,493	1,346,085		1,308,493	1,346,085		1,642,966
29													
30	Lookout Mountain												
31	5/8 - inch meter	0	12.21	0	0	####	-	-	###	-	-	15.48	0
32	3/4 - inch meter	0	18.28	0	0	####	-	-	###	-	-	23.18	0
33	1 - inch meter	0	30.41	0	0	####	-	-	###	-	-	38.56	0
34	1 1/2 - inch meter	0	60.85	0	0	####	-	-	###	-	-	77.16	0
35	2 - inch meter	0	97.35	0	0	####	-	-	###	-	-	123.44	0
36	3 - inch meter	0	182.53	0	0	####	-	-	###	-	-	231.45	0
37	4 - inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
38	6 - inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
39	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
40	Total Meters	0		0	0		-	-		-	-		0
41													
42	Volumetric												
43	First 400 Cubic Feet	0	0.753	0	0	####	-	-	###	-	-	0.955	0
44	Next 6,100 Cubic Feet	0	4.131	0	0	####	-	-	###	-	-	5.238	0
45	Next 43,500 Cubic Feet	0	2.939	0	0	####	-	-	###	-	-	3.727	0
46	Next 450,000 Cubic Feet	0	2.055	0	0	####	-	-	###	-	-	2.606	0
47	Next 1,000,000 Cubic Feet	0	1.701	0	0	####	-	-	###	-	-	2.157	0
48	All Over 1,500,000 Cubic Feet	0	1.233	0	0	####	-	-	###	-	-	1.563	0
49	Lookout Mountain Amount	0		0	0		-	-		-	-		0

Tennessee Regulatory Authority
Other Water Utility Class
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.		Per books			Normalized			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues	Billing Determinate	Rates	Revenues
1													
2													
3													
4													
5	Lakeview												
6	5/8 - inch meter	0	12.21	0	0	####	-	-	###	-	-	15.48	0
7	3/4 - inch meter	0	18.28	0	0	####	-	-	###	-	-	23.18	0
8	1 - inch meter	0	30.41	0	0	####	-	-	###	-	-	38.56	0
9	1 1/2 - inch meter	0	60.85	0	0	####	-	-	###	-	-	77.16	0
10	2 - inch meter	0	97.35	0	0	####	-	-	###	-	-	123.44	0
11	3 - inch meter	0	182.53	0	0	####	-	-	###	-	-	231.45	0
12	4 - inch meter	0	304.23	0	0	####	-	-	###	-	-	385.76	0
13	6 - inch meter	0	608.47	0	0	####	-	-	###	-	-	771.54	0
14	8 - inch meter	0	973.53	0	0	####	-	-	###	-	-	1,234.44	0
15	Total Meters	0		0	0		-	-		-	-		0
16													
17	Volumetric												
18	First 400 Cubic Feet	0	0.372	0	0	####	-	-	###	-	-	0.472	0
19	Next 6,100 Cubic Feet	0	3.386	0	0	####	-	-	###	-	-	4.481	0
20	Next 43,500 Cubic Feet	0	2.244	0	0	####	-	-	###	-	-	2.970	0
21	Next 450,000 Cubic Feet	0	1.604	0	0	####	-	-	###	-	-	2.123	0
22	Next 1,000,000 Cubic Feet	0	1.265	0	0	####	-	-	###	-	-	1.674	0
23	All Over 1,500,000 Cubic Feet	0	0.816	0	0	####	-	-	###	-	-	1.080	0
24	Lakeview Amount	0		0	0		-	-		-	-		0
25													
26	Total Gross	1,346,085		1,274,022	1,346,085		1,308,493	1,346,085		1,308,493	1,346,085		1,642,966
27	Proration adjustment			0									
28	Less: Correction & Allowances			0	-		0	-		0	-		0
29	Net Amount	1,346,085		1,274,021	1,346,085		1,308,493	1,346,085		1,308,493	1,346,085		1,642,966
30	Net Amt. Per Revenue Summary	1,345,487		1,274,021	1,345,488		1,308,493	1,345,488		1,308,493	1,345,488		1,642,966
31	Difference	598		0	597		(0)	597		(0)	597		0
32	Percent Difference	0.0444%		0.0000%	0.0444%		0.0000%	0.0444%		0.0000%	0.0444%		0.0000%

Tennessee Regulatory Authority
Private and Public Fire
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 2

Line No.	Class/Description	Normalized Year at Present Rates			Attrition Year at Present Rates			Attrition Year at Proposed Rates		
		Billing Determinate	Rates	Revenu	Billing Determinate	Rates	Revenu	Billing Determinate	Rates	Revenues
5	Private Fire Service									
7	1 - Inch Service	0	$28.34	$0	0	$28.34	$0	0	$35.94	$0
8	1 1/2 - Inch Service	1	$63.92	64	1	$63.92	64	1	81.05	81
9	2 - Inch Service	16	$113.68	####	16	$113.68	###	16	144.15	2,306
10	2 1/2 - Inch Service	1	$173.35	173	1	$173.35	###	1	219.81	220
11	3 - Inch Service	2	$255.53	511	2	$255.53	###	2	324.01	648
12	4 - Inch Service	107	$511.71	####	107	$511.71	###	107	648.85	69,427
13	6 - Inch Service	878	$1,022.61	####	891	$1,022.61	###	891	1,296.57	1,155,333
14	8 - Inch Service	307	$2,046.95	####	307	$2,046.95	###	307	2,595.53	796,829
15	10 - Inch Service	17	$3,070.65	####	17	$3,070.65	###	17	3,893.58	66,191
16	12 - Inch Service	21	$4,094.54	####	21	$4,094.54	###	21	5,191.88	109,029
17	Total Private Fire Service	1,350		####	1,363		###	1,363		2,200,064
21	Public Fire Service									
23	Ridgeside	13	0.00	0	13	0.00	0	13	0.00	0
24	Public Fire	4,976	0.00	0	4,976	0.00	0	4,976	0.00	0
25	Total Public Fire Service	4,989		0	4,989		0	4,989		0
27	Total Private and Public Fire Service Revenues			####			###			$2,200,064

Tennessee Regulatory Authority
Summary
Company : Tennessee-American Water Company
Case No. :

Attrition Year Revenues at Current and Proposed Rates

Test Year Twelve Months Ending March 31, 2010
Exhibit No. 4, Schedule 1

Line No.	Class/Description	Per Book Sales (CCF)	Per Book Total Revenues	Normalized Sales (CCF)	Normalized Total Revenues	Current Rates Sales (CCF)	Attrition Total Revenues	Proposed Rates Sales (CCF)	Total Revenues	Total Revenue Difference	Total Revenue Percent Change
5	Residential	4,366,253	15,613,436	4,270,606	15,159,653	4,297,853	15,243,199	4,297,853	19,328,380	4,085,181	26.8%
6	Commercial	3,900,531	11,512,040	3,897,353	11,403,023	3,933,111	11,534,347	3,933,111	14,625,553	3,091,206	26.8%
7	Industrial	2,561,716	3,400,242	2,561,716	3,401,954	2,561,716	3,401,954	2,561,716	4,313,363	911,409	26.8%
8	Other Public Authority	1,032,836	2,556,475	1,032,836	2,556,253	1,032,836	2,556,253	1,032,836	3,241,325	685,072	26.8%
9	Other Water Utility	1,345,487	1,248,931	1,345,488	1,308,493	1,345,488	1,308,493	1,345,488	1,642,966	334,473	25.6%
10	Private Fire Service	0	1,721,772	0	1,721,772	0	1,735,066	0	2,200,064	464,998	26.8%
11	Public Fire Service	0	(66)	0	0	0	0	0	-	-	
12	Subtotal	13,206,823	36,053,629	13,107,999	35,551,158	13,171,004	35,779,322	13,171,004	45,351,651	9,572,329	26.8%
13											
14	Other Operating Revenues		1,517,219		1,512,788		1,517,135		1,604,404	87,269	5.8%
15											
16	Total		37,570,848		37,063,946		37,296,457		46,956,055	9,659,598	25.9%
17											
18						Current Rates	Attrition	Proposed Rates			Total Revenue
19						Sales	Total	Sales	Total	Total Revenue	Percent
20	Per book revenues include unbilled revenues.					(CCF)	Revenues	(CCF)	Revenues	Difference	Change
21											
22	Chattanooga					3,906,524	13,538,572	3,906,524	17,166,910	3,628,338	26.8%
23	Lookout Mountain					218,183	942,647	218,183	1,195,276	252,629	26.8%
24	Lakeview					182,620	715,051	182,620	906,685	191,634	26.8%
25	Lone Oak					7,437	54,626	7,437	81,947	17,321	26.8%
26	Suck Creek					15,058	94,998	15,058	120,459	25,461	26.8%
27	Less Corrections and Allowances					37,685	113,625	37,685	144,076	30,451	26.8%
28	Total Residential					4,292,137	15,242,269	4,292,137	19,327,201	4,084,932	26.8%
29											
30	Chattanooga					3,860,794	11,294,955	3,860,794	14,322,006	3,027,051	26.8%
31	Lookout Mountain					37,843	145,092	37,843	183,976	38,884	26.8%
32	Lakeview					22,741	91,862	22,741	116,481	24,619	26.8%
33	Lone Oak					13	578	13	732	155	26.8%
34	Suck Creek					144	1,467	144	1,859	392	26.7%
35	Less Corrections and Allowances					(11,202)	(416)	(11,202)	(528)	(112)	26.8%
36	Total Commercial					3,932,737	11,534,370	3,932,737	14,625,582	3,091,212	26.8%
37											
38	Chattanooga					2,563,248	3,405,193	2,563,248	4,317,457	912,264	26.8%
39	Lookout Mountain					0	0	0	0	0	
40	Lakeview					0	0	0	0	0	
41	Lone Oak										
42	Suck Creek										
43	Less Corrections and Allowances					512	3,032	512	3,844	812	26.8%
44	Total Industrial					2,562,736	3,402,161	2,562,736	4,313,613	911,452	26.8%
45											
46	Chattanooga					1,022,892	2,503,711	1,022,892	3,174,704	670,993	26.8%
47	Lookout Mountain					9,906	46,807	9,906	59,351	12,544	26.8%
48	Lakeview					2,444	11,319	2,444	14,351	3,032	26.8%
49	Lone Oak										
50	Suck Creek										
51	Less Corrections and Allowances					2,311	5,599	2,311	7,100	1,501	26.8%
52	Total Other Public Authority					1,032,931	2,556,238	1,032,931	3,241,306	685,068	26.8%
53											
54	Chattanooga					1,346,085	1,308,493	1,346,085	1,642,966	334,473	25.6%
55	Lookout Mountain					0	0	0	0	0	
56	Lakeview					0	0	0	0	0	
57	Lone Oak										
58	Suck Creek										
59	Less Corrections and Allowances					0	0	0	0	(0)	
60	Total Other Water Utility					1,346,085	1,308,493	1,346,085	1,642,966	334,473	25.6%
61											
62	Private Fire						1,735,066		2,200,064	464,998	26.8%
63											
64	Total All						35,778,597		45,350,732	9,572,136	26.8%