

**PETITIONER'S EXHIBIT EKC-1**

**TENNESSEE-AMERICAN WATER COMPANY, INC.**

**DOCKET NO. 21-00006**

**DIRECT TESTIMONY**

**OF**

**ELAINE K. CHAMBERS**

**ON**

**CHANGES TO THE PRODUCTION COSTS AND OTHER PASS-THROUGHS RIDER**

**SPONSORING PETITIONER'S EXHIBITS:**

**PETITIONER'S EXHIBIT – PCOP CALC – EKC**

**PETITIONER'S EXHIBIT – PCOP AVG IMPACT – EKC**

**PETITIONER'S EXHIBIT – CURRENT TARIFF SHEET NO. 12 – RIDERS – EKC**

**PETITIONER'S EXHIBIT – PROPOSED TARIFF SHEET NO. 12 – RIDERS - EKC**

1   **Q.     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2   **A.**     My name is Elaine K. Chambers and my business address is 2300 Richmond Road,  
3             Lexington, Kentucky 40502.

4   **Q.     BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5   **A.**     I am employed by American Water Works Service Company (“AWW”) as Director of  
6             Rates and Regulatory for Tennessee and Kentucky.

7   **Q.     HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THIS OR ANY**  
8             **OTHER COMMISSION?**

9   **A.**     Yes. I submitted an affidavit in support of Federal Energy Regulatory Commission  
10            proceeding EL05-55-001, while employed by the Midcontinent Independent System  
11            Operator (“MISO”). I also submitted testimony for Indianapolis Power and Light  
12            Company’s case in chief in the following Cause Nos.: 44576, 44893, and 45029. I have  
13            also submitted testimony for various Tennessee Public Utility Commission (“TPUC” or  
14            “Commission”) dockets, including TPUC Docket No. 20-00008.

15  **Q.     PLEASE STATE YOUR EDUCATIONAL AND PROFESSIONAL**  
16  **BACKGROUND.**

17            I have a Bachelor of Science degree from the University of Indianapolis in Accounting. I  
18            also have a Master of Business Administration from the University of Indianapolis, and I  
19            am a Certified Public Accountant in the State of Indiana. I have twenty-one years of  
20            experience at Indianapolis Power and Light Company, twelve of which have been in the  
21            Rates area. I also have experience in energy consulting with Andersen and Black &  
22            Veatch. While employed by MISO, I managed the transmission and market settlement

1 functions, along with dispute resolution. At Exelon, I managed various Information  
2 Technology initiatives, which included merger and acquisition responsibilities.

3 **Q. WHAT ARE YOUR DUTIES AS DIRECTOR OF RATES AND REGULATION?**

4 A. My primary responsibilities encompass the coordination of regulatory issues in Tennessee  
5 and Kentucky. This includes coordinating all reports and filings, working with regulatory  
6 staff to make sure that all information produced addresses the requirements or requests,  
7 and overseeing the preparation and filing of rate cases and tariff changes. I work with the  
8 senior management in both states on planning. I am also responsible for keeping abreast  
9 of changes in regulation, or trends in regulatory oversight across the United States that may  
10 impact our local operations. I report to the Presidents of KAWC and Tennessee American  
11 Water (“Tennessee American,” “TAWC,” or “Company”). I am located in Kentucky, but  
12 work closely with the TAWC staff in Tennessee as well.

13 **Q. WHAT IS THE PURPOSE OF THE PETITION TAWC HAS FILED?**

14 A. On April 14, 2014, the Tennessee Public Utility Commission approved four new alternative  
15 rate mechanisms for TAWC in TPUC Docket No. 13-00130, effective April 15, 2014.  
16 Three of these alternative rate mechanisms were capital program riders and one was for a  
17 rider for production costs and other pass-throughs. The three Capital Recovery Riders are  
18 a Qualified Infrastructure Investment Program (“QIIP”) Rider, an Economic Development  
19 Investment (“EDI”) Rider, and a Safety and Environmental Compliance (“SEC”) Rider.  
20 The QIIP Rider, the EDI Rider and the SEC Rider are commonly referred to as the Capital  
21 Recovery Riders. The Capital Recovery Riders are based on certain categories of forward-  
22 looking capital expenditures that are projected or forecasted annually for the upcoming

1 investment period. The Production Costs and Other Pass-throughs Rider (“PCOP”), on the  
2 other hand, is based on a historical annual review period.

3 The purpose of TAWC’s Petition, which this testimony accompanies (the “Petition”), is to  
4 provide the required information and supporting documentation for the 2020 historical  
5 review period of December 1, 2019 through November 30, 2020 to comply with the  
6 previously approved PCOP rider tariff, which as noted above was approved in TPUC  
7 Docket No. 13-00130 and adjusted in Docket Nos. 15-00001, 15-00131, 16-00148, 18-  
8 00009, 19-00010 and 20-00008. The information provided in my testimony is consistent  
9 with Tenn. Code Ann. § 65-5-103 *et seq.*, the decisions made in TPUC Docket No. 13-  
10 00130 and with any adjustments ordered by the Commission in TPUC Docket Nos. 15-  
11 00001, 15-00131, 16-00148, 18-00009, 19-00010 and 20-00008.

12 **Q. CAN YOU ELABORATE ON THE PRODUCTION COSTS AND OTHER PASS-**  
13 **THROUGHS RIDER TARIFF THAT WAS APPROVED BY THE TPUC ON**  
14 **APRIL 14, 2014?**

15 **A.** Yes. The previously approved PCOP Rider included the concept of an annual review of  
16 certain categories of operational expenses during the historical review period. The PCOP  
17 differs from the Capital Recovery Riders in that the PCOP is based upon actual historical  
18 expenses, rather than forward-looking projections. The PCOP is a tariff rate adjustment  
19 mechanism for recovery from, or crediting to, customers incremental changes in essential,  
20 non-discretionary expenses, including purchased power expense, purchased chemical  
21 expense, purchased water expense, wheeling charge expense, waste disposal expense and  
22 TPUC inspection fees that are above or below the level authorized for recovery in the most  
23 recent rate case. At the end of a 12-month period, the PCOP looks at that historical period

1 and compares the actual production expenses to the amount of production expenses  
2 authorized in the most recent rate case, which for TAWC is TPUC Docket No. 12-00049.  
3 The “initial” PCOP Rider year or review period pursuant to the April 14, 2014, approval  
4 of the agency was the attrition year period from that previous rate case of December 1,  
5 2012 through November 30, 2013, as compared to the actual amount of production  
6 expenses that occurred between December 1, 2012 through November 30, 2013. The  
7 approved tariff in Docket No. 13-00130 then identified each following review period as  
8 subsequent 12-month periods. The table below summarizes the approved PCOP details:

<b>Docket</b>	<b>Review Period</b>
	December 1, 2012 – November 30, 2013
15-00001	December 1, 2013 – November 30, 2014
15-00131	December 1, 2014 – November 30, 2015
16-00148	December 1, 2015 – November 30, 2016
18-00009	December 1, 2016 – November 30, 2017
19-00010	December 1, 2017 – November 30, 2018
20-00008	December 1, 2018 – November 30, 2019

9  
10  
11 The “current” review period that is the subject of this Petition is from December 1, 2019  
12 through November 30, 2020. This Petition includes the current review period expenses,  
13 compared to the amounts approved in TAWC’s last general rate case.

14 **Q. IS THERE A SECOND STEP TO THE PCOP RECONCILIATION PROCESS?**

15 **A.** Yes. The first step is a reconciliation adjustment of the authorized expenses to the actual  
16 amount of expenses. The second step is then a reconciliation adjustment of the amount of  
17 revenues for the previous year under the PCOP that was projected to be collected or  
18 refunded. TAWC looks at the amount of revenues that was authorized to be collected or  
19 refunded during the previous year, or the review period, and compares that to the actual

amount collected or refunded. TAWC has included this reconciliation in the Petition as well.

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

**A.** The purpose of my testimony is to support the calculation of the 2021 PCOP Rider described in the Petition. Of the four riders approved by the Commission on April 14, 2014, in TPUC Docket No. 13-00130, the PCOP Rider is the only item included in the Petition.

**Q. ARE YOU SPONSORING ANY EXHIBITS?**

**A.** Yes, I am. I am sponsoring the following exhibits:

**Petitioner's Exhibit – PCOP Calc Exhibit – EKC**

**Petitioner's Exhibit – PCOP Avg Impact--EKC**

**Petitioner's Exhibit – Current Tariff Sheet No. 12 – Riders – EKC**

**Petitioner's Exhibit – Proposed Tariff Sheet No. 12 – Riders - EKC**

I will discuss these exhibits in further detail in my testimony below.

**Q. WERE THE PETITIONER'S EXHIBITS LISTED ABOVE PREPARED BY YOU OR UNDER YOUR DIRECTION AND SUPERVISION?**

**A.** Yes.

**Q. WHAT WERE THE SOURCES OF THE DATA USED TO PREPARE THE PETITIONER'S EXHIBITS LISTED ABOVE?**

**A.** The data used to prepare the exhibits was acquired from the books of account and business records of Tennessee American and other internal sources which I examined in the course of my investigation of the matters addressed in this testimony.

1 **Q. DO YOU CONSIDER THIS DATA TO BE RELIABLE AND OF A TYPE THAT IS**  
2 **NORMALLY USED AND RELIED ON IN YOUR BUSINESS FOR SUCH**  
3 **PURPOSES?**

4 A. Yes.

5 **Q. DO THE PETITIONER'S EXHIBITS LISTED ABOVE ACCURATELY**  
6 **SUMMARIZE SUCH DATA AND THE RESULTS OF ANALYSIS USING SUCH**  
7 **DATA?**

8 A. Yes, they do.

9 **Q. DOES THE PCOP RIDER BENEFIT THE CUSTOMERS?**

10 Yes. The PCOP is mutually beneficial to the ratepayers, the public, and TAWC. Along  
11 with the Capital Recovery Riders, the Production Costs and Other Pass-Throughs Rider  
12 reduce the need for general rate cases, lessen the occurrence of consumer “rate shock,” and  
13 allow for more efficient, streamlined regulation. The ratepayers and the public benefit  
14 from efficiently addressing changes in costs that are largely outside TAWC’s control,  
15 without the expense of a general rate case. In the case of the PCOP, the customers have  
16 seen a rate decrease in each year since the last general rate case of Docket No. 12-00049,  
17 until this year, as TAWC’s production costs have been less during each subsequent year  
18 than authorized for the attrition year, with the exception of this year, or the initial period in  
19 12-00049 of December 1, 2012 through November 30, 2013. In fact, since the inception  
20 of the PCOP TAWC has refunded back approximately \$2,755,927 to its customers. The  
21 Company benefits from a more efficient, streamlined regulatory process that presents  
22 TAWC with the opportunity to timely recover its expenses.

1   **Q.     CAN YOU EXPLAIN THE CALCULATION OF THE PCOP RIDER?**

2   **A.**     Certainly. As set forth in the approved tariffs, the PCOP Rider is established on an annual  
3           basis. Essentially, the calculation starts with levels of purchased power, purchased  
4           chemical, purchased water, wheeling charges, waste disposal, and TPUC Inspection Fee  
5           assessments and water sales that are authorized in the Company's most recent rate case.  
6           The authorized levels of purchased power, purchased chemical, purchased water, wheeling  
7           charges, waste disposal, and TPUC Inspection Fee assessments are divided by the  
8           authorized level of water sales in hundred gallons. Then actual purchased power expense,  
9           purchased chemical expense, purchased water expense, wheeling charges, waste disposal  
10          expense, and TPUC Inspection Fee assessments are divided by the actual level of water  
11          sales in hundred gallons. The difference is the incremental change in production costs per  
12          hundred gallons of water. This incremental difference is then multiplied by the authorized  
13          level of water sales in hundred gallons. After that, the amount of the PCOP revenues from  
14          the previous period that is either over or under the anticipated amount is calculated with  
15          interest and added to the expense difference. The total amount is grossed up for the  
16          authorized gross receipts tax rate, uncollectible rate, TPUC fee and forfeited discounts from  
17          the previous rate case, and then divided by the authorized revenues from the previous case.  
18          It is expressed as a percentage for all water charges. If it is negative, the amount is to be  
19          refunded to customers. If it is positive, it is added as a surcharge to the customers' bills as  
20          additional revenues.

21          As approved, the PCOP changes on an annual basis until it resets back to zero at the  
22          conclusion of the Company's next rate case filing, at which point the operational expenses

1 for these categories that are reflected and approved in that rate case filing will be included  
2 within Base Rates.

3 **Q. HAVE YOU INCLUDED THE CALCULATION OF THE PRODUCTION COSTS**  
4 **AND OTHER PASS-THROUGHS RIDER IN THE PETITION?**

5 **A.** Yes. I have attached an exhibit that reflects the calculation of the PCOP Rider. The  
6 detailed calculations are attached in an exhibit to my testimony as **Petitioner's Exhibit -**  
7 **PCOP Calc – EKC.** The calculations in this Petition are consistent with the calculations  
8 made pursuant to and in compliance with the approved tariff in TPUC Docket No. 13-  
9 00130 and again in Docket Nos. 15-00001, 15-00131, 16-00148, 18-00009, 19-00010 and  
10 20-00008. Further, to assist in the streamlined regulatory process, TAWC is including with  
11 the Petition its detailed work-papers supporting the calculation of the PCOP, including all  
12 of the invoices for the review period. Again, these workpapers are consistent with the  
13 calculations made pursuant to and in compliance with the approved tariff in TPUC Docket  
14 No. 13-00130 and again in Docket Nos. 15-00001, 15-00131, 16-00148, 18-00009, 19-  
15 00010 and 20-00008.

16 **Q. HAS TAWC INCLUDED DETAILED INFORMATION REGARDING THE**  
17 **EXPENSES THAT MAKE UP EACH OF THE EXPENSE CATEGORIES FOR**  
18 **THE PCOP RIDER?**

19 **A.** Yes. As with TPUC Docket No. 13-00130, TAWC began with the General Ledger for  
20 each of the accounts for the appropriate expenses. TAWC then reconciled the monthly  
21 General Ledger charges with the actual invoices appropriate for monthly period. TAWC  
22 removed any charges that were not consistent with the previous docket. This included  
23 power charges that are not specific to production, late charges, or charges for service

1 periods outside the review period even if the invoice was applied to the General Ledger  
2 during the review period.

3 **Q. HOW ARE THE PCOP EXPENSES RECOVERED?**

4 **A.** The PCOP is expressed as a percentage. The current tariff Twenty-Second Revised Sheet  
5 No. 12 – Riders – 1 is attached to my testimony as **Petitioner’s Exhibit - Current Tariff**  
6 **Sheet No. 12 – Riders – EKC**. The proposed tariff sheet Twenty-Third Revised Sheet  
7 No. 12 – Riders - 1 is attached to my testimony as **Petitioner’s Exhibit - Proposed Sheet**  
8 **No. 12 – Riders – EKC**. The PCOP is applied to the total amount billed to each customer  
9 under the otherwise applicable rates and charges for basic service, metered usage charges,  
10 and private fire charges, and is applied prior to the inclusion of any other taxes, charges, or  
11 surcharges. The Capital Recovery Riders are combined into one line item on the bill of  
12 each customer, while the PCOP Rider is a second line item on the bill of each customer.

13 **Q. WHAT WILL HAPPEN TO THE PCOP RIDER UPON APPROVAL OF NEW**  
14 **RATES IN A RATE CASE PROCEEDING?**

15 **A.** The PCOP will be reset to zero as of the effective date of the new base rates which Base  
16 Rates then provide for the recovery of the operational expenses in Base Rates.

17 **Q. WHAT GROSS RECEIPT RATE IS UTILIZED IN THE FORMULA OF THE**  
18 **PCOP?**

19 **A.** The gross receipt rate is the established rate in the Company’s immediately preceding Base  
20 Rate Case Order, currently TPUC Docket No. 12-00049.

21 **Q. WHAT UNCOLLECTIBLES RATE IS USED TO DETERMINE THE PCOP?**

22 **A.** The uncollectible rate is the established rate in the Company’s immediately preceding Base  
23 Rate Case Order, currently TPUC Docket No. 12-00049.

1 **Q. WHAT FORFEITED DISCOUNT RATE IS USED TO DETERMINE THE PCOP?**

2 A. The forfeited discount rate is the established rate in the Company's immediately preceding  
3 Base Rate Case Order, currently TPUC Docket No. 12-00049.

4 **Q. HAS TAWC MADE ADJUSTMENTS TO THE PCOP FOR UNACCOUNTED-FOR**  
5 **WATER PERCENTAGES?**

6 A. Yes. The fuel and power expenses, and chemical expenses have been reduced to assume  
7 an authorized level of 15%. TAWC has been working on reducing its unaccounted for  
8 water levels, but they currently remain above the TPUC authorized rate of 15%.

9 **Q. HOW ARE ANNUAL REVENUES DETERMINED FOR THE PCOP?**

10 A. The projected annual revenues will be the authorized water services revenues from the last  
11 rate case, TPUC Docket No. 12-00049, including all service charges and volumetric  
12 charges for all classes that are subject to the Capital Recovery Riders.

13 **Q. IS THERE A RECONCILIATION OF THE CURRENT AUTHORIZED PCOP?**

14 A. Yes. There is a difference between the amount of the PCOP that was authorized to be  
15 refunded in TPUC Docket No. 20-00008 and what was actually refunded. Water sales  
16 were below the authorized amount from the base year in Docket No. 12-00049. This means  
17 there were less water sales to which the PCOP can be applied. The decrease in water sales  
18 is offset by the PCOP rate of -.65% from docket 20-00008, becoming effective on June  
19 15<sup>th</sup>, 2020. The prior PCOP rate of -1.10%, from docket 19-00010, was in effect until that  
20 time which credited more to the customers in the first half of 2020. The reconciliation of  
21 the over refunded amount, with interest, has been included in the PCOP calculation as  
22 \$114,026.

1 **Q. YOU INDICATED THAT TENNESSEE AMERICAN IS ONLY INCLUDING**  
2 **CHANGES TO THE PCOP RIDER FOR 2020 IN THIS FILING. WHEN WILL**  
3 **TENNESSEE AMERICAN ADDRESS THE CAPITAL RECOVERY RIDERS?**

4 **A.** Consistent with the approved tariffs, Tennessee American filed a petition for the  
5 adjustment of the Capital Recovery Riders for 2021 on November 24, 2020 in TPUC  
6 Docket No. 20-00128. That petition only addressed the 2021 projected Capital Rider  
7 projects. Additionally, TAWC will file a reconciliation for the Capital Recovery Riders  
8 no later than March 1, 2021. There are actually two steps to the reconciliation. The first  
9 is an adjustment for budget to actual investment. This is a regulatory oversight and public  
10 interest component of the mechanism that results in a true-up if the investment did not  
11 occur (up or down) as forecasted. The second is an adjustment for the over or under  
12 recovery of revenues as projected, including interest. In this way, the consumers are  
13 protected if sales exceed the amount authorized in the previous rate case proceeding. This  
14 may occur if there is a significant amount of customer growth or if dry and hot conditions  
15 occur in any given year. This second adjustment also allows TAWC to adjust if sales are  
16 less than the amount authorized in the last case, as may occur with declining usage that  
17 TAWC has experienced in recent years. The reconciliation percentage for the Capital  
18 Recovery Riders, pending approval by April 1, 2021, as contemplated in the tariffs, will be  
19 applied to customer bills for 9 months in 2021.

20 **Q. IN TPUC DOCKET NO. 15-00001, TAWC INDICATED THAT THERE WERE**  
21 **SOME ISSUES REGARDING THE RECONCILIATION OF THE INITIAL**

1           **FILING APPROVED BY THE COMMISSION ON APRIL 14, 2014? CAN YOU**  
2           **ELABORATE ON THOSE ISSUES AT THIS TIME?**

3    **A.**    Yes, I can. Based upon Tenn. Code Ann. § 65-5-103 *et seq.*, in TPUC Docket 13-00130,  
4           Tennessee American proposed tariffs that it anticipated would be approved and be in place  
5           in January 2014. As the tariffs became effective on April 15, 2014 rather than earlier in  
6           January, TAWC did not begin applying the Capital Rider or PCOP Rider surcharges until  
7           mid-April. Because of this, if these dates are strictly applied, an annual reconciliation of  
8           the first filing approved on April 14, 2014, would have to be completed in two steps – a)  
9           one to capture the amount of expenses for the review period which could be filed by  
10          December 30, 2014; and b) one to capture the difference in dollars refunded through the  
11          rider from April 15, 2014 through April 14, 2015, which would not be able to be filed until  
12          mid to late June, 2015. Filing in this manner would create a mismatch of reconciliation  
13          periods that would remain until a new rate case is filed and approved by the TPUC and the  
14          filing periods would be re-set. The mismatch of reconciliation periods would have created  
15          an additional expense for TAWC, and a heightened, though avoidable, resource burden to  
16          the Commission and the Consumer Advocate, relative to the preparation and review of an  
17          additional reconciliation. Further, this mismatch would result in two adjustments to  
18          customer bills over a 12-month period on the PCOP alone, which may lead to some  
19          customer confusion.

20   **Q.    WHAT HAS BEEN DONE TO ADDRESS THIS RECONCILIATION ISSUE?**

21   **A.**    TAWC proposed to only file one reconciliation for the review period of December 1, 2013  
22          through November 30, 2014, to incorporate both steps, and thus eliminate the mismatch of  
23          the reconciliation periods. In Docket No. 15-00001, the TPUC approved the one annual

1 reconciliation for the review periods going forward. This was applied again in Docket No.  
2 15-00131, 16-00148, 18-00009, 19-00010 and 20-00008.

3 **Q. AGAIN, WHY IS TENNESSEE AMERICAN NOT INCLUDING THE**  
4 **RECONCILIATION COMPONENT OF THE 2020 CAPITAL RECOVERY**  
5 **RIDERS IN THIS FILING?**

6 **A.** The QIIP, EDI, and SEC Capital Recovery Riders were approved to cover the calendar  
7 year 2020. Although the year has been completed, the reconciliation cannot accurately be  
8 calculated consistent with the tariffs until after the books are closed. As established in the  
9 tariffs, the reconciliation will occur in early 2020 and be filed no later than March 1, to be  
10 effective in rates April 1, 2021.

11 **Q. WILL THE CAPITAL RECOVERY RIDERS HAVE A TWO-STEP**  
12 **RECONCILIATION PROCESS?**

13 **A.** Yes. Similar to the PCOP Rider, the Capital Recovery Riders reconciliation has 1) the  
14 reconciliation of the budget of investments compared to actual made as part of the Capital  
15 Recovery Riders for calendar year 2020; and 2) the difference in dollars collected through  
16 the riders in calendar year 2020.

17 **Q. HAS TENNESSEE AMERICAN MADE ANY CHANGES TO ITS**  
18 **CALCULATIONS OR WORKPAPERS FROM THE PREVIOUS DOCKET?**

19 **A.** Yes. There is 1 minor change to the work papers formats from the previous docket as  
20 follows:

21 1) Jasper Highlands has been added to the Average Impact exhibit, as they will be  
22 receiving the PCOP increment on their bills in 2021.

1   **Q.    WHAT IS THE PROPOSED NEW PCOP RIDER?**

2   **A.**    TAWC is proposing a PCOP Rider that results in an annualized revenue increase of  
3       \$258,350, or a surcharge of .55%. This is an increase of \$562,572 from the previously  
4       approved refund of \$304,222. The previously approved PCOP Rider is -.65%, and this  
5       new proposed PCOP Rider is a change of 1.20%.

6   **Q.    HAS TENNESSEE AMERICAN FILED A TARIFF ADDRESSING THE**  
7       **PROPOSED PCOP RIDER?**

8   **A.**    Yes. A new tariff Twenty-Third Revised Sheet No. 14 – Riders – 1 reflects the PCOP  
9       Rider and is attached to my testimony as **Petitioner’s Exhibit - Proposed Sheet No. 12-**  
10       **Riders - EKC.**

11   **Q.    WHAT IS THE IMPACT TO THE AVERAGE CUSTOMER BILL?**

12   **A.**    The typical residential customer living in the City of Chattanooga, and using an average of  
13       4,154 gallons per month will see an increase on their bill of \$0.12 per month, or \$1.44 per  
14       year from the PCOP Rider. This is a change from the previous PCOP Rider which was a  
15       decrease in their monthly bill of \$0.14. A summary of this information is attached to my  
16       testimony as **Petitioner’s Exhibit 2020 PCOP Avg. Impact – EKC.**

17   **Q.    IS THE PCOP RIDER STILL IN THE PUBLIC INTEREST?**

18       Yes. Tennessee American understands that the purpose of the legislation was, in part, to  
19       encourage timely recovery of expenses to enhance financial stability, while reducing the  
20       costs to consumers and utilities for regulatory review and implementation and promoting  
21       rate gradualism for consumers. TAWC believes the approved Production Costs and Other  
22       Pass-throughs Rider is achieving that goal. As noted above, TAWC has refunded  
23       approximately \$2,755,927 through this rider. Without the approved alternative rate

1 mechanisms of the PCOP and Capital Recovery Riders, TAWC would likely be preparing  
2 a general rate case. With the PCOP, TAWC has been able to immediately pass along  
3 expense savings to its customers over the last year and will continue in this year. In this  
4 way, customers benefit from immediate expense savings without the cost of a rate case,  
5 which we believe to be in the public interest.

6 **Q. ARE YOU AWARE OF ANY CHANGES IN MARKET CONDITION OR OTHER**  
7 **FACTORS THAT MAY AFFECT WHETHER THE PCOP RIDER REMAINS IN**  
8 **THE PUBLIC INTEREST?**

9 **A.** No, I am not.

10 **Q. WHAT DO YOU RECOMMEND WITH REGARD TO THIS PETITION?**

11 **A.** I recommend that the petition be approved for the adjustment in the PCOP Rider.

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 **A.** Yes.

Tennessee American Water Company  
Docket No. 21-000XX

Calculation of Production Costs and Other Pass-Throughs ("PCOP") Including Non-Revenue Water  
To Determine PCOP Tariff Rider  
Actuals for the Year Ending November 30, 2020

Line Number	Description	Amount
<b><u>I. Calculation of the Base Rate Cost of Production Costs and Other Pass-Throughs as authorized in the Base Rate case (*):</u></b>		
1	Pro Forma Production Costs and Other Pass-Throughs	\$4,062,167
2	Pro Forma Water Sales (WS) in 100 Gallons	100,578,654
3	Base Rate Cost per 100 Gallons WS (Line 1 / Line 2)	<u>\$0.04039</u>
<b><u>II. Deferral calculation - Actual Non-Revenue Water Cost Production Costs and Other Pass-Throughs (adjusted for 15% NRW) vs. the Base Rate Cost (**):</u></b>		
4	Actual Production Costs and Other Pass-Throughs	\$3,680,039
5	Over-Under Collection Adjustment	114,026
6	Review Period PCOP Costs Adjusted for Over-Under Collections	3,794,065
7	Actual Water Sales (100 Gallons)	88,492,069
8	Actual Rate Cost Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 6 / Line 7)	<u>\$0.04287</u>
9	Base Rate Cost per 100 Gallons WS (Line 3)	<u>0.04039</u>
10	Incremental Change in Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 9 - Line 8)	<u>\$0.00249</u>
11	Base Rate Case Water Sales 100 Gallons (Line 2)	<u>100,578,654</u>
12	Deferral Amount (Line 10 * Line 11)	<u>\$250,106</u>
<b><u>III. Calculation of Production Costs and Other Pass-Throughs ("PCOP") Tariff Rider</u></b>		
13	Total Deferred Amount (Line 12)	\$250,106
14	Total Deferred Amount Grossed Up for revenue taxes (Line 13 / (1.0-.03191) (**))	258,350
15	Projected Annual Base Rate Revenue subject to PCOP (*)	<u>47,073,724</u>
16	PCOP % (Line 14 / Line 15)	<u>0.55%</u>

(\*) The numbers are taken from the settlement agreement in Docket No. 12-00049

(\*\*) The numbers are actuals for the year ended November 30, 2020 including Non-Revenue Water for Purchased Power and Chemicals

(\*\*\*) Assumes Gross Receipts Tax @ 3.0%, Uncollectibles @ 1.0571%, and Forfeited Discount Rate @ -0.8661%

Tennessee American Water Company  
Docket No. 21-000XX  
For the Twelve Months Ending November 30, 2020  
PCOP Actual Expenses

Line #	Description	A	B	C	D	E	F
		For the 12 Months Ending 11/30/2020	**NRW Limited 12 Mos Ending 11/2020 (Column A, Lines 2 and 3 x Line 18 Recoverable %)	Authorized Amount Per Docket 12-00049	C - B Difference NRW Limited from Authorized Docket 12-00049	Adjust Difference for TRA Fee Recovered Via SEC, EDI, or QIIP 12 Months Ending 11/30/2020	E - D Adjusted Difference
1	Purchased Water Including Wheeling Charges	\$27,005	\$27,005	\$51,331	(\$24,327)	\$0	(\$24,327)
2	Purchased Power**	2,242,544	1,967,794	2,678,772	(710,978)		(710,978)
3	Chemicals**	1,208,637	1,060,558	986,930	73,628		73,628
4	Waste Disposal	407,085	407,085	213,308	193,777		193,777
5	TRA Inspection Fee	217,597	217,597	131,826	85,771		85,771
6							
7	Total	\$4,102,867	\$3,680,039	\$4,062,167	(\$382,128)	\$0	(\$382,128)
8							
9							
10	Water Sales in 100 Gallons	88,492,069	88,492,069	100,578,654		88,492,069	
11							
12	Cost per 100 Gallons (Line 7 / Line 10)	\$0.04636	\$0.04159	\$0.04039	\$0.00120	\$0.00000	\$0.00120

Recoverable % for Production Costs		For the 12 Months Ending 11/30/2020
13	Water Sales	88,492,069
14	System Delivery	121,641,430
15	Non-Revenue-Unaccounted for Water % [1 - (Line 13 / Line 14)]	27.3%
16	Non-Revenue-Unaccounted for Water % Authorized	15.0%
17	Variance (If Line 15 > Line 16 then Line 15 - Line 16)	12.3%
18	Recoverable % (1 - Line 17)	87.7%

\*\*Non-Revenue Unaccounted for Water is only applied to purchased power and chemicals.

**Tennessee American Water Usage**  
**Docket No. 21-000XX**  
**12 Months Ending November 2020**

	<b>Water Usage</b>	<b>System Delivery</b>	<b>NRW %</b>
2019 Dec	652,165	1,011,089	35.50%
2020 Jan	757,961	1,007,335	24.76%
2020 Feb	647,302	949,930	31.86%
2020 Mar	709,012	963,793	26.44%
2020 Apr	653,086	904,981	27.83%
2020 May	673,363	1,002,396	32.82%
2020 Jun	747,079	1,035,024	27.82%
2020 Jul	881,765	1,212,378	27.27%
2020 Aug	698,471	1,111,166	37.14%
2020 Sep	948,053	1,042,288	9.04%
2020 Oct	737,931	1,005,430	26.61%
2020 Nov	743,019	918,333	19.09%
	8,849,207	12,164,143	27.25%
		Average	27.18%

Tennessee American Water Company  
Production Costs and Other Pass-Throughs  
Average Residential Bill Impact  
5/8" Meter and Usage of 5.55 CCF (or 41.54 100 Gallons)

Line Number	Area	Meter Fee	Volumetric Charges	Bill Before Surcharges	2020 Authorized Capital Surcharges at 24.21%	2021 PCOP at 0.55%	2021 QIIP Surcharge 4.86%	2021 EDI Surcharge at 0.11%	2021 SEC Surcharge at 0.91%	2021 Proposed Capital Adjustments	Total Proposed Surcharges	2021 TCJA Credit at -6.62%	2021 TCJA EADIT Credit at -4.54%	Total Proposed Surcharges & TCJA Credit
1														
2	Chattanooga	\$13.96	\$7.60	<u>\$21.56</u>	\$5.22	\$0.12	\$1.05	\$0.02	\$0.20	<u>\$1.27</u>	\$6.61	(\$1.43)	(\$0.98)	\$4.20
3														
4	Lookout Mountain	\$15.66	\$12.39	<u>\$28.05</u>	\$6.79	\$0.15	\$1.36	\$0.03	\$0.26	<u>\$1.65</u>	\$8.59	(\$1.86)	(\$1.27)	\$5.46
5														
6	Lakeview	\$15.66	\$9.16	<u>\$24.82</u>	\$6.01	\$0.14	\$1.21	\$0.03	\$0.23	<u>\$1.47</u>	\$7.62	(\$1.64)	(\$1.13)	\$4.85
7														
8	Suck Creek	\$30.60	\$16.12	<u>\$46.72</u>	\$11.31	\$0.26	\$2.27	\$0.05	\$0.43	<u>\$2.75</u>	\$14.32	(\$3.09)	(\$2.12)	\$9.11
9														
10	Whitwell - Inside	\$20.45	\$10.30	<u>\$30.75</u>	\$7.45	\$0.17	\$1.49	\$0.03	\$0.28	<u>\$1.80</u>	\$9.42		(\$1.40)	\$8.02
11														
12	Whitwell - Outside	\$23.37	\$12.56	<u>\$35.93</u>	\$8.70	\$0.20	\$1.75	\$0.04	\$0.33	<u>\$2.12</u>	\$11.02		(\$1.63)	\$9.39
13														
14	Jasper Highlands	\$52.15	\$21.67	<u>\$73.82</u>	\$17.87	\$0.41	\$3.59	\$0.08	\$0.67	<u>\$4.34</u>	\$22.62			\$22.62

Note:

Authorized Capital Surcharges, QIIP, EDI, SEC Riders are effective January 1, 2020 and January 1, 2021.

PCOP rider reflects current filing.

TENNESSEE-AMERICAN WATER COMPANY

TPUC NO. 19

Twenty-Second Revised Sheet No. 12-Riders-1

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**CLASSIFICATION OF SERVICE**

**SUMMARY OF RIDERS**

**1. Applicability**

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Qualified Infrastructure Improvement Program ("QIIP") Rider, an Economic Development Investment Program Rider ("EDI"), a Safety and Environmental Compliance Program Rider (SEC"), and Production Costs and Other Pass-Throughs Rider ("PCOP") will apply to customers in all service areas.

**2. The Percentage of Riders and Reconciliations**

For the Riders defined in the tariffs:

QIIP	19.14% (I)
EDI	1.25% (I)
<u>SEC</u>	<u>9.70% (I)</u>
Subtotal of all Capital Recovery Riders	30.09%

QIIP Annual Reconciliation Percentage	0.00% (I)
EDI Annual Reconciliation Percentage	0.00% (I)
<u>SEC Annual Reconciliation Percentage</u>	<u>0.00% (I)</u>
Subtotal of all Capital Recovery Riders	0.00%

Total of Capital Recovery Riders and Reconciliation Percentages	30.09% (I)
Offset to Capital Recovery Riders for TCJA savings	-6.62%
Offset to Capital Recovery Riders for TCJA Excess ADIT	-4.54% (I)


PCOP	-0.65%
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(I) Indicates Increase

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ISSUED: November 20, 2020 EFFECTIVE: January 1, 2021

BY:

  
Grant A. Evitts  
PRESIDENT

109 Wiehl Street  
Chattanooga, Tennessee 37403

**CLASSIFICATION OF SERVICE****SUMMARY OF RIDERS****1. Applicability**

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Qualified Infrastructure Improvement Program ("QIIP") Rider, an Economic Development Investment Program Rider ("EDI"), a Safety and Environmental Compliance Program Rider (SEC"), and Production Costs and Other Pass-Throughs Rider ("PCOP") will apply to customers in all service areas.

**2. The Percentage of Riders and Reconciliations**

For the Riders defined in the tariffs:

QIIP	19.14%
EDI	1.25%
<u>SEC</u>	<u>9.70%</u>
Subtotal of all Capital Recovery Riders	30.09%
QIIP Annual Reconciliation Percentage	0.00%
EDI Annual Reconciliation Percentage	0.00%
<u>SEC Annual Reconciliation Percentage</u>	<u>0.00%</u>
Subtotal of all Capital Recovery Riders	0.00%
Total of Capital Recovery Riders and Reconciliation Percentages	30.09%
Offset to Capital Recovery Riders for TCJA savings	-6.62%
Offset to Capital Recovery Riders for TCJA Excess ADIT	-4.54%
PCOP	0.55% (I)

(I) Indicates Increase

ISSUED: January 15, 2021 EFFECTIVE: February 14, 2021

BY:

  
Grant A. Evitts  
PRESIDENT

109 Wiehl Street  
Chattanooga, Tennessee 37403

**Tennessee American Water  
2020 PCOP Reconciliation**

**Workbook Name:** TAW\_EXH\_EKC\_1\_011521.xlsx

**Workbook Information:** This workbook calculates the PCOP surcharge percentage based on the reconciliation of PCOP related costs for the year December 2019 - November 2020.

Worksheet Name	Description / Purpose of Worksheet
1. Link In	1. Links in from each expense, authorized expense and sales from last rate case, current sales and system delivery and over-under collection.
2. PCOP Calc Exhibit	2. Calculation of the current PCOP rate.
3. Support Workpaper	3. Current expenses adjusted for Non-Revenue Water compared to authorized expenses from the last rate case.
4. Usage&Sysdel	4. Usage and system delivery for the 12 months ending November 2020.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
16.	16.
17.	17.
18.	18.
19.	19.
20.	20.

There are three (3) other worksheets that are left blank intentionally and are used to identify and separate the Other Support, Exhibit and Workpaper worksheets.



Tennessee American Water Company  
Docket No. 21-000XX

Calculation of Production Costs and Other Pass-Throughs ("PCOP") Including Non-Revenue Water  
To Determine PCOP Tariff Rider  
Actuals for the Year Ending November 30, 2020

Line Number	Description	Amount
<b><u>I. Calculation of the Base Rate Cost of Production Costs and Other Pass-Throughs as authorized in the Base Rate case (*):</u></b>		
1	Pro Forma Production Costs and Other Pass-Throughs	\$4,062,167
2	Pro Forma Water Sales (WS) in 100 Gallons	100,578,654
3	Base Rate Cost per 100 Gallons WS (Line 1 / Line 2)	<u>\$0.04039</u>
<b><u>II. Deferral calculation - Actual Non-Revenue Water Cost Production Costs and Other Pass-Throughs (adjusted for 15% NRW) vs. the Base Rate Cost (**):</u></b>		
4	Actual Production Costs and Other Pass-Throughs	\$3,680,039
5	Over-Under Collection Adjustment	114,026
6	Review Period PCOP Costs Adjusted for Over-Under Collections	3,794,065
7	Actual Water Sales (100 Gallons)	88,492,069
8	Actual Rate Cost Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 6 / Line 7)	<u>\$0.04287</u>
9	Base Rate Cost per 100 Gallons WS (Line 3)	<u>0.04039</u>
10	Incremental Change in Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 9 - Line 8)	<u>\$0.00249</u>
11	Base Rate Case Water Sales 100 Gallons (Line 2)	<u>100,578,654</u>
12	Deferral Amount (Line 10 * Line 11)	<u>\$250,106</u>
<b><u>III. Calculation of Production Costs and Other Pass-Throughs ("PCOP") Tariff Rider</u></b>		
13	Total Deferred Amount (Line 12)	\$250,106
14	Total Deferred Amount Grossed Up for revenue taxes (Line 13 / (1.0-.03191) (**))	258,350
15	Projected Annual Base Rate Revenue subject to PCOP (*)	<u>47,073,724</u>
16	PCOP % (Line 14 / Line 15)	<u>0.55%</u>

(\*) The numbers are taken from the settlement agreement in Docket No. 12-00049

(\*\*) The numbers are actuals for the year ended November 30, 2020 including Non-Revenue Water for Purchased Power and Chemicals

(\*\*\*) Assumes Gross Receipts Tax @ 3.0%, Uncollectibles @ 1.0571%, and Forfeited Discount Rate @ -0.8661%

Tennessee American Water Company  
Docket No. 21-000XX  
For the Twelve Months Ending November 30, 2020  
PCOP Actual Expenses

Line #	Description	A	B	C	D	E	F
					C - B		E - D
		For the 12 Months Ending 11/30/2020	**NRW Limited 12 Mos Ending 11/2020 (Column A, Lines 2 and 3 x Line 18 Recoverable %)	Authorized Amount Per Docket 12-00049	Difference NRW Limited from Authorized Docket 12-00049	Adjust Difference for TRA Fee Recovered Via SEC, EDI, or QIIP 12 Months Ending 11/30/2020	Adjusted Difference
1	Purchased Water Including Wheeling Charges	\$27,005	\$27,005	\$51,331	(\$24,327)	\$0	(\$24,327)
2	Purchased Power**	2,242,544	1,967,794	2,678,772	(710,978)		(710,978)
3	Chemicals**	1,208,637	1,060,558	986,930	73,628		73,628
4	Waste Disposal	407,085	407,085	213,308	193,777		193,777
5	TRA Inspection Fee	217,597	217,597	131,826	85,771		85,771
6							
7	Total	\$4,102,867	\$3,680,039	\$4,062,167	(\$382,128)	\$0	(\$382,128)
8							
9							
10	Water Sales in 100 Gallons	88,492,069	88,492,069	100,578,654		88,492,069	
11							
12	Cost per 100 Gallons (Line 7 / Line 10)	\$0.04636	\$0.04159	\$0.04039	\$0.00120	\$0.00000	\$0.00120

Recoverable % for Production Costs		For the 12 Months Ending 11/30/2020
13	Water Sales	88,492,069
14	System Delivery	121,641,430
15	Non-Revenue-Unaccounted for Water % [1 - (Line 13 / Line 14)]	27.3%
16	Non-Revenue-Unaccounted for Water % Authorized	15.0%
17	Variance (If Line 15 > Line 16 then Line 15 - Line 16)	12.3%
18	Recoverable % (1 - Line 17)	87.7%

\*\*Non-Revenue Unaccounted for Water is only applied to purchased power and chemicals.

**Tennessee American Water Usage**  
**Docket No. 21-000XX**  
**12 Months Ending November 2020**

	<b>Water Usage</b>	<b>System Delivery</b>	<b>NRW %</b>
2019 Dec	652,165	1,011,089	35.50%
2020 Jan	757,961	1,007,335	24.76%
2020 Feb	647,302	949,930	31.86%
2020 Mar	709,012	963,793	26.44%
2020 Apr	653,086	904,981	27.83%
2020 May	673,363	1,002,396	32.82%
2020 Jun	747,079	1,035,024	27.82%
2020 Jul	881,765	1,212,378	27.27%
2020 Aug	698,471	1,111,166	37.14%
2020 Sep	948,053	1,042,288	9.04%
2020 Oct	737,931	1,005,430	26.61%
2020 Nov	743,019	918,333	19.09%
	8,849,207	12,164,143	27.25%
		Average	27.18%

From Exhibit 1  
**2021 PCOP at** 0.55%

Tennessee American Water Company  
Production Costs and Other Pass-Throughs  
Average Residential Bill Impact  
5/8" Meter and Usage of 5.55 CCF (or 41.54 100 Gallons)

Line Number	Area	Meter Fee	Volumetric Charges	Bill Before Surcharges	2020 Authorized Capital Surcharges at 24.21%	2021 PCOP at 0.55%	2021 QIIP Surcharge 4.86%	2021 EDI Surcharge at 0.11%	2021 SEC Surcharge at 0.91%	2021 Proposed Capital Adjustments	Total Proposed Surcharges	2021 TCJA Credit at -6.62%	2021 TCJA EADIT Credit at -4.54%	Total Proposed Surcharges & TCJA Credit
1														
2	Chattanooga	\$13.96	\$7.60	<u>\$21.56</u>	\$5.22	\$0.12	\$1.05	\$0.02	\$0.20	<u>\$1.27</u>	\$6.61	(\$1.43)	(\$0.98)	\$4.20
3														
4	Lookout Mountain	\$15.66	\$12.39	<u>\$28.05</u>	\$6.79	\$0.15	\$1.36	\$0.03	\$0.26	<u>\$1.65</u>	\$8.59	(\$1.86)	(\$1.27)	\$5.46
5														
6	Lakeview	\$15.66	\$9.16	<u>\$24.82</u>	\$6.01	\$0.14	\$1.21	\$0.03	\$0.23	<u>\$1.47</u>	\$7.62	(\$1.64)	(\$1.13)	\$4.85
7														
8	Suck Creek	\$30.60	\$16.12	<u>\$46.72</u>	\$11.31	\$0.26	\$2.27	\$0.05	\$0.43	<u>\$2.75</u>	\$14.32	(\$3.09)	(\$2.12)	\$9.11
9														
10	Whitwell - Inside	\$20.45	\$10.30	<u>\$30.75</u>	\$7.45	\$0.17	\$1.49	\$0.03	\$0.28	<u>\$1.80</u>	\$9.42		(\$1.40)	\$8.02
11														
12	Whitwell - Outside	\$23.37	\$12.56	<u>\$35.93</u>	\$8.70	\$0.20	\$1.75	\$0.04	\$0.33	<u>\$2.12</u>	\$11.02		(\$1.63)	\$9.39
13														
14	Jasper Highlands	\$52.15	\$21.67	<u>\$73.82</u>	\$17.87	\$0.41	\$3.59	\$0.08	\$0.67	<u>\$4.34</u>	\$22.62			\$22.62

## Note:

Authorized Capital Surcharges, QIIP, EDI, SEC Riders are effective January 1, 2020 and January 1, 2021.

PCOP rider reflects current filing.

Tennessee American Water Residential Water Rates		Sevice Charge effective November 1, 2012										Sevice Charge effective March 31, 2013, Whitwell effective June 17, 2013												Workpaper				
		PRICE LEVELS - (Meter Based)										PRICES - (VOLUMES & NON-METER BASED FLAT FEES)																
Rate Category Descrip	Charge Type	5/8-METER	3/4-METER	1-METER	1.5-METER	2-METER	3-METER	4-METER	6-METER	8-METER		1 BlockLim1	1 Block\$1	2 BlockLim2	2 Block\$2	3 BlockLim3	3 Block\$3	4 BlockLim4	4 Block\$4	5 BlockLim5	5 Block\$5	6 BlockLim6	6 Block\$6					
TN Lone Oak Water:Res	Flat rate	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		9999999999	\$ 42.030000		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A				
TN Lone Oak Water:Res	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		20	\$ -	9999999999	\$ 0.726550	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
		x																										
TN Suck Creek Water:Res	Meter-Based	x	\$ 30.60	\$ 30.60	\$ 30.60	\$ 30.60	\$ 30.60	\$ 30.60	\$ 30.60	\$ 30.60		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
TN Suck Creek Water:Res	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		15	\$ -	95	\$ 0.607310	9999999999	\$ 0.455510	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
		x																										
TN Chatt Water: Res	Meter-Based	x	\$ 13.96	\$ 23.45	\$ 39.01	\$ 78.05	\$ 124.88	\$ 234.52	\$ 390.25	\$ 780.50	\$ 1,248.77	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
TN Chatt Water: Res	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		30	\$ 0.035660	486	\$ 0.565550	3740	\$ 0.355310	37400	\$ 0.265640	112000	\$ 0.203050	9999999999	\$ 0.120570					
		x																										
TN Chatt Water Lookout Mtn.: Res	Meter-Based	x	\$ 15.66	\$ 23.45	\$ 39.01	\$ 78.05	\$ 124.88	\$ 234.14	\$ 390.25	\$ 780.50	\$ 1,248.77	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
TN Chatt Water Lookout Mtn.: Res	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		30	\$ 0.132820	486	\$ 0.728500	3740	\$ 0.518260	37400	\$ 0.361830	112000	\$ 0.299910	9999999999	\$ 0.217430					
		x																										
TN Chatt Water Lakeview: Res	Meter-Based	x	\$ 15.66	\$ 23.45	\$ 39.00	\$ 78.05	\$ 124.88	\$ 234.14	\$ 390.25	\$ 780.50	\$ 1,248.77	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
TN Chatt Water Lakeview: Res	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		30	\$ 0.065640	486	\$ 0.623240	3740	\$ 0.413010	37400	\$ 0.295160	112000	\$ 0.232740	9999999999	\$ 0.150270					
		x																										
TN -Whitwell Res WT INSIDE CITY	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		20	\$ -	40	\$ 0.480000	60	\$ 0.456000	9999999999	\$ 0.419000	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
TN -Whitwell Res WT INSIDE CITY	Flat rate	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		9999999999	\$ 20.450000	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
		x																										
TN Whitwell Res WT OUTSIDE CITY	Quantity-based price	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		20	\$ -	40	\$ 0.587000	60	\$ 0.532000	9999999999	\$ 0.437000	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
TN Whitwell Res WT OUTSIDE CITY	Flat rate	x	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		9999999999	\$ 23.370000	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
		x																										
Jasper Highlands												25		50	\$ 1.310000		75	\$ 1.170000	9999999999	\$ 1.040000								
												9999999999	\$ 52.150000															
Sevice Charge effective November 1, 2012, Volumetric effective March 31, 2013																												

Service Charge effective November 1, 2012, Volumetric effective March 31, 2013

STATE OF Kentucky )  
COUNTY OF Fayette )

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Elaine K. Chambers, being by me first duly sworn deposed and said that:

She is appearing as a witness on behalf of Tennessee-American Water Company before the Tennessee Public Utility Commission, and if present before the Commission and duly sworn, her testimony would be as set forth in her pre-filed testimony in this matter.

*Elaine K. Chambers*

\_\_\_\_\_  
Elaine K. Chambers

Sworn to and subscribed before me  
this 14<sup>th</sup> day of January, 2021.

*Sharon Miller*

Notary Public ID # KYNP 9273

My Commission Expires: 7/25/24