

IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF TENNESSEE-	)	
AMERICAN WATER COMPANY	)	DOCKET NO. 20-00008
REGARDING THE PRODUCTION	)	
COSTS AND OTHER PASS-	)	
THROUGHS RIDER	)	

---

CONSUMER ADVOCATE'S FIRST DISCOVERY REQUEST  
TO TENNESSEE AMERICAN WATER COMPANY.

---

To: Tennessee American Water Company  
C/O Melvin J. Malone  
Butler, Snow, O'Mara, Stevens & Cannada, PLLC  
The Pinnacle at Symphony Place  
150 3rd Avenue South, Suite 1600  
Nashville, TN 37201  
melvin.malone@butlersnow.com

Elaine K. Chambers  
Director of Rates and Regulation – Tennessee and Kentucky  
Kentucky American Water Company  
2300 Richmond Road  
Lexington, KY 40502  
Elaine.K.Chambers@amwater.com

This First Discovery Request is hereby served upon Tennessee American Water Company (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 Office of the Attorney General (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 6<sup>th</sup> Avenue North, Nashville, Tennessee 37243, c/o Karen H. Stachowski, on or before 2:00 p.m. (CDT), February 28, 2020.

## **PRELIMINARY MATTERS AND DEFINITIONS**

1. **Continuing Request.** These discovery requests are to be considered continuing in nature and are to be supplemented from time to time as information is received by the Company and any of its affiliates which would make a prior response inaccurate, incomplete, or incorrect.

2. **Clear References.** To the extent that the data or information requested is incorporated or contained in a document, identify the document including page/line number if applicable.

3. **Format of Responses.** Provide all responses in the format in which they were created or maintained, for example, Microsoft Word or Microsoft Excel format with all cells and formulas intact and in working order. If a document (including without limitation a financial or other spreadsheet or work paper) is not created or maintained in Microsoft Excel format, convert the document to Microsoft Excel format or provide the document in a format that enables or permits functionality like or similar to Microsoft Excel (including without limitation the functionality of working cells and formulas), or provide the software program(s) that will enable the Consumer Advocate to audit and analyze the data and information in the same manner as would be enabled or permitted if the document were provided in Microsoft Excel format.

4. **Objections.** If any objections to this discovery are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege or immunity asserted. If you claim a document is privileged, identify the document and state the basis for the privilege or immunity asserted. If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

5. The singular shall include the plural, and vice-versa, where appropriate.

6. **Definitions.** As used in this Request:

(a) "You," "Your," "Company," "Tennessee American," or "TAWC" shall mean Tennessee American Water Company and all employees, agents, attorneys, representatives or any other person acting or purporting to act on its behalf.

(b) "Affiliate" shall mean any entity who, directly or indirectly, is in control of, is controlled by, or is under common control with the Company. For greater clarification, "control" is the ownership of 20% or more of the shares of stock entitled to vote for the election of directors in the case of a corporation, or 20% or more of the equity interest in the case of any other type of entity, or status as a director or officer of a corporation or limited liability company, or status as a partner of a partnership, or status as an owner of a sole proprietorship, or any other arrangement whereby a person has the power to choose, direct, or manage the board of directors or equivalent governing body, officers, managers, employees, proxies, or agents of another person. In addition, the term "Affiliate" shall mean any entity that directly or indirectly provides management or operational services to the Company or any affiliate (as defined in the preceding sentence) of the Company, or to which the Company provides management or operational services. Further, the payment of money to the Company or receipt by the Company of money from an entity with which the Company has any relationship, other than such payment or receipt, shall include the payor or recipient of such money as an "Affiliate".

(c) "Communication" shall mean any transmission of information by oral, graphic, written, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, meetings and personal conversations, or otherwise.

(d) "Document" shall have the broadest possible meaning under applicable law. "Document" shall mean any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not limited to any writing, drawing, graph, chart, form, letter, note, report, electronic mail, memorandum (including memoranda, electronic mail, report, or note of a meeting or communication), work paper, spreadsheet, photograph, videotape, audio tape, computer disk or record, or any other data compilation in any form without limitation, which is in your possession, custody or control. If any such document was, but no longer is, in your possession, custody or control, state what disposition was made of the document and when it was made?

(e) "Person" shall mean any natural person, corporation, firm, company, proprietorship, partnership, business, unincorporated association, or other business or legal entity of any sort whatsoever.

(f) "Identify" with respect to:

- i. Any natural person, means to state the full name, telephone number, email address and the current or last known business address of the person (if no business address or email address is available provide any address known to you) and that person's relationship, whether business, commercial, professional, or personal with you;
  - ii. Any legal person, business entity or association, means to state the full name, the name of your contact person with the entity, all trade name(s), doing business as name(s), telephone number(s), email address(es), and current or last known business address of such person or entity (if no business address is available provide any address known to you);
  - iii. Any document, means to state the type of document (e.g., letter), the title, identify the author, the subject matter, the date the document bears and the date it was written; and
  - iv. Any oral communication, means to state the date when and the place where it was made, identify the person who made it, identify the person or persons who were present or who heard it, and the substance of it.
- (g) "And" and "or" shall be construed conjunctively or disjunctively as necessary to make the discovery request inclusive rather than exclusive.
- (h) "Including" shall be construed to mean including but not limited to.

### **FIRST DISCOVERY REQUESTS**

1-1. Refer to Workpaper\_Usage – 2019.xlsx filed with the Company's Petition. Provide answers to the following:

- a. Confirm that the Company experienced a 36-inch main break in September 2019 that impacted water service for some 35,000 connections.
- b. Does the main in question transport treated water sourced from the Company's own treatment operations, purchased from other suppliers, or a combination of both?
- c. Confirm that treated water was lost during this incident. If confirmed, provide how much, or an estimate of, water that was lost. If not confirmed, provide an explanation of how treated water was not lost during the incident.
- d. Do the numbers presented within this file make any adjustments for this incident with regards to "System Delivery"?

- i. If yes, provide a detailed description of the adjustment along with a supporting calculation documenting the adjustment.
  - ii. If no, provide a comprehensive response detailing how the September main break did not cause a material difference in water delivery.
- e. Do the numbers presented within this file make any adjustments for this incident with regards to “Water Sales”?
  - i. If yes, provide a detailed description the adjustment along with a supporting calculation documenting the adjustment.
  - ii. If no, provide a comprehensive response detailing how the September main break did not cause a material difference in water delivery sales.
- f. Provide the dates and corresponding number of customers who were impacted by TAWC’s boil advisory in response to the September 2019 main break.

**RESPONSE:**

- 1-2. Provide the Company’s Monthly Reports (or ‘Continuing Surveillance Reports’) and corresponding excel files for the 12 months ending November 2019.

**RESPONSE:**

- 1-3. Refer to Workpaper Usage 2019.xlsx filed with the Company’s Petition. In prior filings the Company included a section for each month titled “Accounted-for Non-Revenue Water” that listed monthly amounts of Identified Leaks, Hydrant Inspections, Hydrant Flushing, and Fire Usage; provide monthly amounts of usage for these categories. Additionally, provide the Company’s rationale for removing this section within the current filing.

**RESPONSE:**

- 1-4. Refer to Wokpaper Waste Disposal – 2019.xlsx filed with the Company’s Petition. Provide the invoice support for the charges supporting the \$55,730.29 represented in cell L10.

**RESPONSE:**

- 1-5. Refer to Workpaper Fuel & Power – 2019.xlsx, tab Rec- EPB along with EPB Invoices – 2019 -2.pdf that were filed with the Company’s Petition. Specifically, refer to account 152-0340.000. The Company purports \$191,574.69 in recoverable charges supported by 12 invoices; however, a review of the invoices provided within the pdf only shows 6 invoices for this account totaling \$105,046.12 (shown below and removing the \$183.51 in late fees). Provide an explanation of this discrepancy.

Page #	Vendor	Account Number	Date of Bill	Service Start	Service End	Current Bill	Previous Balance	Late Fees	Balance Due
185-187	EPB	152-0340	7/11/2019	6/8/2019	7/9/2019	18,925.44	-	-	18,925.44
188-190	EPB	152-0340	8/9/2019	7/9/2019	8/8/2019	17,611.31	(10.00)	-	17,601.31
191-193	EPB	152-0340	9/11/2019	8/8/2019	9/7/2019	16,675.95	17,784.82	183.51	34,460.77
194-196	EPB	152-0340	10/10/2019	9/7/2019	10/8/2019	17,806.52	-	-	17,806.52
197-199	EPB	152-0340	11/11/2019	10/8/2019	11/10/2019	18,628.17	-	-	18,628.17
200-202	EPB	152-0340	12/11/2019	11/10/2019	12/10/2019	15,592.24	-	-	15,592.24

**RESPONSE:**

- 1-6. Refer to Workpaper Fuel & Power – 2019.xlsx, tab Rec- EPB along with EPB Invoices – 2019 -2.pdf that were filed with the Company’s Petition. The Consumer Advocate notes that a variety of EPB accounts are missing invoice support. Provide the missing support or provide an explanation why support is not necessary.

**RESPONSE:**

- 1-7. Refer to Workpaper Fuel & Power – 2019.xlsx, tab Rec- EPB, along with EPB Invoices – 2019 -2.pdf that were filed with the Company’s Petition. The Consumer Advocate notes the Company was charged a disconnect notice fee each time it failed to make an on-time payment. Provide the Company’s rationale for recovering these fees from ratepayers.

**RESPONSE:**

- 1-8. Refer to the Direct Testimony of Elaine K. Chambers, p. 14. Ms. Chambers describes “4 minor changes to the workpapers.” Provide workbook and cell references to these four changes.

**RESPONSE:**

- 1-9. Refer to the Direct Testimony of Elaine K. Chambers, p. 14. Ms. Chambers states that “the TPUC Inspection Fee is based on the actual bill paid in 2019.” The Advocate notes that the invoice was provided within the supporting excel file. Provide the calculation, with citations, supporting the amount paid.

**RESPONSE:**

- 1-10. Refer to the Company’s Response to the Consumer Advocate’s DR No. 1-13 in TPUC Docket No. 18-00009. Provide answers to the following:
- a. Is there a 2018 & 2019 update to this response?
    - i. If yes, provide the update.
    - ii. If no, provide a detailed answer as to why these updates are not available.
  - b. Is there a 2019 update to the Company’s Non-Revenue Water Strategy?
    - i. If yes, provide it (in native formats).
    - ii. If no, provide a detailed answer as to why these updates are not available.

**RESPONSE:**

RESPECTFULLY SUBMITTED,

Karen H. Stachowski

KAREN H. STACHOWSKI (BPR No. 019607)

Assistant Attorney General

Office of the Tennessee Attorney General

Financial Division, Consumer Advocate Unit

P.O. Box 20207

Nashville, Tennessee 37202-0207

Phone: (615) 741-2370

Fax: (615) 532-2910

Email: karen.stachowski@ag.tn.gov



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:

Melvin J. Malone  
Butler Snow LLP  
The Pinnacle at Symphony Place  
150 3rd Avenue South, Suite 1600  
Nashville, TN 37201  
[melvin.malone@butlersnow.com](mailto:melvin.malone@butlersnow.com)

Elaine K. Chambers  
Director of Rates and Regulation – Tennessee and Kentucky  
Kentucky American Water Company  
2300 Richmond Road  
Lexington, KY 40502  
[Elaine.K.Chambers@amwater.com](mailto:Elaine.K.Chambers@amwater.com)

This the 14 day of February, 2020.

  
\_\_\_\_\_  
KAREN H. STACHOWSKI