

TENNESSEE PUBLIC UTILITY COMMISSION



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

March 10, 2020

Melvin J. Malone, Esq.
Butler Snow LLP
150 3rd Avenue South, Suite 1600
Nashville, TN 37201
melvin.malone@butlersnow.com

Re: Docket No. 18-00039, *Tennessee-American Water Company's Response to Commission's Investigation of Impacts of Federal Tax Reform on the Public Utility Revenue Requirements*

Dear Mr. Malone:

In order for the Commission to evaluate Tennessee-American Water Company's *Response* in the above-captioned docket, please respond to the attached First Staff Data Request to Tennessee-American Water Company.

Pursuant to Commission Rule 1220-1-1-.03(4), submit either an electronic response along with an original and four (4) written copies or an original written response and thirteen (13) copies. Please note that the requisite number of written copies of all requested information should be provided to the Docket Manager no later than **Friday, March 20, 2020** and electronic responses, if filed, must be in .pdf format. Also, please provide any spreadsheet responses in Excel format.

Should you have questions regarding the request, please contact me at (615) 770-6888 or joe.shirley@tn.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joe Shirley", is written over a horizontal line.

Joe Shirley
Director, Utility Audit & Compliance

Attachment

cc: Docket File
Daniel P. Whitaker, III, Esq. (via email at Daniel.Whitaker@ag.tn.gov)
Karen H. Stachowski, Esq. (via email at Karen.Stachowski@ag.tn.gov)

Tennessee Public Utility Commission
First Staff Data Request to Tennessee-American Water Company
Docket No. 18-00039

1. Please provide the dollar amount of repairs deduction-related Excess Accumulated Deferred Income Tax (EADIT) that is subject to clarification by the Internal Revenue Service (IRS) as to whether such EADIT is subject to tax normalization rules.
2. Assuming the repairs deduction-related EADIT provided in response to request no. 1 above is not subject to IRS tax normalization rules and is classified as Unprotected EADIT, please update Exhibit JRW-2S attached to the Supplemental Direct Testimony of John R. Wilde to show the Protected EADIT and Unprotected EADIT using 20-year ARAM to amortize both Protected and Unprotected EADIT. Under this assumption, please compute the appropriate credit to the 2020 Capital Riders pending in Docket No. 19-00105.
3. Assuming the repairs deduction-related EADIT provided in response to request no. 1 above is not subject to IRS tax normalization rules and is classified as Unprotected EADIT, please update Exhibit JRW-2S attached to the Supplemental Direct Testimony of John R. Wilde to show the Protected EADIT and Unprotected EADIT using 20-year ARAM to amortize Protected EADIT and a three-year period to amortize Unprotected EADIT. Under this assumption, please compute the appropriate credit to the 2020 Capital Riders pending in Docket No. 19-00105.
4. Assuming the repairs deduction-related EADIT provided in response to request no. 1 above is not subject to IRS tax normalization rules and is classified as Unprotected EADIT, please update Exhibit JRW-2S attached to the Supplemental Direct Testimony of John R. Wilde to show the Protected EADIT and Unprotected EADIT using 20-year ARAM to amortize Protected EADIT and a five-year period to amortize Unprotected EADIT. Under this assumption, please compute the appropriate credit to the 2020 Capital Riders pending in Docket No. 19-00105.