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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:

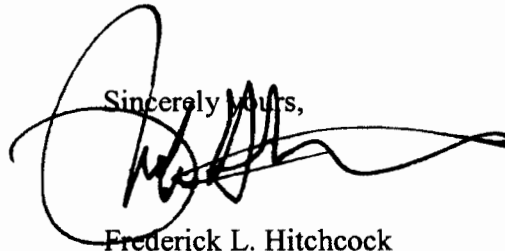
- City of Chattanooga's Motion for Leave to Issue More Than Forty Discovery Requests;
- City of Chattanooga's Memorandum in Support of the City of Chattanooga's Motion for Leave to Issue More Than Forty Discovery Requests;
- City of Chattanooga's First Discovery Requests to Petitioner Tennessee American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

Sincerely yours,



Frederick L. Hitchcock

FLH:pgh
Enclosures

Chairman Kenneth C. Hill, Ed.D.

July 6, 2012

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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)	
INFRASTRUCTURE CHARGE AND THE)	
ESTABLISHMENT OF TRACKING		
MECHANISMS FOR PURCHASED		
POWER, PENSIONS AND CHEMICAL		
EXPENSES		

**MEMORANDUM IN SUPPORT OF CHATTANOOGA'S MOTION FOR LEAVE TO
ISSUE MORE THAN FORTY DISCOVERY REQUESTS**

Intervenor, the City of Chattanooga ("Chattanooga"), by and through counsel, hereby submits this memorandum, pursuant to TRA Rule 1220-1-2-.11(5)(a), demonstrating good cause in support of its *Motion for Leave to Issue More Than Forty Discovery Requests* to Tennessee American Water Company. ("TAWC").

To avoid unnecessary duplication of similar arguments, Chattanooga adopts by reference the arguments and authorities set forth by the Consumer Advocate in its *Memorandum in Support of the Consumer Advocate's Motion for Leave to Issue More than Forty Discovery Requests*, including, without limitation the Consumer Advocate's authorities and argument addressing the Rules Governing Discovery Before the TRA and its discussion of the Absence of Abuse or Oppression In Discovery filed by the Intervenors. As set forth in the referenced authorities and argument, and as more fully explained herein, Chattanooga has ample good cause to support its request for leave to propound additional discovery requests.

CHATTANOOGA HAS GOOD CAUSE TO REQUEST MORE THAN FORTY DISCOVERY REQUESTS

In this matter, TAWC is requesting a \$10.6 million annual increase, the largest request it has ever made, representing a 25% increase in the rates paid by the households and businesses of Chattanooga and the surrounding areas. It has initiated this proceeding with a Petition and direct testimony totaling more than 650 pages. The Petition and the pre-filed direct testimony of ten (10) witnesses raise a large number of complex issues. A few of these issues include the status of previously-funded capital expenditures, various single issue tracking mechanisms, proposed revenue normalization adjustment, management fees, return on equity, rate case expense, production costs, stranded investment, and operating and maintenance expenses. Many of these issues are interrelated and require the resolution of other subordinate issues.

In this case, Chattanooga seeks to represent diligently and completely its interests as a major consumer of water and the interests of its citizens. Accordingly, Chattanooga has not only sought to intervene to participate in the TRA's consideration of TAWC's request, Chattanooga is also seeking an order to require TAWC to cooperate concerning critical public safety issues. Chattanooga's discovery requests necessarily address both its request to participate in consideration of TAWC's unprecedented rate increase and Chattanooga's request that TRA order TAWC to cooperate in the evaluation and resolution of the critical public safety issues addressed in the City's Petition.

Chattanooga has limited its requests to eighty-two (82) discovery requests seeking information and documents. In addition, in order to avoid the necessity for additional discovery requests, Chattanooga has propounded nine (9) requests for admission. Together, Chattanooga has only propounded one (1) discovery request or request for admission for every seven (7)

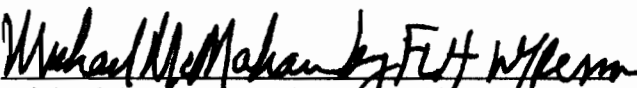
pages of direct testimony offered by TAWC in support of its Petition. These requests focus on important issues that are of great importance to Chattanooga and its citizens.

CONCLUSION

For all of the foregoing reasons, Chattanooga respectfully requests that the Authority grant its *Motion for Leave to Issue More Than Forty Discovery Requests*.

Respectfully Submitted,

OFFICE OF THE CITY ATTORNEY

By: 

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Special Counsel

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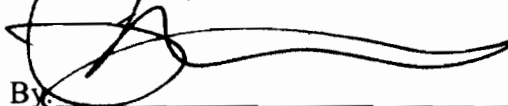
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CERTIFICATE OF SERVICE

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 ☐ hand delivery or ☒ United States first class mail with proper postage applied thereon to ensure prompt delivery:

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This 6th day of July, 2012.

By:  _____