

TENNESSEE-AMERICAN WATER COMPANY
Secretary's Certificate

I, Nicole Boyd, being the Assistant Secretary of Tennessee-American Water Company ("Company"), do hereby certify that the following Resolutions were duly adopted by Unanimous Consent of the Board of Directors of said Company and that said Resolution, effective as of the 27th day of October, 2016, has not been rescinded, amended or modified:


WHEREAS, pursuant to the requirements of the Tennessee Regulatory Authority's approved Alternative Regulatory Mechanism, the attached current 2017 Capital Budget is submitted for approval; and

WHEREAS, pursuant to the requirements of the Tennessee Regulatory Authority's approved Alternative Regulatory Mechanism, the 2017 Forecasted QIIP Investment Amount, Forecasted EDI Investment Amount and Forecasted SEC Investment Amount per the attachment are submitted for approval as reflected in the current 2017 Capital Budget; and

NOW THEREFORE BE IT,

RESOLVED, that the current 2017 Capital Budget and Forecasted QIIP Investment Amount, Forecasted EDI Amount and Forecasted SEC Investment Amount, attached hereto as Exhibit A, is hereby approved for filing with the Tennessee Regulatory Authority.

IN WITNESS WHEREOF, I have hereunto set my hand as Assistant Secretary of Indiana-American Water Company, Inc., and have caused the corporate seal of said Company to be hereunto affixed, this 3rd day of November, 2016.



Nicole Boyd
Assistant Secretary

**STRATEGIC CAPITAL EXPENDITURE PLAN
PROGRAM**

Business Unit	Tennessee	
Revision Date	June 21, 2016	
Description	TN BP 2017-2021 SCEP	

2017

Business Unit	Rider	Business Unit No.	Project Title			1	2	3	4	5	6
Tennessee	None	DV	Projects Funded by Others			\$10,000	\$10,000	\$50,000	\$80,000	\$150,000	\$150,000
Tennessee	EDI	A	Mains - New			55,000	125,000	105,000	25,000		
Tennessee	QIIP	B	Mains - Replaced / Restored			158,367	158,367	253,367	300,867	300,867	300,867
Tennessee	QIIP	C	Mains - Unscheduled			165,932	171,242	80,000	37,174	42,484	74,347
Tennessee	QIIP	D	Mains - Relocated							33,333	33,333
Tennessee	EDI	E	Hydrants, Valves, and Manholes - New				3,937	6,561	5,249	7,873	6,561
Tennessee	QIIP	F	Hvdrants, Valves, and Manholes - Replaced				10,000	20,000	35,000	30,000	39,500
Tennessee	None	G	Services and Laterals - New			38,750	48,501	71,751	79,501	87,251	103,751
Tennessee	QIIP	H	Services and Laterals - Replaced			9,901	19,801	29,702	41,602	41,602	52,503
Tennessee	None	I	Meters - New				10,101	15,152	22,223	22,223	34,345
Tennessee	QIIP	J	Meters - Replaced			92,115	92,115	122,716	122,716	183,916	183,916
Tennessee	None	K	ITS Equipment and Systems			94,985	144,308	105,065	149,882	71,233	116,937
Tennessee	SEC	L	SCADA Equipment and Systems						58,333	58,333	58,333
Tennessee	SEC	M	Security Equipment and Systems						25,000	25,000	
Tennessee	None	N	Offices and Operations Centers					5,000			5,000
Tennessee	None	O	Vehicles							101,250	101,250
Tennessee	None	P	Tools and Equipment			12,083	12,083	12,083	24,167	17,083	16,167
Tennessee	SEC	Q	Process Plant Facilities and Equipment				18,113	32,377	62,566	68,604	26,340
Tennessee	QIIP	R	Capitalized Tank Rehabilitation/Painting								
Tennessee	None	S	Engineering Studies				5,000	5,000	5,000	5,000	5,000
Total						627,133	818,569	863,774	994,280	1,096,054	1,158,151
Investment Projects											
Tennessee	QIIP	I26-020041	Electrical - Breakers and Relays (\$0.6)		In Service Date						
Tennessee	SEC	I26-020042	Pumping Auxiliary Power (\$1.4)		12/31/2017						
Tennessee	QIIP	I26-020043	Energy Reduction and Efficiency (\$0.87)		6/30/2018						
Tennessee	SEC	I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.5)		12/31/2020						
Tennessee	QIIP	I26-020034	Tennessee River Crossing (\$2.5)		7/31/2019						
Tennessee	SEC	I26-020044	New Raw Water Intake Citico (\$13)		11/30/2017			16,545	126,937	166,237	222,293
Tennessee	SEC	I26-050001	Raw Water Intake Improvements Whitwell (\$2)		6/30/2022						
Tennessee	QIIP	I26-020038	Retire Basin 1 (\$0.6)		12/31/2021						
Tennessee	QIIP	I26-020039	Basin 2 Tube Settlers (\$3.5)		12/31/2020						
Tennessee	SEC	I26-020040	Chlorine Gas Conversion (\$4.5)		12/31/2019						
Tennessee	QIIP	I26-020045	Renovate Filter Bldg 3 (\$0.75)		4/1/2020						
Tennessee	None	I26-020046	New Field Services Facility (\$4.5)		6/30/2018						
Tennessee	SEC	I26-050002	Facility Upgrades at Whitwell WTP (\$0.3) 1/3 in 2018		12/31/2020						
Tennessee	SEC	I26-050003	Replace 0.5 MG Storage Tanks at Whitwell (\$.5)		4/30/2018						
Tennessee	SEC	I26-050004	Replace 0.1 MG Storage Tank at Whitwell (\$0.3) 1/3 in 18		12/31/2021						
Tennessee	No	I26-000002	Post Acquisition BD Capex		4/30/2018						
Total Investment Projects											
Total Investment and Centrally Sponsored Projects											
Contributions											
Advances						(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Total Refunds						(58,333)	(58,333)	(58,333)	(58,333)	(58,333)	(58,333)
						29,167	29,167	29,167	29,167	29,167	29,167
Gross minus BT						\$637,133	\$828,569	\$930,319	\$1,201,217	\$1,412,291	\$1,530,444
Net minus BT						(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(49,167)
						\$587,967	\$779,402	\$881,153	\$1,152,050	\$1,363,124	\$1,481,277
Gross plus BT						\$637,133	\$828,569	\$930,319	\$1,201,217	\$1,412,291	\$1,530,444
Net plus BT						(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(49,167)
						\$587,967	\$779,402	\$881,153	\$1,152,050	\$1,363,124	\$1,481,277

*Dollar amounts from TAWC's Annual Capital Planning Process

**STRATEGIC CAPITAL EXPENDITURE PLAN
PROGRAM**

Business Unit	Tennessee
Revision Date	June 21, 2016
Description	TN BP 2017-2021 SCEP

U.S. \$										
Business Unit	Rider	Business Unit No.	Project Title	7	8	9	10	11	12	Total 2017
Tennessee	None	DV	Projects Funded by Others	\$90,000	\$80,000	\$80,000	\$80,000	\$120,000	\$100,000	\$1,000,000
Tennessee	EDI	A	Mains - New							310,000
Tennessee	QIIP	B	Mains - Replaced / Restored	300,867	300,867	218,110	110,867	110,867	105,975	2,620,255
Tennessee	QIIP	C	Mains - Unscheduled	75,000	75,000	45,000	47,232	84,968	110,621	1,009,000
Tennessee	QIIP	D	Mains - Relocated	33,333						100,000
Tennessee	EDI	E	Hydrants, Valves, and Manholes - New	8,792	11,153	11,153	9,185	3,937		74,400
Tennessee	QIIP	F	Hvdrants, Valves, and Manholes - Replaced	39,600	55,000	50,000	49,100	30,000	15,900	374,100
Tennessee	None	G	Services and Laterals - New	102,751	74,001	72,991	64,001	56,251	46,501	846,000
Tennessee	QIIP	H	Services and Laterals - Replaced	51,503	41,602	24,752	34,652	29,702	21,177	398,500
Tennessee	None	I	Meters - New	30,304	24,244	15,152	15,152	10,101	10,000	209,000
Tennessee	QIIP	J	Meters - Replaced	183,916	183,916	180,141	127,526	122,716	92,115	1,687,825
Tennessee	None	K	ITS Equipment and Systems	145,591	229,638	93,191	71,233	71,233	235,664	1,528,960
Tennessee	SEC	L	SCADA Equipment and Systems							175,000
Tennessee	SEC	M	Security Equipment and Systems	10,000	35,556	30,556	13,889			140,000
Tennessee	None	N	Offices and Operations Centers			5,000				15,000
Tennessee	None	O	Vehicles	101,250	221,250					525,000
Tennessee	None	P	Tools and Equipment	15,083	14,500	2,417	9,667	4,833	4,833	145,000
Tennessee	SEC	Q	Process Plant Facilities and Equipment	38,415	20,302	92,755	65,585	62,566	32,377	520,000
Tennessee	QIIP	R	Capitalized Tank Rehabilitation/Painting				295,630	430,832	383,663	1,110,125
Tennessee	None	S	Engineering Studies	5,000	5,000	5,000	5,000	5,000		50,000
Total Recurring Projects				1,141,406	1,292,029	846,217	918,718	1,023,006	1,058,827	11,838,165
INVESTMENT PROJECTS										
Tennessee	QIIP	I26-020041	Electrical - Breakers and Relays (\$0.6)		16,550	21,166	110,565	149,931	132,000	430,211
Tennessee	SEC	I26-020042	Pumping Auxiliary Power (\$1.4)	19,159	16,875	99,596	138,732	206,615	202,189	683,165
Tennessee	QIIP	I26-020043	Energy Reduction and Efficiency (\$0.87)							
Tennessee	SEC	I26-020027	Construct 1.0MG Tank & 2500-16" ER (\$1.5)							
Tennessee	QIIP	I26-020034	Tennessee River Crossing (\$2.5)	223,499	224,706	225,913	227,119	283,477	284,985	2,001,711
Tennessee	SEC	I26-020044	New Raw Water Intake Citico (\$13)							
Tennessee	SEC	I26-050001	Raw Water Intake Improvements Whitwell (\$2)							
Tennessee	QIIP	I26-020038	Retire Basin 1 (\$0.6)							
Tennessee	QIIP	I26-020039	Basin 2 Tube Settlers (\$3.5)							
Tennessee	SEC	I26-020040	Chlorine Gas Conversion (\$4.5)							
Tennessee	QIIP	I26-020045	Renovate Filter Bldg 3 (\$0.75)			5,515	16,575	23,726	21,664	67,480
Tennessee	None	I26-020046	New Field Services Facility (\$4.5)							
Tennessee	SEC	I26-050002	Facility Upgrades at Whitwell WTP (\$0.3) 1/3 in 2018		5,515	11,060	38,696	41,998	72,390	169,659
Tennessee	SEC	I26-050003	Replace 0.5 MG Storage Tanks at Whitwell (\$.5)							
Tennessee	SEC	I26-050004	Replace 0.1 MG Storage Tank at Whitwell (\$0.3) 1/3 in 18		5,515	11,060	18,782	43,847	83,330	162,534
Tennessee	No	I26-000002	Post Acquisition BD Capex	250,000						250,000
Total Investment Projects				\$492,658	\$269,161	\$374,310	\$550,468	\$749,594	\$796,558	\$3,764,760
Total Investment and Centrally Sponsored Projects				\$492,658	\$269,161	\$374,310	\$550,468	\$749,594	\$796,558	\$3,764,760
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				\$1,724,064	\$1,641,190	\$1,300,526	\$1,549,187	\$1,892,600	\$1,955,385	\$16,602,925
				(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(590,000)
Net minus BT				\$1,674,898	\$1,592,023	\$1,251,360	\$1,500,020	\$1,843,433	\$1,906,218	\$16,012,925
Gross plus BT				\$1,724,064	\$1,641,190	\$1,300,526	\$1,549,187	\$1,892,600	\$1,955,385	\$16,602,925
				(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(49,167)	(590,000)
Net plus BT				\$1,674,898	\$1,592,023	\$1,251,360	\$1,500,020	\$1,843,433	\$1,906,218	\$16,012,925

*Dollar amounts from TAWC's Annual Capital Planning Process

Tennessee American Water 2017 Capital Recovery Riders
Budgeted Investment Amount (\$k)

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>
Forecasted Gross Capital Expenditures	637	829	930	1,201	1,412	1,530	1,724	1,641	1,301	1,549	1,893	1,955	16,603
Qualified Infrastructure Investment Program Rider	426	452	522	664	798	907	908	898	771	1,019	1,266	1,168	9,799
Economic Development Investment Rider	55	129	112	30	8	7	9	11	11	9	4	-	384
Safety and Environmental Compliance Rider	-	18	32	146	152	85	68	84	245	276	355	390	1,850