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August 1, 2019

**VIA ELECTRONIC FILING**

TPUC.DocketRoom@tn.gov

Hon. Robin L. Morrison, Chairman  
c/o Ectory Lawless, Docket Room Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243

**RE: *Petition of Tennessee-American Water Company Regarding the 2019 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. 18-00120***

Dear Chairman Morrison:

On July 24, 2019, Tennessee-American Water Company ("TAWC") and the Attorney General's Office, Financial Division, Consumer Advocate Unit, submitted a Stipulation and Settlement Agreement Regarding Phase One Issues in TPUC Docket No. 18-00039. On July 31, 2019, TAWC submitted updates in the above-captioned matter to the schedules previously submitted in Docket No. 18-00120 that are impacted by the Stipulation and Settlement Agreement submitted in Docket No. 18-00039. At the request of the Commission, enclosed is the workpaper in support of Petitioner's Exhibit - Summary - Revised 7 31 19 - EKC, which exhibit was part of TAWC's July 31, 2019, filing in this 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

Attachment

cc: Elaine K. Chambers, Tennessee-American Water Company  
Vance Broemel, Assistant Attorney General, Financial Division, Consumer Advocate Unit  
Daniel Whitaker, Assistant Attorney General, Financial Division, Consumer Advocate Unit

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**Tennessee American Water Company**  
**Workpaper to Support Petitioner's Exhibit - Summary - Revised 7\_31\_19 - EKC**  
**Docket No. 18-00120**

	<u>Amount</u>	<u>Source</u>
Estimated Balance of Deferred Income Tax Expense Savings - January 1, 2018 to August 31, 2019		Docket #18-00039 - Per Stipulation & Settlement on (\$3,237,169) July 24th, 2019
Amortization Period in Years	<u>3</u>	
Annual Amortization of Deferred Income Tax Expense Savings	(1,079,056)	
Annual Income Tax Expense Savings - Gross of Tax		Docket #18-00039 - Per Stipulation & Settlement on (2,035,031) July 24th, 2019
Annual TCJA Income Tax Expense Savings	<u>(\$3,114,087)</u>	
Service Charge and Volumetric Revenues as Per Docket No. 12-00049	<u>\$47,073,724</u>	
TCJA Offset Percentage to Apply to Bill	<u>-6.62%</u>	