

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

**IN RE:**

**PETITION OF TENNESSEE-AMERICAN  
WATER COMPANY FOR APPROVAL  
OF THE ESTABLISHMENT OF A  
REGULATORY ASSET**

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**Docket No. 20-00126**

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**DIRECT TESTIMONY OF**

**CRAIG C. COX**

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April 30, 2021

1 **Q1. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION FOR**  
2 **THE RECORD.**

3 **A1.** My name is Craig C. Cox. My business address is Office of the Tennessee Attorney  
4 General, John Sevier Building, 500 Dr. Martin L. King, Jr. Boulevard, Nashville, TN  
5 37243. I am a Financial Analyst employed by the Consumer Advocate Unit in the Financial  
6 Division of the Tennessee Attorney General's Office ("Consumer Advocate").

7 **Q2. PLEASE PROVIDE A SUMMARY OF YOUR BACKGROUND AND**  
8 **PROFESSIONAL EXPERIENCE.**

9 **A2.** I earned a bachelor's degree (B.B.A.) in Finance from Middle Tennessee State University.  
10 I am also a Certified Public Accountant (CPA) actively licensed in the state of Tennessee  
11 (#15645). I have twenty-seven years of professional experience, twenty-two of which are  
12 in private industry and five of which are in government service. Nearly all those years have  
13 been in analytical roles (financial and operational) at the senior level. Some of the  
14 responsibilities I have had during those years are as follows: leading the corporate budget  
15 and quarterly projections processes, along with all associated reporting, for a \$500 million  
16 global company; financial lead for multiple business units; project and process  
17 management to include implementation of new and complex accounting pronouncements;  
18 manager of an accounts-payable operation; and instructor of corporate finance &  
19 accounting.

20 **Q3. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY BEFORE THE**  
21 **TENNESSEE PUBLIC UTILITY COMMISSION (TPUC OR THE**  
22 **"COMMISSION")?**

23 **A3.** Yes.

24 **OVERVIEW**

25 **Q4. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

**A4.** The purpose of my testimony is to evaluate and quantify the costs as proposed in the *Petition of Tennessee-American Water Company for Approval of the Establishment of a Regulatory Asset* (“Petition”), TPUC Docket No. 20-00126.<sup>1</sup>

**Q5. WHAT HAS THE COMPANY REQUESTED IN THIS DOCKET?**

**A5.** Specifically, Tennessee-American Water Company (TAWC or the “Company”) has requested the establishment of a COVID-19-related regulatory asset comprised of foregone late fees and related net expenses. The Company’s filing includes Petitioner’s Exhibit 1, which details a proposed regulatory asset amount of \$514,465, as of October 2020.<sup>2</sup> A listing of the Company’s proposed deferred asset components is shown in Figure 1 below<sup>3</sup>:

**Figure 1**

	<b>As Filed – Data as of 10/31/20</b>	<b>Update – Data as of 12/31/20</b>
<b>Foregone late payment fees</b>	\$306,626	\$304,140
<b>Costs:</b>		
Incremental operating expenses	62,391	85,267
Uncollectible expense	154,757	116,035
Term loan interest expense	112,090	131,360
<b>Direct offsets:</b>		
Travel/conference savings	(121,398)	(135,508)
<b>Total</b>	<b>\$514,465</b>	<b>\$501,294</b>

**IDENTIFICATION AND EVALUATION OF THE COMPANY’S PROPOSED COVID-19-RELATED DEFERRED ASSET COMPONENTS**

**a. FOREGONE LATE-PAYMENT FEES**

**Q6. DESCRIBE THE COMPANY’S PROPOSED FOREGONE LATE-PAYMENT FEES.**

<sup>1</sup> *Petition of Tennessee-American Water Company for Approval of the Establishment of a Regulatory Asset*, Exhibit 1, TPUC Docket No. 20-00126 (November 16, 2020).

<sup>2</sup> Petition at Exhibit1.

<sup>3</sup> *Tennessee-American Water Company's Responses to Second Discovery Request of the Consumer Advocate*, DR No. 2-04, and file <TAW\_R\_CAPDDR2\_004\_Attachment>, TPUC Docket No. 20-00126 (March 11, 2021).

1 **A6.** On March 13, 2020, in response to the Governor’s declared state of emergency, the  
2 Company voluntarily suspended late fees.<sup>4</sup> The Company did not reinstate late payment  
3 fees until October 1, 2020.<sup>5</sup> Per the Company’s Tariff, a 5% late-payment charge is  
4 normally assessed on any bill that remains unpaid fifteen days after a bill is rendered.<sup>6</sup> The  
5 effective date of the late-payment fee is stated on the bill.<sup>7</sup>

6 **Q7. DO YOU AGREE THAT ALL OF THE COMPANY’S PROPOSED FOREGONE**  
7 **LATE-PAYMENT FEES SHOULD BE CONSIDERED FOR DEFERRAL AS A**  
8 **REGULATORY ASSET?**

9 **A7.** No, I do not agree that all the Company’s foregone late fees should be included in the  
10 proposed regulatory asset. The COVID-19 pandemic has not only impacted the Company,  
11 but it has had adverse impacts on the Company’s customers.<sup>8</sup> Notwithstanding Mr.  
12 Dittmore’s recommendation<sup>9</sup> that the Company’s total proposed COVID-19 pandemic-  
13 related costs are immaterial to its operations, I recommend the Company be allowed to  
14 defer foregone late-payment fees only to the extent that they, when added to those late-  
15 payment fees charged to customers in 2020, equal the Company’s 2017-2019 three-year,  
16 pre-pandemic average annual late-payment fees. Figure 2 below shows the maximum  
17 amount of foregone late-payment fees, which I recommend the Company be permitted to  
18 defer as part of its proposed regulatory asset. Schedule CCC-2 provides the average pre-  
19 pandemic late-payment fee computation.

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<sup>4</sup> Petition at p. 3, ¶7.

<sup>5</sup> Petition at p. 4 ¶7. *See Informational Filing of Tennessee American Water Company (“Tennessee-American Water”) Docket No. 20-00047 Related to Measures Taken During the Coronavirus COVID-19 Public Health Emergency*, p. 2, TPUC Docket No. 20-00047 (October 14, 2020).

<sup>6</sup> *Tennessee American Water Company, Chattanooga: Rates, Rules, Regulations and Conditions of Water Service*, Original Sheet No. 10. A copy of the Company’s Tariff is accessible at [www.amwater.com/tnaw/resources/pdf/Customer-Service/Your-Water-Rates/TRA%20Rates%20and%20Rules.pdf](http://www.amwater.com/tnaw/resources/pdf/Customer-Service/Your-Water-Rates/TRA%20Rates%20and%20Rules.pdf).

<sup>7</sup> *Id.*

<sup>8</sup> In its order suspending disconnections, the Commission recognized that the measures taken to contain the public health during the COVID-19 pandemic “has economic consequences on all fronts. As such, many of our most vulnerable households are without work and have little or no income. Businesses, small and large, depend upon basic utility services even as they face potential supply chain problems, a lack of cash-flow, and employees that are unavailable to work. In these challenging times, maintaining safe, reliable, and reasonably priced utility service must remain a priority.” *Order Requiring All Jurisdictional Utilities to Suspend Actions to Disconnect Service for Lack of Payment During the State of Public Health Emergency*, p.3, TPUC Docket No. 20-00047 (March 31, 2020).

<sup>9</sup> *Direct Testimony of David N. Dittmore* at 3:18 – 5:24, TPUC Docket No. 20-00126 (April 30, 2021).

Figure 2

	Company's 3-year Average Late Pmt Fees (2017-19)	Company's Late Pmt Fees Charged to Customers in 2020	CA's Maximum Recommended Foregone Late Fees
As filed, Mar 20 – Oct 20	\$283,117	\$ 46,246	\$236,871
Mar 20 – Dec 20	342,028	99,256	242,772

Also, as mentioned in Mr. Dittmore's Testimony, the Company's approved return on equity includes a risk premium for economic downturns and their impacts on revenues.<sup>10</sup> This premium compensates the Company's shareholders for assuming such economic risks as reductions in late payment fees. For these reasons, I recommend the maximum foregone late payment fees be calculated by the methodology described here.

#### b. INCREMENTAL OPERATING EXPENSES

##### Q8. DESCRIBE THE COMPANY'S PROPOSED INCREMENTAL OPERATING EXPENSES.

A8. The Company claims it has incurred certain expenses directly related to the COVID-19 pandemic that it does not incur in a typical year. These expenses include the Company's purchases of PPE and related supplies, cleaning and sanitizing of its facilities, additional customer communications, and related signage. These expenses also include an allocated charge from the Company's parent company for like expenditures. The Company has tracked its direct expenses using a specific tracking number.<sup>11</sup>

##### Q9. DO YOU AGREE THAT THE COMPANY'S INCREMENTAL OPERATING EXPENSES SHOULD BE CONSIDERED FOR DEFERRAL AS A REGULATORY ASSET?

A9. Yes. After reviewing the submitted documentation, I find the Company's expenditures in this category and tracking methodology to be reasonable.

<sup>10</sup> *Id.* at 5:17-24.

<sup>11</sup> *Tennessee-American Water Company's Responses to Second Discovery Request of the Consumer Advocate*, DR No. 2-7, and *Tennessee-American Water Company's Responses to Third Discovery Request of the Consumer Advocate*, DR Nos. 3-6, and 3-7.

c. **UNCOLLECTIBLE EXPENSES**

**Q10. DESCRIBE THE COMPANY'S PROPOSED UNCOLLECTIBLE EXPENSES.**

**A10.** The Company has proposed that uncollectible expenses above those authorized in its last rate case<sup>12</sup> should be deemed related to the COVID-19 pandemic and, as a result, should be deferred as part of its requested regulatory asset.<sup>13</sup>

**Q11. DO YOU AGREE THAT THE COMPANY'S UNCOLLECTIBLE EXPENSES SHOULD BE CONSIDERED FOR DEFERRAL AS A REGULATORY ASSET?**

**A11.** No. Given the last rate case is nine years old and the Company has made several acquisitions and divestitures since then, comparing the Company's uncollectible expenses incurred since March 2020 with those of more recent periods would provide a better estimate of uncollectible expenses related to the COVID-19 pandemic. Consequently, I recommend using expenses incurred during the three years preceding the pandemic—2017 through 2019—for assessing related uncollectible expenses. In Figure 2 below, I compare the Company's actual 2020 uncollectible expenses for the periods noted to the Company's 2017-2019 three-year average annual uncollectible expenses. Schedule CCC-3 provides the average pre-pandemic uncollectible expense computation.

**Figure 3**

	<b>Company Actual Uncollectible Expenses</b>	<b>Company's 3- year Average Uncollectible Expenses (2017- 19)</b>	<b>CA Estimated Pandemic- related Uncollectible Expense</b>
<b>As filed, Mar 20 – Oct 20</b>	\$473,041	\$466,621	\$6,420
<b>Mar 20 – Dec 20</b>	518,164	546,601	(28,437)

As can be seen from the comparisons for the selected periods, the Company's recent uncollectible expenses are significantly higher than those included in the Company's last

<sup>12</sup> *Order Approving Settlement Agreement*, TRA Docket No. 12-00049 (November 20, 2012). One should note that the Tennessee Regulatory Authority, or TRA, is the predecessor agency to the TPUC, just as the Tennessee Public Service Commission predated the TRA. While the nomenclature has changed, the scope and function of these entities has remained essentially the same.

<sup>13</sup> *Tennessee-American Water Company's Responses to First Discovery Request of the Consumer Advocate*, DR No. 1-08, and file <TAW\_R\_CAPDDR1\_008 Attachment>, TPUC Docket No. 20-00126 (January 22, 2021).

1 base rate case. This leads me to conclude that the company's uncollectible expense has  
2 risen in recent years, absent the COVID-19 pandemic, and that the Company's approach  
3 of comparing 2020 results with the uncollectible expenses authorized in its last rate case  
4 does not accurately estimate the pandemic's impact. For the periods shown in Figure 2,  
5 the Company's estimated pandemic-related uncollectible expenses are either immaterial  
6 (March 2020 through October 2020) or they are less than those experienced over the last  
7 three years on average. For these reasons, I do not recommend uncollectible expenses be  
8 allowed for regulatory-asset consideration.

9 **d. TERM LOAN INTEREST EXPENSE**

10 **Q12. MR. COX, BOTH YOU AND MR. DITTEMORE DISCUSS THE INTEREST-**  
11 **EXPENSE COMPONENT. HOW SHOULD THE COMMISSION VIEW THESE**  
12 **PROPOSALS?**

13 **A12.** Mr. Dittmore is presenting the primary recommendation regarding interest expense,  
14 which is that none of the Company's proposed interest expense be considered as a COVID-  
15 19 pandemic-related cost.<sup>14</sup> I am making an alternative proposal in the event the  
16 Commission does not adopt Mr. Dittmore's recommendation.

17 **Q13. DESCRIBE THE COMPANY'S PROPOSED TERM LOAN INTEREST EXPENSE.**

18 **A13.** On March 20, 2020, American Water Capital Corporation borrowed \$500 million of an  
19 approved \$750 million under a twelve-month term loan agreement.<sup>15</sup> The loan was  
20 obtained in anticipation of liquidity problems associated with the COVID-19 pandemic.  
21 The loan agreement did not include a prepayment penalty and carried a variable interest  
22 rate based on the London interbank offer rate (LIBOR) plus a 0.80% margin.<sup>16</sup> Of the \$500  
23 million loan proceeds, \$11.8 million was allocated to the Company.

24 **Q14. DO YOU AGREE THAT THE COMPANY'S TERM-LOAN INTEREST EXPENSE**  
25 **SHOULD BE CONSIDERED FOR DEFERRAL AS A REGULATORY ASSET?**

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<sup>14</sup> *Direct Testimony of David N. Dittmore* at 6:1 – 7:16

<sup>15</sup> *Tennessee-American Water Company's Responses to Second Discovery Request of the Consumer Advocate*, DR No. 2-21 and file <TAW\_R\_CAPDDR2\_021\_Attachment>.

<sup>16</sup> *Id.*

1 **A14.** If the Commission rejects Mr. Dittimore’s recommendation, the term-loan interest expense  
2 incurred in April 2020 should be considered, but I do not recommend any interest expense  
3 incurred after April 2020 be allowed. On April 29, 2020, less than six weeks after receiving  
4 the loan proceeds, American Water Works declared a quarterly dividend increase of 10.0%  
5 to its shareholders. In addition, one year later on April 28, 2021, American Water Works  
6 declared a second quarterly dividend increase since the advent of the pandemic; this most  
7 recent increase was 9.5%.<sup>17</sup> Given the liquidity required to declare two dividend increases  
8 since the beginning of the pandemic, coupled with the lack of a prepayment penalty on the  
9 term loan, the interest charges assigned to the Company’s customers should have ceased  
10 no later than May 1, 2020. Furthermore, the Company has stated that the loan proceeds  
11 have not been used. Specifically, the Company stated, “The full balance of the term loan  
12 remains as cash for American Water to maintain the enhanced liquidity.”<sup>18</sup> For these  
13 reasons, I recommend only the \$17,218 interest incurred during April 2020 be considered  
14 for deferral treatment.

15 **e. TRAVEL AND CONFERENCE SAVINGS**

16 **Q15. DESCRIBE THE COMPANY’S PROPOSED TRAVEL AND CONFERENCE**  
17 **SAVINGS.**

18 **A15.** The Company proposed travel and conference expense savings as offsets to their claimed  
19 incremental pandemic-related costs. Given the travel and safety restrictions followed  
20 during the COVID-19 pandemic, the Company experienced less travel and conference  
21 registrations during 2020. The Company presented the difference between their 2020  
22 travel and conference expenses and those incurred during the same period in 2019 as a  
23 representation of its pandemic-related savings.<sup>19</sup>

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<sup>17</sup>*Dividends History of American Water Works Company*, Street Insider.com,  
[https://www.streetinsider.com/dividend\\_history.php?q=awk](https://www.streetinsider.com/dividend_history.php?q=awk) (last visited April 28, 2021).

<sup>18</sup> *Tennessee-American Water Company's Responses to Second Discovery Request of the Consumer Advocate*, DR No. 2-22.

<sup>19</sup> *Tennessee-American Water Company's Responses to First Discovery Request of the Consumer Advocate*, DR No. 1-08 and file <TAW\_R\_CAPDDR1\_008 Attachment>.



1 **Q16. DO YOU AGREE THAT THE COMPANY'S TRAVEL AND CONFERENCE**  
2 **SAVINGS SHOULD BE CONSIDERED AS AN OFFSET TO THE COMPANY'S**  
3 **REQUESTED REGULATORY ASSET?**

4 **A16.** Yes, I do. The Company's approach in computing these savings, however, is inconsistent  
5 with the approach used by the Company to estimate other pandemic-related expenses. As  
6 explained earlier in my testimony, the Company used the uncollectible expenses authorized  
7 in its 2012 base rate case as the baseline for computing pandemic-related uncollectible  
8 expenses. However, the Company used 2019 levels of travel and conference expenses as  
9 its benchmark for computing their pandemic-related expense savings. Consistent with  
10 what I proposed for calculating pandemic-related uncollectible expenses, I propose travel  
11 and conference savings be computed by comparing the Company's 2020 travel and  
12 conference expenses to the averages of those same expenses incurred from 2017 through  
13 2019. In Figure 3 below, I compare the Company's 2020 actual travel and conference  
14 expenses for the periods noted to its 2017-2019 pre-pandemic, three-year averages. The  
15 difference represents the estimated COVID-19 pandemic-related savings for the  
16 Company's travel and conference expenses. Schedule CCC-4 provides the average pre-  
17 pandemic travel and conference expense computation.

18 **Figure 4**

	<b>Company Actual Travel &amp; Conference Expenses</b>	<b>Company's 3- year Average Travel &amp; Conference Expenses (2017- 19)</b>	<b>CA Estimated Pandemic- related Travel &amp; Conference Savings</b>	<b>Company's Proposed Travel &amp; Conference Savings</b>
<b>As filed, Mar 20 – Oct 20</b>	\$12,135	\$146,363	\$134,228	\$121,398
<b>Mar 20 – Dec 20</b>	19,598	175,169	155,571	135,508

19  
20 As can be seen from the comparisons, the average three-year, pre-pandemic travel and  
21 conference expenses incurred by the Company are higher than those incurred in its lone  
22 benchmark year of 2019. For the periods shown in Figure 3, the estimated pandemic-  
23 related travel and conference expense savings are at least 10% higher than the savings  
24 proposed by the Company. Since using data from more than one recent period provides a  
25 better representation of the Company's typical pre-pandemic expenses, I recommend the  
26 Company's COVID-19 pandemic-related expense savings be computed using average  
27 travel and conference expenses incurred from 2017 through 2019 as the benchmark.

1 **Q17. CAN YOU SUMMARIZE THE INCREMENTAL COSTS YOU BELIEVE**  
2 **SHOULD BE SUBJECT TO CONSIDERATION BY THE COMMISSION FOR**  
3 **DEFERRED ASSET TREATMENT?**

4 **A17.** Yes. Schedule CCC-1 sets forth the calculation of incremental COVID-19 pandemic costs  
5 through December 2020 for the reasons stated earlier in my testimony.

6 **Q18. WHAT IS THE CONSUMER ADVOCATE’S RECOMMENDATION**  
7 **CONCERNING THE RECOVERY OF THESE INCREMENTAL COSTS?**

8 **A18.** Mr. Dittmore is supporting the overall Consumer Advocate recommendation on the  
9 appropriate treatment of the incremental COVID-19 pandemic costs that I have identified  
10 in my testimony.

11 **Q19. DOES THIS COMPLETE YOUR TESTIMONY?**

12 **A19.** Yes, however I reserve the right to supplement my testimony should new information arise.



## 20-00126 CCC-signed.pdf

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**E-Signature Notary: Terra Allen (TNA)**

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terra.allen@ag.tn.gov



IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:

PETITION OF TENNESSEE-  
AMERICAN WATER COMPANY FOR  
APPROVAL OF THE  
ESTABLISHMENT OF A  
REGULATORY ASSET

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DOCKET NO. 20-00126

AFFIDAVIT

I, Craig C. Cox, on behalf of the Consumer Advocate Unit of the Attorney General's Office hereby certify that the attached Direct Testimony represents my opinion in the above-referenced case and the opinion of the Consumer Advocate Unit.

Craig C. Cox  
CRAIG C. COX

Sworn to and subscribed before me

This \_\_\_\_\_ day of \_\_\_\_\_, 2021 04/28/2021

Terra Allen  
Signed on 2021/04/28 09:16:38 -6:00

NOTARY PUBLIC

TERRA ALLEN  
Tennessee Notary Public  
Online Notary Public  
Hickman County, State Of Tennessee  
My Commission Expires Sep 28, 2022  
Notary Stamp 2021/04/28 07:16:38 PST F319K26A410E

My Commission Expires: \_\_\_\_\_

**Tennessee American Water Company**  
**Docket No. 20-00126**  
**Request for COVID-19 Accounting Deferral**

Schedule CCC-1

**Summary of COVID-19 Costs per Consumer Advocate (CA)**

Item	Updated		CA Pandemic-Related Maximum Recommended Costs	
	TAWC Balance as of 10/31/2020 (Mar - Oct 2020)	TAWC Balance as of 12/31/2020 (Mar - Dec 2020)	CA Adjustments	as of 12/31/2020 (Mar - Dec 2020)
Foregone Late Payment Fees	\$ 306,626	\$ 304,140	\$ (61,368) (a)	\$ 242,772
Incremental Operating Expenses	62,391	85,267	-	85,267
Uncollectible Expense	154,757	116,035	(116,035) (b)	-
Term Loan Interest Expense	112,090	131,360	(114,142)	17,218
Travel Conference Savings	(121,398)	(135,508)	(20,063) (c)	(155,571)
<b>Total</b>	<b>\$ 514,465</b>	<b>\$ 501,294</b>	<b>\$ (311,608)</b>	<b>\$ 189,686</b>

(a) Schedule CCC-2

(b) Schedule CCC-3

(c) Schedule CCC-4

**Tennessee-American Water Company**  
**Docket No. 20-00126**  
**Request for COVID-19 Accounting Deferral**

Schedule CCC-2

**COVID-19 Foregone Late Payment Fees per Consumer Advocate**  
**For the 10-Month Period March through December**

Month				2020		
	2017	2018	2019	Charged to Customers	Foregone Late Fees	Total Late Payment Fees
Mar	\$ 32,764	\$ 32,222	\$ 36,434	\$ (11,486)	\$ 28,580	\$ 17,094
Apr	24,338	35,868	30,042	(67,942)	67,405	(537)
May	31,870	33,830	29,275	(41,785)	41,421	(364)
Jun	33,999	33,710	29,638	137,394	41,071	178,465
Jul	38,108	47,504	37,387	153	46,488	46,641
Aug	42,053	43,836	35,990	29	39,180	39,209
Sep	30,947	30,044	28,609	(507)	42,480	41,973
Oct	42,012	50,800	38,070	30,391	-	30,391
Nov	20,087	29,141	30,488	24,400	(2,486)	21,914
Dec	33,647	32,077	31,295	28,610	-	28,610
<b>Mar - Dec Totals</b>	<b>\$ 329,825</b>	<b>\$ 369,032</b>	<b>\$ 327,228</b>	<b>\$ 99,256</b>	<b>\$ 304,140</b>	<b>\$ 403,396</b>
	<b>2017-19 Average</b>			<b>\$ 342,028</b>		

2017-19 Mar - Dec Average Total 10-Month Late Payment Fees	\$ 342,028
Less Mar - Dec 2020 Late Payment Fees Charged to Customers	(99,256)
Balance of Average Total 10-Month Late Fees Not Charged in 2020	\$ 242,772

**Consumer Advocate's Maximum Recommended**  
**Foregone Late Payment Fees for Regulatory Asset** **\$ 242,772**

**Tennessee-American Water Company**  
**Docket No. 20-00126**  
**Request for COVID-19 Accounting Deferral**

Schedule CCC-3

**COVID-19 Uncollectible Expenses per Consumer Advocate**  
**For the 10-Month Period March through December**

<b>Month</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Mar	\$ 37,767	\$ 64,413	\$ 50,259	\$ 67,319
Apr	74,204	57,897	20,317	33,183
May	38,525	55,037	44,986	44,862
Jun	81,949	89,116	4,001	64,282
Jul	92,896	61,495	47,659	51,107
Aug	16,906	45,017	48,369	99,418
Sep	78,181	89,035	52,211	89,125
Oct	69,758	87,913	91,953	23,744
Nov	38,248	43,819	23,816	10,057
Dec	42,673	43,014	48,370	35,066
<b>Mar - Dec Totals</b>	<b>\$ 571,107</b>	<b>\$ 636,756</b>	<b>\$ 431,941</b>	<b>\$ 518,164</b>
	<b>2017-19 Average</b>		<b>\$ 546,601</b>	

Mar - Dec 2020 10-month Uncollectible Expenses	\$ 518,164
2017-19 Mar - Dec Avg 10-month Uncollectible Expenses	546,601
Estimated Pandemic-related Uncollectible Expenses	\$ (28,438)

**Consumer Advocate's Maximum Recommended**  
**Uncollectible Expenses for Regulatory Asset**

**\$ -**

**Tennessee-American Water Company**  
**Docket No. 20-00126**  
**Request for COVID-19 Accounting Deferral**

Schedule CCC-4

**COVID-19 Travel & Conference Savings per Consumer Advocate**  
**For the 10-Month Period March through December**

<b>Month</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Mar	\$ 28,745	\$ 14,884	\$ 21,636	\$ 4,548
Apr	27,294	18,627	23,279	(4,066)
May	22,917	15,610	8,055	3,524
Jun	14,348	18,585	10,053	1,437
Jul	26,972	22,961	8,561	1,175
Aug	15,886	30,753	12,329	(1,293)
Sep	11,221	17,970	12,810	4,391
Oct	13,973	8,146	33,473	2,418
Nov	8,163	23,489	8,721	3,585
Dec	14,790	20,111	11,146	3,879
<b>Mar - Dec Totals</b>	<b>\$ 184,308</b>	<b>\$ 191,136</b>	<b>\$ 150,062</b>	<b>\$ 19,598</b>
	<b>2017-19 Average</b>		<b>\$ 175,169</b>	

Mar - Dec 2020 10-month Travel & Conference Expenses	\$ 19,598
2017-19 Mar - Dec 10-month Average Travel & Conf Expenses	175,169
Estimated Pandemic-related Travel & Conf Savings	\$ (155,571)

<b>Consumer Advocate's Recommended Travel</b>	
<b>and Conference Expense Savings for Reg Asset</b>	<b>\$ (155,571)</b>