

August 28, 2026

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VIA ELECTRONIC FILING

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 Fourth Discovery Requests of the City of Chattanooga* in the above-captioned matter.

Please note that Response No. 1-16 and Response No. 1-21 Attachment contains **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

**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 FOURTH DISCOVERY REQUESTS OF THE CITY OF CHATTANOOGA**

Tennessee-American Water Company (“TAWC”), by and through counsel, hereby submits its Response to Fourth Discovery Requests propounded by the City of Chattanooga (“Chattanooga”).

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 Chattanooga's discovery requests.

RESPECTFULLY SUBMITTED,



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**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

1. Identify all rate case expenses claimed by the Company that were incurred before the filing of the Company's Petition. For each such expense, state when the work began, the nature of the work performed, and why the Company contends that the expense should be recoverable from ratepayers.

Response:

The Company objects to the characterization of any prudently incurred rate case expense as unrecoverable solely because the work began before the filing of the Company's Petition. Subject to and without waiving this objection, the Company states that pre-filing rate case expenses are recoverable from ratepayers because they are reasonable and necessary costs incurred to prepare, support, and present a complete, detailed, and thorough rate filing before the Tennessee Public Utility Commission.

The preparation of a rate case necessarily begins before the petition is filed and includes work such as developing testimony and exhibits, preparing schedules and revenue requirement support, reviewing accounting and operational information, confirming regulatory requirements are met, and ensuring that the filing is complete, thorough, and presented and available for meaningful review by the Commission and intervening parties. Excluding rate case expenses solely because they were incurred prior to the filing would likely result in the Commission treating the Company differently from other regulated utilities and could also lead to less complete filings and thus less fruitful and more complicated discovery phases, which would likely increase rate case costs.

These costs are incurred for the benefit of customers because the rate case process establishes the rates necessary for the Company to continue providing safe and reliable utility service, while also giving the Commission and parties the information needed to evaluate the reasonableness of the Company's proposed rates. Excluding otherwise reasonable and prudently incurred expenses merely because they were incurred prior to the filing date would disregard the practical and necessary work required to prepare a rate case and would not reflect the actual cost of participating in the regulatory process.

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. The nature of work performed 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. Additionally, the nature of the work performed can be found in the testimonies of the Company's expert witnesses filed in support of this proceeding. The timing of the work performed can be found in the supporting invoices filed during this proceeding. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

2. Identify and Explain all rate case expenses that the Company incurred after the completion and filing of the Company's Post Hearing Brief on December 10, 2024. Explain why the Company contends that the identified expenses should be recoverable from ratepayers.

Response:

The Company objects to the request to the extent it requires a new expense categorization not maintained in the ordinary course. Subject to and without waiving that objection, expenses incurred after December 10, 2024, fall into two bifurcated phases as required by the Commission's April 21, 2025 Order Setting Utility Rates: 1) the rate case phase, and 2) the rate case expense recovery phase. *See* Order at p. 35 ("The panel voted unanimously to exclude the Company's rate case costs from establishing its base service rates and in turn, established a separate proceeding to determine the actual amount of regulatory costs, the time period for recovery, and the mechanism for allowing TAWC to recover these costs.").

The first phase, the rate case merits phase, included review of post-hearing developments, analysis of the January 17, 2025 Pre-Filed Motion on the Merits, preparation for and participation in the January 21 deliberations, preparation and supplementation of compliance tariffs, review of the April 21 Order Setting Utility Rates, and the May 2025 NRW-related reconsideration filing and withdrawal. For this first phase, under Tenn. R. Civ. P. 33.03, TAWC refers the City to its previously-produced rate case expense invoices as the records from which the detailed dates, work descriptions, professionals, and amounts may be derived, with the exception of invoices that post-date February 7, 2025.

The second phase, the recovery phase, includes leading up to and after November 7, 2025. While the Commission's April 21, 2025 Order Setting Utility Rates capped the recovery of the regulatory costs from the first rate case phase at \$1,554,000, the second recovery phase is intended to determine "the actual amount of regulatory costs, the time period for recovery, and the mechanism for allowing TAWC to recover these costs." *Id.* Because TAWC has incurred additional expenses in the second recovery phase, which are separate from the rate case phase as ordered by the Commission, it will submit its additional invoices, consisting solely of legal invoices, consistent with the Commission's June 15, 2026 Order. *See* Company Response to CAD DR 1-1.

Generally, all rate case expenses detail activities that were reasonable and necessary to conclude, implement, and obtain Commission review of Docket No. 24-00032. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

3. Identify and Explain the portion of the rate case expenses identified in the previous request that was incurred after Chairman Jones' Pre-Filed Motion on the Merits was filed on January 17, 2025. Explain why the Company contends that the identified expenses should be recoverable from ratepayers.

Response: TAWC refers the City to the Company's response to COC DR 4-2.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

4. For each individual time entry on a Butler Snow invoice that includes any redacted information, Explain how the time reported for the entry containing the redacted information benefitted ratepayers instead of the Company. If it is claimed that both ratepayers and the Company benefitted from the time reported for the entry containing the redacted information, Explain how much of the time reported for the entry benefitted ratepayers and how much benefitted the Company. Explain the basis for the allocation.

Response:

The Company objects to this request as argumentative and based on the unsupported premise that each legal task must benefit either ratepayers or the Company, or that any shared benefit can be quantified by allocating minutes within each time entry. The Commission recognized in the April 21, 2025 Order that reasonable rate case work can benefit both ratepayers and stockholders, and if reasonable is recoverable. *See*, April 21, 2025 Order at p. 34. (“Rate case expense is a necessary expenditure in the provision of utility service and, if reasonable, is generally recovered from ratepayers.”).

The Company further objects to the extent the request seeks privileged attorney-client communications or opinion work product beyond the minimally redacted information required by the June 15, 2026 Order. Subject to those objections, the July 17, 2026 invoice production identifies the professional, general nature of the work, and billed amount for each entry. The Company did not create or maintain an entry-level ratepayer/shareholder benefit allocation. The Company’s position is that the claimed work was reasonably incurred to prepare, litigate, resolve, implement, and obtain regulatory review of the rate case; the Commission will determine the recoverable amount. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

5. Identify all internal (Company employee) time charged to rate case expenses, including the employee's name, title, department, and hourly or annual compensation rate used to calculate the charge, and number of hours charged.

Response:

Please see Petitioner Exhibit 2 – Rate Case Expense Detail submitted with Company witness Bob Lane’s Direct Testimony filed on November 7, 2025. The Company did not charge internal employees’ time to rate case expenses requested for recovery in the proceeding.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

6. Explain the methodology used to calculate the labor rate applied to internal employee time charged to this rate case, including whether it includes only direct salary or also overhead, benefits, and other loadings.

Response: Please see the Company's response to COC DR 4-5.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

7. Explain why rate case expenses in excess of the revenue deficiency granted by the Tennessee Public Utility should be allowed.

Response:

The Company objects to the request as argumentative because it assumes that reasonable rate case expense must be less than the revenue deficiency ultimately granted, which would create an unjust and arbitrary result. Subject to that objection, the Company states that rate case expense is a necessary regulatory cost evaluated for whether it was reasonably and prudently incurred, not by a dollar-for-dollar comparison to the revenue deficiency. The Company is unaware of instances in which the Commission has implemented such a dollar-for-dollar comparison standard or requirement in similarly-situated rate cases. The April 21, 2025 Order created this separate proceeding specifically to determine the actual reasonable costs, recovery period, and recovery mechanism, while imposing an aggregate cap of \$1,554,000 for the initial rate case phase of this proceeding. *See* April 21, 2025 Order at p. 34. The costs of preparing and litigating a rate case do not directly correlate with the amount of the rate increase ultimately authorized. No responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

8. Provide the Company's calculation of the amount of rate case expense that it contends is appropriately recoverable from ratepayers after excluding costs that are excessive, duplicative, unnecessary, unreasonable, imprudent, administrative, or attributable to matters unrelated to the Company's revenue requirement.

Response: See Company Response to CAD DR 1-1.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

9. Identify and Explain any costs included in rate case expenses for public relations, media, advertising, or communications activities, and describe the specific purpose of each such expenditure.

Response: See Company Response to CAD DR 1-17.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

10. Identify and Explain the total expenditures by or on behalf of the Company or any Subsidiary or Affiliate by month for 2023, 2024, 2025, and 2026 for public relations, advertising, or communications activities in Tennessee or accessible to Tennessee residents.

Response:

The Company objects to this request as overbroad, unduly burdensome, and outside the limited scope of this rate-case-expense phase because it seeks all Company, subsidiary, and affiliate public-relations, advertising, and communications expenditures over four years without limiting the request to expenses included in the Company's recovery request. The phrase "accessible to Tennessee residents" is also vague and effectively unlimited. The Company is withholding expenditures outside the rate-case-expense request, including enterprise-wide and affiliate expenditures, on these grounds. To the extent the request seeks any such expenditure actually included in the rate-case-expense request, the Company refers the City to Response No. 9. Responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

11. Identify and Explain each Communication on social media by or on behalf of the Company by date and social media platform for 2023, 2024, 2025, and 2026. For purposes of this request, "Communication" shall include, without limitation, each post, photo, video, comment, or statement, and "social media" shall include, without limitation, Facebook, X (Twitter), Tik Tok, and LinkedIn.

Response:

The Company objects to this request as overbroad, unduly burdensome, and outside the limited scope of this phase because it seeks an itemized inventory of every Company social-media communication from 2023 through 2026, without limiting the request to costs included in the rate-case-expense request. Responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
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CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

12. Identify and Explain each Communication on social media by or on behalf of any Affiliates or Subsidiaries referring to or referencing the Company or any service provided by the Company in Tennessee by date and social media platform for 2023, 2024, 2025, and 2026. For purposes of this request, "Communication" shall include, without limitation, each post, photo, video, comment, or statement, and "social media" shall include, without limitation, Facebook, X (Twitter), Tik Tok, and LinkedIn.

Response:

The Company objects to this request as overbroad, unduly burdensome, outside the limited scope of this phase, and, to the extent it seeks records of nonparty affiliates not within the Company's possession, custody, or control, beyond the Company's discovery obligations. The request seeks every affiliate or subsidiary social-media communication over four years rather than expenses included in the recovery request. Responsive materials are being withheld.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

13. Identify and Explain all rate case expenses associated with discovery responses, discovery review, preparation of testimony, preparation for hearings, briefing, or other litigation activities. For each category, provide the total hours and costs incurred.

Response:

TAWC objects to the phrase "other litigation activities" as vague and to the extent the request requires TAWC to create a new, subjective allocation of time entries among categories not maintained in the ordinary course. Subject to and without waiving that objection, pursuant to Tenn. R. Civ. P. 33.03, TAWC refers the City 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 City as for TAWC. Those records also reflect the extensive scope of the proceeding, including more than 450 primary discovery requests, many of which contained up to five subcomponent discovery requests. 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
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

14. Identify and Explain all charges of attorneys claimed by the Company in this docket as rate case expenses that involved outlining, specifying, preparing, or revising testimony or exhibits of any actual or potential witness for TAWC and provide the unredacted time entries for all such charges.

Response:

TAWC objects to the false premise that of the request that attorney involvement in testimony or exhibits is not recoverable and to the extent the request requires TAWC to create a new, subjective allocation of time entries among categories not maintained in the ordinary course. Subject to and without waiving that objection, pursuant to Tenn. R. Civ. P. 33.03, TAWC refers the City 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 City 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
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

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

Response:

As observable from the May 1, 2024 petition in TPUC Docket No. 24-00032, the Company does request a budget for rate case expenses. Like any other litigated or potentially litigated matter, the budget is an estimate of the costs and time reasonably anticipated at the start of a matter. If the matter becomes more complex due to legal issues or protracted and extensive discovery, the budget would not reflect that because such developments were unanticipated at the start of the matter. Indeed, the matter of the Company's rate case costs were deferred to a separate proceeding.

With that understanding, the Company prepared a budget of its rate case expenses, which was produced as EXP-11, which was sponsored by Company witness Robert Lane in his direct testimony. The Company is not aware of any budget-to-actual report that was created based upon or as compared to EXP-11. Mr. Lane filed Petitioner Exhibit 1 – Rate Case Expense Summary on November 7, 2025, providing an update of the Company's rate case expenses associated with the initial rate case phase of this proceeding.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

16. Identify and Explain all rate case expenses that the Company has excluded from its request for recovery and explain the criteria used to determine whether an expense was excluded.

Response:

The Company excluded approximately \$[REDACTED] in internal meal expenses related to alcohol purchases. These purchases occurred during dinners associated with employee travel for activities necessary to prepare and support a complete and thorough rate filing before the Commission. The Company excluded these costs because there is a question whether alcohol purchases are necessary to accomplish the preparation or support of the rate case filing.

Additionally, the Company is not seeking recovery of legal expenses for the months ending in February 2025, April, 2025 and May 2025. These legal expenses pertained to work performed in furtherance of the motion for reconsideration that the Company later withdrew. Even though the Company incurred and has paid for these invoices, which total \$[REDACTED], the Company is not pursuing their recovery.

In keeping with the Company's expectation that its vendors conduct their own reviews of rate case invoices prior to submission to the Company, [REDACTED]

[REDACTED]

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

17. Describe all policies, procedures, guidelines, or internal controls used by the Company to determine whether rate case expenses are reasonable, necessary, prudent, and appropriate for recovery from ratepayers.

Response:

For all submitted invoices, the Company conducts a manual review of each invoice and the entries for reasonableness and appropriateness. The review considers the type of work being performed and based upon their experience of the cost and length of time a task should take, approves, modifies or may reject an entry or invoice. In addition to the human review, legal invoices are submitted electronically through Thomson Reuters Legal Tracker, which also reviews the invoices to ensure reasonable and appropriateness of the entries.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

18. Identify the person or persons responsible for reviewing and approving rate case invoices before those expenses are included in the Company's request for recovery. Describe the review process performed by each person.

Response:

Legal expenses are reviewed by the Company's General Counsel, or another attorney familiar with the work performed. Other invoices are reviewed by the regulatory lead employee that initiated the engagement letters to each outside consultant, who is familiar with the work performed. Additionally, please see the Company's response to COC's DR 4-17.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

19. For each invoice submitted by an outside attorney, consultant, accountant, or other professional, state whether the invoice was reviewed for duplicative work, excessive hours, unnecessary work, clerical work, administrative work, or other charges that would not ordinarily be considered appropriate for recovery from ratepayers. If so, Identify the person or persons completing the review, Explain how the review was completed, and Identify and Explain any reductions made.

Response:

The Company objects to the phrase “other charges that would not ordinarily be considered appropriate for recovery” as vague. Subject to and without waiving that objection, please the Company’s response to COC’s DRs 4-16, 17, and 18. No responsive materials are being withheld.

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

Question:

20. Identify and Explain any revisions to any invoice referenced in the previous request that were made as a result of any review described in that request. If no review as described in the previous request was made, Explain why and Identify the person or persons who made the decision not to undertake such a review.

Response:

Upon review of the invoices, both the human review and the electronic review by Thompson Reuters Legal Tracker, only the June 2026 and July 2026 invoices were reduced due to the hourly rate of a legal assistant.

**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

21. Identify all travel, lodging, meal, entertainment, mileage, airfare, conference, or similar expenses included in the Company's rate case expense request. For each expense, provide the date, individual incurring the expense, purpose, location, amount, and supporting documentation.

Response:

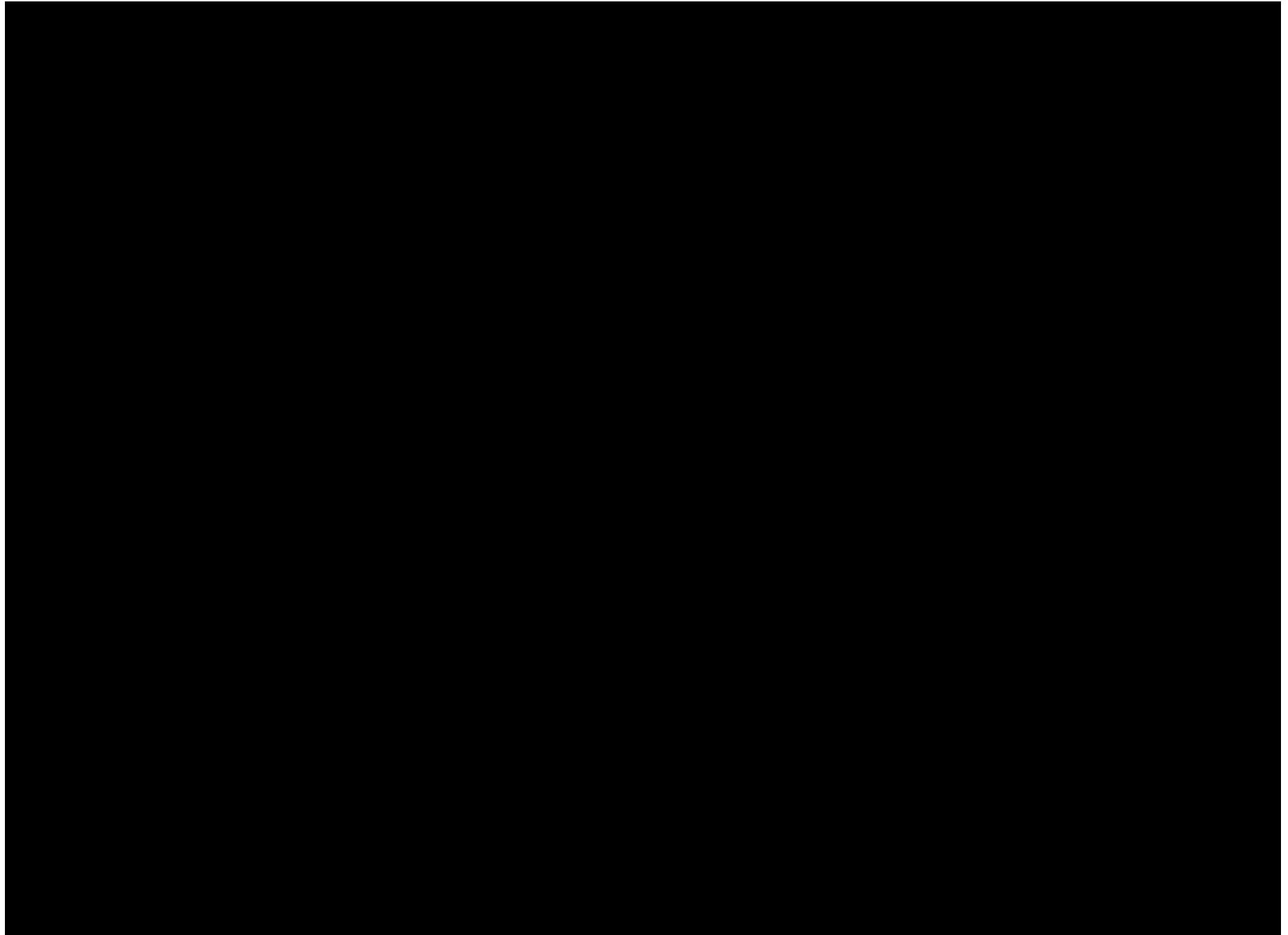
Please see Petitioner Exhibit 2 – Rate Case Expense Detail submitted with Company witness Bob Lane’s Direct Testimony filed on November 7, 2025. Details regarding the consultants and outside counsel’s travel, lodging, meal, entertainment, mileage, airfare, etc. can be found in the invoice detail submitted during this proceeding.

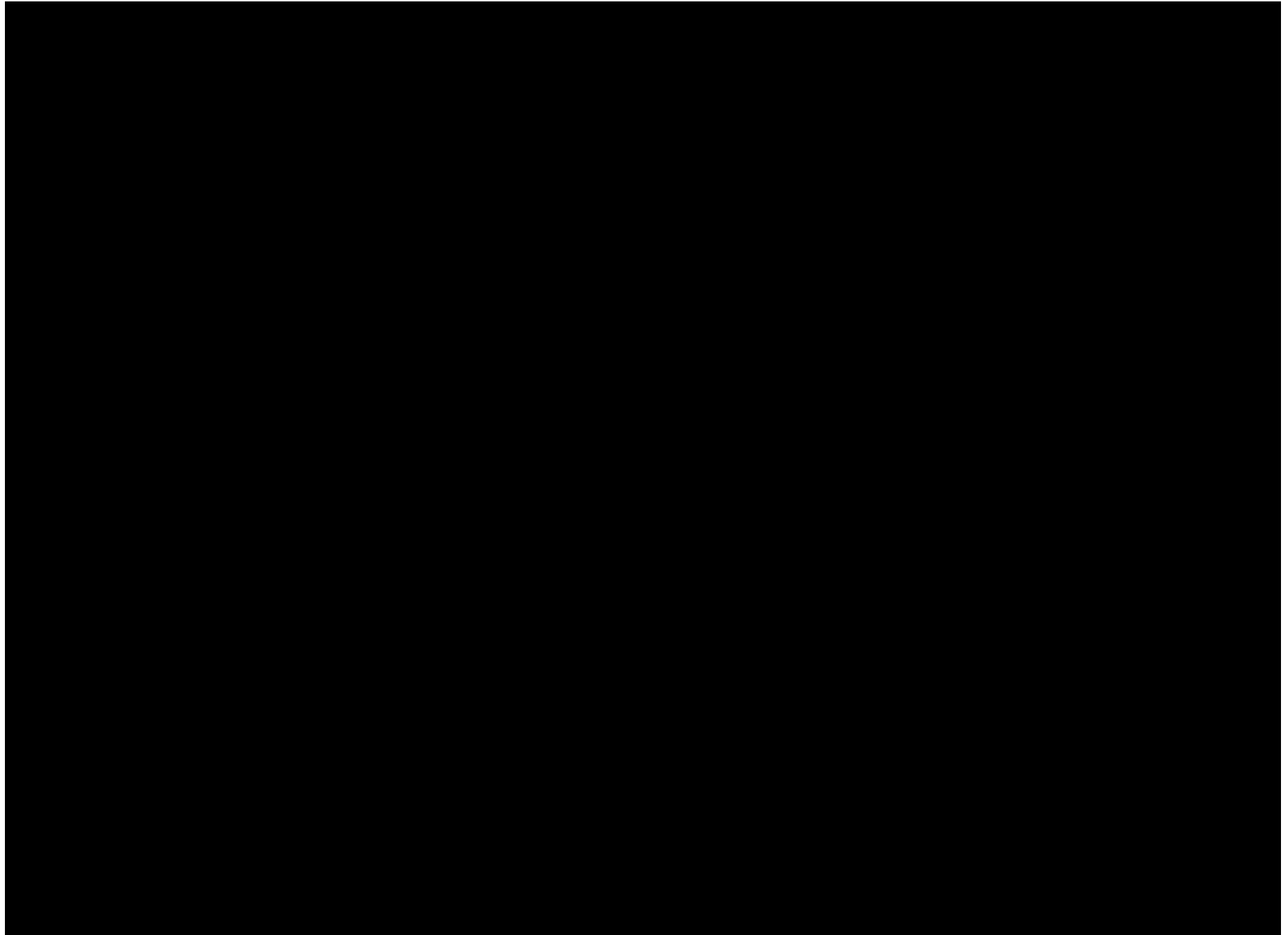
See **CONFIDENTIAL** Excel file “TAW_R_COCDR4_021_082826’” for detailed support of internal employee expenses.

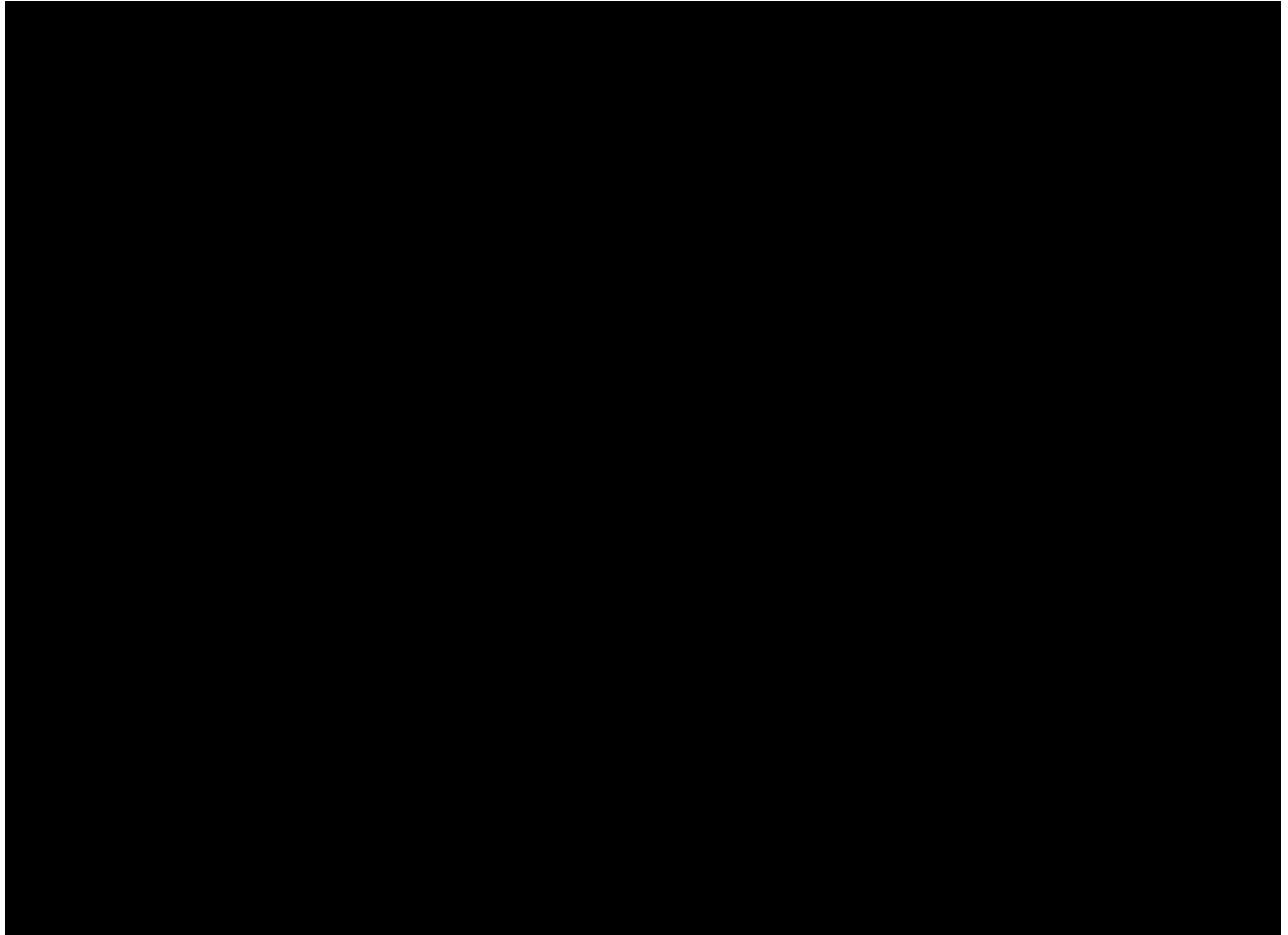
Transaction Search - Company

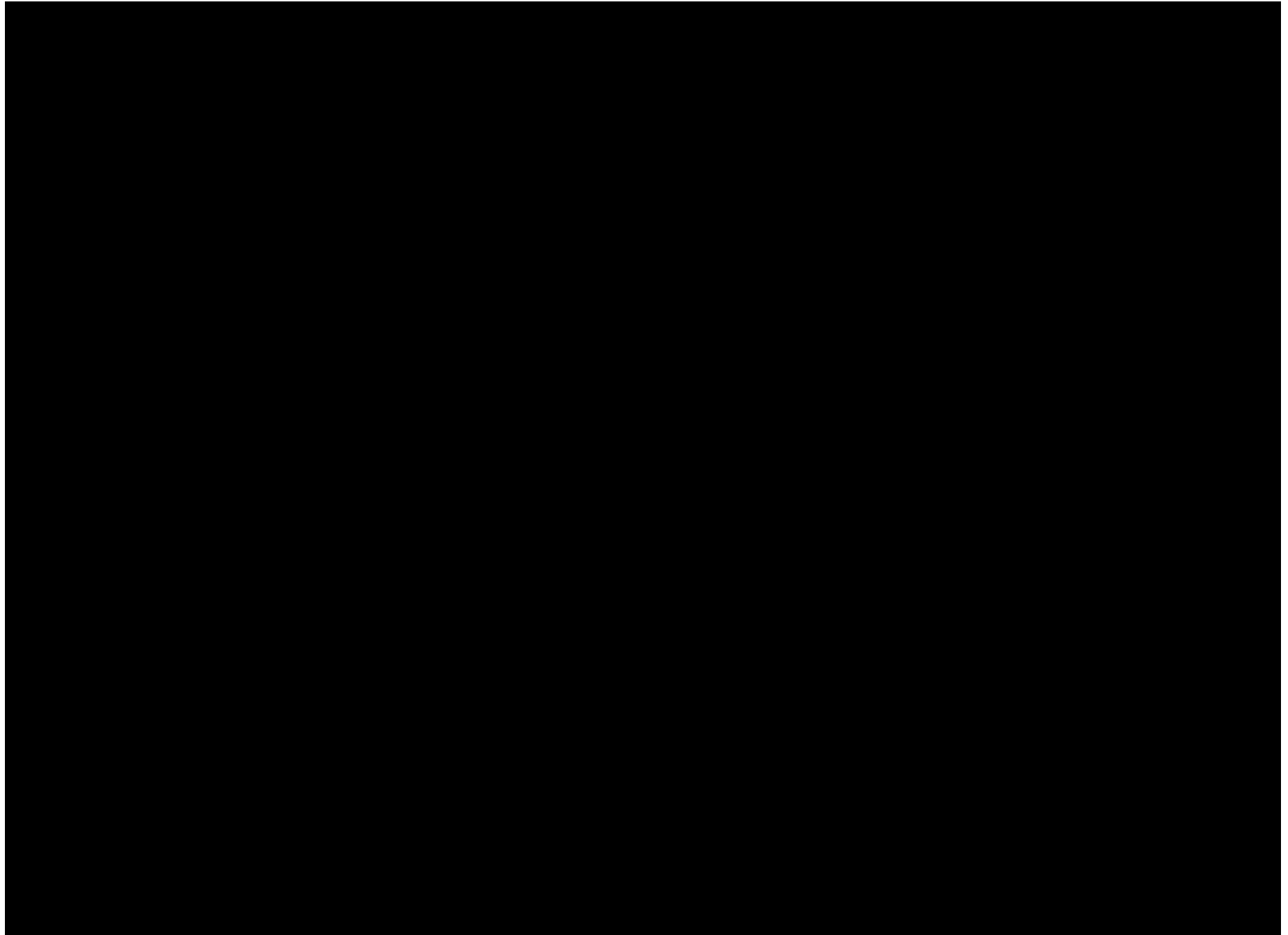
PNC Bank 1940, Statement Period 11/2/2023 to 4/8/2025

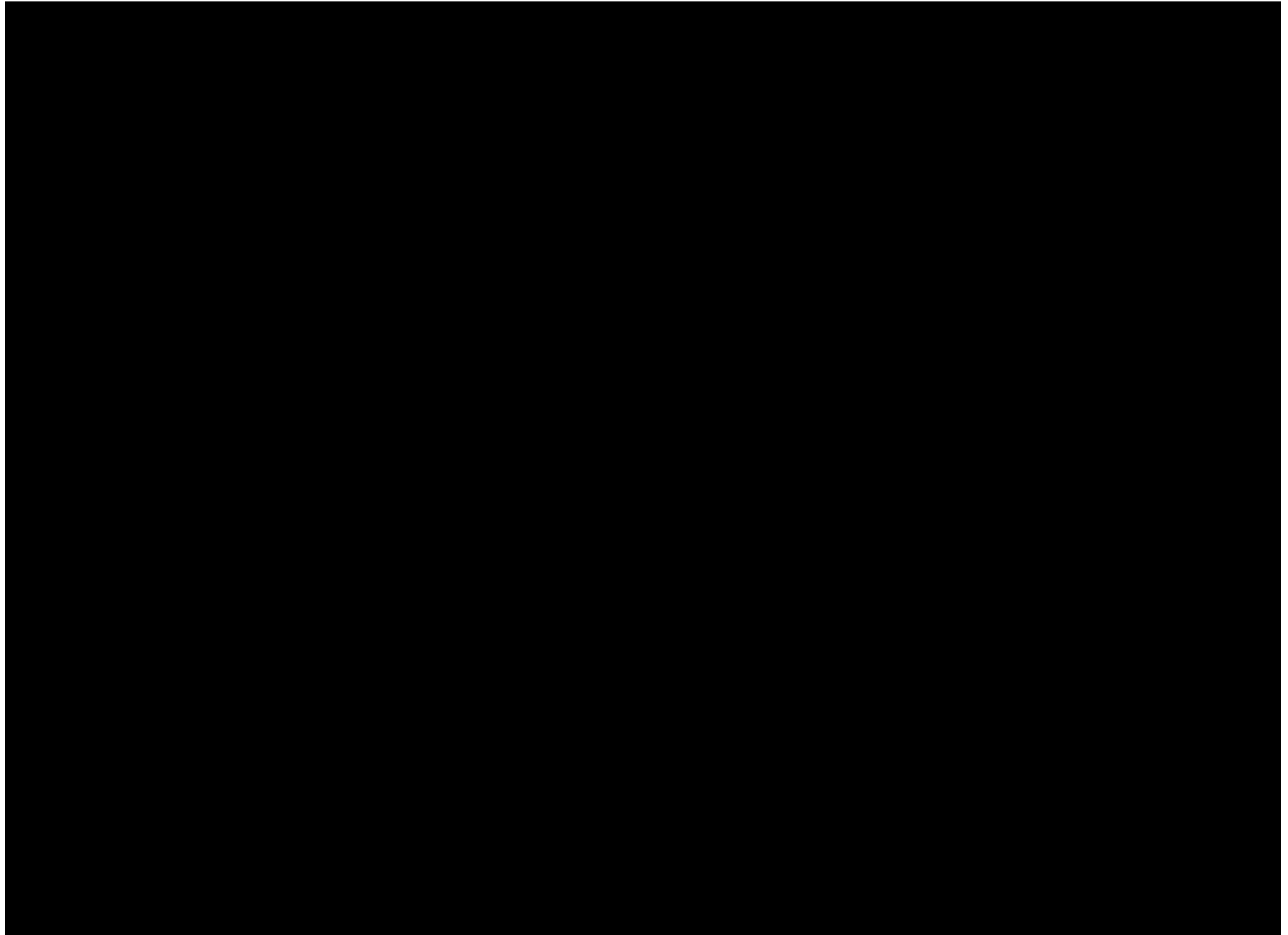
Posting Date	Tran Date	Account	Account Holder Last Name	Account Holder First Name	Supplier	Category	Description (Include**	Amount USD	Line Amount

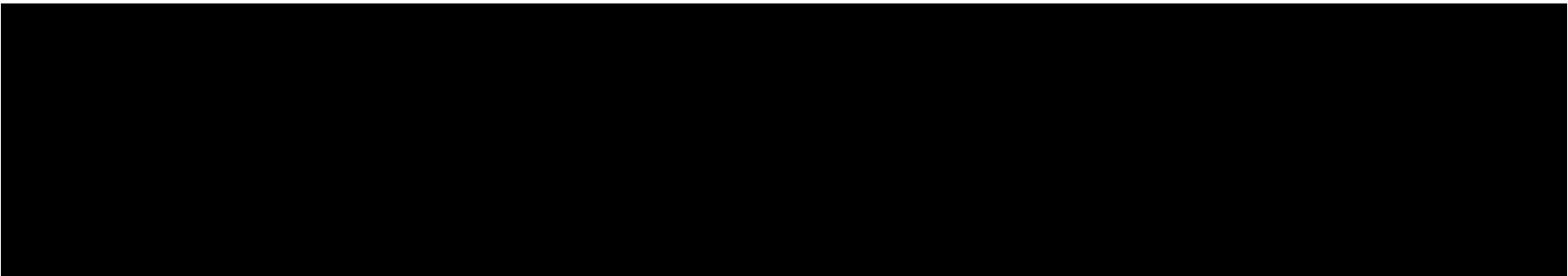












Travel	27,418.44
Hotel	42,563.09
Meat	10,200.88
Other	191.04
	80,373.45

* see note



**TENNESSEE AMERICAN WATER COMPANY
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 24-00032
FOURTH DISCOVERY REQUEST OF THE
CITY OF CHATTANOOGA**

Responsible Witness: Philip J. Drennan

Question:

22. Identify each expense included in the Company's request that exceeds the amount the Company initially budgeted or estimated for the applicable service. For each, state the original estimate, actual amount incurred, variance, and reason for the variance.

Response:

The Company objects to this request to the extent it assumes that the Company contemporaneously prepared or maintained a variance report comparing each rate case expense to the initial estimate by service or expense category. Subject to and without waiving this objection, 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.

The Company, including its vendors, cannot fully anticipate at the outset of a rate case which issues will be addressed in discovery, the extent of discovery activity, or which consultants or other resources may be needed to respond to and support those efforts. As a result, actual rate case expenses may vary from preliminary estimates based on the nature, scope, and timing of the proceeding. Indeed, when the Company provided EXP-11 it did not anticipate that the docket would later be bifurcated in the April 21, 2025 Order and that it would be required to seek cost recovery in a second proceeding. These phase two expenses are reasonable and incurred because of the April 21, 2025 Order and should be recoverable; to determine otherwise would be inconsistent and unfair to the Company.

Accordingly, the Company believes its rate case expenses should be considered in whole, rather than by isolating individual expense items against preliminary estimates that necessarily depended on assumptions made before the full scope of the proceeding was known. Additionally, see the Company's response to the City's DR 4-15. No responsive materials are being withheld.

**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.



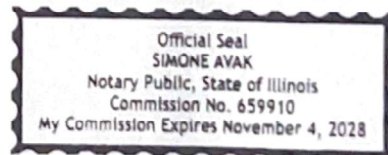
PHILIP DRENNAN

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:

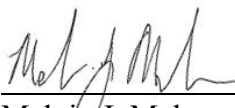
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This the 28th day of August 2026.



Melvin J. Malone