

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

IN RE:)	
)	
PETITION OF TENNESSEE-AMERICAN)	
WATER COMPANY FOR APPROVAL)	DOCKET NO. 20-00126
OF THE ESTABLISHMENT OF A)	
REGULATORY ASSET)	
)	

**CONSUMER ADVOCATE’S THIRD 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 Third 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, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Karen H. Stachowski, on or before 2:00 p.m. (CST), April 6, 2021.

PRELIMINARY MATTERS AND DEFINITIONS

These Additional Discovery Requests incorporate by reference the same Preliminary Matters and Definitions as set forth in the *Consumer Advocate's First Informal Discovery Request to Tennessee American Water* sent to the Company on December 16, 2020, 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.

FIRST INFORMAL DISCOVERY REQUESTS

3-1. In the Company's Response to CA DR No. 2-3 (relating to Petitioner's Exhibit 1), does the Company plan to add any other items to their net \$514,465 deferral request as of October 31, 2020, or does this amount represent the final deferral request as of October 31, 2020? The Consumer Advocate is not asking about months subsequent to October. The Consumer Advocate is only inquiring about the net requested deferral total as of October 31, 2020.

RESPONSE:

3-2. In TAW_R_CAPDDR1_008_Attachment and TAW_R_CAPDDR2_004_Attachment, <Incremental Operating Expense> worksheet, what specific expenditures are the Work From Home (WFH) stipends designed to cover?

RESPONSE:

3-3. In TAW_R_CAPDDR1_008_Attachment and TAW_R_CAPDDR2_004_Attachment <Incremental Operating Expense> worksheet, what specific expenditures are represented by and included in the "facility preparedness" line item?

RESPONSE:

3-4. How much (stated in dollars) of the requested uncollectible expenses as shown in TAW_R_CAPDDR1_008_Attachment and TAW_R_CAPDDR2_004_Attachment <Uncollectible Expense> worksheet, relates to the acquired Whitwell and Jasper Highlands systems? Since both systems were acquired after the TPUC Docket No. 12-00049 uncollectible amount was set, the amounts related to these systems are relevant in assessing amounts eligible for deferral. In addition, provide documentation supporting the uncollectible expense for these two systems.

RESPONSE:

3-5. Regarding the use of uncollectible expense from the last case to establish a benchmark of incremental uncollectible expense due to the COVID-19 pandemic, does the Company also believe it would be appropriate to add to the TPUC Docket No. 12-00049 amount the uncollectible expense associated with (i) the acquired Whitwell system; (ii) the acquired Jasper Highlands system; and (iii) uncollectible expense associated with the Company's Capital Riders in determining the incremental uncollectible expense associated with Covid-19 pandemic? If the Company does not agree with this methodology, provide a comprehensive explanation supporting this conclusion.

RESPONSE:

3-6. Concerning the Company's Response to CA DR No. 2-7, provide a copy of the email (or other communication), including attachments, sent to all supervisors instructing them how to properly track COVID-19 pandemic related items by using tracking number 60008021. Provide any guidance, policy, or other directives provided to supervisors and staff regarding the identification and tracking of COVID-19 pandemic costs.

RESPONSE:

3-7. Concerning the Company's Response to CA DR No. 2-7, provide a detailed listing of the month-end closing tasks employed to ensure proper usage and control of the COVID-19 pandemic related tracking number 60008021.

RESPONSE:

3-8. Based on TAW_R_CAPDDR1_012_Attachment, provide the amount of the \$464,985 late fees, recognized during 2020, that was actually collected or received from customers.

RESPONSE:

3-9. For parent (service) company, American Water, provide total monthly amounts for years 2017, 2018, and 2019 for accounts 52534000 (Employee Expenses) and 52534200 (Conferences & Registrations). These are the accounts used to estimate the conference and travel expense savings during 2020.

RESPONSE:

3-10. Concerning the Company's Responses to CA DR No. 1-15 and CA DR No. 2-23, provide the amounts of capitalized labor associated with meter change-outs for the following time periods:

- a. 2020
- b. 2019
- c. 2018
- d. 2017

RESPONSE:

RESPECTFULLY SUBMITTED,



KAREN H. STACHOWSKI (BPR No. 019607)

Assistant Attorney General

Office of the Tennessee Attorney General

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Consumer Advocate's Third Informal Discovery Request
TPUC Docket No. 20-000126

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
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Elaine K. Chambers
Director of Rates and Regulation – Tennessee and Kentucky
Kentucky American Water Company
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This the 23rd day of March, 2021.



KAREN H. STACHOWSKI