

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

IN RE:)	
)	
PETITION OF TENNESSEE AMERICAN)	
WATER COMPANY REGARDING THE)	
2020 INVESTMENT AND RELATED)	
EXPENSES UNDER THE QUALIFIED)	Docket No. 19-00105
INFRASTRUCTURE INVESTMENT)	
PROGRAM RIDER, THE ECONOMIC)	
DEVELOPMENT INVESTMENT RIDER,)	
AND THE SAFETY AND ENVIRONMENTAL)	
COMPLIANCE RIDER)	

**CONSUMER ADVOCATE'S SECOND DISCOVERY REQUEST TO TENNESSEE
AMERICAN WATER COMPANY**

To: Tennessee-American Water Company

Melvin J. Malone
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Elaine K. Chambers
Director of Rates and Regulation – Tennessee and Kentucky
Kentucky American Water Company
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This Second Discovery Request is hereby served upon Tennessee American Water Company ("TAWC" or "Company"), pursuant to Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-1-2-.11. The Consumer Advocate Unit in

the Financial Division of the Attorney General's Office ("Consumer Advocate") requests that full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Financial Division, Consumer Advocate Unit, War Memorial Building, 301 6th Avenue North, Nashville, Tennessee, 37243, c/o Daniel P. Whitaker III, on or before 2:00 p.m. (CDT), Thursday, February 13, 2020.

PRELIMINARY MATTERS AND DEFINITIONS

These Additional Discovery Requests incorporate the same Preliminary Matters and Definitions as set forth in the *Consumer Advocate's First Discovery Request to Tennessee American Water* sent to the Company on December 19, 2019, and are to be considered continuing in nature, and are to be supplemented from time to time as information is received by the Company which would make a prior response inaccurate, incomplete, or incorrect.

SECOND DISCOVERY REQUESTS

- 2-1. Refer to the response to Consumer Advocate Request No. 1-2 (subpart a):
- a. Describe the frequency of testing described in this response further differentiated between TAWC testing and that conducted by third-part agencies or testing labs; and
 - b. Provide a summary of the results of the testing for the years 2018 and 2019, and identify any aspects of the results which were out of compliance with "applicable standards" as referenced in the response.
- 2-2. Refer to the response to Consumer Advocate Request No. 1-2 (subpart b):
- a. Identify any internal goals or metrics TAWC has in place to measure the provision of adequate or acceptable service, including an overview of how such goals or

metrics are computed as well as identifying the actual metric goal of the Company;
and

- b. Provide the actual results of such internal metrics for the years 2018 and 2019.
- 2-3. Regarding the response to Consumer Advocate Request No. 1-2 (subpart c), identify, and provide the results, for all internal metrics relied upon by TAWC to measure reliability for 2018 and 2019. Provide an overview of how such metric is computed, identify the internal goal for reliability, and provide all supporting documents.
- 2-4. Provide an estimate of TAWC's average Rate Base for 2020 with a listing of all assumptions relied on to compute the estimate.
- 2-5. Regarding the response to Consumer Advocate Request No. 1-5, provide the following:
- a. Miles of 1) Distribution Main and 2) Transmission Main less than 50 years old which are planned to be replaced in 2020; and
 - b. Number of 1) Hydrants and 2) Valves less than 50 years old which are planned to be replaced in 2020.
- 2-6. Refer to the WKP 2020 Tax Depreciation Balances tab within TAW Schedule 1. Provide support for the repair percentages found in rows AT 9 through BA10.
- 2-7. Refer to the WKP 2020 Tax Depreciation Balances tab within TAW Schedule 1. With respect to the calculations found in rows 51 – 64, respond to the following:
- a. Provide a complete explanation why such calculation is superior to relying upon the average net ADIT balances at 12/31/19 and 12/31/20 in arriving at the appropriate net ADIT balance to incorporate into the TAWC Capital Riders; and

- b. Identify any tax guidance requiring this specific calculation in order to comply with normalization requirements related to projecting ADIT balances within surcharge rider calculations.

RESPECTFULLY SUBMITTED,



DANIEL P. WHITAKER III

BPR No. 035410

Assistant Attorney General

Office of the Tennessee Attorney General

Financial Division, Consumer Advocate Unit

P.O. Box 20207

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(615) 532-9299

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

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Nashville, TN 37201
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Elaine K. Chambers
Director, Rates and Regulatory – Tennessee and Kentucky
2300 Richmond Road
Lexington, KY 40502
Elaine.K.Chambers@amwater.com

This the 30th day of January, 2020.



DANIEL P. WHITAKER III
Assistant Attorney General