

2016 Reconciliation of Capital Riders
Tennessee American Water Company
Earnings Test

Line #	2015	Dec	Jan	Feb	Mar	Apr	May	Jun
38								
39	Adjusted Net Operating Income	\$530,673	\$775,673	\$729,559	\$720,940	\$1,007,520	\$1,220,281	\$1,355,350
40								
41								
42	Rate of return B/	4.10%	5.97%	5.58%	5.48%	7.54%	9.06%	10.06%
A/ All Other								
	Acquisition adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Accounts payable applicable to CWIP	268,625	-	16,625	25,024	28,900	10,575	3,658
	Unpaid for materials and supplies	38,256	66,200	42,800	72,819	37,813	44,500	41,302
	Taxes on CIAC-DEF. FIT & SIT	(357,333)	(336,307)	(331,926)	(331,926)	(331,789)	(316,222)	(316,222)
		(\$50,452)	(\$270,107)	(\$272,501)	(\$234,083)	(\$265,076)	(\$261,147)	(\$271,262)

C/ Per order								
	Cash working capital Lead Lag Study	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674
	Incidental collection	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)
	Average cash	-	-	-	-	-	-	-
	Other components	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402
	Working cash	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884

Rate of Return - 2016

7.59%

Authorized Rate of Return

7.23%

(Schedule 1 Exhibit to Settlement Agreement Docket No. 12-00049)

Authorized Adjusted Net Operating Income

\$ 11,550,758

Actual 2016 Adjusted Net Operating Income

\$ 12,129,993

Over-earnings

\$ (579,235)

Line #	Jul	Aug	Sep	Oct	Nov	Dec	13-month Average
1							
2							
3							
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37							

2016 Reconciliation of Capital Riders
Tennessee American Water Company
Earnings Test

Line #		Jul	Aug	Sep	Oct	Nov	Dec	13-month Average
38								
39	Adjusted Net Operating Income	\$1,687,489	\$1,341,073	\$1,030,276	\$1,093,265	\$1,189,285	(\$20,719)	\$12,129,993
40								
41								
42	Rate of return B/	12.54%	9.97%	7.69%	8.16%	8.88%	-0.15%	7.59%
A/ All Other								
	Acquisition adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Accounts payable applicable to CWIP	58,947	5,311	128,608	8,003	91,629	268,625	70,348
	Unpaid for materials and supplies	54,837	51,015	80,838	52,586	18,040	38,256	49,174
	Taxes on CIAC-DEF. FIT & SIT	(351,037)	(350,706)	(324,088)	(324,088)	(315,890)	(315,811)	(331,027)
		(\$237,253)	(\$294,380)	(\$114,642)	(\$263,499)	(\$206,221)	(\$8,930)	(211,504)
C/ Per order								
	Cash working capital Lead Lag Study	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674	\$591,674
	Incidental collection	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)	(116,192)
	Average cash	-	-	-	-	-	-	-
	Other components	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402	2,934,402
	Working cash	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	\$3,409,884	sum(

Rate of Return - 2016

Authorized Rate of Return

Authorized Adjusted Net Operating Income

Actual 2016 Adjusted Net Operating Income

Over-earnings

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED December 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$297,481,240	\$290,747,789
3	Plant Under Construction	2,247,280	4,488,968
4	Property Held For Future Use	0	0
5	Materials and Supplies	799,279	761,932
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	303,937,683	299,408,573
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	84,867,111	83,717,580
16	Accumulated Deferred Income Taxes	38,266,527	37,163,818
17	Unamortized Investment Credit - Pre 1971	9,871	11,290
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	15,011,694	14,218,476
21	Customer Advances for Construction	3,786,559	4,385,637
22	All Other A/	-8930	-224925
23			
24			
25			
26	Total Deductions	141,932,832	139,271,876
27			
28	Rate Base	\$162,004,851	\$160,136,697
29			
30	Net Operating Income	(\$44,182)	\$11,609,409
31	Adjustments to NOI		
32	Allowance for funds used during construction	5082.66	302,556
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18381	218,028
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	(\$20,719)	\$12,129,993
40			
41			
42	Rate of return B/	-0.15%	7.57%

A/ All Other

Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	268,625	53,825
Unpaid for materials and supplies	38,256	50,084
Taxes on CIAC-DEF. FIT & SIT	(315,811)	(328,834)
	(\$8,930)	(\$224,925)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order

Cash working capital Lead Lag Study	\$591,674
Incidental collection	(116,192)
Average cash	0
Other components	2,934,402
Working cash	\$3,409,884

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED November 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$296,726,040	\$289,534,272
3	Plant Under Construction	2,293,858	4,635,427
4	Property Held For Future Use	0	0
5	Materials and Supplies	743,523	757,833
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	303,173,305	298,337,416
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	84,296,746	83,425,514
16	Accumulated Deferred Income Taxes	39,597,214	36,963,322
17	Unamortized Investment Credit - Pre 1971	10,129	11,548
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,585,365	14,087,433
21	Customer Advances for Construction	4,188,125	4,503,412
22	All Other A/	-206221	-226634
23			
24			
25			
26	Total Deductions	142,471,358	138,764,595
27			
28	Rate Base	\$160,701,947	\$159,572,821
29			
30	Net Operating Income	\$1,158,019	\$12,140,360
31	Adjustments to NOI		
32	Allowance for funds used during construction	13,033	323,763
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,233	217,262
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,189,285	\$12,681,385
40			
41			
42	Rate of return B/	8.88%	7.95%

A/ All Other

Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	91,629	53,825
Unpaid for materials and supplies	18,040	50,084
Taxes on CIAC-DEF. FIT & SIT	(315,890)	(330,543)
	(\$206,221)	(\$226,634)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order

Cash working capital Lead Lag Study	\$591,674
Incidental collection	-116192
Average cash	0
Other components	2,934,402
Working cash	\$3,409,884

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED October 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$296,731,635	\$288,077,024
3	Plant Under Construction	2,669,202	4,891,369
4	Property Held For Future Use	0	0
5	Materials and Supplies	716,981	759,101
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	303,527,702	297,137,378
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	85,041,234	83,137,733
16	Accumulated Deferred Income Taxes	39,171,753	36,373,900
17	Unamortized Investment Credit - Pre 1971	10,387	11,806
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,558,511	13,952,301
21	Customer Advances for Construction	4,210,908	4,581,654
22	All Other A/	-263499	-228340
23			
24			
25			
26	Total Deductions	142,729,294	137,829,054
27			
28	Rate Base	\$160,798,408	\$159,308,324
29			
30	Net Operating Income	\$1,059,506	\$11,564,366
31	Adjustments to NOI		
32	Allowance for funds used during construction	15,515	391,343
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,244	216,904
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,093,265	\$12,172,613
40			
41			
42	Rate of return B/	8.16%	7.64%

A/ All Other		
Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	8,003	53,825
Unpaid for materials and supplies	52,586	50,084
Taxes on CIAC-DEF. FIT & SIT	(324,088)	(332,249)
	(\$263,499)	(\$228,340)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order		
Cash working capital Lead Lag Study	\$591,674	
Incidental collection	-116192	
Average cash	0	
Other components	2,934,402	
Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED September 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$296,084,100	\$285,346,150
3	Plant Under Construction	2,415,022	6,274,133
4	Property Held For Future Use	0	0
5	Materials and Supplies	739,520	765,413
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	302,648,526	295,795,580
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	84,555,066	82,746,162
16	Accumulated Deferred Income Taxes	38,826,299	35,796,407
17	Unamortized Investment Credit - Pre 1971	10,645	12,064
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,548,296	13,820,947
21	Customer Advances for Construction	3,959,028	4,662,859
22	All Other A/	-114642	-229561
23			
24			
25			
26	Total Deductions	141,784,692	136,808,878
27			
28	Rate Base	\$160,863,834	\$158,986,702
29			
30	Net Operating Income	\$1,042,736	\$11,596,225
31	Adjustments to NOI		
32	Allowance for funds used during construction	(30,710)	498,903
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,251	216,468
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,030,276	\$12,311,596
40			
41			
42	Rate of return B/	7.69%	7.74%

A/ All Other

Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	128,608	53,825
Unpaid for materials and supplies	80,838	50,084
Taxes on CIAC-DEF. FIT & SIT	(324,088)	(333,470)
	(\$114,642)	(\$229,561)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order

Cash working capital Lead Lag Study	\$591,674
Incidental collection	-116192
Average cash	0
Other components	2,934,402
Working cash	\$3,409,884

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED August 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$295,632,477	\$282,621,596
3	Plant Under Construction	2,422,778	7,559,862
4	Property Held For Future Use	0	0
5	Materials and Supplies	740,554	768,777
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3,409,884	3,409,884
10			
11	Total Additions	302,205,693	294,360,119
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	85,108,209	82,349,371
16	Accumulated Deferred Income Taxes	37,534,504	35,247,975
17	Unamortized Investment Credit - Pre 1971	10,903	12,322
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,196,798	13,687,258
21	Customer Advances for Construction	4,270,612	4,752,304
22	All Other A/	(294,380)	(230,764)
23			
24			
25			
26	Total Deductions	140,826,646	135,818,466
27			
28	Rate Base	\$161,379,047	\$158,541,653
29			
30	Net Operating Income	\$1,306,440	\$11,424,018
31	Adjustments to NOI		
32	Allowance for funds used during construction	16,323	642,216
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,310	215,865
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,341,073	\$12,282,099
40			
41			
42	Rate of return B/	9.97%	7.75%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	5,311	53,825
	Unpaid for materials and supplies	51,015	50,084
	Taxes on CIAC-DEF. FIT & SIT	(350,706)	(334,673)
		(\$294,380)	(\$230,764)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	(116,192)	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED July 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$294,868,549	\$279,892,227
3	Plant Under Construction	2,184,405	8,754,011
4	Property Held For Future Use	0	0
5	Materials and Supplies	795,508	773,028
6	Other Additions:		
7	Leased Utility Plant	0	0
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	301,258,346	292,829,150
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	84,486,418	81,859,111
16	Accumulated Deferred Income Taxes	36,984,677	34,683,894
17	Unamortized Investment Credit - Pre 1971	11,161	12,580
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,154,264	13,584,182
21	Customer Advances for Construction	4,312,882	4,808,319
22	All Other A/	-237253	-229749
23			
24			
25			
26	Total Deductions	139,712,149	134,718,337
27			
28	Rate Base	\$161,546,197	\$158,110,813
29			
30	Net Operating Income	\$1,651,843	\$11,422,341
31	Adjustments to NOI		
32	Allowance for funds used during construction	17,316	729,641
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,329	215,281
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,687,489	\$12,367,263
40			
41			
42	Rate of return B/	12.54%	7.82%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	58,947	53,825
	Unpaid for materials and supplies	54,837	50,084
	Taxes on CIAC-DEF. FIT & SIT	(351,037)	(333,658)
		(\$237,253)	(\$229,749)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED June 2016

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Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$293,371,906	\$276,940,385
3	Plant Under Construction	2,581,923	9,923,238
4	Property Held For Future Use	0	0
5	Materials and Supplies	766,729	775,271
6	Other Additions:		
7	Leased Utility Plant	0	132542
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	300,130,442	291,181,320
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	83,930,178	81,378,854
16	Accumulated Deferred Income Taxes	36,324,505	34,143,017
17	Unamortized Investment Credit - Pre 1971	11,419	12,838
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,167,542	13,477,070
21	Customer Advances for Construction	4,307,490	4,870,192
22	All Other A/	-271262	-227206
23			
24			
25			
26	Total Deductions	138,469,872	133,654,765
27			
28	Rate Base	\$161,660,570	\$157,526,555
29			
30	Net Operating Income	\$1,292,848	\$10,794,045
31	Adjustments to NOI		
32	Allowance for funds used during construction	44,160	814,288
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,342	214,488
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,355,350	\$11,822,821
40			
41			
42	Rate of return B/	10.06%	7.51%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	3,658	53,825
	Unpaid for materials and supplies	41,302	50,084
	Taxes on CIAC-DEF. FIT & SIT	(316,222)	(331,115)
		(\$271,262)	(\$227,206)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED May 2016

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Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$285,215,428	\$274,016,976
3	Plant Under Construction	9,705,780	10,993,668
4	Property Held For Future Use	0	0
5	Materials and Supplies	785,111	778,878
6	Other Additions:		
7	Leased Utility Plant	0	265083
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	299,116,203	289,464,489
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	83,369,610	80,927,673
16	Accumulated Deferred Income Taxes	35,908,074	33,649,383
17	Unamortized Investment Credit - Pre 1971	11,677	13,096
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,181,689	13,370,651
21	Customer Advances for Construction	4,331,611	4,929,269
22	All Other A/	-261147	-227128
23			
24			
25			
26	Total Deductions	137,541,514	132,662,944
27			
28	Rate Base	\$161,574,689	\$156,801,545
29			
30	Net Operating Income	\$1,137,344	\$10,358,855
31	Adjustments to NOI		
32	Allowance for funds used during construction	64,606	865,634
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,332	232,138
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,220,281	\$11,456,627
40			
41			
42	Rate of return B/	9.06%	7.31%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	10,575	53,825
	Unpaid for materials and supplies	44,500	50,084
	Taxes on CIAC-DEF. FIT & SIT	(316,222)	(331,037)
		(\$261,147)	(\$227,128)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED April 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$284,785,063	\$272,153,758
3	Plant Under Construction	8,479,128	11,371,431
4	Property Held For Future Use	0	0
5	Materials and Supplies	775,243	780,032
6	Other Additions:		
7	Leased Utility Plant	0	397625
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	297,449,318	288,112,730
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	82,893,390	80,568,910
16	Accumulated Deferred Income Taxes	35,908,768	33,495,957
17	Unamortized Investment Credit - Pre 1971	11,935	13,354
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,143,192	13,261,885
21	Customer Advances for Construction	4,433,232	4,991,661
22	All Other A/	-265076	-227049
23			
24			
25			
26	Total Deductions	137,125,441	132,104,718
27			
28	Rate Base	\$160,323,877	\$156,008,012
29			
30	Net Operating Income	\$934,297	\$10,150,160
31	Adjustments to NOI		
32	Allowance for funds used during construction	55,034	885,906
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	18,190	231,060
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$1,007,520	\$11,267,126
40			
41			
42	Rate of return B/	7.54%	7.22%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	28,900	53,825
	Unpaid for materials and supplies	37,813	50,084
	Taxes on CIAC-DEF. FIT & SIT	(331,789)	(330,958)
		(\$265,076)	(\$227,049)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED March 2016

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Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$283,071,656	\$270,237,422
3	Plant Under Construction	7,075,271	11,776,351
4	Property Held For Future Use	0	0
5	Materials and Supplies	808,008	781,892
6	Other Additions:		
7	Leased Utility Plant	0	530167
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	294,364,819	286,735,716
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	82,514,508	80,205,161
16	Accumulated Deferred Income Taxes	35,618,402	33,028,781
17	Unamortized Investment Credit - Pre 1971	12,193	13,612
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	14,163,632	13,157,833
21	Customer Advances for Construction	4,422,641	5,047,723
22	All Other A/	-234083	-225674
23			
24			
25			
26	Total Deductions	136,497,293	131,227,436
27			
28	Rate Base	\$157,867,526	\$155,508,280
29			
30	Net Operating Income	\$660,629	\$9,730,741
31	Adjustments to NOI		
32	Allowance for funds used during construction	42,399	917,496
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	17,912	230,382
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$720,940	\$10,878,619
40			
41			
42	Rate of return B/	5.48%	7.00%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	25,024	53,825
	Unpaid for materials and supplies	72,819	50,084
	Taxes on CIAC-DEF. FIT & SIT	(331,926)	(329,583)
		(\$234,083)	(\$225,674)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY

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SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06

FOR THE MONTH ENDED February 2016

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$282,350,913	\$268,421,919
3	Plant Under Construction	6,455,703	12,202,321
4	Property Held For Future Use	0	0
5	Materials and Supplies	742,445	777,653
6	Other Additions:		
7	Leased Utility Plant	0	662708
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	292,958,945	285,474,485
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	82,123,094	79,827,878
16	Accumulated Deferred Income Taxes	35,636,366	32,608,727
17	Unamortized Investment Credit - Pre 1971	12,451	13,870
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	13,475,843	13,040,450
21	Customer Advances for Construction	5,108,262	5,110,161
22	All Other A/	-272501	-224286
23			
24			
25			
26	Total Deductions	136,083,515	130,376,800
27			
28	Rate Base	\$156,875,430	\$155,097,685
29			
30	Net Operating Income	\$672,787	\$9,734,391
31	Adjustments to NOI		
32	Allowance for funds used during construction	38,972	954,084
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	17,799	211,190
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$729,559	\$10,899,665
40			
41			
42	Rate of return B/	5.58%	7.03%

A/ All Other

Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	16,625	53,825
Unpaid for materials and supplies	42,800	50,084
Taxes on CIAC-DEF. FIT & SIT	(331,926)	(328,195)
	(\$272,501)	(\$224,286)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order

Cash working capital Lead Lag Study	\$591,674
Incidental collection	-116192
Average cash	0
Other components	2,934,402
Working cash	\$3,409,884

Source of the information is the Monthly Report filed with the TRA - note that the February 2016 report as filed had a negative depreciation

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED January 2016

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$282,654,457	\$266,500,534
3	Plant Under Construction	5,337,269	12,718,127
4	Property Held For Future Use	0	0
5	Materials and Supplies	730,286	779,066
6	Other Additions:		
7	Leased Utility Plant	0	795250
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	292,131,896	284,202,861
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	81,425,400	79,463,672
16	Accumulated Deferred Income Taxes	36,188,726	32,167,911
17	Unamortized Investment Credit - Pre 1971	12,709	14,128
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	13,434,892	12,963,594
21	Customer Advances for Construction	5,296,287	5,116,543
22	All Other A/	-270107	-222899
23			
24			
25			
26	Total Deductions	136,087,907	129,502,949
27			
28	Rate Base	\$156,043,989	\$154,699,912
29			
30	Net Operating Income	\$737,142	\$9,520,278
31	Adjustments to NOI		
32	Allowance for funds used during construction	20,826	993,527
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	17,705	210,651
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$775,673	\$10,724,456
40			
41			
42	Rate of return B/	5.97%	6.93%

A/ All Other

Acquisition adjustment	\$0	\$0
Accounts payable applicable to CWIP	0	53,825
Unpaid for materials and supplies	66,200	50,084
Taxes on CIAC-DEF. FIT & SIT	(336,307)	(326,808)
	(\$270,107)	(\$222,899)

B/ Rate of return - Monthly (L39 / L28) x 12

C/ Per order

Cash working capital Lead Lag Study	\$591,674
Incidental collection	-116192
Average cash	0
Other components	2,934,402
Working cash	\$3,409,884

Source of the information is the Monthly Report filed with the TRA

TENNESSEE-AMERICAN WATER COMPANY
SUPPLEMENTAL FINANCIAL DATA TO PSC-3.06
FOR THE MONTH ENDED December 2015

Page 2

Line #		Average Monthly Balance	Average for 12 MTD
1	Additions:		
2	Plant in Service	\$282,919,038	\$264,514,031
3	Plant Under Construction	4,004,785	13,245,098
4	Property Held For Future Use	0	0
5	Materials and Supplies	750,083	782,883
6	Other Additions:		
7	Leased Utility Plant	0	927792
8	Unamortized Painting - net	0	0
9	Working Capital C/	3409884	3409884
10			
11	Total Additions	291,083,790	282,879,688
12			
13			
14	Deductions:		
15	Accumulated Depreciaton and Amortization	81,362,311	79,109,292
16	Accumulated Deferred Income Taxes	35,860,570	31,675,231
17	Unamortized Investment Credit - Pre 1971	12,967	14,386
18	Customer Deposits	0	0
19	Other Deductions:		
20	Contributions in Aid of Construction	13,439,172	12,891,746
21	Customer Advances for Construction	5,199,870	5,111,486
22	All Other A/	-50452	-242173
23			
24			
25			
26	Total Deductions	135,824,438	128,559,968
27			
28	Rate Base	\$155,259,352	\$154,319,720
29			
30	Net Operating Income	\$486,769	\$9,301,131
31	Adjustments to NOI		
32	Allowance for funds used during construction	26,289	1,052,706
33	Adjustment to reflect effective federal		
34	Income tax rate (debt assigned to parent)	17,615	210,107
35	Interest on customer deposits	0	0
36			
37			
38			
39	Adjusted Net Operating Income	\$530,673	\$10,563,944
40			
41			
42	Rate of return B/	4.10%	6.85%
A/ All Other			
	Acquisition adjustment	\$0	\$0
	Accounts payable applicable to CWIP	268,625	53,825
	Unpaid for materials and supplies	38,256	50,084
	Taxes on CIAC-DEF. FIT & SIT	(357,333)	(346,082)
		(\$50,452)	(\$242,173)
B/ Rate of return - Monthly (L39 / L28) x 12			
C/ Per order			
	Cash working capital Lead Lag Study	\$591,674	
	Incidental collection	-116192	
	Average cash	0	
	Other components	2,934,402	
	Working cash	\$3,409,884	

Source of the information is the Monthly Report filed with the TRA