

BUTLER | SNOW

June 30, 2015



VIA ELECTRONIC FILING

Hon. Herbert H. Hilliard, Chairman
c/o Sharla Dillon
Tennessee Regulatory Authority
502 Deaderick Street, 4th Floor
Nashville, TN 37243

RE: Petition of Tennessee-American Water Company Regarding The 2015 Investment and Related Expenses Under The Qualified Infrastructure Investment Program Rider, The Economic Development Investment Rider, and The Safety and Environmental Compliance Rider, TRA Docket No. 1400121

Dear Chairman Hilliard:

Consistent with the deliberations in the above-captioned matter at the Tennessee Regulatory Authority's June 29, 2015, Conference, enclosed please find a revised Summary of Riders tariff page, with an effective date of June 30, 2015.

Additionally, and likewise consistent with the June 29th deliberations, six (6) revised schedules previously submitted in this matter are also enclosed. Each revised schedule is entitled with a header that correlates these revised schedules to such schedules as previously submitted. Notwithstanding the foregoing, for ease of reference, please note the following: (i) four (4) of the enclosed revised schedules were attached initially as exhibits to the October 29, 2014, Pre-filed Testimony of TAWC Witness Linda C. Bridwell; these four (4) revised schedules were modified and resubmitted in conjunction with the December 29, 2014, Pre-Filed Supplemental Testimony of Witness Bridwell; (ii) one (1) of the enclosed revised schedules was attached initially as an exhibit to the October 29, 2014, Pre-filed Testimony of TAWC Witness Brent E. O'Neill; and (iii) one (1) of the enclosed revised schedules was submitted at workpapers in the October 29, 2014, Petition (pp.11-20 of 49).

Finally, for administrative ease, the attached spreadsheet includes all of the aforementioned enclosed revised schedules, as well as the other schedules previously submitted in this matter that have not been revised. This spreadsheet was originally filed on October 29, 2014 with the Petition, and updated in the December 29, 2014, Pre-Filed Supplemental Testimony of TAWC Witness Bridwell.

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Nashville, TN 37201*

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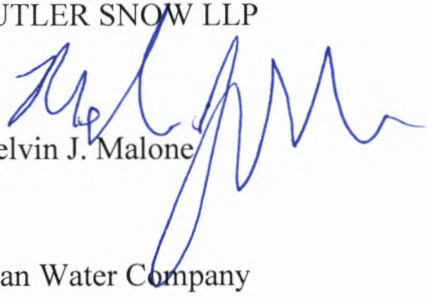
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Hon. Herbert H. Hilliard, Chairman
June 30, 2015
Page 2

An original and four (4) hard copies will follow, along with an extra copy of this filing to be file-stamped for our records. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP


Melvin J. Malone

clw

Enclosures

cc: Deron Allen, President, Tennessee-American Water Company
Parties of Record

CLASSIFICATION OF SERVICE**SUMMARY OF RIDERS****1. Applicability**

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Qualified Infrastructure Improvement Program ("QIIP") Rider, an Economic Development Investment Program Rider ("EDI"), a Safety and Environmental Compliance Program Rider ("SEC"), and Production Costs and Other Pass-Throughs Rider ("PCOP") will apply to customers in all service areas.

2. The Percentage of Riders and Reconciliations

For the Riders defined in the tariffs :

QIIP	2.13 %	(I)
EDI	0.05 %	(D)
<u>SEC</u>	<u>3.54 %</u>	(I)
Subtotal of all Capital Recovery Riders	5.72 %	(I)
QIIP Annual Reconciliation Percentage	0.00 %	
EDI Annual Reconciliation Percentage	0.00 %	
<u>SEC Annual Reconciliation Percentage</u>	<u>0.00 %</u>	
Subtotal of all Reconciliation Percentages	0.00 %	
Total of Capital Recovery Riders and Reconciliation Percentages	5.72 %	
PCOP	-1.15 %	

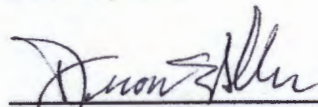
(I) Indicates Increase

(D) Indicates Decrease

ISSUED: June 30, 2015

EFFECTIVE: June 30, 2015

BY:


Deron E. Allen
PRESIDENT

109 Wiehl Street
Chattanooga, Tennessee 37403

STRATEGIC CAPITAL EXPENDITURE PLAN
PROGRAM

Business Unit	Tennessee
Revision Date	June 27, 2014
Description	TN BP 2015-2019 SCEP

Year: 2015

Business Unit	Business Unit No.	Project Title	1	2	3	4	5	6
RECURRING PROJECTS								
Tennessee	DV	Projects Funded by Others	\$ 5,000	\$ 5,000	\$ 30,000	\$ 70,000	\$ 150,000	\$ 100,000
Tennessee	A	Mains - New	-	-	-	-	10,000	30,000
Tennessee	B	Mains - Replaced / Restored	20,000	80,000	120,000	200,000	150,000	210,000
Tennessee	C	Mains - Unscheduled	50,000	50,000	80,000	25,000	60,000	60,000
Tennessee	D	Mains - Relocated	-	-	30,000	40,000	100,000	50,000
Tennessee	E	Hydrants, Valves, and Manholes - New	-	2,000	3,000	3,000	5,000	4,000
Tennessee	F	Hydrants, Valves, and Manholes - Replaced	10,000	20,000	20,000	20,000	15,000	15,000
Tennessee	G	Services and Laterals - New	25,000	30,000	36,000	45,000	51,000	54,000
Tennessee	H	Services and Laterals - Replaced	-	10,000	20,000	18,000	25,000	35,000
Tennessee	I	Meters - New	20,000	50,000	40,000	75,000	65,000	35,000
Tennessee	J	Meters - Replaced	50,000	35,000	60,000	55,000	35,000	35,000
Tennessee	K	ITS Equipment and Systems	68,773	73,773	78,773	123,751	87,677	92,577
Tennessee	L	SCADA Equipment and Systems	4,000	2,000	-	-	-	-
Tennessee	M	Security Equipment and Systems	-	5,000	6,000	9,000	35,000	10,000
Tennessee	N	Offices and Operations Centers	-	-	-	-	-	-
Tennessee	O	Vehicles	-	15,000	-	20,000	-	20,000
Tennessee	P	Tools and Equipment	5,000	-	7,000	12,000	5,000	-
Tennessee	Q	Process Plant Facilities and Equipment	65,000	250,000	280,000	350,000	230,000	90,000
Tennessee	R	Capitalized Tank Rehabilitation/Painting	-	-	-	-	-	-
Tennessee	S	Engineering Studies	-	-	-	-	5,000	15,000
Total Recurring Projects			\$ 317,773	\$ 622,773	\$ 780,773	\$ 995,751	\$ 878,677	\$ 755,577
ACQUISITIONS								
Tennessee		Total Acquisitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CENTRALLY SPONSORED PROJECTS								
Tennessee	T26-0202	Business Transformation 2010 - 2014						
Tennessee	T26-0203	Business Transformation 2010 - 2014						
Total Centrally Sponsored Projects			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENT PROJECTS								
Tennessee	I26-020017	Electrical Motor Efficiency Enhancement (\$2.9)	Total 2,900,000	In Service Date 12/31/2017				
Tennessee	I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.0)	1,000,000					
Tennessee	I26-020028	Citico Plant Improvements Phase 1B (\$8.6)	8,600,000	6/30/2016				
Tennessee	I26-020032	Wastewater Treatm't & Handling Impr (\$15.3)	15,300,000	5/31/2015	1,500,000	1,500,000	1,200,000	1,000,000
Tennessee	I26-020034	3000"-24" Tennessee River Crossing (\$0.5)	1,000,000	12/31/2017				
Tennessee	I26-020038	Retire Basin 1	600,000					
Tennessee	I26-020039	Basin 2 Tube Settlers	3,500,000					
Tennessee	I26-020040	Chlorine Gas Conversion	2,500,000					
Tennessee	I26-000002	Post Acquisition BD Capex	1,080,000					
Tennessee	I26-000001	Whitwell Acquisition Capital Investment	1,200,000	12/31/2014				
Total Investment Projects			\$ 1,500,000	\$ 1,500,000	\$ 1,200,000	\$ 1,000,000	\$ 850,000	\$ 600,000
Total Investment and Centrally Sponsored Projects			\$ 1,500,000	\$ 1,500,000	\$ 1,200,000	\$ 1,000,000	\$ 850,000	\$ 600,000
Contributions			\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)
Advances			(58,333)	(58,333)	(58,333)	(58,333)	(58,333)	(58,333)
Total Refunds			29,167	29,167	29,167	29,167	29,167	29,167
Gross minus BT			\$ 1,822,773	\$ 2,127,773	\$ 2,010,773	\$ 2,065,751	\$ 1,878,677	\$ 1,455,577
Net minus BT			\$ 1,773,606	\$ 2,078,606	\$ 1,961,606	\$ 2,016,584	\$ 1,829,510	\$ 1,406,410
Gross plus BT			\$ 1,822,773	\$ 2,127,773	\$ 2,010,773	\$ 2,065,751	\$ 1,878,677	\$ 1,455,577
Net plus BT			\$ 1,773,606	\$ 2,078,606	\$ 1,961,606	\$ 2,016,584	\$ 1,829,510	\$ 1,406,410

STRATEGIC CAPITAL EXPENDITURE PLAN
PROGRAM

Business Unit	Tennessee
Revision Date	June 27, 2014
Description	TN BP 2015-2019 SCEP

Business Unit	Business Unit No.	Project Title	7	8	9	10	11	12	Total	U.S. \$ 2015	Surcharge Category
RECURRING PROJECTS											
Tennessee	DV	Projects Funded by Others	\$ 55,000	\$ 55,000	\$ 50,000	\$ 60,000	\$ 120,000	\$ 100,000	\$ 800,000		
Tennessee	A	Mains - New	40,000	15,000	-	-	-	-	95,000		EDI
Tennessee	B	Mains - Replaced / Restored	170,000	210,000	150,000	140,000	30,000	20,000	1,500,000		QIIP
Tennessee	C	Mains - Unscheduled	60,000	90,000	85,000	70,000	60,000	110,000	800,000		QIIP
Tennessee	D	Mains - Relocated	100,000	30,000	-	-	-	-	350,000		QIIP
Tennessee	E	Hydrants, Valves, and Manholes - New	5,000	8,500	8,500	6,000	3,000	-	48,000		EDI
Tennessee	F	Hydrants, Valves, and Manholes - Replaced	15,000	50,000	30,000	100,000	50,000	30,000	375,000		QIIP
Tennessee	G	Services and Laterals - New	50,000	46,000	41,000	36,000	36,000	30,000	480,000		
Tennessee	H	Services and Laterals - Replaced	33,000	23,000	21,000	25,000	20,000	20,000	250,000		QIIP
Tennessee	I	Meters - New	30,000	30,000	55,000	20,000	60,000	40,000	520,000		
Tennessee	J	Meters - Replaced	75,000	45,000	80,000	120,000	85,000	50,000	725,000		QIIP
Tennessee	K	ITS Equipment and Systems	99,347	109,347	89,347	90,144	79,347	35,502	1,028,356		
Tennessee	L	SCADA Equipment and Systems	-	4,000	100,000	45,000	30,000	-	185,000		SEC
Tennessee	M	Security Equipment and Systems	15,000	15,000	20,000	25,000	40,000	10,000	190,000		SEC
Tennessee	N	Offices and Operations Centers	-	10,000	15,000	-	-	-	25,000		
Tennessee	O	Vehicles	-	65,000	100,000	100,000	50,000	30,000	400,000		
Tennessee	P	Tools and Equipment	-	3,000	2,000	-	2,000	4,000	40,000		
Tennessee	Q	Process Plant Facilities and Equipment	60,000	160,000	340,000	331,203	275,000	200,000	2,631,203		SEC
Tennessee	R	Capitalized Tank Rehabilitation/Painting	-	10,000	75,000	150,000	200,000	65,000	500,000		QIIP
Tennessee	S	Engineering Studies	10,000	5,000	-	-	-	-	35,000		
Total Recurring Projects			\$ 762,347	\$ 928,847	\$ 1,211,847	\$ 1,258,347	\$ 1,020,347	\$ 644,502	\$ 10,177,559		
ACQUISITIONS											
Tennessee		Total Acquisitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
CENTRALLY SPONSORED PROJECTS											
Tennessee	T26-0202	Business Transformation 2010 - 2014					\$ -	\$ -	\$ -		
Tennessee	T26-0203	Business Transformation 2010 - 2014									
Total Centrally Sponsored Projects			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
INVESTMENT PROJECTS											
Tennessee	I26-020017	Electrical Motor Efficiency Enhancement (\$2.9)							\$ -		
Tennessee	I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.0)							-		
Tennessee	I26-020028	Citico Plant Improvements Phase 1B (\$8.6)		150,000	250,000	300,000	400,000	500,000	1,600,000		SEC
Tennessee	I26-020032	Wastewater Treatm't & Handling Impr (\$15.3)	300,000	150,000	50,000				7,150,000		SEC
Tennessee	I26-020034	3000'-24" Tennessee River Crossing (\$0.5)							-		EDI
Tennessee	I26-020038	Retire Basin 1									SEC
Tennessee	I26-020039	Basin 2 Tube Settlers									SEC
Tennessee	I26-020040	Chlorine Gas Conversion									SEC
Tennessee	I26-000002	Post Acquisition BD Capex							-		
Tennessee	I26-000001	Whitwell Acquisition Capital Investment							-		QIIP
Total Investment Projects			\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 500,000	\$ 8,750,000		
Total Investment and Centrally Sponsored Projects			\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 500,000	\$ 8,750,000		
Contributions			\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (240,000)		
Advances			(58,333)	(58,333)	(58,333)	(58,333)	(58,333)	(58,333)	(700,000)		
Total Refunds			29,167	29,167	29,167	29,167	29,167	29,167	350,000		
Gross minus BT			\$ 1,117,347	\$ 1,283,847	\$ 1,561,847	\$ 1,618,347	\$ 1,540,347	\$ 1,244,502	\$ 19,727,559		
Net minus BT			\$ 1,068,180	\$ 1,234,680	\$ 1,512,680	\$ 1,569,180	\$ 1,491,180	\$ 1,195,335	\$ 19,137,559		
Gross plus BT			\$ 1,117,347	\$ 1,283,847	\$ 1,561,847	\$ 1,618,347	\$ 1,540,347	\$ 1,244,502	\$ 19,727,559		
Net plus BT			\$ 1,068,180	\$ 1,234,680	\$ 1,512,680	\$ 1,569,180	\$ 1,491,180	\$ 1,195,335	\$ 19,137,559		

5/8" Meter and Usage of 5.55 CCF (or 41.54 100 Gallons)

[illegible]

**Tennessee American Water
Economic Development Investment (EDI)
Calculation of EDI Revenue Requirement**

Line Number	Description	EDI Company Totals
1	Additions Subject to EDI:	\$ 181,465
2	Plus: Cost of Removal less Salvage	-
3	Less: Contributions in Aid to Construction (CIAC)	-
4	Less: Deferred Income Taxes	603
5	Less: Accumulated Depreciation	2,146
6	Net Investment Supplied EDI Additions:	<u>\$ 178,716</u>
7		
8	Pre-Tax Rate of Return:	9.45%
9	Pre-Tax Return on Additions:	<u>\$ 16,897</u>
10		
11	Depreciation Expense on EDI Additions:	2,546
12		
13	Operational Expenses Related to EDI	-
14		
15	Property and Franchise Taxes Associated with EDI:	<u>2,452</u>
16		
17	EDI Revenues:	<u>\$ 21,895</u>
18		
19	Revenue Taxes	3.19%
20	Total EDI Revenues with Revenue Taxes	<u>\$ 22,616</u>
21		
22	Volumetric and Metered Revenue as Per Docket No. 12-00049	<u>\$ 47,073,724</u>
23		
24	EDI Percentage to Apply to Bill:	<u>0.05%</u>
25		

			1	2	3	4	5	B	C	6	7
EDI			= 1 + 2					= 1 + 3 + 5 +B			= 6 x 9.4544%
Line #	Investment by Plant Account	Account Description	Additions	Retirements	CIAC	Net Investments (for Prop Tax)	Cost of Removal Net of Salvage	Accumulated Deferred Income Taxes	Accumulated Depreciation	Earnings Basis Net Investment	Earnings Basis x PTR
1	304400	Struct & Imp-T&D									
2	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Investment Projects		-	-	-	-	-	-	-	-	-
4	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5											
6	304500	Structures & Improvement - General									
7	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Investment Projects		-	-	-	-	-	-	-	-	-
9	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10											
11	311520	Pumping Equipment SOS									
12	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Investment Projects		-	-	-	-	-	-	-	-	-
14	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15											
16	320200	Water Trm: Equip Filter Media									
17	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Investment Projects		-	-	-	-	-	-	-	-	-
19	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20											
21	340200	Computer & Peripheral Equipment									
22	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Investment Projects		-	-	-	-	-	-	-	-	-
24	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25											
26	340315	Computer Software Special Deprec Rate									
27	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Investment Projects		-	-	-	-	-	-	-	-	-
29	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30											
31	341100	Transportation Equip Lt Duty Trucks									
32	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Investment Projects		-	-	-	-	-	-	-	-	-
34	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35											
36	341200	Transportation Equip Hvy Duty Trucks									
37	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Investment Projects		-	-	-	-	-	-	-	-	-
39	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40											
41	341300	Transportation Equip Autos									
42	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	Investment Projects		-	-	-	-	-	-	-	-	-
44	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45											
46	343000	Tools, Shop, Garage Equipment									
47	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	Investment Projects		-	-	-	-	-	-	-	-	-
49	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50											
51	331001	Transmission & Distribution Mains									

**Tennessee American Water Company
Economic Development Investment (EDI)
Investment Worksheet**

[illegible]

		8	9	10	11	12	
		=(1+2+3)x Depreciation Rate	= (4 x Prop Tax Rate) + (4 x Franchise Rate)		= 7 + 8 + 9 + 10	= 11 / (1 - 4.482%)	
EDI							
Line #	Investment by Plant Account	Account Description	Depr Exp	Prop Tax & Franchise Fees	Operational Expenses	Total Before Revenue Tax	Total With Revenue Tax
1	<u>304400</u>	Struct & Imp-T&D					
2	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
3	Investment Projects		-	-	-	-	-
4	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
5							
6	<u>304500</u>	Structures & Improvement - General					
7	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
8	Investment Projects		-	-	-	-	-
9	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
10							
11	<u>311520</u>	Pumping Equipment SOS					
12	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
13	Investment Projects		-	-	-	-	-
14	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
15							
16	<u>320200</u>	Water Trmt Equip Filter Media					
17	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
18	Investment Projects		-	-	-	-	-
19	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
20							
21	<u>340200</u>	Computer & Peripheral Equipment					
22	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
23	Investment Projects		-	-	-	-	-
24	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
25							
26	<u>340315</u>	Computer Software Special Deprec Rate					
27	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
28	Investment Projects		-	-	-	-	-
29	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
30							
31	<u>341100</u>	Transportation Equip Lt Duty Trucks					
32	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
33	Investment Projects		-	-	-	-	-
34	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
35							
36	<u>341200</u>	Transportation Equip Hvy Duty Trucks					
37	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
38	Investment Projects		-	-	-	-	-
39	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
40							
41	<u>341300</u>	Transportation Equip Autos					
42	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
43	Investment Projects		-	-	-	-	-
44	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
45							
46	<u>343000</u>	Tools, Shop, Garage Equipment					
47	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
48	Investment Projects		-	-	-	-	-
49	Total QIP		\$ -	\$ -	\$ -	\$ -	\$ -
50							
51	<u>331001</u>	Transmission & Distribution Mains					

		8	9	10	11	12	
		= (1+2+3) x Depreciation Rate	= (4 x Prop Tax Rate) + (4 x Franchise Rate)		= 7 + 8 + 9 + 10	= 11 / (1 - 4.482%)	
EDI							
Line #	Investment by Plant Account	Account Description	Depr Exp	Prop Tax & Franchise Fees	Operational Expenses	Total Before Revenue Tax	Total With Revenue Tax
52	Recurring Projects		\$ 1,937	\$ 2,094	\$ -	\$ 18,472	\$ 19,081
53	Investment Projects		-	-	-	-	-
54	Total QIP		\$ 1,937	\$ 2,094	\$ -	\$ 18,472	\$ 19,081
55							
56	333000	Services					
57	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
58	Investment Projects		-	-	-	-	-
59	Total		\$ -	\$ -	\$ -	\$ -	\$ -
60							
61	334100	Meters					
62	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
63	Investment Projects		-	-	-	-	-
64	Total		\$ -	\$ -	\$ -	\$ -	\$ -
65							
66	334200	Meter Installations					
67	Recurring Projects		\$ -	\$ -	\$ -	\$ -	\$ -
68	Investment Projects		-	-	-	-	-
69	Total		\$ -	\$ -	\$ -	\$ -	\$ -
70							
71	335000	Hydrants					
72	Recurring Projects		\$ 609	\$ 358	\$ -	\$ 3,423	\$ 3,535
73	Investment Projects		-	-	-	-	-
74	Total		\$ 609	\$ 358	\$ -	\$ 3,423	\$ 3,535
75							
76	Expense:						
77			\$ -	\$ -		\$ -	\$ -
78			-	-		-	-
79			-	-		-	-
80	Total		\$ -	\$ -	\$ -	\$ -	\$ -
81							
82	Total		\$ 2,546	\$ 2,452	\$ -	\$ 21,895	\$ 22,616
83							
84							

Tennessee American Water Company
 Qualified Infrastructure Improvement Program (QIIP)
 Economic Development Investment Rider (EDI)
 Safety and Environmental Compliance Rider (SEC)
 Summary Page

Line Number	Rate Mechanism	Proposed Revenue Requirement*	Percentage Applied to Bill*	Revenue Requirement as Authorized - 2014	Percentage Applied to Bill as Authorized	Impact of Proposed Adjustments on Revenue Requirement	Impact of Proposed Adjustments on Bill Percentage
1							
2	QIIP	\$ 1,001,897	2.13%	\$ 373,273	0.79%	\$ 628,624	1.34%
3							
4	EDI	22,616	0.05%	84,623	0.18%	\$ (62,007)	-0.13%
5							
6	SEC	1,664,812	3.54%	53,015	0.11%	\$ 1,611,797	3.43%
7							
8	Total	<u>\$ 2,689,326</u>	<u>5.72%</u>	<u>\$ 510,911</u>	<u>1.08%</u>	<u>\$ 2,178,415</u>	<u>4.64%</u>
9							
10							

*Includes Def. Tax, Accum. Depreciation, Forfeited Discount Gross Up and does not include w/out TRA Gross Up

Tennessee American Water Company
 Qualified Infrastructure Improvement Program
 Economic Development Rider
 Safety and Environmental Compliance Rider

STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
 Description TN BP 2015-2019 SCEP

Line #	Business Unit No.	Project Title	Account	Account Descrip	Portion to Account	In-Service (Months)	Dep Rate	Prior Year 11 Spend	Prior Year 12 Spend	2014 SCEP Reforecast	Prior 2014 SCEP
1		RECURRING PROJECTS									
2	TN	DV	Projects Funded by Others	331001	Transmission & Distribution Mains	95.5%	3	1.25%	85,950	57,300	\$ 1,308,350
3	TN	DV		333000	Services	2.3%	3	1.11%	2,070	1,380	31,510
4	TN	DV		335000	Hydrants	2.2%	3	2.30%	1,980	1,320	30,140
5											
6	TN	A	Mains - New	331001	Transmission & Distribution Mains	100.0%	3	1.25%	0	0	91,166
7											
8	TN	B	Mains - Replaced / Restored	331001	Transmission & Distribution Mains	96.8%	3	1.25%	61,170	33,880	1,068,473
9	TN	B		333000	Services	2.9%	3	1.11%	1,833	1,015	32,010
10	TN	B		335000	Hydrants	0.3%	3	2.30%	190	105	3,311
11											
12	TN	C	Mains - Unscheduled	331001	Transmission & Distribution Mains	100.0%	3	1.25%	62,000	50,000	746,000
13											
14	TN	D	Mains - Relocated	331001	Transmission & Distribution Mains	96.2%	3	1.25%	-	-	240,500
15	TN	D		333000	Services	0.5%	3	1.11%	-	-	1,250
16	TN	D		335000	Hydrants	3.3%	3	2.30%	-	-	8,250
17											
18	TN	E	Hydrants, Valves, and Manholes - New	331001	Transmission & Distribution Mains	58.7%	1	1.25%			25,122
19	TN	E		335000	Hydrants	41.3%	1	2.30%			17,675
20											
21	TN	F	Hydrants, Valves, and Manholes - Replaced	331001	Transmission & Distribution Mains	64.1%	1	1.25%			233,987
22	TN	F		335000	Hydrants	35.9%	1	2.30%			131,047
23											
24	TN	G	Services and Laterals - New	333000	Services	100.0%	1	1.11%			461,000
25											
26	TN	H	Services and Laterals - Replaced	333000	Services	100.0%	1	1.11%			246,000
27											
28	TN	I	Meters - New	334100	Meters	64.2%	1	7.47%			361,070
29	TN	I		334200	Meter Installations	35.8%	1	2.73%			201,345
30											
31	TN	J	Meters - Replaced	334100	Meters	72.5%	1	7.47%			480,732
32	TN	J		334200	Meter Installations	27.5%	1	2.73%			182,346
33											
34	TN	K	ITS Equipment and Systems	340200	Computer & Peripheral Equipment	100.0%	1	2.19%			148,662
35											
36	TN	L	SCADA Equipment and Systems	340200	Computer & Peripheral Equipment	100.0%	1	2.19%			185,414
37											
38	TN	M	Security Equipment and Systems	304500	Structures & Improvement - General	100.0%	1	1.13%			130,000
39											
40	TN	N	Offices and Operations Centers	304500	Structures & Improvement - General	100.0%	1	1.13%			23,000
41											
42	TN	O	Vehicles	341100	Transportation Equip Lt Duty Trucks	19.3%	1	16.00%			17,563
43	TN	O		341200	Transportation Equip Hvy Duty Trucks	63.6%	1	16.62%			57,876
44	TN	O		341300	Transportation Equip Autos	17.1%	1	11.38%			15,561
45											
46	TN	P	Tools and Equipment	343000	Tools, Shop, Garage Equipment	100.0%	1	6.89%			29,523
47											
48	TN	Q	Process Plant Facilities and Equipment	320200	Water Trmt Equip Filter Media	57.6%	1	33.69%			53,602
49	TN	Q		311520	Pumping Equipment SOS	21.0%	1	1.83%			19,553
50	TN	Q		340200	Computer & Peripheral Equipment	21.3%	1	2.19%			19,835
51											
52	TN	R	Capitalized Tank Rehabilitation/Painting	330003	Tank Repainting	100.0%	1	11.08%			450,000
53											
54	TN	S	Engineering Studies	331001	Transmission & Distribution Mains	100.0%	1	1.25%			65,554

Business Unit	Tennessee
Revision Date	June 27, 2014
Description	TN BP 2015-2019 SCEP

Line #	Business Unit No.	Project Title	Account	Account Descrip	Portion to Account	In-Service (Months)	Dep Rate	Prior Year 11 Spend	Prior Year 12 Spend	2014 SCEP Reforecast	Prior 2014 SCEP
55		Total Recurring Projects									
56											
57		ACQUISITIONS									
58											
59		Total Acquisitions									
60											
61		CENTRALLY SPONSORED PROJECTS									
62	TN	T26-0202	Business Transformation 2010 - 2014	340315	Computer Software Special Deprec Rate	100.0%	1	10.00%			117,256
63	TN	T26-0203	Business Transformation 2010 - 2014	340315	Computer Software Special Deprec Rate	100.0%	1	10.00%			-
64		Total Centrally Sponsored Projects									
65											
66		INVESTMENT PROJECTS									
67	TN	I26-020017	Electrical Motor Efficiency Enhancement (\$2.9)		100.0%	12/31/2017					-
73	TN	I26-020027	Construct 1.0MG Tank & 2500'-16" ER (\$1.0)		100.0%						-
74	TN	I26-020028	Citico Plant Improvements Phase 1B (\$8.6)	320100	WT Equip Non-Media	100.0%	6/30/2016	1.09%			-
75	TN	I26-020032	Wastewater Treatm't & Handling Impr (\$15.3)	304400	Struct & Imp-T&D	100.0%	5/31/2015	2.13%	2,000,000	6,150,000	-
77	TN	I26-020034	3000'-24" Tennessee River Crossing (\$0.5)		100.0%	12/31/2017					-
79	TN	I26-020038	Retire Basin 1		100.0%						-
80	TN	I26-020039	Basin 2 Tube Settlers		100.0%						-
81	TN	I26-020040	Chlorine Gas Conversion		100.0%						-
82	TN	I26-020022	Post Acquisition BD Capex		100.0%						-
84	TN	I26-000001	Whitwell Acquisition Capital Investment	331001	Transmission & Distribution Mains	85.0%	12/31/2014	1.25%			1,020,000
85	TN	I26-000001		320200	Water Trmt Equip Filter Media	6.0%	12/31/2014	33.69%			72,000
86	TN	I26-000001		311520	Pumping Equipment SOS	4.5%	12/31/2014	1.83%			54,000
87	TN	I26-000001		340200	Computer & Peripheral Equipment	4.5%	12/31/2014	2.19%			54,000
88											
88											
89											
90		Total DV Excluded:									
91											
92		Total Surcharge Amt:									
93											
94		SEC Total:									
95											
96		EDI Total:									
97											
98		QIIP Total:									

Tennessee American Water Company
 Qualified Infrastructure Improvement Program
 Economic Development Rider
 Safety and Environmental Compliance Rider

STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
 Description TN BP 2015-2019 SCEP

				Cumulative Balance of In-Serviced Plant, from 2015 Capex, by Period											
	Business Unit		Project Title	Account	1	2	3	4	5	6	7	8	9	10	11
Line #	No.														
1			RECURRING PROJECTS												
2	TN	DV	Projects Funded by Others	331001	\$ 1,355,543	\$ 1,375,375	\$ 1,386,517	\$ 1,410,393	\$ 1,467,693	\$ 1,521,810	\$ 1,587,069	\$ 1,636,411	\$ 1,669,836	\$ 1,706,445	\$ 1,760,562
3	TN	DV		333000	31,575	31,624	31,892	32,467	33,847	35,150	36,722	37,910	38,715	39,597	40,900
4	TN	DV		335000	30,201	30,247	30,504	31,054	32,374	33,621	35,124	36,261	37,031	37,874	39,121
5															
6	TN	A	Mains - New	331001	91,166	91,166	91,167	91,167	94,501	104,501	121,168	136,168	149,502	154,502	154,503
7															
8	TN	B	Mains - Replaced / Restored	331001	1,105,596	1,142,342	1,187,515	1,277,862	1,364,983	1,497,276	1,600,530	1,736,050	1,839,304	1,952,238	2,010,318
9	TN	B		333000	32,231	33,014	34,367	37,074	39,684	43,647	46,741	50,801	53,894	57,277	59,017
10	TN	B		335000	3,332	3,412	3,552	3,832	4,102	4,512	4,832	5,252	5,572	5,922	6,102
11															
12	TN	C	Mains - Unscheduled	331001	800,000	833,334	876,667	901,668	948,335	976,668	1,016,669	1,066,669	1,115,003	1,168,336	1,216,670
13															
14	TN	D	Mains - Relocated	331001	240,500	240,500	250,121	262,948	304,635	333,495	397,629	423,282	455,349	464,970	464,970
15	TN	D		333000	1,250	1,250	1,300	1,367	1,583	1,733	2,067	2,200	2,367	2,417	2,417
16	TN	D		335000	8,250	8,250	8,580	9,020	10,450	11,440	13,640	14,520	15,620	15,950	15,950
17															
18	TN	E	Hydrants, Valves, and Manholes - New	331001	25,122	26,296	28,057	29,818	32,753	35,101	38,036	43,025	48,015	51,537	53,298
19	TN	E		335000	17,675	18,501	19,740	20,979	23,044	24,696	26,761	30,272	33,782	36,260	37,499
20															
21	TN	F	Hydrants, Valves, and Manholes - Replaced	331001	240,397	253,217	266,037	278,857	288,472	298,087	307,702	339,752	358,982	423,082	455,132
22	TN	F		335000	134,637	141,817	148,997	156,177	161,562	166,947	172,332	190,282	201,052	236,952	254,902
23															
24	TN	G	Services and Laterals - New	333000	486,000	516,000	552,000	597,000	648,000	702,000	752,000	798,000	839,000	875,000	911,000
25															
26	TN	H	Services and Laterals - Replaced	333000	246,000	256,000	276,000	294,000	319,000	354,000	387,000	410,000	431,000	456,000	476,000
27															
28	TN	I	Meters - New	334100	373,910	406,010	431,690	479,840	521,570	544,040	563,300	582,560	617,870	630,710	669,230
29	TN	I		334200	208,505	226,405	240,725	267,575	290,845	303,375	314,115	324,855	344,545	351,705	373,185
30															
31	TN	J	Meters - Replaced	334100	516,982	542,357	585,857	625,732	651,107	676,482	730,857	763,482	821,482	908,482	970,107
32	TN	J		334200	196,096	205,721	222,221	237,346	246,971	256,596	277,221	289,596	311,596	344,596	367,971
33															
34	TN	K	ITS Equipment and Systems	340200	217,435	291,207	369,980	493,731	581,408	673,985	773,332	882,679	972,026	1,062,170	1,141,517
35															
36	TN	L	SCADA Equipment and Systems	340200	189,414	191,414	191,414	191,414	191,414	191,414	191,414	195,414	295,414	340,414	370,414
37															
38	TN	M	Security Equipment and Systems	304500	130,000	135,000	141,000	150,000	185,000	195,000	210,000	225,000	245,000	270,000	310,000
39															
40	TN	N	Offices and Operations Centers	304500	23,000	23,000	23,000	23,000	23,000	23,000	23,000	33,000	48,000	48,000	48,000
41															
42	TN	O	Vehicles	341100	17,563	20,458	20,458	24,318	24,318	28,178	28,178	40,723	60,023	79,323	88,973
43	TN	O		341200	57,876	67,416	67,416	80,136	80,136	92,856	92,856	134,196	197,796	261,396	293,196
44	TN	O		341300	15,561	18,126	18,126	21,546	21,546	24,966	24,966	36,081	53,181	70,281	78,831
45															
46	TN	P	Tools and Equipment	343000	34,523	34,523	41,523	53,523	58,523	58,523	58,523	61,523	63,523	63,523	65,523
47															
48	TN	Q	Process Plant Facilities and Equipment	320200	91,070	235,178	396,578	598,329	730,907	782,786	817,372	909,601	1,105,587	1,296,502	1,455,021
49	TN	Q		311520	33,221	85,788	144,664	218,258	266,620	285,545	298,161	331,804	403,296	472,938	530,762
50	TN	Q		340200	33,699	87,024	146,748	221,403	270,462	289,659	302,457	336,585	409,107	479,753	538,410
51															
52	TN	R	Capitalized Tank Rehabilitation/Painting	330003	450,000	450,000	450,000	450,000	450,000	450,000	450,000	460,000	535,000	685,000	885,000
53															
54	TN	S	Engineering Studies	331001	65,554	65,554	65,554	65,554	70,554	85,554	95,554	100,554	100,554	100,554	100,554

Business Unit	Tennessee
Revision Date	June 27, 2014
Description	TN BP 2015-2019 SCEP

Cumulative Balance of In-Serviced Plant, from 2015 Capex, by Period

Line #	Business Unit No.	Project Title	Account	1	2	3	4	5	6	7	8	9	10	11
55		Total Recurring Projects												
56														
57		ACQUISITIONS												
58														
59		Total Acquisitions												
60														
61		CENTRALLY SPONSORED PROJECTS												
62	TN	T26-0202	Business Transformation 2010 - 2014	340315	117,256	117,256	117,256	117,256	117,256	117,256	117,256	117,256	117,256	117,256
63	TN	T26-0203	Business Transformation 2010 - 2014	340315	-	-	-	-	-	-	-	-	-	-
64		Total Centrally Sponsored Projects												
65														
66		INVESTMENT PROJECTS												
67	TN	I26-020017	Electrical Motor Efficiency Enhancement (\$2.9)		-	-	-	-	-	-	-	-	-	-
73	TN	I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.0)		-	-	-	-	-	-	-	-	-	-
74	TN	I26-020028	Citico Plant Improvements Phase 1B (\$8.6)	320100	-	-	-	-	-	-	-	-	-	-
75	TN	I26-020032	Wastewater Treatm't & Handling Impr (\$15.3)	304400	-	-	-	14,200,000.00	14,800,000	15,100,000	15,250,000	15,300,000	15,300,000	15,300,000
77	TN	I26-020034	3000'-24" Tennessee River Crossing (\$0.5)		-	-	-	-	-	-	-	-	-	-
79	TN	I26-020038	Retire Basin 1		-	-	-	-	-	-	-	-	-	-
80	TN	I26-020039	Basin 2 Tube Settlers		-	-	-	-	-	-	-	-	-	-
81	TN	I26-020040	Chlorine Gas Conversion		-	-	-	-	-	-	-	-	-	-
82	TN	I26-020022	Post Acquisition BD Capex		-	-	-	-	-	-	-	-	-	-
84	TN	I26-000001	Whitwell Acquisition Capital Investment	331001	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000
85	TN	I26-000001		320200	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
86	TN	I26-000001		311520	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
87	TN	I26-000001		340200	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
88														
88														
89														
90		Total DV Excluded:												
91														
92		Total Surcharge Amt:												
93														
94		SEC Total:												
95														
96		EDI Total:												
97														
98		QIIP Total:												

Tennessee American Water Company
 Qualified Infrastructure Improvement Program
 Economic Development Rider
 Safety and Environmental Compliance Rider

STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
 Description TN BP 2015-2019 SCEP

Line #	Business Unit No.		Project Title	Account	12	Surcharge
1			RECURRING PROJECTS			
2	TN	DV	Projects Funded by Others	331001	\$ 1,811,495	
3	TN	DV		333000	42,127	
4	TN	DV		335000	40,294	
5						
6	TN	A	Mains - New	331001	154,503	EDI
7						
8	TN	B	Mains - Replaced / Restored	331001	2,061,945	QIIP
9	TN	B		333000	60,564	QIIP
10	TN	B		335000	6,262	QIIP
11						
12	TN	C	Mains - Unscheduled	331001	1,276,670	QIIP
13						
14	TN	D	Mains - Relocated	331001	464,970	QIIP
15	TN	D		333000	2,417	QIIP
16	TN	D		335000	15,950	QIIP
17						
18	TN	E	Hydrants, Valves, and Manholes - New	331001	53,298	EDI
19	TN	E		335000	37,499	EDI
20						
21	TN	F	Hydrants, Valves, and Manholes - Replaced	331001	474,362	QIIP
22	TN	F		335000	265,672	QIIP
23						
24	TN	G	Services and Laterals - New	333000	941,000	
25						
26	TN	H	Services and Laterals - Replaced	333000	496,000	QIIP
27						
28	TN	I	Meters - New	334100	694,910	
29	TN	I		334200	387,505	
30						
31	TN	J	Meters - Replaced	334100	1,006,357	QIIP
32	TN	J		334200	381,721	QIIP
33						
34	TN	K	ITS Equipment and Systems	340200	1,177,018	
35						
36	TN	L	SCADA Equipment and Systems	340200	370,414	SEC
37						
38	TN	M	Security Equipment and Systems	304500	320,000	SEC
39						
40	TN	N	Offices and Operations Centers	304500	48,000	
41						
42	TN	O	Vehicles	341100	94,763	
43	TN	O		341200	312,276	
44	TN	O		341300	83,961	
45						
46	TN	P	Tools and Equipment	343000	69,523	
47						
48	TN	Q	Process Plant Facilities and Equipment	320200	1,570,307	SEC
49	TN	Q		311520	572,816	SEC
50	TN	Q		340200	581,070	SEC
51						
52	TN	R	Capitalized Tank Rehabilitation/Painting	330003	950,000	QIIP
53						
54	TN	S	Engineering Studies	331001	100,554	

Tennessee American Water Company
 Qualified Infrastructure Improvement Program
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**STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM**

Business Unit Tennessee
Revision Date June 27, 2014
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Line #	Business Unit No.	Project Title	Account	12	Surcharge
55		Total Recurring Projects			
56					
57		ACQUISITIONS			
58					
59		Total Acquisitions			
60					
61		CENTRALLY SPONSORED PROJECTS			
62	TN T26-0202	Business Transformation 2010 - 2014	340315	117,256	
63	TN T26-0203	Business Transformation 2010 - 2014	340315	-	
64		Total Centrally Sponsored Projects			
65					
66		INVESTMENT PROJECTS			
67	TN I26-020017	Electrical Motor Efficiency Enhancement (\$2.9)		-	
73	TN I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.0)		-	
74	TN I26-020028	Citico Plant Improvements Phase 1B (\$8.6)	320100	-	SEC
75	TN I26-020032	Wastewater Treatm't & Handling Impr (\$15.3)	304400	15,300,000	SEC
77	TN I26-020034	3000'-24" Tennessee River Crossing (\$0.5)		-	EDI
79	TN I26-020038	Retire Basin 1		-	SEC
80	TN I26-020039	Basin 2 Tube Settlers		-	SEC
81	TN I26-020040	Chlorine Gas Conversion		-	SEC
82	TN I26-020022	Post Acquisition BD Capex		-	
84	TN I26-000001	Whitwell Acquisition Capital Investment	331001	1,020,000	QIIP
85	TN I26-000001		320200	72,000	QIIP
86	TN I26-000001		311520	54,000	QIIP
87	TN I26-000001		340200	54,000	QIIP
88					
88					Total DV
89					Included:
90		Total DV Excluded:			
91					
92		Total Surcharge Amt:			
93					
94		SEC Total:			
95					
96		EDI Total:			
97					
98		QIIP Total:			

Tennessee American Water Company
 Qualified Infrastructure Improvement Program
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STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
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Line #	Business Unit No.		Project Title	Account	2015 Amounts for Surcharge				Tax Depr class life	Y1 Tax Depr Rate	Y2 Tax Depr Rate	Tax Depreciation	Tax over Book Depreciation
					Average Plant in Service	Average Retires (Replacement Projects Only)	Average CIAC	Depreciation Expense					
1			RECURRING PROJECTS										
2	TN	DV	Projects Funded by Others	331001	\$ 1,538,269			\$ 19,228	25 yr	0.02	0.04	42,390	23,161
3	TN	DV		333000	35,695			\$ 396	25 yr	0.02	0.04	994	598
4	TN	DV		335000	34,142			\$ 785	25 yr	0.02	0.04	951	165
5													
6	TN	A	Mains - New	331001	117,322			\$ 1,467	25 yr	0.02	0.04	3,155	1,689
7													
8	TN	B	Mains - Replaced / Restored	331001	1,526,495	(36,934)		\$ 18,620	25 yr	0.02	0.04	40,750	22,131
9	TN	B		333000	44,640	(1,052)		\$ 484	25 yr	0.02	0.04	1,199	715
10	TN	B		335000	4,615	(554)		\$ 93	25 yr	0.02	0.04	124	31
11													
12	TN	C	Mains - Unscheduled	331001	995,591	(24,089)		\$ 12,144	25 yr	0.02	0.04	27,543	15,399
13													
14	TN	D	Mains - Relocated	331001	349,528	(8,457)		\$ 4,263	25 yr	0.02	0.04	9,299	5,036
15	TN	D		333000	1,817	(43)		\$ 20	25 yr	0.02	0.04	48	29
16	TN	D		335000	11,990	(1,438)		\$ 243	25 yr	0.02	0.04	319	76
17													
18	TN	E	Hydrants, Valves, and Manholes - New	331001	37,652			\$ 471	25 yr	0.02	0.04	1,009	538
19	TN	E		335000	26,491			\$ 609	25 yr	0.02	0.04	710	101
20													
21	TN	F	Hydrants, Valves, and Manholes - Replaced	331001	324,466	(7,851)		\$ 3,958	25 yr	0.02	0.04	9,096	5,139
22	TN	F		335000	181,721	(21,802)		\$ 3,678	25 yr	0.02	0.04	5,094	1,416
23													
24	TN	G	Services and Laterals - New	333000	698,308		(159,611)	\$ 5,980	25 yr	0.02	0.04	18,415	12,436
25													
26	TN	H	Services and Laterals - Replaced	333000	357,462	(8,425)		\$ 3,874	25 yr	0.02	0.04	9,610	5,735
27													
28	TN	I	Meters - New	334100	528,978			\$ 39,515	25 yr	0.02	0.04	14,540	(24,974)
29	TN	I		334200	294,975			\$ 8,053	25 yr	0.02	0.04	8,108	55
30													
31	TN	J	Meters - Replaced	334100	713,847	(2,828)		\$ 53,113	25 yr	0.02	0.04	19,485	(33,628)
32	TN	J		334200	270,770	(5,628)		\$ 7,238	25 yr	0.02	0.04	7,391	152
33													
34	TN	K	ITS Equipment and Systems	340200	675,781			\$ 14,800	5 yr	0.2	0.32	143,253	128,453
35													
36	TN	L	SCADA Equipment and Systems	340200	238,106			\$ 5,215	5 yr	0.2	0.32	59,496	54,282
37													
38	TN	M	Security Equipment and Systems	304500	203,538	(45,068)		\$ 1,791	39 yr	0.01282	0.02564	3,512	1,721
39													
40	TN	N	Offices and Operations Centers	304500	31,462			\$ 356	39 yr	0.01282	0.02564	500	144
41													
42	TN	O	Vehicles	341100	10,478	-		\$ 1,676	5 yr	0.2	0.32	2,360	683
43	TN	O		341200	34,527	-		\$ 5,738	5 yr	0.2	0.32	7,776	2,037
44	TN	O		341300	9,283	-		\$ 1,056	5 yr	0.2	0.32	2,091	1,034
45													
46	TN	P	Tools and Equipment	343000	53,292			\$ 3,672	25 yr	0.02	0.04	1,359	(2,313)
47													
48	TN	Q	Process Plant Facilities and Equipment	320200	772,526	(127,771)		\$ 217,218	25 yr	0.02	0.04	16,614	(200,604)
49	TN	Q		311520	281,802	(9,481)		\$ 4,983	25 yr	0.02	0.04	6,060	1,077
50	TN	Q		340200	285,863	-		\$ 6,260	5 yr	0.2	0.32	59,756	53,495
51													
52	TN	R	Capitalized Tank Rehabilitation/Painting	330003	547,308			\$ 60,642	25 yr	0.02	0.04	16,213	(44,429)
53													
54	TN	S	Engineering Studies	331001	83,246			\$ 1,041	25 yr	0.02	0.04	2,742	1,701

Tennessee American Water Company
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STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
 Description TN BP 2015-2019 SCEP

Line #	Business Unit No.	Project Title	Account	2015 Amounts for Surcharge			Tax Depr class life	Y1 Tax Depr Rate	Y2 Tax Depr Rate	Tax Depreciation	Tax over Book Depreciation
				Average Plant In Service	Average Retires (Replacement Projects Only)	Average CIAC					
55		Total Recurring Projects									
56											
57		ACQUISITIONS									
58											
59		Total Acquisitions									
60											
61		CENTRALLY SPONSORED PROJECTS									
62	TN	T26-0202 Business Transformation 2010 - 2014	340315	117,256			3 yr	0.3333	0.3333	39,081	27,356
63	TN	T26-0203 Business Transformation 2010 - 2014	340315	-							
64		Total Centrally Sponsored Projects									
65											
66		INVESTMENT PROJECTS									
67	TN	I26-020017 Electrical Motor Efficiency Enhancement (\$2.9)		-							
73	TN	I26-020027 Construct 1.0MG Tank & 2500-16" ER (\$1.0)		-							
74	TN	I26-020028 Citico Plant Improvements Phase 1B (\$8.6)	320100	-			25 yr	0.02	0.04	-	-
75	TN	I26-020032 Wastewater Treatm't & Handling Impr (\$15.3)	304400	9,273,077			39 yr	0.01282	0.02564	118,881	(78,636)
77	TN	I26-020034 3000'-24" Tennessee River Crossing (\$0.5)		-							
79	TN	I26-020038 Retire Basin 1		-							
80	TN	I26-020039 Basin 2 Tube Settlers		-							
81	TN	I26-020040 Chlorine Gas Conversion		-							
82	TN	I26-020022 Post Acquisition BD Capex		-							
84	TN	I26-000001 Whitwell Acquisition Capital Investment	331001	1,020,000			25 yr	0.02		11,291	(1,459)
85	TN	I26-000001	320200	72,000			25 yr	0.02		797	(23,460)
86	TN	I26-000001	311520	54,000			25 yr	0.02		598	(390)
87	TN	I26-000001	340200	54,000			5 yr	0.2		5,978	4,795
88											
88				\$ 21,912,319	\$ (301,420)	\$ (159,611)				\$ 718,586	\$ (38,512)
89											
90		Total DV Excluded:		\$ 20,304,213	\$ (301,420)	\$ (159,611)				\$ 674,252	\$ (62,437)
91											
92		Total Surcharge Amt:		\$ 17,766,627	\$ (301,420)	\$ -				\$ 434,028	\$ (209,049)
93											
94		SEC Total:		\$ 11,054,912	\$ (182,320)	\$ -				\$ 264,319	\$ (168,665)
95											
96		EDI Total:		\$ 181,465	\$ -	\$ -				\$ 4,874	\$ 2,328
97											
98		QIIP Total:		\$ 6,530,250	\$ (119,100)	\$ -				\$ 164,835	\$ (42,712)

Tennessee American Water Company
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STRATEGIC CAPITAL EXPENDITURE PLAN
 PROGRAM

Business Unit Tennessee
 Revision Date June 27, 2014
 Description TN BP 2015-2019 SCEP

Line #	Business Unit No.	Project Title	Account	Tax Rate	Depreciation Deferred Tax (DTA, (DTL))	NOTES	Accum Dep	Depreciation Deferred Tax (DTA, (DTL))
1		RECURRING PROJECTS						
2	TN	DV	Projects Funded by Others	331001	0.39225	(9,085)	This should be zero if related to non-taxable CIAC	\$ (16,879) \$ (6,252)
3	TN	DV		333000	0.39225	(234)	This should be zero if related to non-taxable CIAC	\$ (353) \$ (166)
4	TN	DV		335000	0.39225	(65)	This should be zero if related to non-taxable CIAC	\$ (701) \$ (17)
5								
6	TN	A	Mains - New	331001	0.39225	(662)		\$ (1,239) \$ (450)
7								
8	TN	B	Mains - Replaced / Restored	331001	0.39225	(8,681)		\$ (15,526) \$ (5,911)
9	TN	B		333000	0.39225	(281)		\$ (397) \$ (199)
10	TN	B		335000	0.39225	(12)		\$ (82) \$ (4)
11								
12	TN	C	Mains - Unscheduled	331001	0.39225	(6,040)		\$ (10,841) \$ (4,143)
13								
14	TN	D	Mains - Relocated	331001	0.39225	(1,975)		\$ (3,575) \$ (1,327)
15	TN	D		333000	0.39225	(11)		\$ (17) \$ (8)
16	TN	D		335000	0.39225	(30)		\$ (212) \$ (10)
17								
18	TN	E	Hydrants, Valves, and Manholes - New	331001	0.39225	(211)		\$ (395) \$ (143)
19	TN	E		335000	0.39225	(39)		\$ (512) \$ (9)
20								
21	TN	F	Hydrants, Valves, and Manholes - Replaced	331001	0.39225	(2,016)		\$ (3,565) \$ (1,408)
22	TN	F		335000	0.39225	(556)		\$ (3,477) \$ (208)
23								
24	TN	G	Services and Laterals - New	333000	0.39225	(4,878)		\$ (4,868) \$ (3,030)
25								
26	TN	H	Services and Laterals - Replaced	333000	0.39225	(2,250)		\$ (3,185) \$ (1,600)
27								
28	TN	I	Meters - New	334100	0.39225	9,796		\$ (34,551) \$ 9,147
29	TN	I		334200	0.39225	(22)		\$ (7,041) \$ 305
30								
31	TN	J	Meters - Replaced	334100	0.39225	13,191		\$ (45,820) \$ 12,109
32	TN	J		334200	0.39225	(60)		\$ (4,994) \$ (265)
33								
34	TN	K	ITS Equipment and Systems	340200	0.39225	(50,386)		\$ (8,877) \$ (29,906)
35								
36	TN	L	SCADA Equipment and Systems	340200	0.39225	(21,292)		\$ (4,774) \$ (17,559)
37								
38	TN	M	Security Equipment and Systems	304500	0.39225	(675)		\$ (1,691) \$ (734)
39								
40	TN	N	Offices and Operations Centers	304500	0.39225	(57)		\$ (263) \$ (71)
41								
42	TN	O	Vehicles	341100	0.39225	(268)		\$ (1,190) \$ (169)
43	TN	O		341200	0.39225	(799)		\$ (4,074) \$ (496)
44	TN	O		341300	0.39225	(406)		\$ (750) \$ (269)
45								
46	TN	P	Tools and Equipment	343000	0.39225	907		\$ (2,846) \$ 735
47								
48	TN	Q	Process Plant Facilities and Equipment	320200	0.39225	78,687		\$ (128,207) \$ 46,574
49	TN	Q		311520	0.39225	(422)		\$ (2,880) \$ (225)
50	TN	Q		340200	0.39225	(20,983)		\$ (3,556) \$ (12,013)
51								
52	TN	R	Capitalized Tank Rehabilitation/Painting	330003	0.39225	17,427		\$ (59,498) \$ 18,093
53								
54	TN	S	Engineering Studies	331001	0.39225	(667)		\$ (1,193) \$ (492)

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Business Unit Tennessee
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Line #	Business Unit No.	Project Title	Account	Tax Rate	Depreciation Deferred Tax (DTA, (DTL))	NOTES	Accum Dep	Depreciation Deferred Tax (DTA, (DTL))
55		Total Recurring Projects:						
56								
57		ACQUISITIONS						
58								
59		Total Acquisitions						
60								
61		CENTRALLY SPONSORED PROJECTS						
62	TN	T26-0202 Business Transformation 2010 - 2014	340315	0.39225	(10,730)		\$ (16,620)	\$ (15,210)
63	TN	T26-0203 Business Transformation 2010 - 2014	340315					
64		Total Centrally Sponsored Projects						
65								
66		INVESTMENT PROJECTS						
67	TN	I26-020017 Electrical Motor Efficiency Enhancement (\$2.9)			-			
73	TN	I26-020027 Construct 1.0MG Tank & 2500-16" ER (\$1.0)			-			
74	TN	I26-020028 Citico Plant Improvements Phase 1B (\$8.6)	320100	0.39225	-		\$ -	\$ -
75	TN	I26-020032 Wastewater Treatm't & Handling Impr (\$15.3)	304400	0.39225	30,845		\$ (98,758)	\$ 15,422
77	TN	I26-020034 3000'-24" Tennessee River Crossing (\$0.5)			-			
79	TN	I26-020038 Retire Basin 1						
80	TN	I26-020039 Basin 2 Tube Settlers						
81	TN	I26-020040 Chlorine Gas Conversion						
82	TN	I26-020022 Post Acquisition BD Capex						
84	TN	I26-000001 Whitwell Acquisition Capital Investment	331001	0.39225	572		\$ (12,068)	\$ (1,054)
85	TN	I26-000001	320200	0.39225	9,202		\$ (22,960)	\$ 8,597
86	TN	I26-000001	311520	0.39225	153		\$ (935)	\$ 60
87	TN	I26-000001	340200	0.39225	(1,881)		\$ (1,069)	\$ (2,645)
88								
89					\$ 15,106	See note under DV above		
90		Total DV Excluded:			\$ 24,491			
91								
92		Total Surcharge Amt:			\$ 82,000			
93								
94		SEC Total:			\$ 66,159			
95								
96		EDI Total:			\$ (913)			
97								
98		QIIP Total:			\$ 16,754			