CHAMBLISS

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July 6, 2012

Via E-Mail and USPS

Chairman Kenneth C. Hill, Ed.D. c/o Ms. Sharla Dillon Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

Re:

Petition of Tennessee American Water Company

Docket No. 12-00049

Dear Chairman Hill:

Enclosed please find an original and five (5) copies of the following:

- City of Chattanooga's Motion for Leave to Issue More Than Forty Discovery Requests;
- City of Chattanooga's Memorandum in Support of the City of Chattanooga's Motion for Leave to Issue More Than Forty Discovery Requests;
- City of Chattanooga's First Discovery Requests to Petitioner Tennessee American Water Company;
- City of Chattanooga's First Requests for Admission.

Please file these appropriately in the referenced docket.

I would appreciate you stamping the extra copies of the documents as "filed," and returning them to me in the enclosed, self-addressed, stamped envelope.

With best regards, I am

Frederick L. Hitchcock

FLH:pgh Enclosures Chairman Kenneth C. Hill, Ed.D. July 6, 2012 Page 2

cc: Mr. Melvin J. Malone (w/encl.)

Mr. Lindsey W. Ingram, III (w/encl.)

Mr. Robert E. Cooper, Jr. (w/encl.)

Mr. Ryan L. McGehee (w/encl.)

Mr. Vance L. Broemel (w/encl.)

Ms. Mary L. White

Mr. David C. Higney (w/encl.)

Mr. Michael A. McMahan (w/encl.)

Ms. Valerie L. Malueg

Ms. Kelly Cashman-Grams (w/ encl., via email)

Ms. Monica Smith-Ashford (w/ encl., via email)

Ms. Shilina Chatterjee Brown (w/ encl., via email)

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:)	
)	
PETITION FOR A GENERAL RATE)	
INCREASE, IMPLEMENTATION OF A)	Docket No. 12-00049
DISTRIBUTION SYSTEM	j –	
INFRASTRUCTURE CHARGE AND THE)	
ESTABLISHMENT OF TRACKING)	
MECHANISMS FOR PURCHASED	j i	
POWER, PENSIONS AND CHEMICAL)	
EXPENSES)	

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

Intervenor, the City of Chattanooga (Chattanooga), by and through counsel, submits the following First Discovery Requests (the "Requests") to Petitioner, Tennessee American Water Company ("*TAWC*") pursuant to TRA Rule 1220-1-2-.11. The responses to the Requests shall be delivered to the offices of the City Attorney, 100 East 11th Street, Suite 200, Chattanooga, Tennessee.

INSTRUCTIONS AND DEFINITIONS

- A. These Requests are to be deemed as continuing, and you are requested to provide, by way of supplemental responses, such additional information as may be hereafter obtained by you or any person on your behalf which augment, supplement, or otherwise modify responses to these Requests.
- B. The word "*Document*" shall include and mean, without limitation, the original and each draft and copy of any kind of written, printed, typed, recorded, or graphic matter, however produced or reproduced, of any kind or description, whether sent or received or neither. The term shall further include, without limitation, originals, all copies, all images, all backup or

archived copies, and all drafts of: papers, books, writings, memoranda, letters, electronic messages, electronic files, computer files, emails, correspondence, telegraphs, notes, book entries, accounts, statements of accounts, checks, cancelled checks, minutes of meetings, contracts, cables, telex messages, intra-office communications, intra-departmental communications, recordings or notes of telephone conversations, recordings or notes of other conversations, or meetings, affidavits, schedules, tabulations, calculations, computer files, and all other written or electronic records. The term "Document" includes the term "Communication".

- C. The term "Communication" means any oral or written statement conveyed by one person or entity to another person or entity by whatever means, including electronic Communications, emails, and computer files.
- D. If any *Document* called for by any request herein is to be withheld pursuant to any purported privilege or immunity:
 - (1) State the basis for such claim of privilege or immunity (e.g., attorneyclient privilege, work product doctrine);
 - (2) Identify the Document being withheld by stating the name or title of the Document; the type of Document; its date, author, addressee, and all recipients of copies; a general description of its subject matter; its present location(s) and custodian(s); and each person who, to your knowledge, has seen it; and
 - (3) State the number and/or portion of the request to which each such **Document** would be responsive.
- E. "TAWC" means the Petitioner, Tennessee American Water Company.
- F. "TAWC Parent or Affiliate" means AWWC or any subsidiary or affiliate of AWWC.

- G. "Operating Affiliate" means a TAWC Parent or Affiliate that provides utility services.
- H. "AWWSC" means American Water Works Service Company, Inc.
- I. "AWWC" means American Water Works Company, Inc.
- J. "Explain" means to provide a detailed explanation of the specified subject matter and to provide all *Documents* reflecting, recording, referring to, reporting, or relating to the subject matter or the response.
- K. "Identify" means: (i) when used with reference to an individual person, to state his/her full name, employer, job title, present or last known residence address and telephone number, and present or last known business address and telephone number: and (ii) when used with reference to a Document, means to state the type of the Document, its date, author, addressee, any other recipient(s), general subject matter, present location, and custodian. If any Document to be identified was, but no longer is, in your possession, state the disposition that was made of it and the reasons, facts, or circumstances associated with its disposition.
- L. "Schumaker Report" means the "Shumaker & Company Affiliate Audit Report of Tennessee-American Water Company for the Tennessee Regulatory Authority, dated August, 2010."
- M. "Lobbying" means to communicate, directly or indirectly, with any official in the legislative branch or executive branch, including the TRA, for the purpose of influencing any legislative action or administrative action.
- N. "Plant Additions or Improvements" means any activity that TAWC has included or intends to include in Utility Plant, Construction Work in Progress, Utility Plant Capital Lease,

Deferred Maintenance, or Limited Term Utility Plant, as those terms are used in Rate Base exhibits filed in support of *TAWC's* petition in this docket.

- O. "Capital Investment Plans" means the 2000 Comprehensive Planning Study; all updates or revisions to the 2000 Comprehensive Planning Study; all other capital investment plans, studies, or projections; and any updates or revisions to such capital investment plans, studies, or projections.
- P. "Attrition Year" means the period identified in Mr. VerDouw's direct testimony on page 7.
- Q. "Enforcement Action" means any notice of violation, any order, any directive, any assessment of civil penalties, or any criminal action issued to or initiated against TAWC.
- R. "BT Program" means the business transformation program described in Mr. VerDouw's direct testimony beginning at page 26.

DISCOVERY REQUESTS

1. Please *Identify* each person who was involved in preparing the responses to these Requests, specifying the Request(s) for which each such person was involved and the nature of the information provided by her or him.

RESPONSE:

2. Please *Identify* all employees of *TAWC* or any *TAWC Parent or Affiliate* who engaged since January 1, 2010 in any *Lobbying* on behalf of *TAWC*.

3. Provide the total compensation, including all fringe benefits, bonuses or incentive pay, and reimbursed expenses, paid to each person *Identified* in the previous Request during the period since January 1, 2010.

RESPONSE:

4. Please *Identify* all other persons, in addition to those Identified in response to Request No. 2, who engaged since January 1, 2010 in any *Lobbying* on behalf of *TAWC*.

RESPONSE:

5. Provide the total amount paid by *TAWC* or any *TAWC Parent or Affiliate* to each person ldentified in the previous Request or paid to any other person for the services of any such person.

RESPONSE:

6. Provide the total amount and purpose of all *Lobbying* expenditures paid by or on behalf of *TAWC* or any *TAWC Parent or Affiliate* since January 1, 2010. *Identify* the *TAWC* accounts charged for each amount.

RESPONSE:

7. Please list the date, time, place, and persons involved in all *Communications* since March 8, 2011 between any employee or representative of *TAWC* or of any *TAWC Parent or Affiliate* and any director or employee of the Tennessee Regulatory Authority. It is not necessary to *Identify* any *Communications* in which a representative of the Attorney General or of any intervenor in this cause was a participant.

8. Please describe all *Documents* constituting, containing, reporting, discussing, referring to, or relating to the *Communications* identified in response to the previous Request.

RESPONSE:

9. Please *Identify* each employee position that has been eliminated since January 1, 2010 and describe the primary duties of the employees whose positions were eliminated.

RESPONSE:

10. Please *Identify* each employee who last filled an employee position identified in response to the previous Request.

RESPONSE:

11. Please *Explain* how the primary duties of each employee position that has been eliminated have been re-assigned.

RESPONSE:

12. Please *Identify* each employee position that has been added since January 1, 2010. Please *Explain* the primary duties of each such position.

RESPONSE:

13. Ms. Schwarzell on page 3 of her direct testimony identifies 107 full-time employees as being included in attrition year labor expenses. In this regard, how many full-time employees were employed by *TAWC* when it filed this case?

14. Please *Identify* the number of full-time employees who were employed as of the first day of each month since January 1, 2010.

RESPONSE:

15. Please *Identify* all *Plant Additions or Improvements* with a total cost greater than \$10,000 initiated since January 1, 2006, listing for each the following information:

Description of Plant Addition or Improvement	Date Initiated	Date In Service	Total Cost	Equipment Cost	Material Cost	Labor Cost	Overhead Cost	Amount Paid to Contractor	Amount Paid to TAWC Parent or Affiliate

RESPONSE:

16. Please *Identify* which of the *Plant Additions or Improvements* identified in response to the previous Request involved the following major plant elements: (a) Treatment Plant; (b) Tank Addition; (c) Tank Rehabilitation or Painting; (d) Pumping Equipment; (e) Repair or Replacement of Water Mains, providing for each category the following information:

Major Plant Element		
(Treatment Plant, Tank		
Addition; Tank		
Rehabilitation or Painting;		
Pumping Equipment; Repair		
or Replacement of Water	Description of Plant Additions or	
Mains)	Improvements	Total Cost

RESPONSE:

17. Provide copies of all *Capital Investment Plans* completed or updated since January 1, 2000 for or by *TAWC*.

18. Please *Identify* all *Plant Additions or Improvements* with a total cost greater than \$10,000 that were not fully included in *TAWC*'s rate base as of June 1, 2012, but which are planned or projected to be included in *TAWC*'s rate base prior to the end of the *Attrition Year*, listing for each the following information:

Description Plant Add	lition or	Date Projected to be Initiated	Date Projected to be In Service	Projected Total Cost	Equipment Cost	Material Cost	Labor Cost	Overhead Cost

RESPONSE:

19. Please *Explain* changes in process or procedure that have been implemented by *TAWC* since January 1, 2010, to address valve location and operation problems.

RESPONSE:

20. How many valves does *TAWC* have in its system?

RESPONSE:

21. How many valves has **TAWC** repaired or replaced since January 1, 2010.

RESPONSE:

22. Provide copies of all Communications to and from Walden's Ridge Utility District since January 1, 2010, about *TAWC* water service and potential termination of the purchase water agreement between Walden's Ridge Utility District and *TAWC*.

23. Provide a copy of the most recent versions of all agreements between *TAWC* and Walden's Ridge Utility District that have been in effect since January 1, 2008.

RESPONSE:

24. *Identify* all facilities, including, without limitation, all mains, pumps, storage facilities, and control or monitoring equipment, that *TAWC* utilizes or has utilized during the term of any agreement between *TAWC* and Walden's Ridge Utility District to provide water to Walden's Ridge Utility District.

RESPONSE:

25. Identify all Plant Additions or Improvements added to TAWC's rate base since January 1, 2001 that TAWC utilizes or has utilized during the term of any agreement between TAWC and Walden's Ridge Utility District to provide water to Walden's Ridge Utility District.

RESPONSE:

26. Explain why TAWC decided to remove all outside directors from its board.

RESPONSE:

27. Provide all *Documents* that address the reason or justification for *TAWC*'s removal of all outside directors from its board.

RESPONSE:

28. Provide all *Documents* constituting, adopting, approving, referring to, or relating to a "distribution system infrastructure charge" or similar tariff rider in any state other than Tennessee, as referred to by Mr. VerDouw in his direct testimony beginning on page 48.

29. Identify all states in which a TAWC Parent or Affiliate or any other investor-owned utility has requested or recommended approval of a "distribution system infrastructure charge" or similar tariff rider, providing in each case the regulatory agency, authority, or commission involved, the date of the request, and the docket number or reference.

RESPONSE:

30. Identify any statutory provision authorizing the approval or adoption of a "distribution system infrastructure charge" or similar tariff rider in any state in which such a charge has been approved or has been sought by a TAWC Parent or Affiliate or by any other investor-owned utility.

RESPONSE:

31. Provide all *Documents* constituting, adopting, approving, referring to, or relating to a "purchased power and chemicals charge" or similar tariff rider in any state other than Tennessee.

RESPONSE:

32. Identify all states in which a TAWC Parent or Affiliate or any other investor-owned utility has requested or recommended approval of a "purchased power and chemicals charge" or similar tariff rider, providing in each case the regulatory agency, authority, or commission involved, the date of the request, and the docket number or reference.

RESPONSE:

33. *Identify* any statutory provision authorizing the approval or adoption of a "purchased power and chemicals charge" or similar tariff rider in any state in which such a charge has been

approved or has been sought by a TAWC Parent or Affiliate or by any other investor-owned utility.

RESPONSE:

34. Provide separate accountings for total purchased power expenses and chemicals expenses for each month since October 1, 2009.

RESPONSE:

35. For each calendar year period commencing January 1, 2006, provide separate accountings for increases or decreases from the prior calendar year in purchased power expenses and chemicals expenses.

RESPONSE:

36. Provide all *Documents* constituting, adopting, approving, referring to, or relating to a "pension tracker" or similar tariff rider in any state other than Tennessee, as referred to by Mr. VerDouw in his direct testimony beginning on page 59.

RESPONSE:

37. Identify all states in which a TAWC Parent or Affiliate or any other investor-owned utility has requested or recommended approval of a "pension tracker" or similar tariff rider, providing in each case the regulatory agency, authority, or commission involved, the date of the request, and the docket number or reference.

38. *Identify* any statutory provision authorizing the approval or adoption of a "pension tracker" or similar tariff rider in any state in which such a charge has been approved or has been sought by a *TAWC Parent or Affiliate* or by any other investor-owned utility.

RESPONSE:

39. What does *TAWC* contend is the percentage rate of "non-revenue water" loss during the twelve months ended December 31, 2011?

RESPONSE:

40. *Explain* in detail the data and calculation upon which the percentage rate of "non-revenue water" loss reported in response to the previous Request was calculated.

RESPONSE:

41. *Explain* in detail how the calculation described in response to the previous Request differs from the calculation of the percentage "unaccounted-for water" referenced in the TRA's April 27, 2012 Order in Docket No. 10-00189, at note 377.

RESPONSE:

42. What does *TAWC* contend is the present rate during the twelve months ended December 31, 2011 of "unaccounted-for water" loss as opposed to "non-revenue water" loss?

RESPONSE:

What was the total cost of *TAWC*'s "non-revenue water (NRW) program," referenced in Mr. Rogers' direct testimony, during each calendar year from January 1, 2008 through December 31, 2011?

44. *Identify* all *Plant Additions or Improvements* that were undertaken as a result of or as part of the "non-revenue water (NRW) program".

RESPONSE:

45. Provide a copy or printout of the information contained in *TAWC*'s "main break analysis database" described in Mr. Rogers' direct Testimony for the period January 1, 2008 through June 30, 2012.

RESPONSE:

46. Mr. VerDouw on page 46, Bridwell on page 36, and Rogers on page 21 of their direct testimony variously discusses the replacement of 4" mains and the recent replacement of 2" to 2.5" lines to reduce non-revenue water loss. Provide all *Documents* constituting, describing, referring to, or relating to the measurement and documentation of savings of "non-revenue water" produced by the replacement of 2" to 4" mains for each calendar year period since January 1, 2008.

RESPONSE:

47. *Explain* the methodology of measurement, using flow meters or any other methodology, of the savings of "non-revenue water" described in response to the previous Request.

RESPONSE:

48. Is *TAWC* under investigation by either the U.S. Environmental Protection Agency ("USEPA") or the Tennessee Department of Environment and Conservation ("TDEC") for any potential or alleged violation of environmental laws or regulations enforced by those agencies? If so, *Explain* the nature of any such investigation and the potential or alleged violations and

provide all *Documents* describing, referring to, or relating to any such investigation and the potential or alleged violations.

RESPONSE:

49. Has *TAWC* been the subject of any *Enforcement Action* by either USEPA or TDEC since January 1, 2008? If so, *Explain* the *Enforcement Action* and provide all *Documents* describing, referring to, or relating to the *Enforcement Action*.

RESPONSE:

50. What existing regulations by either USEPA or TDEC will require any additional investment in *Plant Additions or Improvements* or programs by *TAWC* from the date of filing of Docket No. 12-00049 through the end of the *Attrition Year*?

RESPONSE:

51. If, in response to the previous Request, you identified any existing regulations requiring new investment or programs, *Identify* all *Plant Additions or Improvements* and programs that you contend will be required by those regulatory requirements and *Explain* their individual cost through the end of the *Attrition Year*.

RESPONSE:

52. Mr. VerDouw testifies beginning on page 25 of his direct testimony that *TAWC* faces a variety of regulatory requirements. *Identify* and *Explain* any specific new regulatory requirements known today that were not in existence at the date of filing of Docket No. 10-00189.

53. Mr. VerDouw testifies starting on page 20 of his direct testimony about various risks associated with the source water for *TAWC*, that being the Tennessee River. *Identify* and *Explain* all plans that *TAWC* has made by *TAWC* to interconnect with the Hixson Utility District ("HUD") and the Eastside Utility District ("EUD") in the event *TAWC*'s source water becomes unavailable for any time or any reason.

RESPONSE:

54. Provide all *Documents* describing, referring to, or relating to any plans Identified in response to the previous Request.

RESPONSE:

55. If *TAWC* has not made plans for interconnection with HUD or EUD, please *Explain*TAWC's justification, if any, for its failure to do so.

RESPONSE:

56. Explain the basis for TAWC's refusal to cooperate with the engineering firm hired by the City of Chattanooga, Jacobs Engineering Group, Inc., to complete a homeland security analysis that included a Water System Interconnection Study analyzing the potential for interconnection among the three major water utilities serving Chattanooga to protect against harm caused by disruption of one or more of the utilities' sources of supply.

RESPONSE:

57. Provide all *Documents* referring to or relating to Jacobs Engineering Group, Inc. or the Water System Interconnection Study commissioned by the City of Chattanooga.

58. Explain why TAWC or AWWSC chose to replace a business program that could properly bill and account for sewer service charges to TAWC's customers with a business transformation program ("BT Program") that would not do so.

RESPONSE:

59. Provide all *Documents* discussing, referring to, or relating to the choice by *TAWC* or *AWWSC* to acquire a *BT Program* that it asserts could not properly bill and account for sewer service charges to *TAWC*'s customers.

RESPONSE:

60. Identify each Operating Affiliate that provides both water and waste water or sewer services to the same customers and which will be serviced by the new BT Program.

RESPONSE:

61. Will the new *BT program* provide sewer service billing to customers of any *Operating*Affiliate that provides sewer services?

RESPONSE:

62. Are all *Operating Affiliates* charged for the *BT Program* on a per customer basis (with *TAWC*'s share being 2.42%) as described beginning on page 37 of VerDouw's testimony?

RESPONSE:

63. Explain the basis upon which Operating Affiliates that also provide sewer services are to be charged for the BT Program.

64. Explain any basis other than a per-customer basis that is used or planned to be used to allocate any costs for the BT Program to any Operating Affiliate other than TAWC.

RESPONSE:

65. Provide the number of customers for all water and wastewater operations of *TAWC* and other *AWWC* subsidiaries and affiliates, by company, for each of the calendar years 2006 through 2011.

RESPONSE:

66. Provide total **AWWSC** charges to each **AWWC** subsidiary or affiliate, whether regulated or not, that provides water or wastewater services, and each unaffiliated company that is provided services by **AWWSC** for each of the calendar years 2006 through 2011.

RESPONSE:

67. Provide copies of all bills or statements in the form received by *TAWC* from *AWWSC* or *AWWC* or any subsidiary or affiliate of *AWWC* from January 1, 2010 through the present date for expenses classified as "Support Services Fees."

RESPONSE:

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

RESPONSE:

69. Provide a schedule of all fees or charges billed to, charged to, owed by, accrued by, or paid by *TAWC* for expenses classified as Management Fees or "Support Services Fees,"

Identifying for each such fee or charge its total amount; any discount allowed or taken; its nature; its purpose; the business unit or entity providing it; and the entity, functional area, business unit, or service provider by month for the period January 1, 2010 to present. In this schedule, please Identify the budget for each Management Fee or "Support Services Fee" or charge, the corresponding actual expenditure, the variance calculation, and detailed variance explanation, by month for the period.

RESPONSE:

70. Provide a schedule by calendar quarter from January 1, 2010 to present listing for each *AWWSC* employee (i) employee identification number; (ii) title, (iii) business unit; (iv) unburdened salary; (v) hourly rate; and (vi) number of hours billed or allocated to *TAWC*.

RESPONSE:

71. Provide documentation containing the salary and/or wages for each position at *TAWC* or *AWWSC*, all or part of the cost of which is charged to *TAWC*.

RESPONSE:

72. Provide all *Documents* constituting, referencing, containing, relating to, responding to, or referring to any benchmarking studies or similar reports for *TAWC*, *AWWC*, *AWWSC*, and any other subsidiary or affiliate of *AWWC*, whether in draft or final form, with all associated documentation, including, but not limited to definitions, instructions, data inputs, and supplementary reports, that have been initiated or completed since January 1, 2008. The requested *Documents* include, without limitation, all *Documents* constituting, referencing, containing, relating to, responding to, or referring to internal analyses of these reports, including,

without limitation, remediation plans, schedules, and progress reports associated with follow-up for this work.

RESPONSE:

73. Provide all *Documents* constituting, containing, referring to, or relating to recommendations contained in the *Schumaker Report*.

RESPONSE:

74. Please *Identify* and provide a copy of all management audits completed since January 1, 2010, including any directed by the TRA or any other state regulatory agency, performed by or for *TAWC*, *AWWSC*, *AWWC* or any subsidiary or affiliate of *AWWC* other than the *Schumaker Report*.

RESPONSE:

75. Provide all *Documents* that constitute, relate to, or refer to the terms of any contracts (including all attachments and amendments thereto) in effect at any time since January 1, 2006 between *TAWC* and *AWWC*, *AWWSC*, *AWR*, *AWCC*, or any subsidiary or affiliate of any of them.

RESPONSE:

76. Please *Identify* and provide copies (in the original medium and format) of all advertisements that were placed, displayed, or distributed in any area served by *TAWC* and which were paid for by *TAWC* or any *TAWC Parent or Affiliate* since January 1, 2010 to date.

77. Provide a detailed listing of all payments for the advertisements identified in response to the previous Request, showing the amount, date, person or entity making the payment, and person or entity to which payment was made.

RESPONSE:

78. Please *Identify* for each year since January 1, 2010, the number of employees by position at the National Call Centers and for each position set forth the unburdened base hourly wage or salary rate (without overheads). In the event there is more than one base hourly rate for each position, provide the average and median base hourly rates for each such position.

RESPONSE:

79. Identify and provide all Documents constituting, reporting, or referring to call center operating statistics and reports that are prepared for management of TAWC, AWWSC, or any other subsidiary or affiliate of AWWC relating to, referring to, or concerning the efficiency, effectiveness, or other aspects of the operations of the call centers, including, without limitation, such information for operations related to Non-Regulated Services or other activities of non-regulated operations and companies served by the call centers.

RESPONSE:

80. 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.

81. 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:

82. If your response to any of the City of Chattanooga's Requests for Admission was anything other than an unqualified admission, please *Explain* the basis for your failure to admit each such request without qualification and *Identify* all *Documents* related to, referring to, or describing the basis for that failure.

RESPONSE:

Respectfully Submitted,

OFFICE OF THE CITY ATTORNEY

Michael A. McMahan (BPR No. 000810

Valerie L. Malueg (BPR No. 023763)

Special Counsel

100 East 11th Street, Suite 200

Chattanooga, TN 37402

(423) 643-8225

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CHAMBLISS, BAHNER & STOPHEL, P.C.

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Chattanooga, Tennessee 37402

(423) 757-0222 - Telephone

(423) 508-1222 - Facsimile

Email: rhitchcock@cbslawfirm.com

CERTIFICATE OF SERVICE

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

Mr. Melvin J. Malone Butler, Snow, O'Mara, Stevens & Cannada, PLLC 1200 One Nashville Place 150 Fourth Avenue, North Nashville, TN 37219-2433

Mr. Robert E. Cooper, Jr.
Attorney General and Reporter
Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, TN 37202-0207

Mr. Lindsey W. Ingram, III Stoll Keenon Ogden PLLC 300 West Vine Street Suite 2100 Lexington, KY 40507

Mr. Ryan McGehee Assistant Attorney General Office of the Attorney General Consumer Advocate and Protection Division P.O. Box 20207 Nashville, TN 37202-0207

This 6th day of July, 2012.