

TENNESSEE REGULATORY AUTHORITY



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

January 6, 2015

Linda C. Bridwell
Manager of Rates and Regulation – Tennessee and Kentucky
Kentucky American Water Company
2300 Richmond Road
Lexington, KY 40502
Linda.Bridwell@amwater.com

Re: Petition of Tennessee-American Water Company Regarding the 3026 Investment and Related Expenses under the Qualified Infrastructure Investment Program Rider, the Economic Development Investment Rider, and the Safety and Environmental Compliance Ride, TRA Docket No. 14-00121

Dear Ms. Bridwell:

In order to assist the Authority in its review of the proposed tariff filed in the above-referenced docket to increase the percentage rates for the Qualified Infrastructure Improvement Program Rider ("QIIP"), the Economic Development and Investment Program Rider ("EDI"), and the Safety and Environmental Compliance Program Rider ("SEC") (collectively, the "Capital Riders"), please provide for each Capital Rider a reconciliation of the rider's Forecasted Investment Amount included in the Tennessee American Water 2015 Capital Recovery Riders Budget approved by Unanimous Consent of the Directors of Tennessee American Water Company on December 26, 2014, with the Plant Account Additions included in each rider's Calculation of Revenue Requirement attached to your testimony filed in this docket. Please show all detailed calculations and provide complete descriptions of the data used in each rider's reconciliation. I request that you file the reconciliations in this docket by January 20, 2015.

Please do not hesitate to contact me should you have any questions.

Sincerely,

David Foster
Chief of Utilities

cc: Melvin J. Malone