

STATE OF TENNESSEE

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August 28, 2012

Dr. Kenneth Hill
Chairman
c/o Sharla Dillon
Docket Manager
Tennessee Regulatory Authority
460 James Robertson Pkwy.
Nashville, TN 37243-0505

filed electronically in docket office on 08/28/12

Re: *Petition of Tennessee American Water for a General Rate Increase*
Docket No. 12-00049

Dear Chairman:

Attached are financial exhibits which were inadvertently not filed with the Pre-filed Direct Testimony of the Consumer Advocate. I am filing the exhibits with the Authority and serving all parties. Thank you for your time and consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan L. McGehee", written over a horizontal line.

Ryan L. McGehee
Assistant Attorney General
Office of the Attorney General
Consumer Advocate and Protection Division

CC: all parties of record in Docket 12-00049

**BEFORE
THE TENNESSEE REGULATORY AUTHORITY**

Petition Of Tennessee American Water)
Company To Change And Increase)
Certain Rates And Charges So Far 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. 12-00049

COLLECTIVE EXHIBITS

ON BEHALF OF
**THE CONSUMER ADVOCATE AND PROTECTION DIVISION
OF THE
TENNESSEE ATTORNEY GENERAL'S OFFICE**

August 27, 2012

TENNESSEE-AMERICAN WATER COMPANY
INDEX TO SCHEDULES
For the 12 Months Ending November 30, 2013

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TENNESSEE-AMERICAN WATER COMPANY
Results of Operations
For the 12 Months Ending November 30, 2013

Line No.		CAPD	Company E/	Difference
1	Rate Base	\$ 122,238,480 A/	\$ 135,820,256	\$ -13,581,776
2	Operating Income At Current Rates	6,771,084 B/	4,974,990	1,796,094
3	Earned Rate Of Return	5.54%	3.66%	1.88%
4	Fair Rate Of Return	6.94% C/	8.23%	-1.29%
5	Required Operating Income	8,486,116	11,178,007	-2,691,892
6	Operating Income Deficiency	1,715,032	6,203,017	-4,487,985
7	Gross Revenue Conversion Factor	1.648561 D/	1.720990	-0.072429
8	Revenue Deficiency	\$ <u>2,827,334</u>	\$ <u>10,675,330</u>	\$ <u>-7,847,996</u>

A/ CAPD Exhibit, Schedule 2.

B/ CAPD Exhibit, Schedule 7.

C/ CAPD Exhibit, Schedule 14.

D/ CAPD Exhibit, Schedule 15.

E/ Company Exhibit FS-1-Summary Revenue Requirement-GMV.

TENNESSEE-AMERICAN WATER COMPANY
Average Rate Base
For the 12 Months Ending November 30, 2013

Line No.		Test Period	A/	Adjustments	Attrition Period	B/
Additions:						
1	Utility Plant in Service	\$ 229,163,049		\$ 11,542,230	\$ 240,705,279	
2	Construction Work in Progress	4,131,572		-1,487,673	2,643,899	
3	Utility Plant Capital Lease	1,590,500		0	1,590,500	
4	Working Capital	<u>3,699,987</u>		<u>-990,543</u>	<u>2,709,444</u>	C/
5	Total Additions	\$ <u>238,585,108</u>		\$ <u>9,064,014</u>	\$ <u>247,649,122</u>	
Deductions:						
6	Accumulated Depreciation	\$ 73,634,805		\$ 7,344,282	\$ 80,979,087	
7	Accumulated Amortization of Capital Lease	1,440,286		140,018	1,580,304	
8	Accumulated Deferred FIT	23,583,334		1,524,655	25,107,989	
9	Customer Advances for Construction	4,738,467		767,014	5,505,481	
10	Contributions in Aid of Construction	10,611,414		1,554,878	12,166,292	
11	Unamortized Investment Tax Credit	25,351		-4,386	20,965	
12	Utility Plant Acquisition Adjustment	<u>50,524</u>		<u>0</u>	<u>50,524</u>	
13	Total Deductions	\$ <u>114,084,181</u>		\$ <u>11,326,461</u>	\$ <u>125,410,642</u>	
14	Rate Base	\$ <u>124,500,927</u>		\$ <u>-2,262,447</u>	\$ <u>122,238,480</u>	

A/ Company Exhibit RB-1-Summary-LCB.

B/ CAPD Rate Base Workpaper RB-1.00.

C/ CAPD Exhibit, Schedule 4.

TENNESSEE-AMERICAN WATER COMPANY
Comparative Rate Base
For the 12 Months Ending November 30, 2013

Line No.		CAPD A/	Company B/	Difference
Additions:				
1	Utility Plant in Service	\$ 240,705,279	\$ 250,455,533	\$ -9,750,254
2	Construction Work in Progress	2,643,899	3,581,671	-937,772
3	Utility Plant Capital Lease	1,590,500	1,590,500	0
4	Working Capital	<u>2,709,444</u>	<u>3,188,192</u>	<u>-478,748</u>
5	Total Additions	\$ <u>247,649,122</u>	\$ <u>258,815,896</u>	\$ <u>-11,166,774</u>
Deductions:				
6	Accumulated Depreciation	\$ 80,979,087	\$ 81,011,226	\$ -32,139
7	Accumulated Amortization of Capital Lease	1,580,304	1,576,226	4,078
8	Accumulated Deferred FIT	25,107,989	23,407,464	1,700,525
9	Customer Advances for Construction	5,505,481	4,473,724	1,031,757
10	Contributions in Aid of Construction	12,166,292	12,466,115	-299,823
11	Unamortized Investment Tax Credit	20,965	20,965	0
12	Utility Plant Acquisition Adjustment	<u>50,524</u>	<u>39,920</u>	<u>10,604</u>
13	Total Deductions	\$ <u>125,410,642</u>	\$ <u>122,995,640</u>	\$ <u>2,415,002</u>
14	Rate Base	\$ <u>122,238,480</u>	\$ <u>135,820,256</u>	\$ <u>-13,581,776</u>

A/ CAPD Exhibit, Schedule 2.

B/ Company Exhibit RB-1-Summary-LCB.

TENNESSEE-AMERICAN WATER COMPANY
Comparative Working Capital
For the 12 Months Ending November 30, 2013

Line No.		<u>CAPD</u> A/	<u>Company</u> B/	<u>Difference</u>
1	Prepaid Expenses & Taxes	\$ 568,884	\$ 577,696	\$ -8,812
2	Materials & Supplies	379,905	301,364	78,541
3	Deferred Regulatory Expenses	1,138,715	1,138,715	0
4	Unamortized Debt Expense	885,499	885,503	-4
5	Other Deferred Debits	31,128	31,124	4
6	Incidental Collections	-224,767	-116,192	-108,575
7	Lead/Lag Study	<u>-69,920</u> C/	<u>369,982</u>	<u>-439,902</u>
8	Working Capital Requirement	\$ <u>2,709,444</u>	\$ <u>3,188,192</u>	\$ <u>-478,748</u>

A/ CAPD Rate Base Workpaper RB-13-1.00.
B/ Company Exhibit RB-8-Working Capital-LCB.
D/ CAPD Exhibit, Schedule 5.

TENNESSEE-AMERICAN WATER COMPANY
Lead Lag Results
For the 12 Months Ending November 30, 2013

<u>Line No.</u>		<u>CAPD</u>
1	Revenue Lag	<u>44.91</u> A/
2	Expense Lag	<u>45.62</u> B/
3	Net Lag	-0.71
4	Daily Cost of Service	\$ <u>98,350</u> B/
5	Lead Lag Study	\$ <u><u>-69,920</u></u>

A/ CAPD Rate Base Workpaper RB-13-7.00.
B/ Staff Exhibit, Schedule 6.

TENNESSEE-AMERICAN WATER COMPANY
Working Capital Expense Lag
For the 12 Months Ending November 30, 2013

Line No.		Amount A/	Lag B/	Dollar Days
Operating & Maintenance Expenses:				
1	Labor	\$ 5,188,473	12.52	\$ 64,944,615
2	Purchased Water	51,331	58.12	2,983,158
3	Fuel & Power	2,577,355	29.22	75,300,004
4	Chemicals	986,930	27.57	27,209,364
5	Waste Disposal	213,308	67.10	14,312,796
6	Management Fees	4,825,406	-10.17	-49,076,792
7	Group Insurance	1,070,082	-6.17	-6,607,542
8	OPEB's	679,589	10.00	6,795,686
9	Pensions	941,837	20.41	19,223,082
10	Regulatory Expense	650,315	76.91	50,017,352
11	Insurance Other	361,543	-71.29	-25,772,737
12	Customer Accounting	1,290,266	54.42	70,216,018
13	Rents	8,720	11.37	99,178
14	General Office Expense	281,218	32.83	9,231,543
15	Miscellaneous	2,102,000	35.42	74,443,591
16	Maintenance Expense	1,016,777	42.50	43,213,531
17	Total O&M Expenses	\$ 22,245,150	16.93	\$ 376,532,846
Administrative & General Expenses:				
20	Federal Income Tax	4,501,358	89.31	402,038,324
21	Property Taxes	2,757,695	243.74	672,164,440
22	Gross Receipts Tax	807,678	-149.96	-121,117,697
23	Franchise Tax	408,873	33.26	13,600,261
24	Utility Tax	131,826	-94.46	-12,452,284
25	Taxes Other Than Income	404,396	12.00	4,852,752
26	Interest Expense - Long-Term Debt	4,598,628	65.52	301,307,133
27	Interest Expense - Short-Term Debt	40,339	14.76	595,202
28	Preferred Stock	1,808	45.13	81,582
29	Total Administrative & General Expenses	\$ 13,652,600	92.37	\$ 1,261,069,712
30	Total Lead/Lag Expenses	\$ 35,897,750	45.62	\$ 1,637,602,558
Other Expenses:				
31	Depreciation Expense	\$ 5,587,676		
32	Amortization Expense	29,307		
33	Net Earnings	2,130,310		
34	Total Other Expenses	\$ 7,747,292		
35	Total Cost of Service	\$ 43,645,042		
36	Daily Cost Of Service-Based on Lead/Lag Expenses	\$ 98,350		

A/ CAPD Exhibit, Schedule 7.

B/ CAPD Rate Base Workpaper RB-13-7.00.

TENNESSEE-AMERICAN WATER COMPANY
Income Statement at Current Rates
For the 12 Months Ending November 30, 2013

Line No.		Test Period A/	Adjustments	Attrition Amount B/
	Operating Revenues:			
1	Water Sales Revenues	\$ 41,179,381	\$ 694,343	\$ 41,873,724 C/
2	Other Revenues	1,550,187	221,131	1,771,318 C/
3	Total Water Revenue	\$ 42,729,568	\$ 915,474	\$ 43,645,042
	Operating & Maintenance Expenses:			
4	Salaries And Wages	\$ 5,460,560	\$ -272,087	\$ 5,188,473
5	Purchased Water	44,212	7,119	51,331
6	Purchased Power	2,738,627	-161,272	2,577,355
7	Chemicals	1,039,055	-52,125	986,930
8	Waste Disposal	204,868	8,440	213,308
9	Support Services	5,081,165	-255,759	4,825,406
10	Group Insurance	1,700,927	48,744	1,749,671
11	Pensions	2,872,405	-1,930,568	941,837
12	Regulatory Expense	663,237	-12,922	650,315
13	Insurance Other Than Group	348,025	13,518	361,543
14	Customer Accounting	1,256,731	33,535	1,290,266
15	Rents	52,359	-43,639	8,720
16	General Office Expense	319,665	-38,447	281,218
17	Miscellaneous	2,444,361	-342,361	2,102,000
18	Maintenance Expense	976,549	40,228	1,016,777
19	Total Operating & Maintenance Expenses	\$ 25,202,746	\$ -2,957,596	\$ 22,245,150
20	Depreciation Expense	4,615,384	972,292	5,587,676 D/
21	Amortization Expense	422,920	-393,613	29,307 E/
22	General Taxes	4,496,448	14,020	4,510,468 F/
23	State Excise Taxes	405,915	35,465	441,380 G/
24	Federal Income Taxes	1,774,925	2,285,053	4,059,978 G/
25	Total Operating Expenses	\$ 36,918,338	\$ -44,380	\$ 36,873,958
26	Utility Operating Income	\$ 5,811,230	\$ 959,854	\$ 6,771,084

A/ Company Exhibit FS-2-Income Statement-GMV.

B/ CAPD Expense Workpaper E-REC-1.

C/ CAPD Exhibit, Schedule 9.

D/ CAPD Rate Base Workpaper RB-14-1.00.

E/ CAPD Rate Base Workpaper RB-15-1.00.

F/ CAPD Exhibit, Schedule 10.

G/ CAPD Exhibit, Schedule 11.

TENNESSEE-AMERICAN WATER COMPANY
Comparative Income Statement at Current Rates
For the 12 Months Ending November 30, 2013

Line No.		CAPD A/	Company B/	Difference
	Operating Revenues:			
1	Water Sales Revenues	\$ 41,873,724	\$ 41,194,159	\$ 679,565
2	Other Revenues	1,771,318	1,648,355	122,963
3	Total Water Revenue	\$ 43,645,042	\$ 42,842,514	\$ 802,528
	Operating & Maintenance Expenses:			
4	Salaries And Wages	\$ 5,188,473	\$ 5,549,827	\$ -361,354
5	Purchased Water	51,331	50,159	1,172
6	Purchased Power	2,577,355	2,788,212	-210,857
7	Chemicals	986,930	1,030,128	-43,198
8	Waste Disposal	213,308	208,436	4,872
9	Support Services	4,825,406	5,816,566	-991,160
10	Group Insurance	1,749,671	1,774,436	-24,765
11	Pensions	941,837	1,520,851	-579,014
12	Regulatory Expense	650,315	626,950	23,365
13	Insurance Other Than Group	361,543	365,057	-3,514
14	Customer Accounting	1,290,266	1,214,752	75,514
15	Rents	8,720	8,374	346
16	General Office Expense	281,218	280,729	489
17	Miscellaneous	2,102,000	2,115,085	-13,085
18	Maintenance Expense	1,016,777	993,557	23,220
19	Total Operating & Maintenance Expenses	\$ 22,245,150	\$ 24,343,119	\$ -2,097,969
20	Depreciation Expense	5,587,676	7,155,805	-1,568,129
21	Amortization Expense	29,307	29,307	0
22	General Taxes	4,510,468	5,009,904	-499,436
23	State Income Taxes	441,380	202,652	238,728
24	Federal Income Taxes	4,059,978	1,126,738	2,933,240
25	Total Operating Expenses	\$ 36,873,958	\$ 37,867,525	\$ -993,567
26	Utility Operating Income	\$ 6,771,084	\$ 4,974,989	\$ 1,796,095

A/ CAPD Exhibit, Schedule 7.

B/ Company Exhibit FS-2-Income Statement-GMV.

TENNESSEE-AMERICAN WATER COMPANY
Comparative Water Revenue Summary
For the 12 Months Ending November 30, 2013

Line No.	Customer Class	CAPD A/	Company B/	Difference
1	Residential	\$ 17,924,592	\$ 17,869,565	\$ 55,027
2	Commercial	13,248,477	12,821,743	426,734
3	Industrial	3,788,398	3,789,555	-1,157
4	Other Public Authority	3,236,418	3,139,425	96,993
5	Other Water Utility	1,658,347	1,559,017	99,330
6	Private Fire Service	<u>2,017,492</u>	<u>2,014,854</u>	<u>2,638</u>
7	Total Water Sales Revenue	\$ 41,873,724	\$ 41,194,159	\$ 679,565
8	Other Revenues	<u>1,771,318</u>	<u>1,648,355</u>	<u>122,963</u>
9	Total Revenues	\$ <u>43,645,042</u>	\$ <u>42,842,514</u>	\$ <u>802,528</u>

A/ CAPD Revenue Workpaper R-1.00.

B/ Company Exhibit REV-1-Summary-DJP, Schedule REV-1.1.

TENNESSEE-AMERICAN WATER COMPANY
Taxes Other than Income Income Taxes
For the 12 Months Ending November 30, 2013

Line No.		<u>CAPD</u> A/	<u>Company</u> B/	<u>Difference</u>
1	Property Taxes	\$ 2,757,695	\$ 3,209,898	\$ -452,203
2	Franchise Tax	408,873	426,290	-17,417
3	Gross Receipts Tax	807,678	808,676	-998
4	TRA Inspection Fee	131,826	134,618	-2,792
5	Payroll Taxes	<u>404,396</u>	<u>430,422</u>	<u>-26,026</u>
6	Total	\$ <u>4,510,468</u>	\$ <u>5,009,904</u>	\$ <u>-499,436</u>

A/ CAPD Expense Workpaper T-OTAX-0.

B/ Company Exhibit EXP-18-General Taxes and Fees-LEK.

TENNESSEE-AMERICAN WATER COMPANY
Excise and Income Taxes
For the 12 Months Ending November 30, 2013

Line No.		CAPD	A/
1	Operating Revenues	\$ 43,645,042	
	Operating Expenses:		
2	Salaries And Wages	\$ 5,188,473	
3	Purchased Water	51,331	
4	Purchased Power	2,577,355	
5	Chemicals	986,930	
6	Waste Disposal	213,308	
7	Support Services	4,825,406	
8	Group Insurance	1,749,671	
9	Pensions	941,837	
10	Regulatory Expense	650,315	
11	Insurance Other Than Group	361,543	
12	Customer Accounting	1,290,266	
13	Rents	8,720	
14	General Office Expense	281,218	
15	Miscellaneous	2,102,000	
16	Maintenance Expense	1,016,777	
17	Depreciation Expense	5,587,676	
18	Amortization Expense	29,307	
19	General Taxes	4,510,468	
20	Total Operating Expenses	\$ 32,372,601	
21	NOI Before Excise and Income Taxes	\$ 11,272,441	
22	AFUDC	-156,984	B/
23	Interest Expense	4,638,966	C/
24	Pre-tax Book Income	\$ 6,790,459	
25	Schedule M Adjustments	3,300,973	D/
26	Excise Taxable Income	\$ 3,489,486	
27	Excise Tax Rate	6.50%	
28	Excise Tax Payable	\$ 226,817	
29	Excise Tax - Deferred	214,563	
30	State Excise Tax Expense	\$ 441,380	
	Pre-tax Book Income	\$ 6,790,459	
31	State Excise Tax Expense	441,380	
32	Schedule M Adjustments	3,300,973	D/
33	FIT Taxable Income	\$ 3,048,106	
34	FIT Rate	35.00%	
35	Federal Income Tax Payable	\$ 1,066,837	
36	ITC Amortization	76,368	E/
37	FIT - Deferred	2,376,661	
38	FAS 109 Regulatory Asset/Liability Amortization	540,112	F/
39	Federal Income Tax Expense	\$ 4,059,978	

A/ CAPD Exhibit, Schedule 7.
B/ CAPD Expense Workpaper E-REC-1.
C/ CAPD Exhibit, Schedule 13.
D/ Company Workpaper Exp 19.1.
E/ CAPD Rate Base Workpaper RB-19-1.00.
F/ Company Workpaper Exp 20.1.

TENNESSEE-AMERICAN WATER COMPANY
Income Statement at Proposed Rates
For the 12 Months Ending November 30, 2013

Line No.		Current Rates A/	Rate Increase B/	Proposed Rates
Operating Revenues:				
1	Water Sales Revenues	\$ 41,873,724	\$ 2,827,334	\$ 44,701,058
2	Other Revenues	1,771,318	24,488	1,795,806
3	Total Water Revenue	\$ 43,645,042	\$ 2,851,822	\$ 46,496,864
Operating & Maintenance Expenses:				
4	Salaries And Wages	\$ 5,188,473	\$ 0	\$ 5,188,473
5	Purchased Water	51,331	0	51,331
6	Purchased Power	2,577,355	0	2,577,355
7	Chemicals	986,930	0	986,930
8	Waste Disposal	213,308	0	213,308
9	Support Services	4,825,406	0	4,825,406
10	Group Insurance	1,749,671	0	1,749,671
11	Pensions	941,837	0	941,837
12	Regulatory Expense	650,315	0	650,315
13	Insurance Other Than Group	361,543	0	361,543
14	Customer Accounting	1,290,266	29,887	1,320,153
15	Rents	8,720	0	8,720
16	General Office Expense	281,218	0	281,218
17	Miscellaneous	2,102,000	0	2,102,000
18	Maintenance Expense	1,016,777	0	1,016,777
19	Total Operating & Maintenance Expenses	\$ 22,245,150	\$ 29,887	\$ 22,275,037
20	Depreciation Expense	\$ 5,587,676	\$ 0	\$ 5,587,676
21	Amortization Expense	29,307	0	29,307
22	General Taxes	4,510,468	0	4,510,468
23	State Excise Taxes	441,380	183,426	624,806
24	Federal Income Taxes	4,059,978	923,478	4,983,456
25	Total Operating Expenses	\$ 36,873,958	\$ 1,136,791	\$ 38,010,749
26	Utility Operating Income	\$ 6,771,084	\$ 1,715,031	\$ 8,486,115

A/ TRA Exhibit, Schedule 7.

B/ TRA Exhibit, Schedule 1.

TENNESSEE-AMERICAN WATER COMPANY
Rate of Return Summary
For the 12 Months Ending November 30, 2013

Line No.	Class of Capital	CAPD			A/
		Percent of Total	Cost Rate A/	Weighted Cost Rate	
1	Subsidiary Short-Term Debt	2.45%	1.00%	0.0245%	
2	Subsidiary Long-Term Debt	52.94%	6.02%	3.1870%	
3	Parent Short-Term Debt	0.85%	1.00%	0.0085%	
4	Parent Long Term Debt	9.35%	6.15%	0.5750%	
5	Parent Preferred	0.03%	4.93%	0.0015%	
6	Parent Common Equity	<u>34.38%</u>	9.15%	<u>3.1458%</u>	
7	Total	<u>100.00%</u>		<u>6.9423%</u>	
Interest Expense Short-Term Debt					
8	Rate Base				\$ 122,238,480 B/
9	Short-Term Weighted Debt Cost			0.0330%	
10	Short-Term Debt Interest Expense				<u>\$ 40,339</u>
Interest Expense Long-Term Debt					
11	Rate Base				\$ 122,238,480 B/
12	Long-Term Weighted Debt Cost			3.7620%	
13	Long-Term Debt Interest Expense				<u>\$ 4,598,628</u>
14	Total Interest Expense				<u>\$ 4,638,966</u>
Preferred Stock Dividend:					
15	Rate Base				\$ 122,238,480 B/
	Preferred Stock Cost Rate			0.0015%	
	Preferred Stock Dividend				<u>\$ 1,808</u>

A/ Klein Exhibit, Page 2 of 21.
B/ CAPD Exhibit, Schedule 2.

TENNESSEE-AMERICAN WATER COMPANY
Revenue Conversion Factor
For the 12 Months Ending November 30, 2013

<u>Line No.</u>		<u>Amount</u>	<u>Balance</u>
1	Operating Revenues		1.000000
2	Add: Forfeited Discounts	0.008661 A/	0.008661
3	Balance		1.008661
4	Uncollectible Ratio	0.010480 A/	0.010571
5	Balance		0.998090
6	State Excise Tax	0.065000 B/	0.064876
7	Balance		0.933214
8	Federal Income Tax	0.350000 B/	0.326625
9	Balance		0.606589
10	Revenue Conversion Factor (Line 1 / Line 9)		1.648561

A/ CAPD Revenue Workpaper R-OTHER-2.00.
B/ Statutory Rates.

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Revenue Change
For the 12 Months Ending November 30, 2013

Line No.		Current Rates	A/	Proposed Rates	Revenue Change	B/	Percent Change
1	Residential	\$ 17,924,592		\$ 19,145,351	\$ 1,220,759		6.81%
2	Commercial	13,248,477		14,150,768	902,291		6.81%
3	Industrial	3,788,398		4,046,408	258,010		6.81%
4	Other Public Authority	3,236,418		3,456,835	220,417		6.81%
5	Other Water Utility	1,658,347		1,771,289	112,942		6.81%
6	Private Fire Service	<u>2,017,492</u>		<u>2,154,894</u>	<u>137,402</u>		<u>6.81%</u>
7	Total Water Sales Revenues	\$ 41,873,724		\$ 44,725,546	\$ 2,851,822		6.81%
8	Other Revenues	<u>1,771,318</u>		<u>1,771,318</u>	<u>0</u>		<u>0.00%</u>
9	Total Revenues	\$ <u>43,645,042</u>		\$ <u>46,496,864</u>	<u>2,851,822</u>		<u>6.53%</u>

A/ CAPD Exhibit, Schedule 9.
B/ CAPD Exhibit, Schedule 1.

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Residential
For the 12 Months Ending November 30, 2013

Line No.		CHATTANOOGA			LOOKOUT MOUNTAIN			LAKEVIEW GEORGIA					
		Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change
Monthly Service Charges:													
1	5/8" Service Line	\$12.54	\$0.85	\$13.39	6.81%	\$14.07	\$0.96	\$15.03	6.81%	\$14.07	\$0.96	\$15.03	6.81%
2	0.75" Service Line	21.07	1.43	22.50	6.81%	21.07	1.43	22.50	6.81%	21.07	1.43	22.50	6.81%
3	1.00" Service Line	35.05	2.39	37.44	6.81%	35.05	2.39	37.44	6.81%	35.05	2.39	37.44	6.81%
4	1.50" Service Line	70.13	4.78	74.91	6.81%	70.13	4.78	74.91	6.81%	70.13	4.78	74.91	6.81%
5	2.00" Service Line	112.20	7.64	119.84	6.81%	112.20	7.64	119.84	6.81%	112.20	7.64	119.84	6.81%
6	3.00" Service Line	210.37	14.33	224.70	6.81%	210.37	14.33	224.70	6.81%	210.37	14.33	224.70	6.81%
7	4.00" Service Line	350.63	23.88	374.51	6.81%	350.63	23.88	374.51	6.81%	350.63	23.88	374.51	6.81%
8	6.00" Service Line	701.26	47.76	749.02	6.81%	701.26	47.76	749.02	6.81%	701.26	47.76	749.02	6.81%
9	8.00" Service Line	1,121.99	76.41	1,198.40	6.81%	1,121.99	76.41	1,198.40	6.81%	1,121.99	76.41	1,198.40	6.81%
Usage Charges (Per CCF):													
10	0 - 4 CCF per Month	\$0.233	\$0.016	\$0.249	6.81%	\$0.868	\$0.059	\$0.927	6.81%	\$0.429	\$0.029	\$0.458	6.81%
11	4 - 65 CCF per Month	3.696	0.252	3.948	6.81%	4.761	0.324	5.085	6.81%	4.073	0.277	4.350	6.81%
12	65 - 500 CCF per Month	2.322	0.158	2.480	6.81%	3.387	0.231	3.618	6.81%	2.699	0.184	2.883	6.81%
13	500 - 5,000 CCF per Month	1.736	0.118	1.854	6.81%	2.368	0.161	2.529	6.81%	1.929	0.131	2.060	6.81%
14	5,000 - 15,000 CCF per Month	1.327	0.090	1.417	6.81%	1.960	0.133	2.093	6.81%	1.521	0.104	1.625	6.81%
15	Over 15,000 CCF per Month	0.788	0.054	0.842	6.81%	1.421	0.097	1.518	6.81%	0.982	0.067	1.049	6.81%
Lone Oak:													
16	First 2.67 CCF per Month	\$37.7600	\$2.5700	\$40.3300	6.81%								
17	Over 2.67 CCF per Month per CCF	4.7483	0.3234	5.0717	6.81%								
Suck Creek:													
18	First 2 CCF per Month	\$27.4900	\$1.8700	\$29.3600	6.81%								
19	Next 10.667 CCF per Month per CCF	3.9690	0.2700	4.2390	6.81%								
20	Over 12.667 CCF per Month per CCF	2.9770	0.2030	3.1800	6.81%								

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Commercial
For the 12 Months Ending November 30, 2013

Line No.		CHATTANOOGA			LOOKOUT MOUNTAIN			LAKEVIEW GEORGIA					
		Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change
Monthly Service Charges:													
1	5/8" Service Line	\$12.46	\$0.85	\$13.31	6.81%	\$13.99	\$0.95	\$14.94	6.81%	\$13.99	\$0.95	\$14.94	6.81%
2	0.75" Service Line	20.93	1.43	22.36	6.81%	20.93	1.43	22.36	6.81%	20.93	1.43	22.36	6.81%
3	1.00" Service Line	34.83	2.37	37.20	6.81%	34.83	2.37	37.20	6.81%	34.83	2.37	37.20	6.81%
4	1.50" Service Line	69.69	4.75	74.44	6.81%	69.69	4.75	74.44	6.81%	69.69	4.75	74.44	6.81%
5	2.00" Service Line	111.49	7.59	119.08	6.81%	111.49	7.59	119.08	6.81%	111.49	7.59	119.08	6.81%
6	3.00" Service Line	209.06	14.24	223.30	6.81%	209.06	14.24	223.30	6.81%	209.06	14.24	223.30	6.81%
7	4.00" Service Line	348.45	23.73	372.18	6.81%	348.45	23.73	372.18	6.81%	348.45	23.73	372.18	6.81%
8	6.00" Service Line	696.91	47.46	744.37	6.81%	696.91	47.46	744.37	6.81%	696.91	47.46	744.37	6.81%
9	8.00" Service Line	1,115.04	75.94	1,190.98	6.81%	1,115.04	75.94	1,190.98	6.81%	1,115.04	75.94	1,190.98	6.81%
Usage Charges (Per CCF):													
10	0 - 4 CCF per Month	\$0.232	\$0.016	\$0.248	6.81%	\$0.862	\$0.059	\$0.921	6.81%	\$0.425	\$0.029	\$0.454	6.81%
11	4 - 65 CCF per Month	3.673	0.250	3.923	6.81%	4.731	0.322	5.053	6.81%	4.048	0.276	4.324	6.81%
12	65 - 500 CCF per Month	2.308	0.157	2.465	6.81%	3.366	0.229	3.595	6.81%	2.883	0.183	3.066	6.81%
13	500 - 5,000 CCF per Month	1.725	0.117	1.842	6.81%	2.353	0.160	2.513	6.81%	1.918	0.131	2.049	6.81%
14	5,000 - 15,000 CCF per Month	1.318	0.090	1.408	6.81%	1.949	0.133	2.082	6.81%	1.512	0.103	1.615	6.81%
15	Over 15,000 CCF per Month	0.783	0.053	0.836	6.81%	1.412	0.096	1.508	6.81%	0.975	0.066	1.041	6.81%
Lone Oak:													
16	First 2.67 CCF per Month	\$37.5300	\$2.5600	\$40.0900	6.81%								
17	Over 2.67 CCF per Month per CCF	4.7183	0.3213	5.0396	6.81%								
Suck Creek:													
18	First 2 CCF per Month	\$27.3100	\$1.8600	\$29.1700	6.81%								
19	Next 10.667 CCF per Month per CCF	3.9450	0.2690	4.2140	6.81%								
20	Over 12.667 CCF per Month per CCF	2.9590	0.2010	3.1590	6.81%								

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Industrial
For the 12 Months Ending November 30, 2013

Line No.		CHATTANOOGA			LOOKOUT MOUNTAIN			LAKEVIEW GEORGIA		
		Current Rate	Rate Change	Proposed Rate	Current Rate	Rate Change	Proposed Rate	Current Rate	Rate Change	Proposed Rate
1	Monthly Service Charges:									
2	5/8" Service Line	\$13.09	\$0.89	\$13.98	\$14.07	\$0.96	\$15.03	\$14.07	\$0.96	\$15.03
3	1.00" Service Line	21.99	1.50	23.49	21.07	1.43	22.50	21.07	1.43	22.50
4	1.50" Service Line	36.58	2.49	39.07	38.05	2.39	37.44	38.05	2.39	37.44
5	2.00" Service Line	73.19	4.98	78.17	70.13	4.78	74.91	70.13	4.78	74.91
6	3.00" Service Line	117.10	7.98	125.08	112.20	7.64	119.84	112.20	7.64	119.84
7	4.00" Service Line	219.55	14.95	234.50	210.37	14.33	224.70	210.37	14.33	224.70
8	6.00" Service Line	365.94	24.92	390.86	350.63	23.88	374.51	350.63	23.88	374.51
9	8.00" Service Line	731.98	49.84	781.72	701.26	47.78	749.02	701.26	47.78	749.02
		1,170.99	79.75	1,250.74	1,121.99	76.41	1,198.40	1,121.99	76.41	1,198.40
10	Usage Charges (Per CCF):									
11	0 - 4 CCF per Month	\$0.243	\$0.017	\$0.260	\$0.968	\$0.059	\$0.927	\$0.429	\$0.029	\$0.458
12	4 - 65 CCF per Month	3.857	0.263	4.120	4.761	0.324	5.085	4.073	0.277	4.350
13	65 - 500 CCF per Month	2.424	0.165	2.589	3.387	0.231	3.618	2.899	0.184	2.883
14	500 - 15,000 CCF per Month	1.712	0.117	1.829	2.368	0.161	2.529	1.929	0.131	2.060
15	Over 15,000 CCF per Month	1.308	0.089	1.397	1.960	0.133	2.093	1.521	0.104	1.625
		0.778	0.063	0.831	1.421	0.097	1.518	0.982	0.067	1.049

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Other Public Authority
For the 12 Months Ending November 30, 2013

Line No.	Monthly Service Charges:	CHATTANOOGA			LOOKOUT MOUNTAIN			LAKEVIEW GEORGIA		
		Current Rate	Rate Change	Proposed Rate	Current Rate	Rate Change	Proposed Rate	Current Rate	Rate Change	Proposed Rate
1	5/8" Service Line	\$12.54	\$0.65	\$13.39	\$14.07	\$0.96	\$15.03	\$14.07	\$0.96	\$15.03
2	0.75" Service Line	21.07	1.43	22.50	21.07	1.43	22.50	21.07	1.43	22.50
3	1.00" Service Line	35.05	2.39	37.44	35.05	2.39	37.44	35.05	2.39	37.44
4	1.50" Service Line	70.13	4.78	74.91	70.13	4.78	74.91	70.13	4.78	74.91
5	2.00" Service Line	112.20	7.64	119.84	112.20	7.64	119.84	112.20	7.64	119.84
6	3.00" Service Line	210.37	14.33	224.70	210.37	14.33	224.70	210.37	14.33	224.70
7	4.00" Service Line	350.63	23.88	374.51	350.63	23.88	374.51	350.63	23.88	374.51
8	6.00" Service Line	701.26	47.76	749.02	701.26	47.76	749.02	701.26	47.76	749.02
9	8.00" Service Line	1,121.99	76.41	1,198.40	1,121.99	76.41	1,198.40	1,121.99	76.41	1,198.40
10	Usage Charges (Per CCF):	\$0.233	\$0.018	\$0.249	\$0.868	\$0.059	\$0.927	\$0.429	\$0.029	\$0.458
11	0 - 4 CCF per Month	3.696	0.252	3.948	4.761	0.324	5.085	4.073	0.277	4.350
12	4 - 65 CCF per Month	2.322	0.168	2.480	3.387	0.231	3.618	2.699	0.184	2.883
13	65 - 500 CCF per Month	1.736	0.118	1.854	2.358	0.161	2.529	1.929	0.131	2.060
14	500 - 5,000 CCF per Month	1.327	0.090	1.417	1.960	0.133	2.093	1.521	0.104	1.625
15	Over 5,000 CCF per Month	0.768	0.054	0.842	1.421	0.037	1.518	0.982	0.067	1.049

Usage Charges (Per CCF):
0 - 4 CCF per Month
4 - 65 CCF per Month
65 - 500 CCF per Month
500 - 5,000 CCF per Month
5,000 - 15,000 CCF per Month
Over 15,000 CCF per Month

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Other Water Utility
For the 12 Months Ending November 30, 2013

Line No.		CHATTANOOGA			LOOKOUT MOUNTAIN			LAKEVIEW GEORGIA					
		Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change	Current Rate	Rate Change	Proposed Rate	Percentage Change
Monthly Service Charges:													
1	58" Service Line	\$12.54	\$0.85	\$13.39	6.81%	\$14.07	\$0.96	\$15.03	6.81%	\$14.07	\$0.96	\$15.03	6.81%
2	75" Service Line	21.07	1.43	22.50	6.81%	21.07	1.43	22.50	6.81%	21.07	1.43	22.50	6.81%
3	1.00" Service Line	35.05	2.39	37.44	6.81%	35.05	2.39	37.44	6.81%	35.05	2.39	37.44	6.81%
4	1.50" Service Line	70.13	4.78	74.91	6.81%	70.13	4.78	74.91	6.81%	70.13	4.78	74.91	6.81%
5	2.00" Service Line	112.20	7.64	119.84	6.81%	112.20	7.64	119.84	6.81%	112.20	7.64	119.84	6.81%
6	3.00" Service Line	210.37	14.33	224.70	6.81%	210.37	14.33	224.70	6.81%	210.37	14.33	224.70	6.81%
7	4.00" Service Line	350.63	23.88	374.51	6.81%	350.63	23.88	374.51	6.81%	350.63	23.88	374.51	6.81%
8	6.00" Service Line	701.26	47.76	749.02	6.81%	701.26	47.76	749.02	6.81%	701.26	47.76	749.02	6.81%
9	8.00" Service Line	1,121.99	76.41	1,198.40	6.81%	1,121.99	76.41	1,198.40	6.81%	1,121.99	76.41	1,198.40	6.81%
Usage Charges (Per CCF):													
10	0 - 4 CCF per Month	\$0.233	\$0.016	\$0.249	6.81%	\$0.268	\$0.059	\$0.327	6.81%	\$0.429	\$0.029	\$0.458	6.81%
11	4 - 65 CCF per Month	3.696	0.252	3.948	6.81%	4.761	0.324	5.085	6.81%	4.073	0.277	4.350	6.81%
12	65 - 500 CCF per Month	2.322	0.158	2.480	6.81%	3.387	0.231	3.618	6.81%	2.699	0.184	2.883	6.81%
13	500 - 5,000 CCF per Month	1.736	0.118	1.854	6.81%	2.368	0.161	2.529	6.81%	1.929	0.131	2.060	6.81%
14	5,000 - 15,000 CCF per Month	1.327	0.090	1.417	6.81%	1.960	0.133	2.093	6.81%	1.521	0.104	1.625	6.81%
15	Over 15,000 CCF per Month	0.788	0.054	0.842	6.81%	1.421	0.097	1.518	6.81%	0.982	0.067	1.049	6.81%
Special Contracts:													
16	Fort Oglethorpe	\$0.9353	\$0.064	\$0.999	6.81%								
17	Catoosa County	\$1.0780	0.073	1.151	6.81%								
18	Signal Mountain	\$1.0344	0.071	1.105	6.81%								
19	Walden's Ridge	\$1.2180	0.083	1.301	6.81%								

TENNESSEE-AMERICAN WATER COMPANY
CAPD Proposed Rates - Private Fire Service
For the 12 Months Ending November 30, 2013

Line No.		ALL AREAS			
		Current Rate	Rate Change	Proposed Rate	Percentage Change
	Private Fire Service Connections (Rate per Annum):				
1	1.0" Diameter	\$32.66	\$2.22	\$34.88	6.81%
2	1.5" Diameter	73.67	5.02	78.69	6.81%
3	2.0" Diameter	131.02	8.92	139.94	6.81%
4	2.5" Diameter	199.79	13.61	213.40	6.81%
5	3.0" Diameter	294.50	20.06	314.56	6.81%
6	4.0" Diameter	589.75	40.17	629.92	6.81%
7	6.0" Diameter	1,178.56	80.27	1,258.83	6.81%
8	8.0" Diameter	2,359.11	160.67	2,519.78	6.81%
9	10.0" Diameter	3,538.92	241.02	3,779.94	6.81%
10	12.0" Diameter	4,718.96	321.39	5,040.35	6.81%
11	Private Fire Hydrants Other Than Those Supplied by Private Fire Service Connections	1,124.31	76.57	1,200.88	6.81%