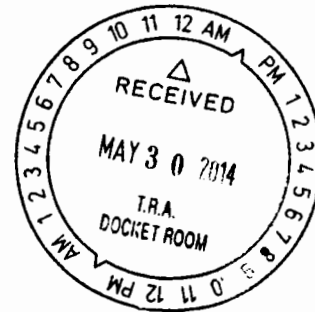


BUTLER | SNOW

May 30, 2014

VIA HAND DELIVERY

Hon. James M. Allison, Chairman
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505



RE: 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, TRA Docket No. 12-00049

Dear Chairman Allison:

With this letter, I attach a copy of Tennessee American Water Company's Capital Report for the first quarter of 2014. Please file this report appropriately, and let me know if you have any questions about this filing.

Very truly yours,

Junaid A. Odubeko

JAO:sc
Enclosures

cc: Lindsey W. Ingram III, Stoll Keenon Ogden PLLC
Parties of Record

ButlerSnow 21369952v1

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CAPITAL EXPENDITURE PLAN

Tennessee 2014

Units = \$

Project Code	Brief Description of Proposed Expenditures	Period 1 Actual	Period 2 Actual	Period 3 Actual	Year to Date Actual
DV	Projects Funded by Others (Contrib. /Adv./ Refunds)	33,536	4,157	10,109	47,802
A	Mains - New	(10,734)	2,228	9,310	804
B	Mains - Replaced / Restored	129,845	22,127	90,172	242,144
C	Mains - Unscheduled	111,256	139,494	1,803	252,552
D	Mains - Relocated	41,094	(424)	25,483	66,154
E	Hydrants, Valves, and Manholes - New	838	5,886	(370)	6,354
F	Hydrants, Valves, and Manholes - Replaced	9,317	(1,884)	18,858	26,291
G	Services and Laterals - New	24,514	37,496	16,449	78,459
H	Services and Laterals - Replaced	24,990	13,577	(9,582)	28,985
I	Meters - New	20,049	13,540	30,183	63,772
J	Meters - Replaced	10,927	11,756	23,140	45,823
K	ITS Equipment and Systems	73,902	62,925	25,039	161,865
L	SCADA Equipment and Systems	127,432	27,341	25,779	180,552
M	Security Equipment and Systems	564	0	0	564
N	Offices and Operations Centers	(45,834)	1,232	(5,108)	(49,711)
O	Vehicles	9,293	29,398	3,745	42,436
P	Tools and Equipment	4,075	5,724	834	10,632
Q	Process Plant Facilities and Equipment	73,805	48,275	185,166	307,246
R	Capitalized Tank Rehabilitation / Painting	175,510	139,539	381,862	696,910
S	Engineering Studies	(40,537)	11,369	432	(28,736)
	TOTAL RECURRING PROJECTS DV - S	773,840	573,756	833,304	2,180,900
	TOTAL RECURRING PROJECTS A - S	740,304	569,599	823,195	2,133,098
I26-020036	New Office Building on Wiehl Street	138,068	24,495	1,942	164,506
I26-020017	Electrical Motor Efficiency Enhance				0
I26-020021	Conversion to ARCVIEW GIS				0
I26-020028	Citico Plant Improvements Phase 1B	10,185	48,859	61,013	120,057
I26-020030	5933 If of 20" Ringgold Rd. at I-75	139,937	180,458	84,764	405,159
I26-020032	Wastewater Treatm't & Handling Impr	62,258	102,930	403,797	568,986
I26-020033	Convert ER Reservoir to Pump Storag				0
I26-000001	Whitwell Acquisition Capital Investment	13,108	46,676	69,490	129,274
					0
	Business Transformation Costs	66,658	16,977	43,076	126,712
	Indirect Overhead Clearing Accounts Charges	34,357	6,832	94,194	135,383
	Unbudgeted				0
	TOTAL INVESTMENT PROJECTS	464,572	427,228	758,277	1,650,077
	TOTAL GROSS	1,238,412	1,000,984	1,591,581	3,830,977
	Advances	(55,757)	1,217	(7,475)	(62,014)
	Contributions	(29,224)	23,857	(13,078)	(18,445)
	Refunds	0	18,896	34,586	53,482
	Net Advances, Refunds, and Contributions	(84,980)	43,970	14,033	(26,978)
	Net US GAAP	1,153,431	1,044,954	1,605,614	3,803,999