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August 28, 2026

VIA ELECTRONIC FILING

Electronically Filed in TPUC Docket
Room on August 28, 2026 at 3:56 p.m.

Hon. Herbert H. Hilliard, Chairman
c/o Ectory Lawless, Docket Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243
TPUC.DocketRoom@tn.gov

RE: *Petition of Tennessee-American Water Company to Modify Tariff, Change and Increase Charges, Fees, and Rates, and for Approval of a General Rate Increase [Legal Fees], TPUC Docket No. 24-00032*

Dear Chairman Hilliard:

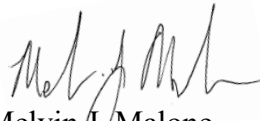
Attached for filing please find *Tennessee-American Water Company's Response to Consumer Advocate's First Set of Discovery Requests* in the above-captioned matter.

Please note that Request and Response Nos. 1-20 through 1-26 and Response Attachments 1-3 contain **CONFIDENTIAL INFORMATION** and are being submitted **UNDER SEAL** as **CONFIDENTIAL** and **PROPRIETARY**. Both a public version and a nonpublic, **CONFIDENTIAL** version are attached.

As required, copies will follow. 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

Attachments

cc: Phil Drennan, TAWC
Shilina Brown, Consumer Advocate Division
Phillip Noblett, City of Chattanooga
Frederick Hitchcock, City of Chattanooga
Scott Tift, UWUA

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BUTLER SNOW LLP

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

**PETITION OF TENNESSEE-
AMERICAN WATER COMPANY TO
MODIFY TARIFF, CHANGE AND
INCREASE CHARGES, FEES, AND
RATES, AND FOR APPROVAL OF A
GENERAL RATE INCREASE [LEGAL
FEES]**

DOCKET NO. 24-00032

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

Tennessee-American Water Company (“TAWC”), by and through counsel, hereby submits its Response to First Set of Discovery Requests propounded by the Consumer Advocate Division of the Tennessee Attorney General (“Consumer Advocate”).

GENERAL OBJECTIONS

1. TAWC objects to all requests that seek information protected by the attorney-client privilege, the work-product doctrine and/or any other applicable privilege or restriction on disclosure.
2. TAWC objects to the definitions and instructions accompanying the requests to the extent the definitions and instructions contradict, are inconsistent with, or impose any obligations beyond those required by applicable provisions of the Tennessee Rules of Civil Procedure or the rules, regulations, or orders of the Tennessee Public Utility Commission (“TPUC” or “Authority”).
3. The specific responses set forth below are based on information now available to TAWC, and TAWC reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information produced.

4. TAWC objects to each request to the extent that it is unreasonably cumulative or duplicative, speculative, unduly burdensome, irrelevant or seeks information obtainable from some other source that is more convenient, less burdensome or less expensive.

5. TAWC objects to each request to the extent it seeks information outside TAWC's custody or control.

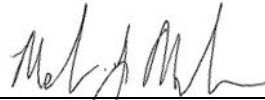
6. TAWC's decision, now or in the future, to provide information or documents notwithstanding the objectionable nature of any of the definitions or instructions, or the requests themselves, should not be construed as: (a) a stipulation that the material is relevant or admissible, (b) a waiver of TAWC's General Objections or the objections asserted in response to specific discovery requests, or (c) an agreement that requests for similar information will be treated in a similar manner.

7. TAWC objects to those requests that seek the identification of "any" or "all" documents or witnesses (or similar language) related to a particular subject matter on the grounds that they are overbroad and unduly burdensome and exceed the scope of permissible discovery.

8. TAWC objects to those requests that constitute a "fishing expedition," seeking information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence and is not limited to this matter.

9. TAWC does not waive any previously submitted objections to Consumer Advocate's discovery requests.

RESPECTFULLY SUBMITTED,



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Attorneys for Tennessee-American Water Company

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-1. Provide the total amount incurred to date for rate case expenses and the total amount the Company estimates it will incur through the conclusion of this proceeding.

Response:

There are two sets of invoices and total amounts responsive to this request. The first set of invoices account for the total amount for rate case expense invoices related to the general rate case that were incurred for the primary general rate case phase (before filing, after filing, and subsequent to the hearing on the merits as indicated in other DR responses). The second set of invoices account for the total amount incurred to date related to the pending proceeding for the consideration of rate case expenses pursuant to the Company's November 7, 2025 Petition for Recovery of Rate Case Expenses.

The first set of invoices were produced to the Intervenor on January 22, 2026 and total \$1,600,169.00. Of that, the Company reduced its expense by \$79,672, with the Company's response to the City's Data Request 4-21. The second set of invoices will be produced in response to this request as soon as it is practicable.

The Commission's decision to have rate case expenses addressed in a separate proceeding has resulted in legal costs that were not anticipated in the Company's original estimate of costs submitted with the May 1, 2024 rate case petition. This second set of invoices incurred in support of the Petition for Recovery of Rate Case Expenses and for which the Company seeks recovery currently total \$83,216.00. Given the protracted length of this docket, especially the rate case expense recovery phase, the Company cannot reliably estimate the remaining legal expenses for the remaining phase, but is willing to provide monthly invoices on a rolling basis. The reasonable and prudent unanticipated expenses incurred by TAWC as a result of this separate proceeding should be approved by the Commission at or subsequent to the December 14, 2026 hearing on the merits.

Additionally, the Company will supplement this response as additional expense-recovery-phase invoices become available. Further, TAWC will submit any such additional invoices for expenses incurred but not submitted prior to the December 14, 2026 hearing on the merits related to the Petition for Recovery of Rate Case Expenses as soon after the hearing as is practicable for review by the Commission and the Intervenor and for approval by the Commission. As set forth in the Petition for Recovery of Rate Case Expenses, the Company is requesting that these unanticipated rate case expenses be recovered over a three (3) year period via a customer surcharge.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-2. List each outside attorney, law firm, consultant, accountant, expert witness, or other professional retained by the Company in connection with this rate case proceeding. For each, provide the scope of work, engagement date, billing rates, estimated total fees, and total fees incurred to date.

Response:

Please see Petitioner Exhibit 1 – Rate Case Expense Summary submitted with Company witness Bob Lane’s Direct Testimony filed on November 7, 2025, for a complete list of professionals retained by the Company in connection with this rate case proceeding. Scope of work can be found in the Description column of Petitioner Exhibit 1, supported by scope descriptions found in pages 8-13 of Mr. Lane’s Direct Testimony. Moreover, scope of work and engagement dates can be found in the RFPs and signed agreements submitted with the Company’s response to CAD DR 1-3, as well as the pre-filed rate case testimonies of the respective expert witnesses. Total fees incurred to date, except for Butler Snow, are shown in Petitioner Exhibit 1. Butler Snow’s estimated total fees are explained in response to the Company’s answer to DR 1-1. Please see the Company’s confidential response to CAD DR 1-3 regarding engagement dates and billing rates.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-3. For each outside professional identified in DR No. 1-2, provide a copy of the engagement letter, retainer agreement, fee agreement, statement of work, or other document establishing the terms under which the professional was retained and whose fees are included in rate case expenses.

Response:

The Company has retained the law firm of Butler Snow, LLP for several of its legal matters. The Company does not maintain engagement letters that are matter specific. Rather, the Company retains one master engagement letter. As such, there is no engagement letter that is specific to the legal services provided to Docket No. 24-00032. For other consultants retained to support the Company's rate case filing, see the engagement letters and signed scope of services agreements, submitted **CONFIDENTIALLY**, with this response.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-4. Identify by nature of service and dollar amount all requests for payment by outside law firms that were rejected by the Company and explain the rejection of such invoices by the Company.

Response:

Please see the Company's response to the City's Fourth Set of Discovery, Request Nos. 16 and 19.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-5. Provide all internal procedures, protocols or standards used by the Company for evaluating bills submitted by outside law firms.

Response:

Please see the Company's response to the City's Fourth Set of Discovery Request Nos. 17 and 18.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
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Responsible Witness: Philip J. Drennan

Question:

1-6. Describe the process by which the Company selected each outside law firm, consultant, and expert witness, including if competitive bidding, requests for proposals, or comparison of rates among providers was involved. If no competitive process was used, explain why.

Response:

For purposes of this proceeding, the Company did not conduct a formal competitive bidding or request-for-proposals process. These providers were selected based on the specialized nature of the required services, their relevant utility and regulatory experience, demonstrated performance in prior proceedings, familiarity with the Company and Tennessee regulatory requirements, availability, and the reasonableness of their proposed fees. A formal competitive process was not considered necessary or appropriate because these engagements require specialized expertise, continuity, and the ability to provide credible testimony and litigation support in a complex regulatory proceeding. Selection based solely on the lowest proposed rate could increase overall costs through additional onboarding, duplicated work, reduced efficiency, or reduced skill and expertise in the specialized areas presented in a rate case. Outside consultants also provide expertise, analytical depth, relevant industry data, and an independent perspective that the Company does not maintain internally.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
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Responsible Witness: Philip J. Drennan

Question:

1-7. Identify each instance in which more than one employee, attorney, consultant, accountant, or other professional performed substantially similar or overlapping work in connection with this proceeding. For each instance, explain why the duplication or overlap was necessary.

Response:

TAWC objects to the undefined phrase “substantially similar or overlapping” and to the extent the request requires an exhaustive, after-the-fact comparison not maintained in the ordinary course. Multiple professionals sometimes worked on the same general subject for distinct and necessary functions, including lead responsibility, issue specialization, witness support, legal review, factual verification, quality control, and hearing preparation. Pursuant to Tenn. R. Civ. P. 33.03, TAWC refers the Consumer Advocate to the legal invoices previously produced, and specifically to the narrative descriptions of the individual time entries therein. To the extent those records identify work falling within the categories described in this request, the burden of identifying such entries from the invoice narratives is substantially the same for the Consumer Advocate as for TAWC. TAWC does not maintain a separate compilation categorizing legal fees according to the categories created by this request. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-8. Identify any portion of the Company's requested legal fee expenses that was incurred because of correcting errors, omissions, deficiencies, incomplete responses, supplemental filings, amended filings, mock hearings or other. State the amount associated with each such matter.

Response:

TAWC objects to this request as vague, ambiguous, overbroad, unduly burdensome, and disproportionate to the needs of this proceeding. The terms "errors," "omissions," "deficiencies," "incomplete responses," and "other" are undefined and subjective, and the phrase "or other" provides no discernible limitation on the information requested. The request also fails to distinguish routine proofreading, typographical corrections, ordinary drafting and revision, additions or clarifications, supplementation based on newly available information or continuing obligations, and amendments made in response to procedural or substantive developments.

As written, the request could require TAWC to review every legal time entry and the underlying work product and then retrospectively allocate portions of individual entries among particular edits, corrections, additions, revisions, and other subtasks. TAWC's contemporaneous timekeeping and accounting records do not separately record time by each individual edit or subtask or by the categories posited in the request. Where a time entry reflects multiple activities, the amount associated with a particular correction, addition, or revision cannot be reliably determined without a highly speculative, after-the-fact allocation. TAWC further objects to the extent the request requires disclosure of privileged communications, attorney mental impressions, or counsel's protected assessment of whether a filing, testimony, or discovery response contained an error, omission, or deficiency.

Subject to and without waiving these objections, TAWC responds that to the extent the nature of any work reflected in the requested legal fees can be identified from TAWC's contemporaneous records, that information is reflected in the narrative descriptions contained in the rate case expense legal invoices previously produced to the Consumer Advocate. Those narratives are equally available to the Consumer Advocate for review. Pursuant to Tenn. R. Civ. P. 33.03, TAWC refers the Consumer Advocate to the legal invoices previously produced, and specifically to the narrative descriptions of the individual time entries therein. To the extent those records identify work falling within the categories described in this request, the burden of identifying such entries from the invoice narratives is substantially the same for the Consumer Advocate as for TAWC. TAWC does not maintain a separate compilation categorizing legal fees according to the categories created by this request. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-9. Identify any portion of rate case expenses attributable to issues on which the Company did not prevail or that were withdrawn prior to hearing.

Response:

TAWC objects to the phrase “issues on which the Company did not prevail” as ambiguous in a multi-issue general rate case and to the extent the request assumes that reasonable costs of presenting a position become nonrecoverable solely because the Commission did not adopt that position even in part. The vagueness and ambiguity of this request is furthered because it does not account for a host of different possibilities or circumstances. For instance, it does not account for circumstances in which the Commission might not grant a particular outcome on an issue due to some element not within the Petitioner’s control; it might not grant a particular outcome on some ground then unknown to the Petitioner; it might not grant a particular outcome even though other jurisdictions may support such an outcome; or, it might not grant a particular outcome, but due to Petitioner’s proposed request in the case, might outline an alternative or supportable future pathway under which the outcome could possibly be different. TAWC also objects to creating a new issue-by-issue fee allocation not maintained in the ordinary course.

Subject to and without waiving these objections, TAWC responds that to the extent the nature of any work reflected in the requested legal fees can be identified from TAWC’s contemporaneous records, that information is reflected in the narrative descriptions contained in the legal invoices previously produced to the Consumer Advocate. Those narratives are equally available to the Consumer Advocate for review. Pursuant to Tenn. R. Civ. P. 33.03, TAWC refers the Consumer Advocate to the legal invoices previously produced, and specifically to the narrative descriptions of the individual time entries therein. To the extent those records identify work falling within the categories described in this request, the burden of identifying such entries from the invoice narratives is substantially the same for the Consumer Advocate as for TAWC. TAWC does not maintain a separate compilation categorizing legal fees according to the categories created by this request. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-10. Provide all forecasts prepared by the Company prior to the filing which estimated the range of outcomes the Commission could order because of the general rate case filing. Provide an *Excel* file with cell references intact supporting the forecast.

Response:

TAWC objects to this request as vague and ambiguous, including because the term “forecasts” is undefined. Subject to and without waiving these objections, TAWC refers the Consumer Advocate to Petitioner’s Exhibit EXP-11-Regulatory Expense-BL filed with Company witness Bob Lane’s Direct Testimony on May 1, 2024 to view a forecast of the Company’s rate case expenses at the time of filing. TAWC further states it is not aware of any other forecasts related to rate case expenses, other than those identified by the Company in response to these sets of data requests and accordingly no responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-11. State whether the Company tracks rate case expenses with a budget. If so, produce the budget and any budget-to-actual variance reports for this rate case proceeding.

Response:

Please see the Company's response to COC DRs 4-15 and 4-22. The Company states that it submitted an initial estimate of rate case expenses in Petitioner's Exhibit EXP-11-Regulatory Expense-BL filed with the Direct Testimony of Company witness Lane on May 1, 2024, and separately submitted an updated report reflecting the rate case expenses as Petitioner Exhibit 2 – Rate Case Expense Detail, submitted with Company witness Lane's Direct Testimony filed on November 7, 2025, supporting the rate case expense recovery portion of the proceeding.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
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Responsible Witness: Philip J. Drennan

Question:

1-12. State whether any of the costs included in rate case expenses could reasonably have been avoided, reduced, or performed by in-house Company personnel at lower cost, and if inhouse Company personnel were not considered, explain the basis why they were not considered.

Response:

TAWC objects to this request as vague, ambiguous, speculative, overbroad, and unduly burdensome. The phrases “could reasonably have been avoided,” “reduced,” and “performed by in-house Company personnel at lower cost” are undefined and require TAWC to conduct a retrospective and hypothetical evaluation of alternative staffing, scope, timing, and cost arrangements for the numerous tasks underlying the rate case expenses sought for recovery. Whether a particular task theoretically could have been performed at a lower cost depends on numerous variables, including the availability, experience, expertise, workload, and other responsibilities of Company personnel, the nature and timing of the work, and the need for outside legal or professional expertise. TAWC further objects to the extent the request assumes that TAWC was required, before incurring each rate case expense, to conduct or document a comparison between use of outside professionals and hypothetical performance of the same work by Company personnel.

Subject to and without waiving these objections, TAWC states that it seeks recovery only of rate case expenses that it contends were reasonably and prudently incurred in connection with Docket No. 24-00032. TAWC utilized outside counsel and other outside professionals where their experience, expertise, availability, or role in the proceeding warranted their use. To be clear, TAWC personnel performed significant work in connection with the rate case. TAWC does not maintain a contemporaneous task-by-task analysis comparing each outside professional charge against the hypothetical cost of assigning the same task to an in-house employee. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
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Responsible Witness: Philip J. Drennan

Question:

1-13. As to the Company witness(es) responsible for sponsoring and supporting the rate case expense request in this proceeding, describe the analysis, if any, performed by that witness to determine that the requested expenses are prudent and reasonable.

Response:

Please see the Company's response to the COC DRs 4-7, 8, 17, 18, 19, and 22.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-14. Provide the amount the Company incurred for its Cost of Capital witness in this rate case.

Response:

Please see the Company's response to CAD DR 1-2.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-15. Provide an explanation for why TAWC ratepayers should reimburse the Company for 100% of the Cost of Capital witness in this rate case.

Response:

TAWC objects to the request as argumentative in that the premise of the request is inconsistent with the role that cost of capital plays in utility regulation and, notably, with the testimony of the Consumer Advocate's own Cost of Capital witness in this proceeding. TAWC further objects to the request to the extent it incorrectly posits that the capped recovery request assigned 100% recovery to the cost of capital witness.

Subject to and without waiving these objections, the appropriate cost of capital is a necessary component of determining the revenue requirement and rates of an investor-owned utility. The Consumer Advocate's witness, Aaron Rothschild, testified that the cost of equity reflects the return investors require to provide equity capital to TAWC and that an appropriate authorized return must permit TAWC to raise capital on reasonable terms. He further testified that an appropriate ROE must allow TAWC to raise the capital it needs to provide safe and reliable service and, citing the standards established in *Hope* and *Bluefield*, recognized that a fair return must be sufficient to support the utility's credit and enable it to raise the funds necessary to discharge its public duties. No responsive materials are being withheld.

Thus, while shareholders provide the equity capital and receive the authorized return on that capital, the determination of an appropriate cost of capital is integral to the Company's ability to attract capital, finance its utility operations and investments, and provide safe and reliable service to customers. Expert testimony addressing that issue was therefore a necessary and appropriate component of TAWC's presentation in the underlying rate case. TAWC seeks recovery of the reasonable and prudently incurred expense associated with that testimony.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-16. State whether any affiliate, parent company, or non-utility subsidiary shared in, benefited from, or contributed to any of the work-product or services underlying the claimed rate case expenses, and if so, describe the cost allocation methodology used to assign costs between the utility and non-utility operations.

Response:

TAWC objects to this request as vague, ambiguous, and overbroad. The terms “shared in,” “benefited from,” and “contributed to” are undefined and could encompass incidental, indirect, or unquantifiable effects having no bearing on whether the rate case expenses for which TAWC seeks recovery were properly incurred by and assigned to TAWC.

Subject to and without waiving these objections, TAWC interprets this request as asking whether any portion of the rate case expenses for which TAWC seeks recovery was incurred for services performed on behalf of, or properly attributable to, a parent, affiliate, non-utility subsidiary, or other non-TAWC operation.

The rate case expenses for which TAWC seeks recovery were incurred in connection with TAWC’s prosecution of TPUC Docket No. 24-00032 and were charged to TAWC and/or the applicable TAWC rate case matter. TAWC is not seeking recovery in this proceeding of costs properly attributable to non-utility operations or to services performed on behalf of another affiliate. Accordingly, no allocation between TAWC and non-utility operations was required with respect to the claimed expenses.

As shown in Petitioner Exhibit 2 – Rate Case Expense Detail, submitted with Company witness Lane’s Direct Testimony filed on November 7, 2025, TAWC is not seeking rate case expense recovery for the cost of internal employees’ time spent preparing and supporting TAWC’s rate case petition. However, TAWC is requesting rate case expense recovery of internal employee’s necessary travel and lodging expenses, which were prudently incurred to develop and support a complete regulatory filing to allow for a meaningful review by the Commission and intervening parties.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-17. Identify any rate-case expense incurred in connection with public relations, governmental affairs, lobbying, communications, media relations, customer communications, shareholder communications, investor relations, or corporate communications. State whether any such costs are included in the Company's request for recovery.

Response:

Please see Petitioner Exhibit 2 - Rate Case Expense Detail, submitted with Company witness Bob Lane's Direct Testimony submitted on November 9, 2025. Other than legal services for required rate case public notices and public comment hearings, which are reflected in the legal invoices, there are no expenses for the listed categories included in the Company's request for rate case expense recovery.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
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Responsible Witness: Philip J. Drennan

Question:

1-18. Identify all rate-case expenses that were charged to another proceeding, regulatory matter, affiliate, business unit, or customer class and subsequently reallocated, in whole or in part, to this proceeding. Explain the allocation methodology and provide all supporting calculations.

Response:

The Company is not aware of any such expenses that were reallocated in the manner described by this Request.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
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Responsible Witness: Philip J. Drennan

Question:

1-19. Identify all expenses included in the Company's rate-case expense request that relate to matters that are also being litigated, reviewed, or addressed in another proceeding. Explain why those costs were not excluded or allocated to the other proceeding.

Response:

The Company's submitted expenses were incurred in furtherance of Docket No. 24-00032.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-20. Refer to legal invoice time entries by

[REDACTED]

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-21. Refer to legal invoice time entry on

[REDACTED]

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-22. Refer to legal invoice

Response:

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-23. Refer to legal invoice [REDACTED]

[REDACTED]. Explain what is being referred to and what impact occurred.

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-24. Refer to legal invoice

[REDACTED]

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-25. Refer to legal invoice time entries

[REDACTED]

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-26. Refer to legal invoice time entries

[REDACTED]

Response:

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-27. Identify the total amount of rate-case expense incurred by the Company in each of its two most recent rate cases. For each proceeding, provide the total amount requested, the amount ultimately approved for recovery, and the amount disallowed or excluded.

Response:

TAWC objects to the request because it is premised on the false assumption that rate case expenses incurred in different proceedings under different factual, procedural, regulatory, and economic circumstances provide a directly comparable measure of the reasonableness of the expenses incurred in this proceeding. TAWC also objects to the request as overbroad and disproportionate to the extent it requires TAWC to reconstruct historical rate case expense information that is not maintained in the form requested or to undertake a new analysis of prior proceedings to determine what amounts should now be characterized as “disallowed or excluded.” Prior Commission determinations concerning rate case expense were made on the records and circumstances presented in those proceedings and do not establish a benchmark or presumptive limitation on the reasonable expenses incurred in Docket No. 24-00032.

Subject to and without waiving these objections, TAWC interprets “two most recent rate cases” to mean Docket Nos. 12-00049 and 10-00189. To the extent the requested amounts are reflected in Commission orders or other records from those proceedings and can be determined without undertaking a retrospective reconstruction, TAWC refers the Consumer Advocate to those dockets. Responsive materials regarding previous and unrelated rate case expenses are being withheld on the basis of the objections above.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-28. Explain each material increase in the Company's requested rate-case expense compared with the Company's two most recent rate case proceedings. For each increase, identify the amount of the increase, the reason for the increase, and the extent to which the increase is attributable to higher hourly rates, increased hours, additional professionals, expanded scope of work, or other factors.

Response:

TAWC objects to this request as vague, ambiguous, overbroad, unduly burdensome, speculative, and disproportionate to the needs of this proceeding. Among other things, the term "material increase" is undefined, and the request does not specify the methodology, categories, time periods, or other assumptions by which expenses incurred in this proceeding are to be compared with expenses incurred in prior rate cases.

TAWC further objects because the request assumes that rate case expenses incurred in separate proceedings are directly comparable merely because each proceeding involved a request to change rates. Rate case expense is affected by numerous case-specific circumstances, including, among other things, the scope and complexity of the issues presented, the number and nature of contested issues, the amount and nature of discovery, the number and positions of intervening parties, the testimony and experts required, hearing preparation and duration, briefing and other procedural requirements, applicable billing rates, and the length and procedural history of the proceeding. Those circumstances may differ materially from one rate case to another.

TAWC further objects to the extent the request requires TAWC to create a retrospective analysis or allocation that is not maintained in the ordinary course of business. TAWC does not necessarily maintain its rate case expenses in a manner that permits the difference between this proceeding and prior proceedings to be allocated after the fact among "higher hourly rates," "increased hours," "additional professionals," "expanded scope of work," and "other factors." An individual difference in total expense may reflect several interrelated factors, and assigning a particular dollar amount to each factor would, where not reflected in contemporaneous records, require a speculative reconstruction rather than the production of existing information.

TAWC further objects to the extent the request assumes that any increase over expenses incurred in an earlier rate case is unreasonable, excessive, or requires special justification. The issue in this proceeding is whether the rate case expenses actually incurred in Docket No. 24-00032 and sought

for recovery are reasonable under the circumstances of this proceeding. Expenses incurred in prior proceedings, particularly proceedings conducted at different times and under different factual, procedural, and economic circumstances, are not probative of whether the Company's expenses in Docket No. 24-00032 were reasonably and prudently incurred. Because this request is confined to a mathematical comparison between unrelated dockets, there are no responsive materials being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-29. State whether the Company contends that every dollar included in its requested rate-case expense is reasonable, necessary, prudently incurred, and appropriately recoverable from ratepayers. If not, identify each expense or category of expense that the Company does not contend satisfies all these criteria.

Response:

Yes. The Company contends that every dollar included in its requested rate-case expense is reasonable, necessary, prudently incurred, and appropriately recoverable from ratepayers, subject to the Tennessee Public Utility Commission's final review and determination.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FIRST DISCOVERY REQUEST OF THE
CONSUMER ADVOCATE DIVISION**

Responsible Witness: Philip J. Drennan

Question:

1-30. On November 7, 2025, the Company filed the *Direct Testimony Of Robert C. Lane On Recovery Rate Case Expenses Incurred In TPUC Docket No. 24-00032, Proposed Amortization Period And Cost Recovery Mechanism (With Petitioner Exhibits 1-Rate Case Expense Summary; Exhibit 2-Rate Case Expense Detail, And Exhibit 3-Proposed Tariff)*. Since Mr. Lane is no longer employed by the Company, identify the witness that will be filing testimony supporting the rate case expenses incurred in Docket No. 24-00032.

Response:

At this time, the Company has not yet determined who will adopt Mr. Lane's Direct Testimony.

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

**PETITION OF TENNESSEE-
AMERICAN WATER COMPANY TO
MODIFY TARIFF, CHANGE AND
INCREASE CHARGES, FEES, AND
RATES, AND FOR APPROVAL OF A
GENERAL RATE INCREASE [LEGAL
FEES]**

DOCKET NO. 24-00032

VERIFICATION

STATE OF IL)

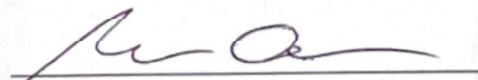
COUNTY OF Cook)

I, PHILIP DRENNAN, being duly sworn, state that I am authorized to testify on behalf of Tennessee-American Water Company in the above-referenced docket, that if present before the Commission and duly sworn, verifies that the data requests and discovery responses are accurate to the best of my knowledge.



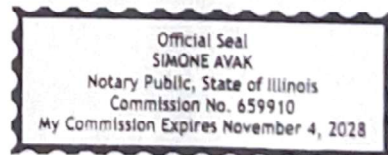
PHILIP DRENNAN

Sworn to and subscribed before me
this 27th day of August, 2026.



Notary Public

My Commission expires: Nov 4, 2028



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:

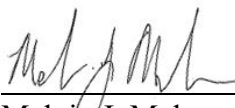
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Union Counsel

This the 28th day of August 2026.



Melvin J. Malone