

BUTLER | SNOW

July 18, 2016

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 In Support of the
Calculation of the 2016 Capital Riders Reconciliation,
TRA Docket No. 16-00022**

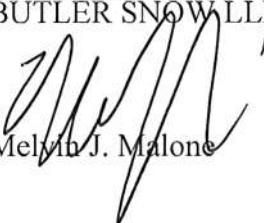
Dear Chairman Hilliard:

Attached for filing please find *Tennessee-American Water Company's Responses to Second Informal Discovery Requests of the Consumer Protection and Advocate Division* in the above-captioned matter.

As required, an original of this filing, along with four (4) hard copies, will follow. 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

Attachment

cc: Linda Bridwell, Tennessee-American Water Company
Wayne Irvin, Assistant Attorney General, Consumer Protection and Advocate Division
Vance Broemel, Assistant Attorney General, Consumer Protection and Advocate Division

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BUTLER SNOW LLP

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

PETITION OF TENNESSEE-AMERICAN)
WATER COMPANY REGARDING)
CHANGES TO THE QUALIFIED)
INFRASTRUCTURE INVESTMENT)
PROGRAM RIDER, THE ECONOMIC)
DEVELOPMENT INVESTMENT RIDER,)
AND THE SAFETY AND)
ENVIRONMENTAL COMPLIANCE)
RIDER AND IN SUPPORT OF THE)
CALCULATION OF THE 2016 CAPITAL)
RIDERS RECONCILIATION)

DOCKET NO. 16-00022

**TENNESSEE-AMERICAN WATER COMPANY'S RESPONSES
TO SECOND INFORMAL DISCOVERY REQUESTS OF THE
CONSUMER PROTECTION AND ADVOCATE DIVISION**

Tennessee-American Water Company ("TAWC"), by and through counsel, hereby submits its responses to the Second Informal Discovery Requests propounded by the Consumer Protection and Advocate Division.

GENERAL OBJECTIONS

1. TAWC objects to all requests that seek information protected by the attorney-client privilege, the work-product doctrine and/or any other applicable privilege or restriction on disclosure.

2. TAWC objects to the definitions and instructions accompanying the requests to the extent the definitions and instructions contradict, are inconsistent with, or impose any obligations beyond those required by applicable provisions of the Tennessee Rules of Civil Procedure or the rules, regulations, or orders of the Tennessee Regulatory Authority.

3. The specific responses set forth below are based on information now available to TAWC, and TAWC reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information produced.

4. TAWC objects to each request to the extent that it is unreasonably cumulative or duplicative, or seeks information obtainable from some other source that is more convenient, less burdensome or less expensive.

5. TAWC objects to each request to the extent it seeks information outside TAWC's custody or control.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 16-00022
SECOND INFORMAL DISCOVERY REQUEST OF THE
CONSUMER PROTECTION AND ADVOCATE DIVISION**

Responsible Witness: **Linda C. Bridwell**

Question:

1. Refer to the spreadsheet titled “TAW_TRA_2015_CapRider_Recon_030116” that was included with the Company’s filing. Specifically refer to the “WKP-SAP Revenues” tab of this spreadsheet. Please provide the source and support for the hard-coded data included on this spreadsheet.

Response:

The “WKP-SAP Revenues” tab is a summation of revenues from the appropriate billing documents posted in the Company’s SAP-CIS module for the twelve months of 2015. The spreadsheet is a download from the Company’s books and accounts in the SAP financial software. The revenue accounts to which the billing documents were posted in the Company’s general ledger are provided in the far left column (column A) for the fiscal year ended 2015. The detailed revenue data was provided in the Company’s filing in the spreadsheet “TAW_TRA_2015_Revenues_030116”.

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DOCKET NO. 16-00022
SECOND INFORMAL DISCOVERY REQUEST OF THE
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Responsible Witness: **Linda C. Bridwell**

Question:

2. Refer to the spreadsheet titled “TAW_TRA_2015_CapRider_Recon_030116” that was included with the Company’s filing. Specifically refer to the “WKP-Whitwell Revenues” tab of this spreadsheet. Please provide the source and support for the hard-coded data (column B) included on this spreadsheet.

Response:

The amounts questioned are the manually recorded residential sales billed for the Whitwell profit center (2605) on the company’s general ledger, revenue account 40111000. TAWC migrated the billing of its Whitwell customers from a manual billing process to its SAP billing module in September 2015.

Company Code	Profit Center	Assignment	Document Type	Document Number	Account	Amount in local currency	Text	Posting Date
1026	2605		SA	100018250	40111000	-92961.77	Whitwell AR -Jan 2015	1/31/2015
1026	2605		SA	100019032	40111000	-99146.50	Whitwell AR -Feb 2015	2/28/2015
1026	2605		SA	100020030	40111000	-94297.06	Whitwell AR -Mar 2015	3/31/2015
1026	2605		SA	100020960	40111000	-96866.56	Whitwell AR -Mar 2015	4/30/2015
1026	2605		SA	100021957	40111000	-91913.07	Whitwell AR -Mar 2015	5/31/2015
1026	2605		SA	100022906	40111000	-103342.01	Whitwell AR -June 2015	6/30/2015
1026	2605		SA	100023980	40111000	-101210.75	Whitwell AR -July 2015	7/31/2015
1026	2605		SA	100024286	40111000	-105833.36	Whitwell AR -July 2015	8/21/2015

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SECOND INFORMAL DISCOVERY REQUEST OF THE
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Question:

3. Refer to the spreadsheet titled "TAW_TRA_2015_CapRider_Recon_030116" that was included with the Company's filing. Specifically refer to the "Exhibit Reconciliation" tab of this spreadsheet. Please provide the source and support for the "2014 Reconciliation Amounts" included on line 14 of this spreadsheet.

Response:

The "2014 Reconciliation Amounts" included in the "Exhibit Reconciliation" tab, line number 25 of the spreadsheet titled "TAW_TRA_2015_CapRider_Recon_030116" are totaled in Column Y as \$59,365. This is the amount authorized to be recovered through the 2014 Capital Rider Reconciliation under Docket No. 15-00029. Please refer to Docket No. 15-00029, revised exhibit titled "TAW_TRA_15-00029_Revised Exhibits_10_26_15" which includes the \$59,365 amount on line number 28, "Reconciliation Amount".

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Responsible Witness: **Linda C. Bridwell**

Question:

4. Refer to the spreadsheet titled "TAW_TRA_2015_Revenues_030116" that was included with the Company's filing. Specifically refer to the "Recon" tab of this spreadsheet. Please provide the source and support for the hard-coded data included on this spreadsheet.

Response:

The "Recon" tab is a summation of revenues from the appropriate billing documents posted in the Company's SAP-CIS module for the twelve months of 2015. The SAP serves as the financial software for the Company. The spreadsheet is a query downloaded to excel from SAP representing the Company's books and accounts. The revenue accounts to which the billing documents were posted in the Company's general ledger are provided in the far left column (column A) for the fiscal year ended 2015. The total of the detailed revenue data for the specific capital rider surcharge general ledger accounts were then reconciled back to the general ledger revenue balances on the Company's income statement. The Company's operating revenues by general ledger account are included in the tab "SAP F.01".

TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 16-00022
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CONSUMER PROTECTION AND ADVOCATE DIVISION

Responsible Witness: **Linda C. Bridwell**

Question:

5. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “Recon” tab of this spreadsheet. Please provide a legend for the “G/L Account” numbers used in column A of this spreadsheet.

Response:

The “G/L Account” descriptions are listed on the tab “SAP F.01”. Below, please find a legend for the “G/L Account” numbers in column A of the “Recon” tab.

Account Number	Text for B/S P&L item	Type of Revenue Recorded
40111000	40111000 Residential Sales Billed	Billed Sales
40111100	40111100 Residential Sales Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40111200	40111200 Residential Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40112000	40112000 Residential Sales Unbilled	Unbilled Sales
40121000	40121000 Commercial Sales Billed	Billed Sales
40121100	40121100 Commercial Sales Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40121200	40121200 Commercial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40122000	40122000 Commercial Sales Unbilled	Unbilled Sales
40131000	40131000 Industrial Sales Billed	Billed Sales
40131100	40131100 Industrial Sales Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40131200	40131200 Industrial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40132000	40132000 Industrial Sales Unbilled	Unbilled Sales
40145000	40145000 Private Fire Billed	Billed Sales
40145100	40145100 Private Fire Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40145200	40145200 Private Fire Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40146000	40146000 Private Fire Unbilled	Unbilled Sales
40151000	40151000 Public Authority Billed	Billed Sales
40151100	40151100 Public Authority Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40151200	40151200 Public Authority Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40152000	40152000 Public Authority Unbilled	Unbilled Sales
40161000	40161000 Sales for Resale Billed	Billed Sales
40161100	40161100 Sales for Resale Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40161200	40161200 Sales for Resale Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40162000	40162000 Sales for Resale Unbilled	Unbilled Sales
40171000	40171000 Misc Sales Billed	Billed Sales
40171100	40171100 Misc Sales Billed Surcharge	PCOP (Production Costs and Other Pass-Throughs)
40172000	40172000 Misc Sales Unbilled	Unbilled Sales

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DOCKET NO. 16-00022
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Responsible Witness: **Linda C. Bridwell**

Question:

6. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “Recon” tab of this spreadsheet. Please provide a legend for the “Posting Period Rate Number” data used in column B of this spreadsheet.

Response:

Below, please find the legend for the “Rate Number” data on the “Recon” tab.

Rate Number	Rate Number Description
TNNRFEDI	TN Private Fire Non-Residential EDI
TNNRFP COP	TN Private Fire Non-Residential PCOP
TNNRFQIIP	TN Private Fire Non-Residential QIIP
TNNRFSEC	TN Private Fire Non-Residential SEC
TNNRFVCHG	TN NonRes Fire Volumetric Charge
TNNRWBCHG	TN Non-Res Water Base Charge
TNNRWEDI	TN Water Non-Residential EDI
TNNRWMCCO	TN Non-res Free Water Account Meter Charge
TNNRWMCHG	TN Non-res Water Meter Charge
TNNRWPCOP	TN Water Non-Residential PCOP
TNNRWQIIP	TN Water Non-Residential QIIP
TNNRWSEC	TN Water Non-Residential SEC
TNNRWVCHG	TN Non-Res Water Volumetric Charge
TNNRWVCOMP	TN Company Use/Free Water Volumetric Chg
TNRWBCHG	TN Res Water Base Charge
TNRSWEDI	TN Water Residential EDI
TNRSTMCHG	TN Res Water Meter Charge
TNRSWPCOP	TN Water Residential PCOP
TNRSWQIIP	TN Water Residential QIIP
TNRSWSEC	TN Water Residential SEC
TNRSWVCHG	TN Res Water Volumetric Charge

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DOCKET NO. 16-00022
SECOND INFORMAL DISCOVERY REQUEST OF THE
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Responsible Witness: **Linda C. Bridwell**

Question:

7. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “Recon” tab of this spreadsheet. Please provide a legend for the “Rider” data used in column C of this spreadsheet.

Response:

The “Rider” data in column C is the last four characters of the “Rate Number” column. Please refer to the legend of the “Rate Number” column provided in the response to Item 6 of this same request for information.

**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 16-00022
SECOND INFORMAL DISCOVERY REQUEST OF THE
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Responsible Witness: **Linda C. Bridwell**

Question:

8. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “Recon” tab of this spreadsheet. Please explain and reconcile the differences shown in column R between the totals in this report and the “SAP F.01” report included on another tab in this same spreadsheet.

Response:

The “Recon” tab is a reconciliation of the capital rider surcharge billings to the capital rider surcharge revenue accounts which are listed below. Please note that the Rate Number in Column B has been sorted to only reflect the “Total” for each account for presentation purposes. The reconciliation compares the summation of the billing documents pulled from the SAP_CIS module to the G/L balances on tab “SAP F.01”. The remaining differences in column R are not related to the capital rider surcharge revenue accounts. Rather, these differences are related to the regular billed sales’ revenue accounts which are not the intention of the “Recon” tab. The differences in these base revenue accounts are generally related to the Whitwell district being billed by a third party through August 2015 as well as some manual adjustments and the quarterly private fire billings (40145000) were not pulled into the report. The data pulled for the report was only to be utilized in reconciling the revenue accounts listed below related to the capital rider surcharge revenues.

Account Number	Text for B/S P&L item	Type of Revenue Recorded
40111200	40111200 Residential Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40121200	40121200 Commercial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40131200	40131200 Industrial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40145200	40145200 Private Fire Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40151200	40151200 Public Authority Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40161200	40161200 Sales for Resale Billed DSIC	Capital Riders - QIIP, EDI, & SEC

TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 16-00022
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Responsible Witness: **Linda C. Bridwell**

Question:

9. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “SAP F.01” tab of this spreadsheet. Please provide the source and support for the hard-coded data included on this spreadsheet.

Response:

The “SAP F.01” is a point-in-time snapshot of the operating revenue account balances from the Company’s general ledger. These balances were utilized to reconcile the capital rider surcharge detail billings to the capital rider surcharge revenue accounts which are listed below.

Account Number	Text for B/S P&L item	Type of Revenue Recorded
40111200	40111200 Residential Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40121200	40121200 Commercial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40131200	40131200 Industrial Sales Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40145200	40145200 Private Fire Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40151200	40151200 Public Authority Billed DSIC	Capital Riders - QIIP, EDI, & SEC
40161200	40161200 Sales for Resale Billed DSIC	Capital Riders - QIIP, EDI, & SEC

TENNESSEE AMERICAN WATER COMPANY
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Responsible Witness: **Linda C. Bridwell**

Question:

10. Refer to the spreadsheet titled “TAW_TRA_2015_Revenues_030116” that was included with the Company’s filing. Specifically refer to the “SAP F.01” tab of this spreadsheet. Please provide a legend for the “Financial Statement Item” data used in column A of this spreadsheet.

Response:

The “Financial Statement Item” data in column A of tab “SAP F.01” are groupings of the operating revenue general ledger accounts. The descriptions are provided in column D of the tab “SAP F.01”. Below, please find a copy of the operating revenue groups in the “Financial Statement Item” column.

Financial Statement Item	Text for B/S P&L item
100	Total: Water revenues - residential
101	Total: Water revenues - commercial
102	Total: Water revenues - industrial
104	Total: Water revenues - private fire
105	Total: Water revenues - public authority
106	Total: Water revenues - sales for resale
107	Total: Water revenues - other
96	Total: Water revenues
98	Total: Other revenues
95	Total: Operating revenues

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DOCKET NO. 16-00022
SECOND INFORMAL DISCOVERY REQUEST OF THE
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Responsible Witness: **Linda C. Bridwell**

Question:

11. Please provide a copy of all Company workpapers that the Company has relied upon in its Capital Reconciliation Filing that have not yet been included in this docket.

Response:

All Company workpapers have been provided in this docket or have been approved in previous dockets related to this 2015 Capital Rider reconciliation filing. The Company's books and records are the overall detail support for the workpapers provided in these filings.

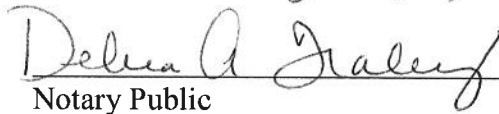
STATE OF Kentucky)
COUNTY OF Fayette)

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Linda C. Bridwell, being by me first duly sworn deposed and said that:

She is appearing as a witness on behalf of Tennessee-American Water Company before the Tennessee Regulatory Authority, and if present before the Authority and duly sworn, the data requests responses are accurate to the best of her knowledge.


Linda C. Bridwell

Sworn to and subscribed before me
this 18th day of July, 2016.


Notary Public

My Commission Expires: 1/22/17

DEBRA A. FRALEY
NOTARY PUBLIC
Kentucky, State At Large
My Commission Expires 1/22/2017
I.D. # 481931

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

Vance Broemel, Esq.
Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Protection and Advocate Division
P.O. Box 20207
Nashville, TN 37202-0207
Vance.Broemel@ag.tn.gov

Wayne Irvin, Esq.
Assistant Attorney General
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P.O. Box 20207
Nashville, TN 37202-0207
Wayne.Irvin@ag.tn.gov

This the 18th day of July, 2016.



Melvin J. Malone