

June 17, 2022

**VIA ELECTRONIC FILING**

Hon. Kenneth C. Hill, Chairman  
c/o Ectory Lawless, Docket Room Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243  
[TPUC.DocketRoom@tn.gov](mailto:TPUC.DocketRoom@tn.gov)

Electronically Filed in TPUC Docket  
Room on June 17, 2022 at 2:31 p.m.

**RE: *In Re: Petition of Tennessee-American Water Company Regarding The 2022  
Production Costs and Other Pass-Throughs Rider, TPUC Docket No. 22-00005***

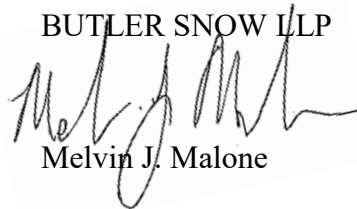
Dear Chairman Hill:

The purpose of this filing is to submit a correction to one of the exhibits filed with TAWC's Pre-filed Supplemental Testimony in this docket. In its Pre-filed Supplemental Testimony, TAWC inadvertently did not update the "Projected Annual Base Rate Revenue subject to PCOP" on Line 15 of the *PCOP Calc Exhibit worksheet* in *Petitioner's Revised Exhibit – PCOP CALC – TNS* to match the number in Alex Bradley's Pre-filed Testimony and exhibit, which TAWC is adopting. This update changes it from \$48,315,924 as filed in TAWC's supplement exhibit on 5/23/22 to \$48,494,574.

As required, one (1) hard copy of this filing will be mailed to your office. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP



Melvin J. Malone

clw

Attachment

cc: Tricia Sinopole, TAWC  
Karen Stachowski, Consumer Advocate Unit  
Vance Broemel, Consumer Advocate Unit

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BUTLER SNOW LLP

**Tennessee American Water Company**  
**Docket No. 22-00005**

**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, 2021**

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	\$4,303,804
2	Pro Forma Water Sales (WS) in 100 Gallons	102,182,076
3	Base Rate Cost per 100 Gallons WS (Line 1 / Line 2)	<u>\$0.04212</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	\$3,745,835
5	Over-Under Collection Adjustment	287,714
6	Review Period PCOP Costs Adjusted for Over-Under Collections	4,033,549
7	Actual Water Sales (100 Gallons)	90,429,643
8	Actual Rate Cost Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 6 / Line 7)	\$0.04460
9	Base Rate Cost per 100 Gallons WS (Line 3)	<u>0.04212</u>
10	Incremental Change in Production Costs and Other Pass-Throughs per 100 Gallons WS (Line 9 - Line 8)	\$0.00249
11	Base Rate Case Water Sales 100 Gallons (Line 2)	102,182,076
12	Deferral Amount (Line 10 * Line 11)	<u>\$253,954</u>
<b><u>III. Calculation of Production Costs and Other Pass-Throughs ("PCOP") Tariff Rider</u></b>		
13	Total Deferred Amount (Line 12)	\$253,954
14	Total Deferred Amount Grossed Up for revenue taxes (Line 13 / (1.0-.03191) (***)	262,324
15	Projected Annual Base Rate Revenue subject to PCOP (*)	48,494,574
16	PCOP % (Line 14 / Line 15)	<u>0.54%</u>

(\*) The numbers are taken from the settlement agreement in Docket No. 12-00049 and include the Whitwell adjustment from Docket No. 21-00006, as well as a proposed adjustment for Jasper Highlands. The Projected Annual Base Rate Revenue subject to PCOP on Line 15 includes revenues from Docket No. 12-00049, as well as proposed adjustments to include Whitwell and Jasper Highlands base revenues.

(\*\*) The numbers are actuals for the year ended November 30, 2021 including Non-Revenue Water for Purchased Power and Chemicals

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

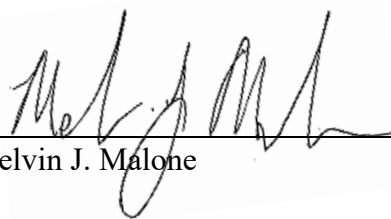
CERTIFICATE OF SERVICE

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

Karen H. Stachowski, Esq.  
Senior Assistant Attorney General  
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Financial Division, Consumer Advocate Unit  
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This the 17<sup>th</sup> day of June 2022.



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Melvin J. Malone