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March 15, 2018

VIA ELECTRONIC FILING

Hon. David Jones, Chairman
c/o Sharla Dillon
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

RE: *Petition of Tennessee-American Water Company Regarding the 2018 Investment and Related Expenses Under the Qualified Infrastructure Investment Program Rider, the Economic Development Investment Rider and the Safety and Environmental Compliance Rider, TPUC Docket No. 17-00124*

Dear Chairman Jones:

Attached for filing please find *Tennessee-American Water Company's Supplemental Response to First Discovery Requests of the Consumer Protection and Advocate Division* in the above-captioned matter. This supplemental filing is being submitted by agreement of the parties

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

Enclosure

cc: Linda Bridwell, Tennessee-American Water Company (via email)
Daniel Whitaker III, Assistant Attorney General, Consumer Protection and Advocate Division (via email)
Vance Broemel, Assistant Attorney General, Consumer Protection and Advocate Division (via email)

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STATE OF _____)
COUNTY OF _____)

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:

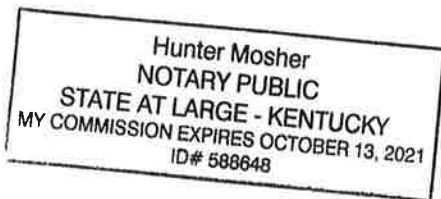
She is appearing as a witness on behalf of Tennessee-American Water Company before the Tennessee Public Utility Commission, and if present before the Commission and duly sworn, her testimony would be as set forth in her pre-filed testimony in this matter.


Linda C. Bridwell

Sworn to and subscribed before me
this 15 day of March, 2018.


Notary Public

My Commission Expires: 10/13/2021



**TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 17-00124
SUPPLEMENTAL TO THE FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE AND PROTECTION DIVISION**

Responsible Witness: **Linda C. Bridwell**

Question:

13. Refer to the "09 TAW_APP_SCH1_2018" spreadsheet included with the Company's filing. Specifically refer to the "WKP 2018 In-Serviced SCEP" tab dealing with Investment Projects. Finally, refer to Column BI referencing "Cost of Removal Less Salvage" and provide the following information.
- a. Provide the source and support for the hard-coded numbers included in Cell BI18 totaling \$850,267 as the cost of removal balance for Investment Project I26-020028.
 - b. Provide the source and support for the formulas included in Cell BI120, BI121, and BI124 totaling \$375,638, \$1,396,120 and \$7,834 as the cost of removal balance for Investment Project I26-020032.
 - c. Provide the source and support for the hard-coded numbers included in Cell BI135 totaling \$287,308 as the cost of removal balance for Investment Project I26-020045.
 - d. Provide the source and support for the hard-coded numbers included in Cell BI138 totaling \$30,000 as the cost of removal balance for Investment Project I26-050002. Provide the source and support for the hard-coded numbers included in Cell BI140 totaling \$50,000 as the cost of removal balance for Investment Project I26-050004.

Response:

- a. The source and support are the financial accounting records of Tennessee American. The actual removal costs incurred on this project will be through the project close date of 08/2017. These amounts will be trued-up in subsequent reconciliation dockets.
- b. The source and support are the financial accounting records of Tennessee American. The actual removal costs incurred on this project will be through the project close date of 03/2017. These amounts will be trued-up in subsequent reconciliation dockets.
- c. These estimated amounts were developed through project justifications and analysis utilized to include an investment project into the annual SCEP. Refer to Docket No. 16-00126, the third item of the CPAD's First Discovery Request, and the attachment TAW_R_CPADDR1_003_122016_Attachment2 for an example. These amounts will be trued-up in subsequent reconciliation dockets.
- d. These estimated amounts were developed through project justifications and analysis utilized to include an investment project into the annual SCEP. Refer to Docket No. 16-00126, the third item of the CPAD's First Discovery Request, and

the attachment TAW_R_CPADDR1_003_122016_Attachment2 for an example. These amounts will be trued-up in subsequent reconciliation dockets.

- e. These estimated amounts were developed through project justifications and analysis utilized to include an investment project into the annual SCEP. Refer to Docket No. 16-00126, the third item of the CPAD's First Discovery Request, and the attachment TAW_R_CPADDR1_003_122016_Attachment2 for an example. These amounts will be ctrued-up in subsequent reconciliation dockets.

Supplemental Response Dated March 15, 2018:

- a. In addition to the information above, please refer to the supplemental attachment, which is the work order summary for IP I26-020028 and cost detail for the removals for the project totaling \$850,267. This report was downloaded from the Tennessee American accounting files.
- b. In addition to the information above, please refer to the supplemental attachment, which is the work order summary for IP I26-020032 and cost detail for the removals for the project totaling \$1,779,592 (\$375,638 + \$1,396,120 + \$7,834) from the Tennessee American accounting files.

Tennessee American Water Company
For Inception to Date Ended December 31, 2017
2018 Capital Riders - Charge Detail Summary by Work Order

Line	Work Order #	Work Order Description	Charge Type	Additions	Removals	CIAC	Total
1	I26-020028-01	Citico Plant Improvements Phase 1B	Labor	\$ 21,272	\$ -	\$ -	\$ 21,272
2			Labor Overhead	10,154	-	-	10,154
3			Licenses, Permits & Misc Fees	-	-	-	-
4			Materials & Supplies	2,848,996	-	-	2,848,996
5			Contracted Services	4,269,007	778,960	-	5,047,967
6			Other - Paving	-	-	-	-
7			Other	65,201	-	-	65,201
8			Overhead	744,561	71,307	-	815,868
9			Salvage Cash	-	-	-	-
10			Service Company Charges	304,153	-	-	304,153
11			CWIP Accrual	0	-	-	0
12			CIAC Taxable	-	-	-	-
13			CIAC Non-Taxable	-	-	-	-
14			AFUDC Debt	82,096	-	-	82,096
15			AFUDC Equity	74,362	-	-	74,362
16							
17	I26-020028-01 Total			\$ 8,419,803	\$ 850,267	\$ -	\$ 9,270,070
18							
19	I26-020032-01	Wastewater Treatm't & Handling Impr	Labor	\$ 105,872	\$ -	\$ -	\$ 105,872
20			Labor Overhead	51,360	-	-	51,360
21			Licenses, Permits & Misc Fees	1,467	-	-	1,467
22			Materials & Supplies	5,033,824	-	-	5,033,824
23			Contracted Services	8,180,035	1,629,663	-	9,809,698
24			Other - Paving	-	-	-	-
25			Other	81,259	-	-	81,259
26			Overhead	1,107,923	149,929	-	1,257,852
27			Salvage Cash	-	-	-	-
28			Service Company Charges	252,177	-	-	252,177
29			CWIP Accrual	0	-	-	0
30			CIAC Taxable	-	-	-	-
31			CIAC Non-Taxable	-	-	-	-
32			AFUDC Debt	384,456	-	-	384,456
33			AFUDC Equity	348,235	-	-	348,235
34							
35	I26-020032-01 Total			\$ 15,546,608	\$ 1,779,592	\$ -	\$ 17,326,200
36							

Tennessee American Water Company
For 12 Months Ended December 31, 2017
2017 Capital Rider - Charge Detail - From Tennessee American Water Books and Records

company_c	work_order_number	charge_type	external_cost_element	cost_element	charge_mo_yr	gl_account	external_gl_account	closed_month_number	vendor_information
1026-Tennessee American Water	I26-020028-01	Overhead	52805100	Indirect OH RWIP Clr	11/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	2/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	4/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	Contracted Services	53150000	Contr Svc-Other	12/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020032-01	Contracted Services	53150000	Contr Svc-Other	11/1/2014 0:00	10899999-Unitized Removal/Salvage	25710000	201703	
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	6/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	Overhead	52805100	Indirect OH RWIP Clr	6/1/2016 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020032-01	Overhead	52805100	Indirect OH RWIP Clr	12/1/2014 0:00	10899999-Unitized Removal/Salvage	25710000	201703	
1026-Tennessee American Water	I26-020028-01	Overhead	52805100	Indirect OH RWIP Clr	10/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020028-01	Contracted Services	53150000	Contr Svc-Other	11/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020028-01	Overhead	52805100	Indirect OH RWIP Clr	12/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020032-01	Overhead	52805100	Indirect OH RWIP Clr	11/1/2014 0:00	10899999-Unitized Removal/Salvage	25710000	201703	
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	11/1/2015 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	1/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	3/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	Contracted Services	53150000	Contr Svc-Other	6/1/2016 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020028-01	Contracted Services	53150000	Contr Svc-Other	10/1/2015 0:00	10899999-Unitized Removal/Salvage	25710000	201707	
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	12/1/2015 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020028-01	CWIP Accrual	52801200	Capital Acc Clearing	5/1/2016 0:00	25710000-Retire Work in Progress	25710000		
1026-Tennessee American Water	I26-020032-01	Contracted Services	53150000	Contr Svc-Other	12/1/2014 0:00	10899999-Unitized Removal/Salvage	25710000	201703	

Tennessee American Water Company
For 12 Months Ended December 31, 2017
2017 Capital Rider - Charge Detail - From Tennessee A

company_c	work_order_number	work_order_description	fund_proj_number	fund_proj_description	in_service_date	major_location	amount
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	3047.75
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	0
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	0
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	14600
1026-Tennessee American Water	I26-020032-01	Wastewater Treatm't & Handling Impr	I26-020032		11/16/2016 0:00	2602 Network	834164
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	-417610
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	41134.59
1026-Tennessee American Water	I26-020032-01	Wastewater Treatm't & Handling Impr	I26-020032		11/16/2016 0:00	2602 Network	73185.91
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	25905.88
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	36500
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	1219.1
1026-Tennessee American Water	I26-020032-01	Wastewater Treatm't & Handling Impr	I26-020032			42690 2602 Network	76743.09
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	14600
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	0
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	0
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	417610
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028			42850 2602 Specific Location Assets	310250
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	-10950
1026-Tennessee American Water	I26-020028-01	Citico Plant Improvements Phase 1B	I26-020028		4/25/2017 0:00	2602 Specific Location Assets	413960
1026-Tennessee American Water	I26-020032-01	Wastewater Treatm't & Handling Impr	I26-020032		11/16/2016 0:00	2602 Network	795499

Tennessee American Water Company
For 12 Months Ended December 31, 2017
2017 Capital Rider - Charge Detail - From Tennessee A

company_c	work_order_number	Type	Cost Type
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020032-01	I26-020032	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020032-01	I26-020032	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020032-01	I26-020032	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020028-01	I26-020028	Removals
1026-Tennessee American Water	I26-020032-01	I26-020032	Removals