

BAKER DONELSON

BAKER, DONELSON, BEARMAN, CALDWELL & BERKOWITZ, PC

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August 28, 2019

Joe Shirley, Director of Utility Audit and
Compliance
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

VIA EMAIL

Re: TPUC Docket No. 19-00028 - *Petition of Tennessee Water Service, Inc. for Adjustment of Rates and Charges and Modification To Certain Terms and Conditions for the Provision of Water Service*

Dear Mr. Shirley:

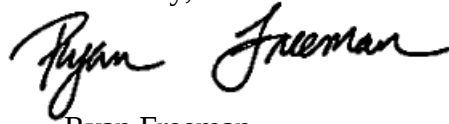
In response to your August 26, 2019 letter, please see the responses below from Tennessee Water Service, Inc. ("TWS"):

1. Please see attached Excel files provided to Hal Novak supporting the amended petition of TWS as of 5/30/2019 in response to the Consumer Advocated Discovery Request #3-6. As well, please see the attached description of changes from the original petition filing, which were provided in response to the Consumer Advocate Discovery Request #4-2. TWS does not disagree with the values used by Mr. Novak labeled as "TWS Revised Filing." Due to the formatting of these documents, these files are being produced on a flash drive.
2. Please see attached document providing actual operating losses by month beginning January 1, 2017, through June 30, 2019.
3. Please see attached document providing returns on identified capital projects necessary to repair fire damage and restore the water system to operational status.
4. Please see attached document providing the amount of reasonable and necessary case expenses accrued by month for completion of TPUC Docket 14-00108.
5. Please see attached document providing the amount of revenue generated from the \$7.00 service charge increase by month through June 30, 2019. Note that these revenues are included in the response to Request #2 above with regard to operating losses for the applicable period.

August 28, 2019
Page 2

Please let us know if you have any further requests or questions concerning the information provided herein.

Sincerely,

A handwritten signature in black ink that reads "Ryan Freeman". The signature is written in a cursive, flowing style.

Ryan Freeman
For the Firm

RAF:kcw

Enclosure

NARUC Start	NARUC End	Acct Description	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
461	461	Residential Sales	1,791	1,205	1,975	3,999	1,659	4,667	6,265	7,874	4,167	4,786	4,945	4,842
		Commercial Sales	0	0	0	0	0	0	0	0	0	0	0	0
470	474	Other Revenues	(374)	10	35	35	0	35	(0)	0	0	0	0	1,800
		Total Operating Revenues	1,417	1,215	2,010	4,034	1,659	4,702	6,265	7,874	4,167	4,786	4,945	6,642
601	601	Salaries & Wages - Employees	(789)	323	463	573	871	830	1,011	1,197	1,289	1,293	1,339	1,202
603	603	Salaries & Wages - Officers	13	20	28	32	36	41	44	48	49	52	53	58
604	604	Employee Pensions & Benefits	77	93	166	177	215	239	215	303	318	272	278	675
610	610	Purchased Water	8,859	(3,593)	3,785	(153)	1,500	662	2,559	2,039	4,454	(1,017)	1,542	7,776
615	615	Purchased Power	1,233	365	1,121	856	938	(4,576)	272	148	224	218	175	260
616	616	Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0
618	618	Chemicals	0	0	0	0	0	0	44	44	0	44	0	0
620	620	Materials & Supplies	0	0	0	1	1,703	0	0	0	0	0	0	1
630	636	Contractual Services	190	2,944	26	111	44	580	6,497	273	52	3,279	533	15,874
640	640	Rent	56	56	57	57	717	57	57	57	57	57	57	57
650	650	Transportation Expense	398	45	142	114	185	192	87	101	113	109	135	839
655	655	Insurance Expense	0	0	0	0	0	0	0	0	0	0	0	0
660	660	Advertising Expense	0	0	0	0	0	0	0	0	0	0	0	0
665	665	Regulatory Commission Expense	0	0	0	0	0	0	0	0	0	0	0	0
668	668	Water Resource Conservation	0	0	0	0	0	0	0	0	0	0	0	0
670	670	Bad Debt	42	1,143	533	286	3,019	(2,588)	(850)	(72)	17	266	(2)	17
675	675	Misc. Expense	2,598	4,428	5,087	4,325	3,680	4,537	4,616	4,703	4,231	3,698	5,127	5,396
		Total O&M Expense	12,678	5,824	11,409	6,377	12,908	(27)	14,553	8,841	10,802	8,271	9,239	32,157
403	403	Depreciation	2,261	2,269	2,278	2,289	2,293	2,347	2,296	2,291	2,293	2,298	2,306	2,308
407	407	Amortization	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)	(1,255)
		Total Depreciation	1,006	1,015	1,024	1,034	1,038	1,093	1,041	1,037	1,038	1,043	1,051	1,054
408	408	TOTI	962	965	997	1,343	372	1,234	1,028	1,035	1,037	1,045	1,048	345
		Operating Income/(Loss)	(13,229)	(6,588)	(11,419)	(4,720)	(12,659)	2,402	(10,357)	(3,038)	(8,711)	(5,573)	(6,393)	(26,914)
		Annual Income/(Loss)												(107,200)

Note: This schedule does not include accruals for deferral of operating losses. Residential Revenue includes \$7/month base charge increase per Docket 17-000108.

NARUC	NARUC	Acct													
Start	End	Description	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
461	461	Residential Sales	5,263	5,610	6,581	7,413	8,539	9,186	10,784	10,256	7,621	8,976	8,934	7,869	
		Commercial Sales	0	0	0	0	0	0	0	0	0	0	0	0	
470	474	Other Revenues	0	0	0	0	0	0	0	0	0	35	0	45	
		Total Operating Revenues	5,263	5,610	6,581	7,413	8,539	9,186	10,784	10,256	7,621	9,011	8,934	7,914	
601	601	Salaries & Wages - Employees	1,519	1,262	1,345	1,489	1,478	1,568	1,723	1,637	1,571	1,749	1,788	3,998	
603	603	Salaries & Wages - Officers	79	83	85	125	93	114	127	112	113	97	115	92	
604	604	Employee Pensions & Benefits	286	278	364	362	754	373	353	573	411	393	425	471	
610	610	Purchased Water	(1,104)	5,057	2,166	5,090	1,423	11,819	9,878	14,137	11,509	390	12,502	11,201	
615	615	Purchased Power	411	322	341	315	328	533	(195)	14	91	733	654	583	
616	616	Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0	
618	618	Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	
620	620	Materials & Supplies	0	1	3	1	0	102	1	2	1	1	1	5,787	
630	636	Contractual Services	242	65	73	11,867	1,599	81	175	365	364	1,066	2,688	3,643	
640	640	Rent	57	57	57	57	57	57	837	58	58	58	58	2,794	
650	650	Transportation Expense	108	136	173	169	135	225	167	184	7,286	267	302	224	
655	655	Insurance Expense	0	0	0	0	0	0	0	0	0	0	0	0	
660	660	Advertising Expense	0	0	0	0	0	0	0	0	1	6	0	250	
665	665	Regulatory Commission Expense	0	0	0	0	0	0	0	0	0	0	0	0	
668	668	Water Resource Conservation	0	0	0	0	0	0	0	0	0	0	0	0	
670	670	Bad Debt	120	22	(2)	2	46	35	17	27	54	(44)	(63)	(0)	
675	675	Misc. Expense	3,768	3,956	4,098	5,109	6,509	3,055	4,695	6,627	4,972	5,572	5,752	4,518	
		Total O&M Expense	5,486	11,238	8,702	24,586	12,422	17,963	17,776	23,735	26,430	10,288	24,222	33,559	
403	403	Depreciation	2,315	2,322	2,345	2,341	2,346	2,349	2,352	2,359	2,358	2,366	2,374	2,689	
407	407	Amortization	(1,255)	(1,261)	(1,261)	(1,261)	(1,261)	(1,261)	(1,261)	(1,265)	(1,268)	(1,268)	(1,268)	(1,268)	
		Total Depreciation	1,060	1,061	1,084	1,080	1,085	1,088	1,090	1,094	1,090	1,098	1,107	1,420	
408	408	TOTI	995	1,014	992	1,017	(13)	1,989	1,011	3,737	4,182	3,958	3,788	(13,858)	
		Operating Income/(Loss)	(2,279)	(7,703)	(4,196)	(19,270)	(4,956)	(11,853)	(9,094)	(18,310)	(24,081)	(6,333)	(20,183)	(13,207)	
		Annual Income/(Loss)	(141,463)												

NARUC Start	NARUC End	Acct Description	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
461	461	Residential Sales	9,612	8,164	10,661	11,921	11,183	13,574
		Commercial Sales	0	0	0	0	0	0
470	474	Other Revenues	(35)	0	0	105	0	0
		Total Operating Revenues	9,577	8,164	10,661	12,026	11,183	13,574
601	601	Salaries & Wages - Employees	1,856	1,559	1,688	1,805	1,909	1,697
603	603	Salaries & Wages - Officers	123	125	130	139	136	138
604	604	Employee Pensions & Benefits	104	145	157	184	166	99
610	610	Purchased Water	14,796	11,448	7,720	12,180	11,641	9,074
615	615	Purchased Power	672	684	659	659	1,294	976
616	616	Fuel for Power Production	0	0	0	0	0	0
618	618	Chemicals	171	0	0	0	0	0
620	620	Materials & Supplies	1	1	121	401	2	2
630	636	Contractual Services	515	463	724	1,032	245	472
640	640	Rent	58	65	109	110	111	886
650	650	Transportation Expense	231	208	194	291	576	274
655	655	Insurance Expense	0	0	0	0	0	0
660	660	Advertising Expense	0	0	0	0	0	0
665	665	Regulatory Commission Expense	0	0	0	0	0	0
668	668	Water Resource Conservation	0	0	0	0	0	0
670	670	Bad Debt	22	21	(2)	4	55	(7)
675	675	Misc. Expense	5,265	4,347	(27,026)	5,377	6,452	4,996
		Total O&M Expense	23,813	19,065	(15,527)	22,181	22,587	18,606
403	403	Depreciation	3,016	3,064	3,051	3,050	3,064	3,629
407	407	Amortization	(1,276)	(1,276)	(1,276)	(1,278)	(1,280)	(1,280)
		Total Depreciation	1,739	1,788	1,775	1,772	1,784	2,349
408	408	TOTI	1,032	1,063	1,028	1,063	(9)	2,058
		Operating Income/(Loss)	(2,279)	(7,703)	(4,196)	(19,270)	(4,956)	(11,853)
		Annual Income/(Loss)						(50,256)

[illegible]

NARUC Account	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Balance at Rate Case Effective Date
Addition:																			
304	-	-	-	-	-	-	331,482.95	-	-	-	444,671.79	22,923.28							812,183.32
307	-	-	-	-	-	-	-	-	-	-	-	-							9,446.77
311	-	-	357.68	1,321.43	-	-	-	-	-	-	-	-							39,529.47
320	-	-	-	-	-	-	-	-	-	807.12	-	77.22							884.34
330	-	-	-	-	-	-	-	-	-	-	-	-							3,431.23
331	-	470.59	3,413.58	-	4,700.00	14,146.14	0.05	-	6,875.00	-	647.33	167.00							37,084.74
333	-	4,005.61	496.88	-	-	-	3,060.79	-	-	1,475.00	7,352.26	2,305.32	503.32	503.32	251.66	419.43	251.66	251.66	30,886.87
334	6,558.19	-	-	-	-	-	-	-	-	-	-	-	2,209.90	2,209.90	1,104.95	1,841.59	1,104.95	1,104.95	73,295.13
335	10,135.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,927.65
336	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,091.38
345	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
347	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,933.03
Retirement:																			
304	-	-	-	-	-	-	(6,031.41)	-	-	-	(85,000.00)	-							(91,031.41)
307	-	-	-	-	-	-	-	-	-	-	-	-							-
311	-	-	-	(402.43)	-	-	-	-	-	-	-	-							(2,325.94)
320	-	-	-	-	-	-	-	-	-	-	-	(355.22)							(355.22)
330	-	-	-	-	-	-	-	-	-	-	-	-							-
331	-	(178.68)	(1,296.12)	(236.94)	-	(520.89)	(787.60)	-	(2,564.04)	-	(241.42)	(62.28)							(8,451.58)
333	-	(1,804.11)	(223.79)	-	-	(329.51)	(961.48)	-	-	(657.81)	(3,278.90)	(1,028.11)	(226.69)	(226.69)	(113.35)	(188.91)	(113.35)	(113.35)	(13,840.62)
334	(2,784.24)	-	-	-	-	-	-	-	-	-	-	-	(938.20)	(938.20)	(469.10)	(781.83)	(469.10)	(469.10)	(31,645.47)
335	(3,718.67)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(40,160.74)
336	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
345	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
347	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Addition:																			
304	-	-	-	-	-	-	325,451.54	-	-	-	359,671.79	22,923.28	-	-	-	-	-	-	721,151.91
307	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,446.77
311	-	-	357.68	919.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,203.53
320	-	-	-	-	-	-	-	-	-	807.12	-	(278.00)	-	-	-	-	-	-	529.12
330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,431.23
331	-	291.91	2,117.46	(236.94)	4,700.00	13,625.25	(787.55)	-	4,310.96	-	405.91	104.72	-	-	-	-	-	-	28,633.16
333	-	2,201.50	273.09	-	-	(329.51)	2,099.31	-	-	817.19	4,073.36	1,277.21	276.63	276.63	138.31	230.52	138.31	138.31	17,046.25
334	3,773.95	-	-	-	-	-	-	-	-	-	-	-	1,271.70	1,271.70	635.85	1,059.75	635.85	635.85	41,649.66
335	6,416.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	66,766.91
336	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,091.38
345	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
347	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,933.03
Total Net Addition	10,190.28	2,493.41	2,748.23	682.06	4,700.00	13,295.74	326,763.30	-	4,310.96	1,624.31	364,151.06	24,027.21	1,548.33	1,548.33	774.16	1,290.27	774.16	774.16	929,882.95
Cummulative Net Addition	178,377.24	180,870.65	183,618.88	184,300.94	189,000.94	202,296.68	529,059.98	529,059.98	533,370.94	534,995.25	899,146.31	923,173.52	924,721.85	926,270.18	927,044.34	928,334.62	929,108.78	929,882.95	
A/D	(3,252.71)	(3,478.80)	(3,708.32)	(3,938.70)	(4,174.95)	(4,427.82)	(5,089.14)	(5,750.47)	(6,417.18)	(7,085.93)	(8,209.86)	(9,363.83)	(10,519.73)	(11,677.57)	(12,836.37)	(13,996.79)	(15,158.18)	(16,320.53)	
Cummulative Net Plant Addition	175,124.53	177,391.85	179,910.56	180,362.24	184,825.99	197,868.86	523,970.84	523,309.51	526,953.76	527,909.32	890,936.45	913,809.69	914,202.12	914,592.61	914,207.97	914,337.83	913,950.61	913,562.42	
Pre-Tax ROR	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	
Return on Net Plant Additions	1,164.65	1,179.73	1,196.48	1,199.48	1,229.17	1,315.91	3,484.63	3,480.23	3,504.46	3,510.82	5,925.10	6,077.22	6,079.83	6,082.43	6,079.87	6,080.73	6,078.16	6,075.58	86,678.60
Cum. Return on Net Additions	18,098.77	19,278.50	20,474.98	21,674.46	22,903.63	24,219.54	27,704.17	31,184.40	34,688.86	38,199.68	44,124.79	50,202.01	56,281.84	62,364.26	68,444.13	74,524.87	80,603.02	86,678.60	

Tennessee Water Service
Docket No. 19-00028
Schedule of Docket 17-00108 Rate Filing Costs

DR 2, #4

Doc Type	Doc Number	G/L Date	Explanation	Amount	Explanation -Remark-
T4	1827	8/15/2017	Klein, Matthew	\$920.00	Time Entry
PV	890194	8/16/2017	Linneman, Richard	256.90	Travel Expense Reimbursement
PV	894014	8/30/2017	BAKER DONELSON BEARMAN	1,645.20	Legal Expense
PV	894354	8/30/2017	Klein, Matthew	21.23	Travel Expense Reimbursement
PV	896879	9/12/2017	CARDMEMBER SERVICE	684.92	Travel Expense Reimbursement
PV	897365	9/13/2017	Konsul, Anthony J.	171.70	Travel Expense Reimbursement
PV	897384	9/13/2017	Linneman, Richard	269.23	Travel Expense Reimbursement
T4	1842	9/15/2017	Peacock II, Gary M.	333.68	Time Entry
T4	1842	9/15/2017	Klein, Matthew	920.00	Time Entry
T4	1848	9/30/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1848	9/30/2017	Klein, Matthew	345.00	Time Entry
T4	1848	9/30/2017	Klein, Matthew	115.00	Time Entry
PV	905310	10/12/2017	CARDMEMBER SERVICE	19.55	Travel Expense Reimbursement
T4	1851	10/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1851	10/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1851	10/15/2017	Linneman, Richard	576.00	Time Entry
T4	1851	10/15/2017	Linneman, Richard	576.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	230.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	230.00	Time Entry
T4	1851	10/15/2017	Klein, Matthew	115.00	Time Entry
T4	1851	10/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1851	10/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1857	10/31/2017	Linneman, Richard	576.00	Time Entry
T4	1857	10/31/2017	Linneman, Richard	576.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	575.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	230.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Linneman, Richard	576.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1857	10/31/2017	Klein, Matthew	115.00	Time Entry
T4	1866	11/15/2017	Linneman, Richard	288.00	Time Entry
T4	1866	11/15/2017	Linneman, Richard	288.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	115.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	115.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	230.00	Time Entry
T4	1866	11/15/2017	Klein, Matthew	115.00	Time Entry
T4	1866	11/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1866	11/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1866	11/15/2017	Mendenhall, Jonathan	75.00	Time Entry
T4	1866	11/15/2017	Linneman, Richard	288.00	Time Entry
T4	1866	11/15/2017	Linneman, Richard	288.00	Time Entry
T4	1872	11/30/2017	Klein, Matthew	115.00	Time Entry
T4	1872	11/30/2017	Klein, Matthew	115.00	Time Entry
T4	1872	11/30/2017	Klein, Matthew	115.00	Time Entry
T4	1872	11/30/2017	Klein, Matthew	115.00	Time Entry
T4	1872	11/30/2017	Klein, Matthew	115.00	Time Entry
PV	924003	12/21/2017	Linneman, Richard	838.04	Travel Expense Reimbursement
PV	929677	1/17/2018	BAKER DONELSON BEARMAN	10,976.95	Legal Expense
PV	942518	3/6/2018	BAKER DONELSON BEARMAN	20,502.63	Legal Expense
PV	942519	3/6/2018	BAKER DONELSON BEARMAN	962.25	Legal Expense
T4	1961	6/30/2018	Mendenhall, Jonathan	83.00	Time Entry
Total				\$48,757.28	

Tennessee Water Service

DR 2, #5

Docket No. 19-00028

Actual Additional Revenues per 17-00108 Order

Month	Additional Billed Revenue
February-18	1,299.90
March-18	1,103.67
April-18	1,153.37
May-18	1,386.00
June-18	1,176.70
July-18	1,324.63
August-18	1,550.27
September-18	1,406.07
October-18	1,432.67
November-18	1,592.97
December-18	1,564.03
January-19	1,495.67
February-19	1,473.50
March-19	1,538.13
April-19	1,647.57
May-19	1,773.57
June-19	1,612.80