

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

IN RE:

**PETITION OF TENNESSEE AMERICAN
WATER COMPANY AND WALKER
COUNTY WATER AND SEWERAGE
AUTHORITY FOR APPROVAL OF
SPECIAL CONTRACT**

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Docket No. 22-00049

**CONSUMER ADVOCATE’S FIRST SET OF DISCOVERY REQUESTS
TO TENNESSEE AMERICAN WATER COMPANY**

This First Set of Discovery Requests is hereby served upon Tennessee American Water Company (“TAWC” or the “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 Division in 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, Consumer Advocate Division, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Karen H. Stachowski on or before Tuesday, August 8, 2022, at 2:00 p.m. CDT.

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. **Singular/Plural.** 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 SET OF DISCOVERY REQUESTS

1-1. Historical Data. Provide a matrix for the terms of previous TAWC’s Special Contracts – whether approved by the Commission or not – since January 2000, that include the following information:

- a. Docket Number;
- b. Contracting Party;
- c. Delivery Rate(s); and
- d. Minimum and Maximum Deliverable Supply Quantities.

RESPONSE:

1-2. Historical Data. Refer to Company’s Petition, p.2, ¶1. The Company states that Walker County Water and Sewerage Authority (“WCWSA”) is a former customer of TAWC, but not a current TAWC Customer. Provide the following regarding TAWC’s prior service to WCWSA:

- a. Docket Number authorizing prior service;

- b. Dates of prior service;
- c. Delivery Rate(s) for prior service;
- d. A table showing the Monthly Delivered Supply for prior service; and
- e. A table showing the Monthly Revenue for prior service.

RESPONSE:

- 1-3.** Contract Terms/Define. Refer to the Company’s Petition, p. 3, ¶8. which states that “The Agreement is a requirements contract, so WCWSA may not reduce its purchases from TAWC during the term of the Agreement.” Provide a more complete definition of the term “requirements contract” as used by the Parties in the proposed Agreement.

RESPONSE:

- 1-4.** Contract Terms. Refer to the Company’s Petition, Exhibit A, p.1. The Company and WCWSA executed the Agreement on February 8, 2022. However, the Parties did not file its Petition for “expedited approval” of this Agree until June 13, 2022. Provide an explanation of the 127-day delay between the execution of the Agreement and the filing of the Petition.

RESPONSE:

- 1-5.** Pro Forma Data. Provide a matrix showing the monthly anticipated water supply and resulting monthly revenues over the initial three-year initial term of the Agreement beginning with the Agreement execution date.

RESPONSE:

- 1-6.** Pro Forma Data. Provide a matrix showing the monthly incremental capital costs and monthly incremental operating costs for TAWC of providing water supply to WCWSA

over the three-year initial term of the Agreement beginning with the Agreement execution date.

RESPONSE:

1-7. Available Resources. Regarding TAWC's available water supply capacity, respond to the following questions and provide supporting documentation:

- a. Does TAWC have readily available capacity to provide the water supply for WCWSA under the terms of the Agreement?
- b. Will providing the water supply for WCWSA under the terms of the Agreement cause any supply hardship for TAWC's existing customers?
- c. Can TAWC provide the water supply for WCWSA under the terms of the Agreement without incurring any additional operating or capital costs that would need to be applied to TAWC's existing customers?

RESPONSE:

1-8. Incremental Costs. Refer to the Company's Petition, Exhibit A, p. 2, ¶3. The Agreement states that "TAWC shall install, own, and maintain a meter vault directly adjacent to the Delivery Point." Provide the estimated installation cost of TAWC's meter vault.

RESPONSE:

1-9. Site Identification. Provide a map showing the water transmission line from TAWC's water system to the WCWSA delivery points.

RESPONSE:

1-10. Site Identification. Provide details for the original construction cost and in-service dates for the transmission line from TAWC's water system to the WCWSA delivery points.

RESPONSE:

RESPECTFULLY SUBMITTED,



KAREN H. STACHOWSKI (BPR No. 019607)

Senior Assistant Attorney General

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TPUC Docket No. 22-00049

Consumer Advocate's First Set of Discovery Requests to TAWC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail,
with a courtesy copy by 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

Tricia Sinopole
Director of Rates and Regulation – Tennessee and Kentucky
Kentucky American Water Company
2223 Duke Street
Alexandria, VA 22314
Tricia.Sinopole@amwater.com

On this the 25th day of July 2022.



KAREN H. STACHOWSKI
Senior Assistant Attorney General