

TENNESSEE-AMERICAN WATER COMPANY, INC.

DOCKET NO. 24-00032

DIRECT TESTIMONY

OF

HEATH J. BROOKS

ON

Revenues, Class Cost of Service Study and Rate Design

SPONSORING PETITIONER'S EXHIBITS:

Petitioner's Exhibit Rev - 1: Revenue Summary - HB

Petitioner's Exhibit Rev - 2: Revenue at Present and Proposed Rates - HB

Petitioner's Exhibit Rev - 3: Revenue Forecast - HB

Petitioner's Exhibit Rev - 4: Residential Bill Comparison - HB

Petitioner's Exhibit Rev - 5: Commercial Bill Comparison - HB

Petitioner's Exhibit Rev - 6: Industrial Bill Comparison - HB

Petitioner's Exhibit COS - 1: Class Cost of Service Study - HB

Petitioner's Exhibit COS - 2: Other Operating Revenue Fees Cost Study - HB

**DIRECT TESTIMONY
HEATH J. BROOKS
TENNESSEE AMERICAN WATER COMPANY
DOCKET NO. 24-XXXXXX**

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1 **I. INTRODUCTION**

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

3 A. My name is Heath J. Brooks. My business address is 1 Water Street, Camden, NJ 08102.

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

5 A. I am employed by American Water Works Service Company, Inc. (“AWWSC” or “Service
6 Company”) as a Principal Regulatory Analyst. Service Company is a wholly owned
7 subsidiary of American Water Works Company, Inc. (“American Water”) that provides
8 services to Tennessee-American Water Company, Inc. (“TAWC” or the “Company”) and
9 its affiliates.

10 **Q. PLEASE STATE YOUR PROFESSIONAL AND EDUCATIONAL**
11 **BACKGROUND?**

12 A. I earned a Bachelor of Business Administration degree with a concentration in Finance
13 from Georgia State University in 2015. I have been employed by Service Company since
14 March of 2023 primarily focusing on revenues, class cost of service studies (“COSS”), and
15 rate design. Prior to joining Service Company, I was employed by Southern Company, an
16 energy company engaged in electric and natural gas businesses, for seven years where I
17 supported rate case proceedings for its natural gas subsidiaries in Virginia, Tennessee,
18 Georgia, Florida, New Jersey, and Maryland. My duties included revenue forecasting, rate
19 design, and COSS support.

20 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
21 **TENNESSEE PUBLIC UTILITY COMMISSION?**

1 A. Yes, I have submitted testimony before the Tennessee Public Utility Commission on
2 behalf of Chattanooga Gas Company.

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

4 A. The purpose of my testimony on behalf of TAWC is to (1) support and describe the methods
5 used to forecast water billing determinants and revenues for the test period and attrition
6 year, (2) support and describe the methods used to develop the fully allocated COSS, and
7 (3) support and describe the Company's proposed rate design.

8 **Q. ARE YOU SPONSORING ANY EXHIBITS WITH YOUR TESTIMONY?**

9 A. Yes, I am sponsoring the following exhibits, which have been filed with my testimony.

- 10 • Petitioner's Exhibit Rev - 1: Revenue Summary - HB
- 11 • Petitioner's Exhibit Rev - 2: Revenue at Present and Proposed Rates - HB
- 12 • Petitioner's Exhibit Rev - 3: Revenue Forecast - HB
- 13 • Petitioner's Exhibit Rev - 4: Residential Bill Comparison - HB
- 14 • Petitioner's Exhibit Rev - 5: Commercial Bill Comparison - HB
- 15 • Petitioner's Exhibit Rev - 6: Industrial Bill Comparison - HB
- 16 • Petitioner's Exhibit Cos - 1: Class Cost of Service Study - HB
- 17 • Petitioner's Exhibit Cos - 2: Other Operating Revenue Fees Cost Study - HB

18 **Q. WERE EACH OF THESE EXHIBITS PREPARED BY YOU OR UNDER YOUR**
19 **SUPERVISION?**

20 A. Yes.

21 **Q. PLEASE DESCRIBE THE COMPANY'S CURRENT RATE ZONES AND**
22 **CLASSES OF SERVICE.**

1 A. The Company serves a variety of customers, including residential, commercial, industrial,
2 private fire, public authorities (“OPA”), and sales for resale (“SFR”) customers, in the
3 following seven (7) rate zones.

- 4 • Chattanooga
- 5 • Lookout Mountain
- 6 • Lakeview
- 7 • Suck Creek
- 8 • Whitwell Inside City
- 9 • Whitwell Outside City
- 10 • Jasper Highlands

11 **Q. DOES THE COMPANY SERVE ANY CUSTOMERS SUBJECT TO A SPECIAL**
12 **CONTRACT?**

13 A. Yes. The Company has four (4) SFR customers subject to special contracts that designate
14 charges and minimum usage requirements.

15 **II. FORECASTED REVENUES**

16 **Q. PLEASE DESCRIBE THE PROCESS OF FORECASTING THE COMPANY’S**
17 **TEST PERIOD AND ATTRITION YEAR REVENUES PRESENTED IN**
18 **PETITIONER’S EXHIBIT REV – 1: REVENUE SUMMARY - HB.**

19 A. Petitioner’s Exhibit Rev – 1: Revenue Summary - HB presents the Company’s total test
20 period revenues calculated using actual test period billing determinants for the twelve
21 months ended December 2023 and normalized attrition year revenues based on current and
22 proposed rates using projected normalized billing determinants for the twelve months

1 ending December 2025. The Company's forecasting process begins by quantifying test
2 period revenues using actual billing determinants and comparing calculated test period
3 revenues to booked revenue to validate that test period billing determinants produce billed
4 revenues. Once test period billing determinants were established, customer growth or loss
5 was applied to test period customer counts along with the application of normalized usage
6 to arrive at normalized attrition year billing determinants. The normalized billing
7 determinants were then multiplied by current rates to arrive at normalized attrition year
8 revenues. The difference between projected normalized attrition year revenues and the
9 Company's total revenue requirement is the basis for the requested increase in revenues of
10 \$14,131,001.

11 **Q. PLEASE DESCRIBE HOW THE COMPANY CALCULATED CUSTOMER**
12 **GROWTH OR LOSS PROJECTIONS.**

13 A. Organic customer growth and loss projections were quantified using monthly historical
14 customer counts from four service areas in the Company's billing system. The service
15 areas include Chattanooga, Suck Creek, Sequatchie Valley, and Jasper Highlands.
16 Chattanooga, Lookout Mountain, and Lakeview customers are included in the historical
17 customer counts of the Chattanooga service area. Whitwell (Inside City) and Whitwell
18 (Outside City) customer counts are included in the historical customer counts of the
19 Sequatchie Valley service area.

20 Customer growth for most customer classes in each service area was calculated using a
21 two-year average of month over month growth or loss and applying the average month
22 over month growth or loss to the previous month's customer count with the starting point
23 being December 2023. Classes with little to no change in historical customer counts were

left flat at the actual December 2023 customer counts with no growth or loss assumed through the end of the attrition year. Projected growth for Chattanooga and Sequatchie Valley was allocated to each rate zone included in the respective service area based on the number of bills in 2022 and 2023.

Q. WHAT CUSTOMER GROWTH OR LOSS RATES ARE INCLUDED IN THE COMPANY'S REVENUE FORECAST.

A. Historical organic growth percentages for 2022 and 2023 along with projected organic growth percentages for 2024 and 2025 are displayed in the table below. Percentages are based on average annual customer counts. SFR customers have been projected to remain at current levels with four special contract customers and one SFR customer served under the Chattanooga SFR tariff throughout the attrition year.

TABLE 1: Customer Growth/Decline by Customer Class

	Residential	Commercial	Industrial	OPA	Private Fire
2022	1.60%	0.82%	-1.99%	0.53%	12.01%
2023	2.12%	0.80%	1.25%	-0.57%	18.01%
2024	1.92%	0.66%	1.23%	0.43%	12.92%
2025	1.96%	0.72%	1.22%	-0.07%	12.48%

Q. YOU MENTIONED BOTH "RATE ZONES" AND "SERVICE AREAS" ABOVE. WHAT IS THE DIFFERENCE BETWEEN A RATE ZONE AND A SERVICE AREA?

1 A. “Service Area” refers to the four territories under which the Company tracks accounting
2 and certain customer data information. The four service areas include Chattanooga, Suck
3 Creek, Sequatchie Valley, and Jasper Highlands. “Rate Zone” refers to the seven areas that
4 have separate tariff rates and are defined in the Company’s current tariff. Two of the
5 Company’s service areas include multiple rate zones. The Chattanooga service area
6 includes Chattanooga, Lookout Mountain, and Lakeview rate zones. The Sequatchie
7 valley service area includes Whitwell Inside City and Whitwell Outside City rate zones.

8 **Q. PLEASE DESCRIBE HOW WATER USAGE WAS PROJECTED FOR THE**
9 **ATTRITION YEAR.**

10 A. Projecting usage for each rate zone is a multi-step process and differs among rate classes.

11 **Residential, Commercial, and OPA**

12 Residential, commercial, and OPA usage projections were quantified by first determining
13 normalized usage per customer at the consolidated Company level for each respective
14 class. Econometric techniques relied upon to calculate normalized usage per customer
15 have been described in detail in Company witness Charles B. Rea’s Direct Testimony.

16 The projected annual normalized usage per customer was multiplied by the projected
17 average 2025 customer count to quantify total usage for each respective class. Once total
18 usage for the 2025 attrition year was determined for each class, usage was allocated to each
19 month of the attrition year based on historical total system delivery volume. Monthly usage
20 was then allocated to each service area based on historical 2022 and 2023 usage totals.

For the Chattanooga and Sequatchie Valley service areas, which include more than one rate zone, monthly usage for each class was allocated to each rate zone based on 2022 and 2023 historical usage totals.

Industrial

All TAWC industrial customers are in the Chattanooga rate zone. Industrial usage has been normalized for the attrition year by using a two-year average based on 2022 and 2023 usage.

SFR Customers

The Company's four special contract SFR customers have designated contracted minimum usage amounts. The Company has used the contracted minimum annual usage amounts for each customer to project total SFR usage for the attrition year.

The Company also has one additional SFR customer served under the Chattanooga "Sale For Resale" tariff. This customer does not have a designated minimum usage amount and takes service for emergency use only. Given the emergency use nature of the service provided, there is no forecasted usage for this customer in the Company's attrition year.

Q. WHAT IS THE NORMALIZED USAGE PER CUSTOMER FOR RESIDENTIAL, COMMERCIAL, AND OPA CUSTOMERS THAT'S BEING UTILIZED TO FORECAST USAGE REVENUES IN THE COMPANY'S REVENUE FORECAST?

A. The table below displays the annual usage per customer that's being used to forecast normalized revenue for residential, commercial and OPA customers.

TABLE 2: Annual Usage Per Customer (1,000 Gallons)

Period	Residential	Commercial	OPA
2024	45.80	336.39	1003.86
2025	45.61	334.03	989.78

Q. PLEASE DESCRIBE HOW PROJECTED USAGE WAS ASSIGNED TO EACH RATE BLOCK.

A. Projected usage was allocated to each rate block based on 2022 and 2023 actual usage totals by block for each customer class in each rate zone.

Q. PLEASE DESCRIBE HOW OTHER OPERATING REVENUES WERE DEVELOPED FOR THE ATTRITION YEAR.

A. Revenue projections for Activity Fees, New Service Fees, Disconnection – Reconnection Charges, Returned Check Charges, and Usage Data Charges were quantified by using a two-year average utilizing 2022 and 2023 to determine a normalized level of occurrences. Normalized billing determinants for each fee were multiplied by each respective rate to quantify the total revenue for each fee or charge. As described later in my testimony, the Company is proposing changes to certain fees.

Late payment revenues were quantified by calculating a ratio, based on a two year average, of late payments to total revenue. The ratio was applied to revenue projections in the Company's forecast to determine attrition year late payment revenues.

Revenue projections for Rents were projected using contractual revenue amounts. Revenues projections for miscellaneous service fees were based on a two-year average using 2022 and 2023 actuals.

1 **III. CLASS COST OF SERVICE STUDY**

2 **Q. WHAT IS THE PURPOSE OF A CLASS COST OF SERVICE STUDY (“COSS”)?**

3 A. Generally, the Company’s expenses and rate base are not directly assigned to a specific
4 customer class. Therefore, a COSS is used as a tool to apportion expenses and rate base to
5 each customer class that is served by the Company to reach a revenue requirement by
6 customer class. The fully allocated COSS results include cost responsibilities for each
7 customer class. The Company’s COSS allocates the revenue requirement to the following
8 customer classes:

- 9 • Residential
- 10 • Commercial
- 11 • Industrial
- 12 • OPA
- 13 • SFR
- 14 • Private Fire Service

15 **Q. DOES TAWC USE GUIDELINES FROM THE AMERICAN WATER WORKS**
16 **ASSOCIATION (“AWWA”) WHEN DEVELOPING THE CLASS COST OF**
17 **SERVICE STUDY?**

18 A. Yes, the AWWA’s Manual of Water Supply Practices titled Principles of Water Rates, Fees,
19 and Charges, Sixth Edition, contains guidelines regarding the development of revenues,
20 class cost of service studies, and rate design. The Company’s COSS takes several of these
21 guidelines into consideration when developing the COSS, particularly the base-extra
22 capacity allocation methodology.

1 **Q. HOW IS THE COMPANY’S COSS ORGANIZED?**

2 A. The Company’s COSS consists of the five tabs that I describe below.

3 “Summary” – The “Summary” tab presents the results of the COSS that include the
4 Company’s revenue requirement and the required adjustment necessary for revenue
5 recovery to be at cost of service for each rate class.

6 “Account Detail” – The “Account Detail” tab presents the functionalization, classification,
7 and allocation of the Company’s plant and expense accounts.

8 “Allocation Summary” – The “Allocation Summary” tab summarizes all allocation factors
9 that are used in the model.

10 “Allocation Worksheet” – The “Allocation Worksheet” tab utilizes billing determinant
11 information from the “Usage Statistics” tab and presents calculations of the different
12 allocation factors.

13 “Usage Statistics” – The “Usage Statistics” tab contains billing determinant data that is
14 used to calculate different allocation factors.

15 **Q. PLEASE DISCUSS THE STEPS REQUIRED TO PRODUCE THE COMPANY’S**
16 **COSS.**

17 A. Generally, three steps are required to develop a COSS. The first step of producing the
18 Company’s COSS is functionalizing forecasted attrition year costs. Functionalization is
19 the process of classifying the Company’s plant and expense accounts into categories that
20 represent the operational function of each cost incurred. Most accounts are easily assigned
21 to functional categories by relying on operational descriptions that are included in the
22 Company’s chart of accounts; however, some general costs cannot be directly assigned to

1 a functional category. Accounts that cannot be directly assigned to a functional category
2 are allocated based on various allocators. The Company's functional cost categories
3 include:

- 4 • Source of supply
- 5 • Pumping
- 6 • Water Treatment
- 7 • Transmission
- 8 • Distribution
- 9 • Storage
- 10 • Meters
- 11 • Services
- 12 • Customers
- 13 • Hydrants

14 Once accounts are functionalized to the aforementioned cost categories, the next step is to
15 identify allocators that are related to cost drivers. Cost drivers generally fall into one of
16 the following categories.

- 17 • Usage
- 18 • Capacity
- 19 • Meters
- 20 • Services
- 21 • Customers
- 22 • Hydrants

1 The final step is to allocate functionalized costs to the Company's classes of service by
2 utilizing appropriate allocations that are related to different cost drivers.

3 **Q. WHAT GUIDES THE DEVELOPMENT OF THE FACTORS USED TO**
4 **ALLOCATE COSTS WITHIN THE COMPANY'S COSS?**

5 A. Cost causation is the guiding principle relied upon to develop the allocation factors used to
6 allocate costs within the Company's COSS. The development of appropriate allocation
7 factors requires identifying relationships between billing determinants, such as usage, and
8 costs incurred by the Company. For example, transmission mains must be sized to have
9 adequate capacity in periods of peak demand requirements; therefore, it's logical to use a
10 variation of peak water usage to allocate transmission mains cost to customer classes.
11 When a cost cannot be directly correlated with a billing determinate, a general allocation
12 is used to allocate the cost to classes of service.

13 **Q. WHAT ALLOCATION METHOD DID THE COMPANY RELY ON TO**
14 **ALLOCATE MOST CAPACITY RELATED COSTS?**

15 A. The Company applied variations of the Base/Extra capacity method to allocate most costs
16 related to capacity requirements.

17 **Q. PLEASE DESCRIBE THE BASE/EXTRA CAPACITY METHOD.**

18 A. The Base/Extra capacity method is an allocation method that is based on customer usage
19 and recognizes a combination of base capacity costs (i.e., costs related to ensuring the
20 system can meet basic water usage needs) and extra capacity costs (i.e., additional costs
21 related to peak water usage requirements).

1 There are two steps required to calculate the general Base/Extra capacity allocator for each
2 class of service. First, the “Base” component, which is average daily usage, must be
3 calculated for each class of service (class usage / 365 days). The base usage for each class
4 of service is divided by the overall system daily average to calculate each base allocation
5 factor. Second, the “Extra” component for each class of service is derived by calculating
6 the difference between average daily usage and maximum daily usage (maximum day –
7 average day). The “Extra” allocation factor is calculated for each class of service by
8 dividing each class’s extra demand value by the total sum of the extra demand values for
9 all classes of service.

10 For each class of service, the “Base” and “Extra” components are weighted based on
11 system total. The Base component is weighted by the total system average daily usage
12 expressed as a percentage of the system maximum day usage (average daily system usage
13 divided by maximum day usage), and the Extra component is weighted by one minus the
14 average daily system load percentage. The weighted results of the “Base” and “Extra”
15 components are added together for each class of service to arrive at Base/Extra Daily
16 factors by class of service.

17 **Q. IS THE BASE EXTRA CAPACITY METHOD AN INDUSTRY ACCEPTED**
18 **PRACTICE USED FOR ALLOCATING COSTS.**

19 A. Yes, the Base/Extra capacity method is an industry accepted methodology used for
20 allocating costs to customer classes. The AWWA’s Manual of Water Supply Practices
21 contains extensive details regarding the Base/Capacity method.

22 **Q. ARE THERE DIFFERENT VARIATIONS OF BASE/EXTRA CAPACITY**
23 **FACTORS UTILIZED IN THE COSS?**

1 A. Yes, variations of Base/Extra capacity factors are calculated to recognize usage
2 requirements for fire protection and hourly delivery. All Base/Extra capacity calculations
3 can be found on the “Class Allocators” tab of Schedule HJB-1.

4 **Q. HOW IS EACH CLASS’S MAXIMUM DAILY USAGE CALCULATED?**

5 A. Maximum daily usage for each class of service in the Company’s COSS is calculated by
6 multiplying average daily usage by the calculated peaking factor.

7 **Q. HOW ARE DAILY AND HOURLY PEAKING FACTORS CALCULATED FOR**
8 **EACH CLASS OF SERVICE?**

9 A. Maximum daily and hourly peaking factors for each customer class are estimated based on
10 daily and hourly consumption data collected via Advanced Metering Infrastructure
11 (“AMI”) meter data. For Sales for Resale customer classes, maximum daily consumption
12 values are estimated based on AMI data collected for those customers where data exists,
13 with estimated data used for resale customers where AMI data is not available. For other
14 classes, maximum daily consumption is estimated based on samples of customers across
15 the American Water footprint for which American Water has AMI data. These samples,
16 which are selected by customer class and subgroups within each class, are selected such
17 that the customers in each customer class sample have monthly usage characteristics that
18 are nearly identical to monthly usage characteristics that TAWC customers have and are
19 expected to have during the attrition year, thus providing consistency between the usage
20 characteristics of the customers in each sample and the usage characteristics of TAWC
21 customers.

22 **Q. PLEASE DESCRIBE THE TYPES OF COSTS THE COMPANY INCURS AND**
23 **HOW EACH IS ALLOCATED TO CUSTOMER CLASSES.**

1 A. **Variable**

2 Variable costs are included in the following functionalized cost categories: Source of
3 Supply, Pumping, and Water Treatment. Variable costs fluctuate and are dependent on the
4 amount of water consumed by customers. For example, chemical costs for water treatment
5 increase as customer usage increases. Since variable costs directly correlate with water
6 consumption, each class's water usage is utilized to allocate these costs.

7 **Capacity - General**

8 Capacity costs refer to costs that do not vary directly with water usage and are those that
9 are generally associated with ensuring that different functional aspects of the Company's
10 water system can adequately serve all customers during periods of peak load requirements.

11 Capacity requirements are related to several operational functions of the system which
12 include source of supply, pumping, water treatment, and mains. Since capacity costs are
13 incurred from ensuring the system can successfully operate while meeting all levels of
14 water demand, the Company utilizes variations of the Base/Extra capacity method for
15 allocations, which recognizes base use and peak water usage requirements.

16 **Capacity – Source of Supply**

17 Source of supply costs that are not part of the variable cost allocation are allocated using
18 the Base/Extra capacity method.

19 **Capacity – Water Pumping**

20 Pumping costs that are not part of the variable cost allocation are allocated using the
21 Base/Extra capacity method.

1 **Capacity – Water Treatment**

2 Water treatment costs that are not part of the variable cost allocation are allocated to all
3 classes of service using the Base/Extra capacity method.

4 **Capacity – Transmission Mains**

5 Transmission mains costs are allocated using the Base/Extra capacity method that
6 recognizes public fire protection requirements. Generally, mains 10-inches and larger are
7 classified as serving a transmission function.

8 **Q. ARE TRANSMISSION MAINS COSTS ALLOCATED TO ALL CUSTOMER**
9 **GROUPS?**

10 A. Yes. All customer groups are considered to take service from the Company's transmission
11 system and therefore transmission costs are allocated to all customer classes.

12 **Capacity – Distribution Mains**

13 Distribution mains costs are allocated using the Base/Extra capacity method that is
14 modified to include a component that recognizes maximum hourly demand (at the
15 distribution level) instead of maximum daily demand and recognizes public fire protection
16 requirements. This is appropriate because the transmission main system functions as a
17 conduit from production facilities to the distribution system and is sized to accommodate
18 varying water demands from customers that take service at the distribution level. Sizing
19 at the distribution level needs to accommodate higher demands for shorter periods of time.
20 It is therefore appropriate to consider hourly consumption requirements including public
21 fire protection for distribution mains allocation, as opposed to daily requirements.

1 **Q. ARE DISTRIBUTION MAINS COSTS ALLOCATED TO ALL CUSTOMER**
2 **GROUPS?**

3 A. No. Several of the Company's large industrial and SFR customers are served directly from
4 the transmission system (mains 10 inches and above); therefore, it would not be appropriate
5 to allocate costs related to the distribution system to these customers. A calculation is
6 performed for the industrial class and SFR class to estimate the percentage of water sales
7 served to each class by the transmission system. That portion of sales in each class is not
8 subject to an allocation of distribution costs. It is only the distribution-level sales in each
9 class that are allocated distribution-related costs.

10 **Storage**

11 Storage costs are allocated to customer class based on the Modified Base/Extra allocator
12 using hourly estimated peak demand for the extra component and an additional component
13 recognizing fire protection requirements.

14 **Meters**

15 Generally, the costs associated with a meter increase as the size of the meter increases;
16 therefore, the Company applies an index based on equivalent meters, with a 5/8" meter
17 being the base meter, to weight the count of meters by class. The total weighted count of
18 meters by class is then used to allocate meter costs.

19 **Services**

20 Service line costs are allocated to customer classes by applying an index that has been
21 developed using costs for service line installation by size.

1 **Customer**

2 Customer service costs are allocated to customer classes based on customer counts for each
3 class.

4 **Fire Protection**

5 Fire protection requirements are determined through a combination of information on
6 firefighting requirements provided by the American Insurance Association. This
7 information relates firefighting requirements in terms of maximum gallons per minute and
8 the duration of time those requirements are needed to provide service for general
9 population levels. Given the population of the TAWC service territory, a firefighting
10 demand of 12,000 gallons per minute for ten hours was used in the Company's cost of
11 service analysis. This firefighting demand was split between private fire and public fire
12 protection based on the relative potential water demand for each class, which is in turn
13 based on the number and size of service lines and hydrants for each type of fire protection
14 service. Capacity related costs associated with fire protection are allocated to customer
15 classes through the methods previously described in my testimony that account for fire
16 protection service.

17 **Hydrants**

18 Hydrant costs are reallocated to residential, commercial, OPA, and industrial customer
19 classes using a combination of meter equivalents and average usage.

20 **Other Costs**

General costs associated with labor can be identified by company account descriptions and are allocated using a labor allocation factor formulated utilizing labor costs from each functional category. Other general costs not associated with labor are allocated based on fixed O&M.

Q. HOW ARE DEPRECIATION COSTS ALLOCATED TO CLASSES OF SERVICE?

A. Annual depreciation expense is allocated based on the function of the facilities for each depreciable plant account. The original cost less depreciation of utility plant in service was similarly allocated for the purpose of developing factors for allocating items such as income taxes and operating income. These factors are based on the results of allocating other costs and are computed internally in the cost allocation model.

Q. HOW ARE INCOME TAXES, OPERATING INCOME, AND OTHER OPERATING REVENUES ALLOCATED TO THE CLASSES OF SERVICE?

A. Rate base for each class of service is used to allocate income taxes, operating income, and other operating revenues.

Q. PLEASE SUMMARIZE THE RESULTS OF THE COMPANY'S COSS?

A. Please refer to Petitioner's Exhibit COS – 1 - HB for the Company's COSS. A summary of the results of the study is displayed in the table below.

TABLE 3: Class Cost of Service Results

Class	Current Revenue	COSS Adjustment	COSS Adjustment %
Residential	\$ 32,458,901	\$ 10,512,646	32%
Commercial	\$ 22,715,453	\$ (895,492)	-4%

Industrial	\$ 5,750,304	\$ 1,977,564	34%
OPA	\$ 4,322,067	\$ 1,774,789	41%
SFR	\$ 1,286,516	\$ 1,200,734	93%
Private Fire	\$ 3,973,889	\$ (1,018,030)	-26%

The column labeled “Current Revenue” represents forecasted Attrition Year revenue under current rates. The column labeled “COSS Adjustment” represents the revenue adjustment necessary for each class to cover its’ cost of service. The column labeled “COSS Adjustment %” represents the percentage adjustment necessary for each customer class to cover its’ cost of service.

IV. WATER SERVICE RATE DESIGN

Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF THE COMPANY’S CURRENT RATE DESIGN FOR WATER SERVICE.

A. As described earlier in my testimony, TAWC has seven (7) rate zones that include multiple customer classes. Service charge rates, volumetric rates and the volumetric rate block structure vary across most rate zones.

Generally, customers in each rate class regardless of rate zone are subject to service charges. The service charges applicable to customers in Chattanooga, Lookout Mountain, and Lakeview escalate with meter size. The service charges applicable to customers in Suck Creek, Whitwell Inside City, Whitwell Outside City, and Jasper Highlands are flat and are not dependent on meter size. Private fire service charges escalate with the service connection size in all rate zones.

1 All rate zones have volumetric rate blocks that are the same for residential, commercial,
2 industrial, and OPA customers within each rate zone. While the rate block structure is the
3 same for each customer class within each rate zone, excluding SFR special contracts, the
4 rates generally vary among customer classes. The majority of the Company's rate zones
5 have a free first volumetric block or a low volumetric rate applicable to volume in the first
6 block. The second rate block rate is generally higher and blocks assume a declining rate
7 structure where each succeeding block is subject to a lower rate. The rate block structure
8 in Chattanooga, Lookout Mountain, and Lakeview includes six volumetric rate blocks with
9 the first being subject to a low volumetric rate. The rate block structure in Whitwell Inside
10 City and Whitwell Outside City includes four rate blocks with a usage allowance of 2,000
11 gallons. The rate block structure in Suck Creek includes three rate blocks with a usage
12 allowance of 1,500 gallons. The rate block structure in Jasper Highlands includes four rate
13 blocks with a usage allowance of 2,500 gallons.

14 SFR special contract customers are subject to a contracted usage rate that's applicable to
15 all usage. Each contracted usage rate is unique for each customer.

16 **Q. WHAT CHANGES IS THE COMPANY PROPOSING TO MAKE TO ITS RATE**
17 **DESIGN?**

18 A. The Company is proposing to move towards consolidated tariff pricing by consolidating
19 rate structures applicable to Chattanooga, Lookout Mountain, Lakeview, Suck Creek,
20 Whitwell Inside City, and Whitwell Outside City by combining rate zones and serving
21 customers under consolidated rate structures. Under the Company's proposal, all rate
22 zones, excluding Jasper Highlands, will be served under the same tariff schedules. The
23 consolidated area will be defined as Rate Zone 1 and Jasper Highlands will be defined as

Rate Zone 2. Residential customers in Rate Zone 1 will be served under a residential tariff, and all other customers, excluding special contracts and private fire, will be served under a non-residential tariff.

Q. PLEASE DESCRIBE THE RESIDENTIAL RATE STRUCTURE UNDER RATE ZONE 1?

A. The Company is proposing fixed service charges that are dependent on meter size starting at \$21.50 for a 5/8" meter and escalating with meter size. Additionally, the Company is proposing to eliminate the current block structures and have a single volumetric rate of \$1.28091 per hundred gallons that is applicable to usage after a monthly allowance of 3,000 gallons.

Q. PLEASE DESCRIBE THE NON-RESIDENTIAL RATE STRUCTURE UNDER RATE ZONE 1?

A. The Company is proposing fixed service charges that are dependent on meter size starting at \$27.50 for a 5/8" meter and escalating with meter size. Additionally, the Company is proposing a six block rate structure that is based on the current Chattanooga industrial tariff volumetric rate proportions.

Q. PLEASE PROVIDE A SUMMARY TABLE FOR RATE ZONE 1.

A. Please see the table below for a summary of the Company's proposal.

TABLE 4: Rate Zone 1 Proposed Rates

Meter Size		Residential	Non-Residential
5/8-METER		\$ 21.50	\$ 27.50
3/4-METER		\$ 32.25	\$ 41.00
1-METER		\$ 53.75	\$ 68.50
1.5-METER		\$ 107.50	\$ 137.50
2-METER		\$ 172.00	\$ 219.50
3-METER		\$ 344.00	\$ 438.50
4-METER		\$ 537.50	\$ 686.50
6-METER		\$ 1,075.00	\$ 1,372.50
8-METER		\$ 1,720.00	\$ 2,196.50
Monthly Usage (Per 100 Gallons)		Residential	Non-Residential
First 30 hgal		\$ -	\$ 0.05969
Next 456 hgal		\$ 1.28091	\$ 0.94791
Next 3,254 hgal		\$ 1.28091	\$ 0.59574
Next 33,660 hgal		\$ 1.28091	\$ 0.42075
Next 74,600 hgal		\$ 1.28091	\$ 0.32145
Over 112,000 hgal		\$ 1.28091	\$ 0.19122

Q. PLEASE DESCRIBE THE COMPANY’S RATE PROPOSAL FOR JASPER HIGHLANDS (RATE ZONE 2).

A. The Company is proposing a single set of rates for Rate Zone 2 that is applicable to all classes except private fire service. Under the Company’s proposal, the current service charge of \$52.15 will be maintained for all meter sizes and the current volumetric rate blocks will be eliminated and a single volumetric rate of \$1.1790 per hundred gallons will be applicable to all volume after a monthly allowance of 2,500 gallons.

Q. DO YOU HAVE AN EXHIBIT THAT DISPLAYS THE CHANGES IN RATES AND REVENUES UNDER THE PROPOSED RATE STRUCTURE?

1 A. Yes, Petitioner's Exhibit Rev – 2: Revenue at Present and Proposed Rates - HB displays
2 attrition year revenue under current and proposed rates for each rate zone.

3 **Q. PLEASE DESCRIBE HOW THE COMPANY ALLOCATED THE REVENUE**
4 **INCREASE.**

5 A. Proposed rates were quantified utilizing the process described below.

- 6 • Jasper Highlands (Rate Zone 2) revenues were maintained at revenues being
7 recovered through base rates, with the exception of private fire service, which
8 results in an overall revenue reduction to the rate zone of \$201,000 or -28.9%
- 9 • Private fire rates were determined by rolling in the current rider recovery revenues
10 and increasing rates by an additional amount of half the overall retail increase of
11 19.22%.
- 12 • SFR special contract rates were quantified by rolling in rider revenue recovery into
13 proposed base rates. SFR special contract customers did not receive any of the
14 retail increase in revenues.
- 15 • Rate zone 1 residential meter rates were determined by first increasing the 5/8-inch
16 Chattanooga residential meter rate by the rider amount being collected through the
17 charge which is approximately \$5.68. After adding the rider amount collected
18 through the 5/8-inch meter charge, an additional increase amount of half the overall
19 retail increase was applied which equates to \$1.59. After rounding, the two
20 adjustments result in a 5/8-inch meter rate of \$21.50. Subsequent meter rates were
21 determined by increasing the 5/8-inch meter rate by the Company's equivalent
22 meter capacity ratios.

- Rate zone 1 non-residential meter rates were quantified by maintaining the current differential between Chattanooga residential and commercial base rates.
- Once the previously described steps were accounted for, a percentage increase of 36.3% to rate zone 1 volumetric recovery was determined to reach the total revenue requirement. An increase of 1.25 times the 36.3% increase was applied to rate zone 1 residential rates. Rate zone 1 non-residential volumetric rates received the remaining increase.

Q. OF THE TOTAL REVENUES COLLECTED UNDER YOUR PROPOSED WATER RATES, HOW MUCH REVENUE IS BEING COLLECTED THROUGH FIXED CHARGES AND HOW MUCH REVENUE IS BEING COLLECTED THROUGH VOLUMETRIC CHARGES?

A. Total proposed water revenue recovery from retail customers is \$84,059,343. Of this amount, \$35,214,894 is collected through fixed charges (32% of the total) and \$48,844,449 is collected through volumetric charges (58% of the total).

Q. IS THE FIXED CHARGE RECOVERY PERCENTAGE HIGHER THAN THE CURRENT FIXED CHARGE RECOVERY PERCENTAGE OF TOTAL RETAIL REVENUE RECOVERY UNDER CURRENT RATES?

A. No, when current base rates and the additional rider recovery is accounted for, the Company currently recovers approximately 49% of revenue through fixed charges. The Company's proposal results in a reduction of fixed charge recovery of approximately seven percent with total proposed fixed charge recovery accounting for 42% of revenue.

Q. WHAT IMPACT DOES THE COMPANY'S PROPOSED REVENUE INCREASE HAVE ON TAWC CUSTOMERS ON A PER CLASS BASIS?

A. The table below displays the revenue increase impact on each customer class.

TABLE 5: Rate Proposal Impact by Customer Class

Class	Current Revenue	Proposed Revenue	Increase \$	Increase %
Residential	\$ 32,458,901	\$ 39,218,107	\$ 6,759,206	20.82%
Commercial	\$ 22,715,453	\$ 27,461,381	\$ 4,745,927	20.89%
Industrial	\$ 5,750,304	\$ 6,581,262	\$ 830,958	14.45%
OPA	\$ 4,322,067	\$ 5,153,148	\$ 831,081	19.23%
SFR	\$ 1,286,516	\$ 1,288,075	\$ 1,559	0.12%
Private Fire	\$ 3,973,889	\$ 4,357,369	\$ 383,480	9.65%

Q. WHAT ARE THE AVERAGE RESIDENTIAL BILL IMPACTS UNDER THE COMPANY'S PROPOSAL?

A. The Table below displays the residential bill impacts for an average customer using 3,800 gallons per month. Additional residential, commercial, and industrial bill impacts under varying usage parameters can be found in Petitioner's Exhibit Rev – 4 - HB, Petitioner's Exhibit Rev – 5 - HB, and Petitioner's Exhibit Rev – 6 - HB.

TABLE 6: Average Residential Bill Impact

Rate Zone	Current	Proposed	\$ Change	% Change
Chattanooga	\$ 27.51	\$ 31.75	\$ 4.24	15.4%
Lookout Mountain	\$ 35.84	\$ 31.75	\$ (4.09)	-11.4%
Lakeview	\$ 31.82	\$ 31.75	\$ (0.07)	-0.2%
Suck Creek	\$ 62.70	\$ 31.75	\$ (30.96)	-49.4%
Whitwell Inside City	\$ 40.93	\$ 31.75	\$ (9.18)	-22.4%
Whitwell Outside City	\$ 47.74	\$ 31.75	\$ (16.00)	-33.5%
Jasper Highlands	\$ 97.33	\$ 66.68	\$ (30.65)	-31.5%

V. CONSOLIDATED TARIFF PRICING

1 **Q. THE COMPANY IS PROPOSING TO IMPLEMENT A SIGNIFICANT**
2 **MOVEMENT TOWARD CONSOLIDATED TARIFF PRICING. WHAT ARE THE**
3 **BENEFITS OF CONSOLIDATED TARIFF PRICING?**

4 A. The following primary benefits are associated with consolidated tariff pricing:

- 5 1. Improved affordability for all customers: Consolidated pricing creates benefits for all
6 customers in the long run by spreading infrastructure investment over the total customer
7 base which in turn results in long-term rate stability. Typically, those customers that pay
8 lower than average prices do so because of aging infrastructure and therefore depreciated
9 infrastructure that will have to be replaced, and the new investment recovered in rates,
10 sooner rather than later. At some point in the future the utility will need to invest in all of
11 the areas that it serves. Significant investment in small rate zones without consolidated
12 tariff pricing could significantly impact water affordability for the customers in such a rate
13 zone.
- 14 2. Lower administrative and regulatory costs: Simplifying rate structures also leads to lower
15 administrative costs as utilities can more easily help customers who have questions, lower
16 the cost of billing and collections, and reduce the regulatory cost of separate filings within
17 a single rate proceeding.
- 18 3. A consistent regulatory approach for all public utilities: Due to the lumpiness of
19 investment, at any given time using a simple, static cost study will give a distorted picture
20 of the true, long-term differences in costs between different regions of any large public
21 utility. This is another reason why public utility rates tend to be standardized across an
22 entire utility service territory. Consider, for example, the electric distribution system in a
23 large metropolitan area. Investment inside the city may have been completed many years

ago while investment in high growth areas in the outer suburbs was more recently completed, and often at a much higher cost due to inflation and the lower population density. Taking a static cost of service view of this situation would lead one to the erroneous conclusions that it is significantly more costly to serve suburban customers and that those customers should pay a higher rate. Yet over time the investment in the city must be replaced and urban renewal in large areas of the city requires more investment, thereby rendering suspect the conclusion that cost differs significantly between regions. (Indeed, there are some factors that make it more costly to build infrastructure in a more densely populated area.) A similar argument can be made for gas distribution companies and water companies. Costs of service differ within a rate zone and sometimes even within a neighborhood, yet we ignore those cost differentials in setting district rates for many of the same reasons that support consolidated tariff pricing.

4. Support for water industry consolidation: In the past few decades, the water industry has changed dramatically. Many smaller water systems simply cannot attain the economies of scale needed to support the necessary investment and, as a result, the quality of water service suffers. Consolidated pricing removes a disincentive to invest in these small water companies as large utilities can recover the cost of needed investment over a larger customer base. This promotes more universal water infrastructure investment in the state and brings cost-effective, higher quality water services to a larger number of citizens.

Q. ARE THERE COMPROMISES THAT HAVE TO BE MADE WITH POLICY ISSUES TO OBTAIN CONSOLIDATED TARIFF PRICING?

- A. Certainly. Generally, there are two common arguments against consolidated tariff pricing with the first being that it does not follow a traditional cost of service perspective where a

revenue requirement along with rates to recover the revenue requirement are developed for each separate rate zone. Costs and revenue recovery evaluated on a consolidated basis, however, provides the primary benefit of costs being recovered over a larger customer base. The second common argument is that customers don't directly benefit from investment made in the water system that they aren't directly connected to. This is a shortsighted mindset, because eventually, investment will need to be made in all areas of the system and all customers benefit by sharing the cost and impact of improved water system infrastructure. Policy makers must determine if the benefits of long-term affordable rates for all customers outweigh traditional perspectives on ratemaking for non-continuous systems which entails revenue requirements for each separate system, separate rates for recovery, and the potential risk for rate shock in smaller rate zones.

Q. WHY SHOULD THE COMMISSION APPROVE THE COMPANY'S PROPOSAL FOR MOVEMENT TOWARD CONSOLIDATED TARIFF PRICING?

A. Ultimately the goal of rate design for large groups of customers should be to stabilize rates over the long run and smooth out rate increases over time, to the extent that rate increases are necessary to maintain proper investment in the system and to prudently manage the system. Spreading investment cost, operating cost, and the cost of meeting water quality requirements over the largest group of customers possible is the most practical way to do that. Consolidated tariff pricing achieves that goal. In the short run, there may be instances when subsets of customers might be paying more or less than the cost of providing service to that particular group of customers at a given point in time, assuming that cost of service can be calculated; but in the long run, all customers will be paying a commensurate share of the total cost of operating and maintaining the system, and changes in cost and rate

1 adjustment impacts will be relatively stable compared to a situation where cost increases
2 could be large and unpredictable if small groups of customers were required to cover the
3 full cost of providing service exclusively to them.

4 **Q. IS CONSOLIDATED TARIFF PRICING RECOGNIZED AS A BEST PRACTICE?**

5 A. Yes. As far back as 2005, the National Association of Regulatory Utility Commissioners
6 (“NARUC”) recognized consolidation of rates as a best practice and recommended that
7 economic regulators consider and adopt as many as regulatory mechanisms identified as
8 best practices as possible, including consolidation of rates.¹ NARUC’s 2005 resolution is
9 attached hereto as Exhibit HB-1. In addition, a majority of the Company’s regulated
10 affiliates have some form of consolidated tariff pricing. A few examples of consolidated
11 tariffs in Indiana, Iowa, New Jersey, Pennsylvania, and West Virginia are attached as
12 Exhibit HB-2. Movement towards consolidated tariff pricing is an ongoing regulatory
13 policy goal, as evidenced by further consolidation approved by the Indiana Utilities
14 Regulatory Commission in Indiana-American Water Company’s most recent rate case.²

15 **Q. WHY DID THE COMPANY NOT PROPOSE TO FULLY MOVE TO**
16 **CONSOLIDATED TARIFF PRICING BY INCLUDING JASPER HIGHLANDS IN**
17 **RATE ZONE 1?**

18 A. Generally, Jasper highlands current rates are substantially higher than all other rate zones.
19 The Company is proposing to gradually move Jasper Highlands to consolidated rates and
20 the Company’s proposal achieves a significant step by not increasing current base rates by
21 the rider revenues currently being recovered in Jasper Highlands and by not allocating any

¹ NARUC, Resolution.Supporting.Consideration.of.Regulatory.Policies.Deemed.as»Best.Practices«, adopted by NARUC Board of Directors (July 27, 2005).

² See Cause No. 45870, Order.of.the.Commission, p. 118 (Feb. 14, 2024).

1 of the retail increase to Jasper Highlands with the exception of private fire rates that will
2 be the same for the entire TAWC footprint.

3 **Q. IS IT A COMMON PRACTICE TO GRADUALLY MOVE AN AREA TO**
4 **CONSOLIDATED RATES THAT HAS SIGNIFICANTLY DIFFERENT RATES**
5 **OR AVERAGE BILLS?**

6 A. Yes, it is a common practice to gradually move a rate zone to consolidated tariff pricing
7 that either has significantly different rates or significantly varying average bills compared
8 to other rate zones or the overall consolidated tariff. Jasper Highlands current average
9 residential bill based on 3,800 gallons per month is \$97.33 and the proposed average
10 residential bill is \$66.68. The average residential bill for Jasper Highlands remains higher
11 than the average consolidated residential bill of \$31.75 in the proposed rate zone one;
12 however, the proposed adjustment is a significant movement in the right direction for total
13 consolidated tariff pricing.

14 **Q. THE CHATTANOOGA RATE ZONE GENERALLY HAS LOWER RATES THAN**
15 **ALL THE OTHER ZONES. WHAT IS THE IMPACT OF CONSOLIDATION ON**
16 **THE CHATTANOOGA RATE ZONE?**

17 A. If revenue collected from each existing rate zone was increased by the overall retail
18 increase 19.22%, the Chattanooga rate zone would account for \$76,808,649 in total
19 revenue recovery compared to total revenue recovery of \$77,951,818 under the Company's
20 proposal. This equates to approximately 1.5% in additional revenue recovery from the
21 Chattanooga rate zone than what an equal increase to each rate zone would produce.

1 **VI. OTHER OPERATING REVENUE**

2 **Q. IS THE COMPANY PROPOSING TO MAKE CHANGES TO OTHER**
3 **OPERATING REVENUE FEES?**

4 A. Yes, the Company is proposing to change the following other operating revenue fees:

- 5 • The Company is proposing to eliminate the current activity fee and new service fee
6 and establish a single activation fee of \$25 that will be applicable to all service
7 establishment.
- 8 • The Disconnection-Reconnection charge that is applied when a customer's service
9 has been terminated due to non-payment is proposed to be \$30.00 per occurrence.
10 The current fee is \$15 per occurrence.
- 11 • The Disconnection-Reconnection charge that is applied when the Company is
12 requested to disconnect water service due to sewer non-payment is proposed to be
13 \$30.00 per occurrence. Currently customers are charged \$15.00 per occurrence for
14 Disconnection-Reconnections that are due to sewer non-payment.
- 15 • The Company is proposing to establish an after-hours charge of \$40 that will be
16 applicable when the Company is requested to re-establish service outside of normal
17 business hours.
- 18 • The Company is proposing to establish a meter tampering penalty fee of \$250.
19 Currently, the Company has the option to charge \$92.00 for re-activating water
20 service that has been discontinued due to the customer illegally establishing service.

21 **Q. WHY IS IT IMPORTANT TO ADJUST THE REVENUES COLLECTED**
22 **THROUGH THE OTHER OPERATING REVENUE FEES DESCRIBED ABOVE?**

1 A. Generally, other operating revenue fees should reflect the costs of providing the associated
2 services.

3 The Company's other operating revenue fees have not been comprehensively updated in
4 more than 25 years. The Company's proposed charges better reflect the costs incurred to
5 complete the service activities and better align rates and charges with cost-causation. That
6 is, customers who cause and directly benefit from the various other operating revenue fees
7 will contribute more to cover the costs incurred to provide the requested service.

8 **Q. WHAT IMPACT DOES THE PROPOSED CHANGES TO OTHER OPERATING**
9 **REVENUE FEES HAVE ON TOTAL OTHER OPERATING REVENUES?**

10 A. The proposed modifications to the Company's other operating revenue fees result in an
11 increase in other operating revenues of \$490,800. An additional increase in other operating
12 revenues of \$87,990 is attributable to an increase in late payment fees.

13 **Q. DID THE COMPANY CONDUCT A COST STUDY TO ANALYZE THE**
14 **APPROPRIATENESS OF THE PROPOSED ADJUSTMENTS TO THE OTHER**
15 **OPERATING REVENUE FEES?**

16 A. A cost study that accounts for various costs related to each fee was conducted to estimate
17 the cost per occurrence. Please refer to Petitioner's Exhibit COS – 2: Other Operating Fees
18 Cost Study - HB for the results of the Company's cost study.

19 The Company did not include the proposed meter tampering penalty fee as part of the cost
20 study. The proposed rate of \$250 is designed to deter customers from illegally re-
21 establishing service when it has been turned off for non-payment or other reasons deemed
22 necessary by the Company.

1 **VII. CONCLUSION**

2 **Q. PLEASE PROVIDE A BRIEF SUMMARY OF THE COMPANY’S RATE**
3 **PROPOSAL AND THE BENEFITS TO CUSTOMERS IF SUCH PROPOSAL IS**
4 **APPROVED?**

5 A. The Company is proposing to significantly simplify TAWC rates and create long term rate
6 stability and affordability by implementing a significant movement toward consolidated
7 tariff pricing by combining the Chattanooga, Lakeview, Lookout Mountain, Suck Creek,
8 Whitwell Inside City, and Whitwell Outside City rate zones. The implementation of the
9 proposed consolidated rate structure will benefit all TAWC customers in the long run by
10 spreading necessary infrastructure investment over a larger customer base, reducing
11 regulatory and administrative costs, and by reducing the risk of rate shock to customers
12 that reside in smaller rate zones. While consolidated tariff pricing may not follow the
13 traditional Commission approach, such as implementing rates based on cost of service for
14 each separate system, the benefits of long-term affordability for all TAWC customers under
15 consolidated tariff pricing significantly outweighs concerns over cost of service for each
16 separate rate zone.

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

18 A. Yes.

Tennessee-American Water Company
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Revenue Summary

Page 1 of 5

Petitioner's Exhibit Rev-1-Revenue Summary-HB
Witness Responsible: Heath Brooks
FILE: TAWC - Exhibit Rev - 1_ Revenue Summary

Line No.	Description	Supporting Schedule Reference	Test Period 12 Months Ended 12/31/23	Adjustments for Present Rates	Attrition Year at Present Rates	Adjustments for Proposed Rates	Attrition Year at Proposed Rates
1							
2	Sales of Water						
3	Residential	Exhibit Rev - 2	\$30,456,082	\$2,002,820	\$32,458,901	\$6,759,206	\$39,218,108
4	Commercial	Exhibit Rev - 2	21,895,344	820,109	22,715,453	4,745,927	27,461,381
5	Industrial	Exhibit Rev - 2	5,870,370	(120,065)	5,750,304	830,958	6,581,262
6	Other Public Authorities	Exhibit Rev - 2	4,490,547	(168,479)	4,322,067	831,081	5,153,148
7	Sale for Resale	Exhibit Rev - 2	1,646,523	(360,007)	1,286,516	1,559	1,288,075
8	Private Fire	Exhibit Rev - 2	3,765,165	208,725	3,973,889	383,480	4,357,369
9	Miscellaneous	Exhibit Rev - 2	0	0	0	0	0
10							
11	Total Sales of Water		\$68,124,030	\$2,383,103	\$70,507,132	\$13,552,211	\$84,059,343
12							
13							
14	Other Operating Revenues						
15							
16	Activity Fee	Exhibit Rev - 2	\$241,140	(\$16,785)	\$224,355	(\$224,355)	\$0
17	New Service Fee	Exhibit Rev - 2	0	27,800	27,800	(27,800)	0
18	Activation Fee	Exhibit Rev - 2	0	0	0	401,725	401,725
19	Disconnection-Reconnection Charge	Exhibit Rev - 2	112,877	(1,322)	111,555	111,555	223,110
20	Disconnection-Reconnection Charge-Sewer	Exhibit Rev - 2	161,715	(19,200)	142,515	142,515	285,030
21	NSF Charge	Exhibit Rev - 2	41,640	(840)	40,800	0	40,800
22	Usage Data	Exhibit Rev - 2	17,932	(184)	17,748	0	17,748
23	After Hours Fee	Exhibit Rev - 2	0	0	0	87,160	87,160
24	Meter Tampering Charge	Exhibit Rev - 2	0	0	0	0	0
25	Late Payment Charge	Exhibit Rev - 2	382,652	53,660	436,312	87,990	524,302
26	Rent	Exhibit Rev - 2	216,998	(2,695)	214,303	0	214,303
27	Misc Service	Exhibit Rev - 2	4,180	(1,778)	2,403	0	2,403
28	OthRev WW-Misc Svc	Exhibit Rev - 2	1,036	(1,036)	0	0	0
29							
30	Total Other Operating Revenues		\$1,180,170	\$37,620	\$1,217,790	\$578,790	\$1,796,580
31							
32							
33	Total Operating Revenues		\$69,304,200	\$2,420,723	\$71,724,922	\$14,131,001	\$85,855,923

Tennessee-American Water Company
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Summary of Adjustments for Operating Revenues at Present Rates

Petitioner's Exhibit Rev-1-Revenue Summary-HB
Witness Responsible: Heath Brooks
FILE: TAWC - Exhibit Rev - 1_ Revenue Summary

Line Number	Adjustments	Schedule Reference	Residential	Commercial	Industrial	Other Public Authorities	Sale for Resale
1							
2	Customer Growth/(Loss)	Exhibit Rev - 2	\$565,328	\$119,873	(\$16,704)	(\$9,955)	\$44
3	Change in Consumption	Exhibit Rev - 2	205,558	(8,675)	(198,714)	(207,389)	(294,431)
4	Change in Riders	Exhibit Rev - 2	1,231,934	708,911	95,353	48,865	(65,620)
5							
6	Total		\$2,002,820	\$820,109	(\$120,065)	(\$168,479)	(\$360,007)
7							
8							
9							
10			Private Fire	Public Fire	Miscellaneous	Other Operating Revenue	Total
11							
12							
13							
14	Customer Growth/(Loss)	Exhibit Rev - 2	\$58,192			\$37,620	\$754,397
15	Change in Consumption	Exhibit Rev - 2					(503,651)
16	Change in Riders	Exhibit Rev - 2	150,533				2,169,975
17							
18							
19	Total		\$208,725	\$0	\$0	\$37,620	\$2,420,722

Tennessee-American Water Company
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Summary of Adjustments for Operating Revenues at Present Rates

Petitioner's Exhibit Rev-1-Revenue Summary-HB
Witness Responsible: Heath Brooks
FILE: TAWC - Exhibit Rev - 1_ Revenue Summary

Line Number	Adjustments	Schedule Reference	Activity Fee	New Service Fee	Disconnection-Reconnection Charge	Disconnection-Reconnection Sewer Charge	NSF Charge
1							
2	To Adjust for the Attrition Year	Exhibit Rev - 2	(\$16,785)	\$27,800	(\$1,322)	(\$19,200)	(\$840)
3							
4							
5							
6			Usage Data	Late Payment Charge	Rent	Miscellaneous Service	WW Miscellaneous Service
7							
8							
9							
10	To Adjust for the Attrition Year	Exhibit Rev - 2	(\$184)	\$53,660	(\$2,695)	(\$1,778)	(\$1,036)
11							
12							
13							
14			After Hours Fee				Total
15							
16							
17	To Adjust for the Attrition Year	Exhibit Rev - 2	\$0				\$37,620
18							
19							
20							
21	Total						\$37,620

Petitioner's Exhibit Rev-1-Revenue Summary-HB
Witness Responsible: Heath Brooks
FILE: TAWC - Exhibit Rev - 1_ Revenue Summary

Line Number	Adjustments	Schedule Reference	Residential	Commercial	Industrial	Other Public Authorities	Sale for Resale
1							
2	Proposed Rates	Exhibit Rev - 2	\$6,759,206	\$4,745,927	\$830,958	\$831,081	\$1,559
3							
4							
5							
6			Private Fire	Public Fire	Miscellaneous	Other Operating Revenue	Total
7							
8							
9							
10	Proposed Rates	Exhibit Rev - 2	\$383,480	\$0	\$0	\$578,790	\$14,131,001
11							
12							
13							
14							
15	Total						\$14,131,001

Tennessee-American Water Company
Attrition Year (12 Months Ending December 31, 2025)
Summary of Adjustments for Operating Revenues for Attrition Year at Proposed Rates

Petitioner's Exhibit Rev-1-Revenue Summary-HB
Witness Responsible: Heath Brooks
FILE: TAWC - Exhibit Rev - 1_ Revenue Summary

Line Number	Adjustments	Schedule Reference	Activity Fee	New Service Fee	Disconnection-Reconnection Charge	Disconnection-Reconnection Sewer Charge	NSF Charge
1							
2	To Adjust Revenues at Proposed Rates	Exhibit Rev - 2	(\$224,355)	(\$27,800)	\$111,555	\$142,515	\$0
3							
4							
5							
6			Usage Data	Late Payment Charge	Rent	Miscellaneous Service	WW Miscellaneous Service
7							
8							
9							
10	To Adjust Revenues at Proposed Rates	Exhibit Rev - 2	\$0	\$87,990	\$0	\$0	\$0
11							
12							
13					Meter Tampering Fee		
14			After Hours Fee	Activation Fee			Total
15							
16							
17		Exhibit Rev - 2	\$87,160	\$401,725	\$0		\$578,790
18							
19							
20							
21							
22	Total						\$578,790

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue		
1	Total TAWC								
2									
3	Residential	34,172,569	\$30,456,082	35,247,887	\$32,458,901	35,247,887	\$39,218,108	\$6,759,206	20.82%
4	Commercial	29,469,050	21,895,344	29,429,257	22,715,453	29,429,257	27,461,381	4,745,927	20.89%
5	Industrial	18,970,043	5,870,274	17,745,274	5,750,304	17,745,274	6,581,262	830,958	14.45%
6	Municipal & OPA	7,552,397	4,490,547	6,880,618	4,322,067	6,880,618	5,153,148	831,081	19.23%
7	Sales For Resale	8,522,701	1,646,523	6,367,500	1,286,516	6,367,500	1,288,075	1,559	0.12%
8	Private Fire Service:		3,765,165		3,973,889		4,357,369	383,480	9.65%
9	Miscellaneous							0	0.00%
10									
11	Total	98,686,759	\$68,124,030	95,670,537	\$70,507,132	95,670,537	\$84,059,343	\$13,552,211	19.22%
12									
13		Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates			
14									
15	Other Operating		Current		Current		Proposed		
16	Revenues	Activity	Rate	Total Revenue	Activity	Rate	Total Revenue	Dollar Change	% Change
17	Activity Fee	16,076	\$15.00	\$241,140	14,957	\$15.00	\$224,355	(\$224,355)	-100.00%
18	New Service Fee	0	25.00	0	1,112	25.00	27,800	(27,800)	-100.00%
19	Activation Fee	0	0.00	0	16,069	0.00	0	401,725	100.00%
20	Disconnection-Reconnection Charge	7,525	15.00	112,877	7,437	15.00	111,555	111,555	100.00%
21	Disconnection-Reconnection Charge-Sewer	10,781	15.00	161,715	9,501	15.00	142,515	142,515	100.00%
22	NSF Charge	2,082	20.00	41,640	2,040	20.00	40,800	0	0.00%
23	Usage Data	896,590	0.02	17,932	887,383	0.02	17,748	0	0.00%
24	After Hours Fee	2,260	0.00	0	2,179	0.00	0	87,160	0.00%
25	Meter Tampering Charge	0	92.00	0	0	92.00	0	0	0.00%
26	Late Payment Charge			382,652			436,312	524,302	20.17%
27	Rent			216,998			214,303	0	0.00%
28	Misc Service			4,180			2,403	0	0.00%
29	OthRev VW-Misc Svc			1,036			0	0	0.00%
30									
31									
32	Total Other Revenue		\$1,180,170		\$1,217,790		\$1,796,580	\$578,790	47.53%
33									
34	Total Revenue		\$69,304,200		\$71,724,922		\$85,855,923	\$14,131,001	19.70%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Sales (00 Gal)	Total Revenue	
1	Chattanooga Summary								
2									
3	Residential	29,863,758	\$25,418,027	30,736,484	\$27,054,263	30,736,484		\$33,852,605	25.13%
4	Commercial	28,869,108	21,337,946	28,853,972	22,155,454	28,853,972		26,883,036	21.34%
5	Industrial	18,970,043	5,870,370	17,745,274	5,750,304	17,745,274		6,581,262	14.45%
6	Municipal & OPA	7,445,699	4,379,855	6,776,469	4,205,916	6,776,469		4,990,497	18.65%
7	Sales For Resale	8,522,701	1,646,523	6,367,500	1,286,516	6,367,500		1,288,075	0.12%
8	Private Fire Service:	0	3,764,256	0	3,972,954	0		4,356,343	9.65%
9	Miscellaneous								
10									
11	Total	93,671,309	\$62,416,977	90,479,699	\$64,425,409	90,479,699		\$77,951,818	21.00%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Chattanooga Residential														
2	Minimum Charge:														
3	5/8" Monthly	792,319		\$13.96	\$11,060,767	821,751		\$13.96	\$11,471,651	821,751		21.50	\$17,667,657	\$6,196,006	54.01%
4	3/4" Monthly	791		23.45	18,544	769		23.45	18,033	769		32.25	24,801	6,767	37.53%
5	1" Monthly	2,538		39.01	98,999	2,972		39.01	115,948	2,972		53.75	159,759	43,811	37.79%
6	1-1/2" Monthly	303		78.05	23,655	300		78.05	23,415	300		107.50	32,250	8,835	37.73%
7	2" Monthly	198		124.88	24,763	192		124.88	23,977	192		172.00	33,024	9,047	37.73%
8	3" Monthly	11		234.52	2,553	12		234.52	2,814	12		344.00	4,128	1,314	46.68%
9	4" Monthly	12		390.25	4,683	12		390.25	4,683	12		537.50	6,450	1,767	37.73%
10	6" Monthly	0		780.50	0	0		780.50	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		1,248.77	0	0		1,248.77	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		17,730,584	\$0.03566	\$632,273		18,304,278	\$0.03566	\$652,731		18,304,278	\$0.00000	\$0	(\$652,731)	-100.00%
18	Next 456 hgal		11,604,281	0.56555	6,562,801		11,899,829	0.56555	6,729,949		11,899,829	1.28091	15,242,610	8,512,662	126.49%
19	Next 3,254 hgal		485,995	0.35531	172,679		502,708	0.35531	178,617		502,708	1.28091	643,924	465,307	260.50%
20	Next 33,660 hgal		42,898	0.26564	11,395		29,668	0.26564	7,881		29,668	1.28091	38,002	30,121	382.20%
21	Next 74,600 hgal		0	0.20305	0		0	0.20305	0		0	1.28091	0	0	0.00%
22	Over 112,000 hgal		0	0.12057	0		0	0.12057	0		0	1.28091	0	0	0.00%
23															
24	Rider Revenue				\$6,804,915				\$7,824,564				\$0	(\$7,824,564)	-100.00%
25															
26															
27															
28	Total		<u>29,863,758</u>		<u>\$25,418,027</u>		<u>30,736,484</u>		<u>\$27,054,263</u>		<u>30,736,484</u>		<u>\$33,852,605</u>	<u>\$6,798,342</u>	<u>25.13%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Chattanooga Commercial														
2	Minimum Charge:														
3	5/8" Monthly	59,600		\$17.82	\$1,062,065	60,435		\$17.82	\$1,076,954	60,435		27.50	\$1,661,965	\$585,012	54.32%
4	3/4" Monthly	1,294		29.93	38,722	1,325		29.93	39,665	1,325		41.00	54,336	14,671	36.99%
5	1" Monthly	19,224		49.81	957,530	19,420		49.81	967,333	19,420		68.50	1,330,301	362,968	37.52%
6	1-1/2" Monthly	5,392		99.66	537,362	5,496		99.66	547,725	5,496		137.50	755,691	207,966	37.97%
7	2" Monthly	14,561		159.44	2,321,561	14,822		159.44	2,363,260	14,822		219.50	3,253,484	890,224	37.67%
8	3" Monthly	908		298.98	271,382	996		298.98	297,784	996		438.50	436,746	138,962	46.67%
9	4" Monthly	529		498.31	263,606	540		498.31	269,087	540		686.50	370,710	101,623	37.77%
10	6" Monthly	280		996.64	279,130	300		996.64	298,992	300		1,372.50	411,750	112,758	37.71%
11	8" Monthly	37		1,594.61	59,001	36		1,594.61	57,406	36		2,196.50	79,074	21,668	37.75%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		1,961,494	\$0.03155	\$61,885		1,958,965	\$0.03155	\$61,805		1,958,965	\$0.05969	\$116,931	\$55,125	89.19%
18	Next 456 hgal		9,348,138	0.49953	4,669,675		9,340,759	0.49953	4,665,990		9,340,759	0.94791	8,854,199	4,188,210	89.76%
19	Next 3,254 hgal		12,468,579	0.31389	3,913,762		12,445,992	0.31389	3,906,672		12,445,992	0.59574	7,414,575	3,507,903	89.79%
20	Next 33,660 hgal		5,037,275	0.23460	1,181,745		5,047,582	0.23460	1,184,163		5,047,582	0.42075	2,123,770	939,607	79.35%
21	Next 74,600 hgal		53,623	0.17925	9,612		60,673	0.17925	10,876		60,673	0.32145	19,503	8,628	79.33%
22	Over 112,000 hgal			0.10648	0		0	0.10648	0		0	0.19122	0	0	0.00%
23															
24	Rider Revenue				\$5,710,908				\$6,407,744				\$0	(\$6,407,744)	-100.00%
25															
26															
27															
28	Total		<u>28,869,108</u>		<u>\$21,337,946</u>		<u>28,853,972</u>		<u>\$22,155,454</u>		<u>28,853,972</u>		<u>\$26,883,036</u>	<u>\$4,727,581</u>	<u>21.34%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Chattanooga Industrial														
2	Minimum Charge:														
3	5/8" Monthly	204		\$37.16	\$7,584	228		\$37.16	\$8,472	228		\$27.50	\$6,270	(\$2,202)	-26.00%
4	3/4" Monthly	17		62.46	1,057	24		62.46	1,499	24		\$41.00	984	(515)	-34.36%
5	1" Monthly	290		103.85	30,117	288		103.85	29,909	288		\$68.50	19,728	(10,181)	-34.04%
6	1-1/2" Monthly	84		207.80	17,455	84		207.80	17,455	84		\$137.50	11,550	(5,905)	-33.83%
7	2" Monthly	914		332.45	303,817	904		332.45	300,535	904		\$219.50	198,428	(102,107)	-33.98%
8	3" Monthly	0		623.30	0	0		623.30	0	0		\$438.50	0	0	0.00%
9	4" Monthly	198		1,038.90	205,702	192		1,038.90	199,469	192		\$686.50	131,808	(67,661)	-33.92%
10	6" Monthly	64		2,077.79	132,979	60		2,077.79	124,667	60		\$1,372.50	82,350	(42,317)	-33.94%
11	8" Monthly	12		3,324.43	39,893	12		3,324.43	39,893	12		\$2,196.50	26,358	(13,535)	-33.93%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		34,805	\$0.03291	\$1,145		33,389	\$0.03291	\$1,099		33,389	\$0.05969	\$1,993	\$894	81.37%
18	Next 456 hgal		360,616	0.52263	188,469		344,887	0.52263	180,248		344,887	0.94791	326,922	146,674	81.37%
19	Next 3,254 hgal		1,578,308	0.32846	518,411		1,530,879	0.32846	502,833		1,530,879	0.59574	912,006	409,173	81.37%
20	Next 33,660 hgal		5,691,568	0.23198	1,320,330		5,452,939	0.23198	1,264,973		5,452,939	0.42075	2,294,324	1,029,351	81.37%
21	Next 74,600 hgal		4,788,514	0.17723	848,668		4,477,231	0.17723	793,500		4,477,231	0.32145	1,439,206	645,706	81.37%
22	Over 112,000 hgal		6,516,231	0.10543	687,006		5,905,949	0.10543	622,664		5,905,949	0.19122	1,129,336	506,671	81.37%
23															
24	Rider Revenue				\$1,567,736				\$1,663,088				\$0	(\$1,663,088)	-100.00%
25															
26															
27															
28	Total		<u>18,970,043</u>		<u>\$5,870,370</u>		<u>17,745,274</u>		<u>\$5,750,304</u>		<u>17,745,274</u>		<u>\$6,581,262</u>	<u>\$830,958</u>	<u>14.45%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
CHATTANOOGA MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	CHATTANOOGA MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS														
2	Minimum Charge:														
3	5/8" Monthly	1,849		\$16.33	\$30,202	1,834		\$16.33	\$29,948	1,834		\$27.50	\$50,432	\$20,485	68.40%
4	3/4" Monthly	115		27.43	3,154	120		27.43	3,288	120		41.00	4,915	1,627	49.47%
5	1" Monthly	1,611		45.63	73,522	1,606		45.63	73,290	1,606		68.50	110,023	36,733	50.12%
6	1-1/2" Monthly	872		91.30	79,635	875		91.30	79,889	875		137.50	120,314	40,426	50.60%
7	2" Monthly	3,497		146.07	510,746	3,452		146.07	504,239	3,452		219.50	757,723	253,483	50.27%
8	3" Monthly	101		273.88	27,680	72		273.88	19,719	72		438.50	31,572	11,853	60.11%
9	4" Monthly	264		456.48	120,511	264		456.48	120,511	264		686.50	181,236	60,725	50.39%
10	6" Monthly	59		912.97	53,865	60		912.97	54,778	60		1,372.50	82,350	27,572	50.33%
11	8" Monthly	0		1,460.71	0	0		1,460.71	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		149,218	\$0.03365	\$5,021		139,943	\$0.03365	\$4,709		139,943	\$0.05969	\$8,353	\$3,644	77.38%
18	Next 456 hgal		1,074,397	0.53388	573,599		991,393	0.53388	529,285		991,393	0.94791	939,751	410,466	77.55%
19	Next 3,254 hgal		2,353,213	0.33540	789,268		2,119,104	0.33540	710,748		2,119,104	0.59574	1,262,435	551,688	77.62%
20	Next 33,660 hgal		3,376,582	0.25076	846,712		3,101,216	0.25076	777,661		3,101,216	0.42075	1,304,837	527,176	67.79%
21	Next 74,600 hgal		492,289	0.19168	94,362		424,813	0.19168	81,428		424,813	0.32145	136,556	55,128	67.70%
22	Over 112,000 hgal		0	0.11382	0		0	0.11382	0		0	0.19122	0	0	0.00%
23															
24	Rider Revenue				\$1,171,580				\$1,216,424				\$0	(\$1,216,424)	-100.00%
25															
26															
27															
28	Total		7,445,699		\$4,379,855		6,776,469		\$4,205,916		6,776,469		\$4,990,497	\$784,580	18.65%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Chattanooga Sale for Resale														
2	Minimum Charge:														
3	5/8" Monthly	0		\$14.14	\$0	0		\$14.14	\$0	0		\$27.50	\$0	\$0	0.00%
4	3/4" Monthly	0		23.76	0	0		23.76	0	0		41.00	0	0	0.00%
5	1" Monthly	0		39.52	0	0		39.52	0	0		68.50	0	0	0.00%
6	1-1/2" Monthly	0		79.07	0	0		79.07	0	0		137.50	0	0	0.00%
7	2" Monthly	0		126.46	0	0		126.46	0	0		219.50	0	0	0.00%
8	3" Monthly	0		237.18	0	0		237.18	0	0		438.50	0	0	0.00%
9	4" Monthly	12		395.34	4,700	12		395.34	4,744	12		686.50	8,238	3,494	73.65%
10	6" Monthly	0		790.64	0	0		790.64	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		1,265.00	0	0		1,265.00	0	0		2,196.50	0	0	0.00%
12															
13															
14	Volumetric Charges:														
15	First 30 hgal		4	\$0.03115	\$0		0	\$0.03115	\$0		0	\$0.05969	\$0	\$0	0.00%
16	Next 456 hgal		17	0.49412	8		0	0.49412	0		0	0.94791	0	0	0.00%
17	Next 3,254 hgal		0	0.31043	0		0	0.31043	0		0	0.59574	0	0	0.00%
18	Next 33,660 hgal		0	0.23209	0		0	0.23209	0		0	0.42075	0	0	0.00%
19	Next 74,600 hgal		0	0.17741	0		0	0.17741	0		0	0.32145	0	0	0.00%
20	Over 112,000 hgal		0	0.10535	0		0	0.10535	0		0	0.19122	0	0	0.00%
21					0				0						
22					0				0						
23	Catoosa Utility	All Usage	948,212	\$0.16246	\$154,047		930,000	\$0.16246	\$151,088		930,000	\$0.22856	\$212,561	\$61,473	40.69%
24	Fort Oglethorpe	All Usage	2,719,264	0.14095	383,278		2,737,500	0.14095	385,848		2,737,500	0.19830	542,846	156,998	40.69%
25	Signal Mountain	All Usage	3,376,299	0.13829	466,905		2,500,000	0.13829	345,722		2,500,000	0.19456	486,400	140,678	40.69%
26	Walker County	All Usage	1,478,905	0.13516	199,883		200,000	0.13516	27,031		200,000	0.19015	38,030	10,999	40.69%
27															
28	Rider Revenue				\$437,703				\$372,083				\$0	(\$372,083)	-100.00%
29															
30															
31	Total		<u>8,522,701</u>		<u>\$1,646,523</u>		<u>6,367,500</u>		<u>\$1,286,516</u>		<u>6,367,500</u>		<u>\$1,288,075</u>	<u>\$1,559</u>	<u>0.12%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Connection Size	Test Period at Present Rates			Attrition Year at Present Rates			Attrition Year at Proposed Rates			Dollar Change	% Change
		Number of Connections	Current Rate	Total Revenue	Number of Connections	Current Rate	Total Revenue	Number of Connections	Proposed Rate	Total Revenue		
1	Chattanooga Private Fire Service:											
2	1" Service	0	\$9.20	\$0			\$0	0	\$9.20	\$0	\$0	0.00%
3	1 1/2" Service	8	20.75	166			0	0	20.75	0	0	0.00%
4	2" Service	202	36.91	7,457			0	0	36.91	0	0	0.00%
5	2 1/2" Service	4	56.28	225			0	0	56.28	0	0	0.00%
6	3" Service	8	82.96	664			0	0	82.96	0	0	0.00%
7	4" Service	669	166.13	111,217			0	0	166.13	0	0	0.00%
8	6" Service	4,499	332.00	1,493,608			0	0	332.00	0	0	0.00%
9	8" Service	1,475	664.56	980,031			0	0	664.56	0	0	0.00%
10	10" Service	69	996.91	68,784			0	0	996.91	0	0	0.00%
11	12" Service	76	1,329.33	101,029			0	0	1,329.33	0	0	0.00%
12	Private Hydrants	8	316.72	2,534			0	0	316.72	0	0	0.00%
13												
14	1" Service				0	\$3.07	\$0	0	\$4.70	\$0	\$0	0.00%
15	1 1/2" Service				24	6.92	166	24	10.70	257	91	54.62%
16	2" Service				688	12.30	8,462	688	19.00	13,072	4,610	54.47%
17	2 1/2" Service				12	18.76	225	12	28.90	347	122	54.05%
18	3" Service				24	27.65	664	24	42.60	1,022	359	54.07%
19	4" Service				2,038	55.38	112,864	2,038	85.50	174,249	61,385	54.39%
20	6" Service				13,867	110.67	1,534,661	13,867	170.75	2,367,790	833,129	54.29%
21	8" Service				4,456	221.52	987,093	4,456	341.65	1,522,392	535,299	54.23%
22	10" Service				204	332.30	67,789	204	512.40	104,530	36,740	54.20%
23	12" Service				247	443.11	109,448	247	683.30	168,775	59,327	54.21%
24	Private Hydrants				24	105.57	2,534	24	162.86	3,909	1,375	54.27%
25												
26	Total	<u>7,018</u>		<u>\$2,765,715</u>	<u>21,584</u>		<u>\$2,823,907</u>	<u>21,584</u>		<u>\$4,356,343</u>	<u>\$1,532,436</u>	<u>54.27%</u>
27												
28	Rider Revenue			\$998,541			\$1,149,048			\$0	(\$1,149,048)	-100.00%
29												
30	Total Private Fire	<u></u>		<u>\$3,764,256</u>	<u></u>		<u>\$3,972,954</u>	<u></u>		<u>\$4,356,343</u>	<u>\$383,389</u>	<u>9.65%</u>

*Private fire service connection billings are presented quarterly in the test period and monthly in the attrition period

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue		
1	Lakeview Summary								
2									
3	Residential	1,209,005	\$1,163,072	1,237,969	\$1,224,854	1,237,969	\$1,328,313	\$103,459	8.45%
4	Commercial	137,377	146,666	143,148	147,867	143,148	161,125	13,258	8.97%
5	Municipal & OPA	26,191	23,148	27,257	23,843	27,257	26,352	2,509	10.52%
6	Miscellaneous								
7									
8	Total	<u>1,372,573</u>	<u>\$1,332,885</u>	<u>1,408,374</u>	<u>\$1,396,564</u>	<u>1,408,374</u>	<u>\$1,515,790</u>	<u>\$119,226</u>	<u>8.54%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Lakeview Residential														
2	Minimum Charge:														
3	5/8" Monthly	32,938		\$15.66	\$515,816	33,744		\$15.66	\$528,431	33,744		\$21.50	\$725,496	\$197,065	37.29%
4	3/4" Monthly	0		23.45	0	0		23.45	0	0		32.25	0	0	0.00%
5	1" Monthly	36		39.00	1,404	36		39.00	1,404	36		53.75	1,935	531	37.82%
6	1-1/2" Monthly	0		78.05	0	0		78.05	0	0		107.50	0	0	0.00%
7	2" Monthly	0		124.88	0	0		124.88	0	0		172.00	0	0	0.00%
8	3" Monthly	0		234.14	0	0		234.14	0	0		344.00	0	0	0.00%
9	4" Monthly	0		390.25	0	0		390.25	0	0		537.50	0	0	0.00%
10	6" Monthly	0		780.50	0	0		780.50	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		1,248.77	0	0		1,248.77	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		747,095	\$0.06564	\$49,039		768,864	\$0.06564	\$50,468		768,864	\$0.00000	\$0	(\$50,468)	-100.00%
18	Next 456 hgal		451,411	0.62324	281,337		459,791	0.62324	286,560		459,791	1.28091	588,950	302,390	105.52%
19	Next 3,254 hgal		9,404	0.41301	3,884		8,422	0.41301	3,478		8,422	1.28091	10,788	7,309	210.14%
20	Next 33,660 hgal		1,096	0.29516	324		893	0.29516	264		893	1.28091	1,144	880	333.97%
21	Next 74,600 hgal		0	0.23274	0		0	0.23274	0		0	1.28091	0	0	0.00%
22	Over 112,000 hgal		0	0.15027	0		0	0.15027	0		0	1.28091	0	0	0.00%
23															
24	Rider Revenue				\$311,268				\$354,249				\$0	(\$354,249)	-100.00%
25															
26															
27															
28	Total		<u>1,209,005</u>		<u>\$1,163,072</u>		<u>1,237,969</u>		<u>\$1,224,854</u>		<u>1,237,969</u>		<u>\$1,328,313</u>	<u>\$103,459</u>	<u>8.45%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Lakeview Commercial														
2	Minimum Charge:														
3	5/8" Monthly	1,459		\$20.01	\$29,189	1,487		\$20.01	\$29,759	1,487		\$27.50	\$40,898	\$11,139	37.43%
4	3/4" Monthly	0		29.93	0	0		29.93	0	0		41.00	0	0	0.00%
5	1" Monthly	168		49.81	8,364	171		49.81	8,501	171		68.50	11,691	3,190	37.52%
6	1-1/2" Monthly	0		99.66	0	0		99.66	0	0		137.50	0	0	0.00%
7	2" Monthly	72		159.44	11,493	73		159.44	11,662	73		219.50	16,055	4,393	37.67%
8	3" Monthly	0		298.97	0	0		298.97	0	0		438.50	0	0	0.00%
9	4" Monthly	0		498.31	0	0		498.31	0	0		686.50	0	0	0.00%
10	6" Monthly	5		996.64	4,983	0		996.64	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		1,594.61	0	0		1,594.61	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		29,459	\$0.05781	\$1,703		30,577	\$0.05781	\$1,768		30,577	\$0.05969	\$1,825	\$57	3.25%
18	Next 456 hgal		69,194	0.55052	38,092		71,233	0.55052	39,215		71,233	0.94791	67,523	28,307	72.18%
19	Next 3,254 hgal		32,835	0.36489	11,981		32,802	0.36489	11,969		32,802	0.59574	19,542	7,572	63.27%
20	Next 33,660 hgal		5,889	0.26087	1,536		8,536	0.26087	2,227		8,536	0.42075	3,592	1,365	61.29%
21	Next 74,600 hgal		0	0.20563	0		0	0.20563	0		0	0.32145	0	0	0.00%
22	Over 112,000 hgal			0.13259	0		0	0.13259	0		0	0.19122	0	0	0.00%
23															
24	Rider Revenue				\$39,323				\$42,766				\$0	(\$42,766)	-100.00%
25															
26															
27															
28	Total		<u>137,377</u>		<u>\$146,666</u>		<u>143,148</u>		<u>\$147,867</u>		<u>143,148</u>		<u>\$161,125</u>	<u>\$13,258</u>	<u>8.97%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
LAKEVIEW MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	LAKEVIEW MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS														
2	Minimum Charge:														
3	5/8" Monthly	48		\$18.30	\$878	48		\$18.30	\$878	48		\$27.50	\$1,320	\$442	50.27%
4	3/4" Monthly	0		27.43	0	0		27.43	0	0		41.00	0	0	0.00%
5	1" Monthly	0		45.68	0	0		45.68	0	0		68.50	0	0	0.00%
6	1-1/2" Monthly	0		91.35	0	0		91.35	0	0		137.50	0	0	0.00%
7	2" Monthly	24		146.08	3,506	24		146.08	3,506	24		219.50	5,268	1,762	50.26%
8	3" Monthly	0		273.88	0	0		273.88	0	0		438.50	0	0	0.00%
9	4" Monthly	0		456.48	0	0		456.48	0	0		686.50	0	0	0.00%
10	6" Monthly	0		912.97	0	0		912.97	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		1,460.71	0	0		1,460.71	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		1,553	\$0.06180	\$96		1,418	\$0.06180	\$88		1,418	\$0.05969	\$85	(\$3)	-3.41%
18	Next 456 hgal		14,524	0.58829	8,544		12,697	0.58829	7,470		12,697	0.94791	12,036	4,566	61.13%
19	Next 3,254 hgal		10,114	0.38988	3,943		12,080	0.38988	4,710		12,080	0.59574	7,197	2,487	52.80%
20	Next 33,660 hgal		0	0.27864	0		1,062	0.27864	296		1,062	0.42075	447	151	51.00%
21	Next 74,600 hgal		0	0.21971	0		0	0.21971	0		0	0.32145	0	0	0.00%
22	Over 112,000 hgal		0	0.14184	0		0	0.14184	0		0	0.19122	0	0	0.00%
23															
24	Rider Revenue				\$6,180				\$6,896				\$0	(\$6,896)	-100.00%
25															
26															
27															
28	Total		26,191		\$23,148		27,257		\$23,843		27,257		\$26,352	\$2,509	10.52%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue		
1	Lookout Mountain Summary								
2									
3	Residential	1,539,291	\$1,605,891	1,569,229	\$1,684,978	1,569,229	\$1,842,390	\$157,411	9.34%
4	Commercial	366,656	279,749	319,754	263,478	319,754	257,040	(6,439)	-2.44%
5	Municipal & OPA	48,691	60,985	44,318	64,288	44,318	63,901	(386)	-0.60%
6	Miscellaneous								
7									
8	Total	<u>1,954,638</u>	<u>\$1,946,624</u>	<u>1,933,301</u>	<u>\$2,012,744</u>	<u>1,933,301</u>	<u>\$2,163,331</u>	<u>\$150,586</u>	<u>7.48%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Lookout Mountain Residential														
2	Minimum Charge:														
3	5/8" Monthly	22,000		\$15.66	\$344,520	22,584		\$15.66	\$353,667	22,584		\$21.50	\$485,558	\$131,891	37.29%
4	3/4" Monthly	442		23.45	10,360	458		23.45	10,740	458		32.25	14,770	4,030	37.53%
5	1" Monthly	1,325		39.01	51,692	1,350		39.01	52,661	1,350		53.75	72,559	19,898	37.79%
6	1-1/2" Monthly	24		78.05	1,873	24		78.05	1,873	24		107.50	2,580	707	37.73%
7	2" Monthly	40		124.89	4,996	48		124.89	5,995	48		172.00	8,256	2,261	37.72%
8	3" Monthly	0		234.14	0	0		234.14	0	0		344.00	0	0	0.00%
9	4" Monthly	0		390.25	0	0		390.25	0	0		537.50	0	0	0.00%
10	6" Monthly	0		780.50	0	0		780.50	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		1,248.77	0	0		1,248.77	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 30 hgal		568,067	\$0.13282	\$75,451		586,594	\$0.13282	\$77,911		586,594	\$0.00000	\$0	(\$77,911)	-100.00%
18	Next 456 hgal		873,346	0.72850	636,233		883,839	0.72850	643,877		883,839	1.28091	1,132,119	488,242	75.83%
19	Next 3,254 hgal		94,524	0.51826	48,988		97,056	0.51826	50,300		97,056	1.28091	124,320	74,020	147.16%
20	Next 33,660 hgal		3,354	0.36183	1,214		1,739	0.36183	629		1,739	1.28091	2,228	1,598	254.01%
21	Next 74,600 hgal		0	0.29991	0		0	0.29991	0		0	1.28091	0	0	0.00%
22	Over 112,000 hgal		0	0.21743	0		0	0.21743	0		0	1.28091	0	0	0.00%
23															
24	Rider Revenue				\$430,565				\$487,325				\$0	(\$487,325)	-100.00%
25															
26															
27															
28	Total		<u>1,539,291</u>		<u>\$1,605,891</u>		<u>1,569,229</u>		<u>\$1,684,978</u>		<u>1,569,229</u>		<u>\$1,842,390</u>	<u>\$157,411</u>	<u>9.34%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Lookout Mountain Commercial														
2	<u>Minimum Charge:</u>														
3	5/8" Monthly	658		\$20.01	\$13,177	648		\$20.01	\$12,966	648		\$27.50	\$17,820	\$4,854	37.43%
4	3/4" Monthly	12		29.93	359	12		29.93	359	12		41.00	492	133	36.99%
5	1" Monthly	251		49.81	12,498	252		49.81	12,552	252		68.50	17,262	4,710	37.52%
6	1-1/2" Monthly	72		99.66	7,164	72		99.66	7,176	72		137.50	9,900	2,724	37.97%
7	2" Monthly	78		159.44	12,428	60		159.44	9,566	60		219.50	13,170	3,604	37.67%
8	3" Monthly	0		298.97	0	0		298.97	0	0		438.50	0	0	0.00%
9	4" Monthly	0		498.31	0	0		498.31	0	0		686.50	0	0	0.00%
10	6" Monthly	0		996.64	0	0		996.64	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		1,594.61	0	0		1,594.61	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	<u>Volumetric Charges:</u>														
17	First 30 hgal		18,525	\$0.11723	\$2,172		18,725	\$0.11723	\$2,195		18,725	\$0.05969	\$1,118	(\$1,077)	-49.08%
18	Next 456 hgal		100,719	0.64342	64,805		103,364	0.64342	66,507		103,364	0.94791	97,980	31,473	47.32%
19	Next 3,254 hgal		94,809	0.45778	43,402		92,180	0.45778	42,198		92,180	0.59574	54,915	12,717	30.14%
20	Next 33,660 hgal		152,602	0.32001	48,834		105,485	0.32001	33,756		105,485	0.42075	44,383	10,627	31.48%
21	Next 74,600 hgal		0	0.26507	0		0	0.26507	0		0	0.32145	0	0	0.00%
22	Over 112,000 hgal			0.19203	0		0	0.19203	0		0	0.19122	0	0	0.00%
23															
24	Rider Revenue				\$74,911				\$76,203				\$0	(\$76,203)	-100.00%
25															
26															
27															
28	Total		<u>366,656</u>		<u>\$279,749</u>		<u>319,754</u>		<u>\$263,478</u>		<u>319,754</u>		<u>\$257,040</u>	<u>(\$6,439)</u>	<u>-2.44%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Lookout Mountain MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Test Period at Present Rates																Attrition Year at Present Rates				Attrition Year at Proposed Rates							
Customer		Sales		Current		Total		Customer		Sales		Current		Total		Customer		Sales		Proposed		Total		Dollar		%	
Meter		(00 Gal)		Rate		Revenue		Meter		(00 Gal)		Rate		Revenue		Meter		(00 Gal)		Rate		Revenue		Change		Change	
Billings								Billings								Billings								Change		Change	
Line #		Class/ Description																									
1		Lookout Mountain MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS																									
2		Minimum Charge:																									
3		5/8" Monthly		122		\$18.32		\$2,235		158		\$18.32		\$2,894		158		\$27.50		\$4,345		\$1,450		50.11%			
4		3/4" Monthly		0		27.45		0		0		27.45		0		0		41.00		0		0		0.00%			
5		1" Monthly		68		45.64		3,104		86		45.64		3,947		86		68.50		5,924		1,977		50.09%			
6		1-1/2" Monthly		12		91.35		1,096		15		91.35		1,330		15		137.50		2,001		672		50.52%			
7		2" Monthly		75		146.07		10,955		88		146.07		12,850		88		219.50		19,310		6,460		50.27%			
8		3" Monthly		0		273.88		0		0		273.88		0		0		438.50		0		0		0.00%			
9		4" Monthly		0		456.48		0		0		456.48		0		0		686.50		0		0		0.00%			
10		6" Monthly		0		912.97		0		0		912.97		0		0		1,372.50		0		0		0.00%			
11		8" Monthly		0		1,460.71		0		0		1,460.71		0		0		2,196.50		0		0		0.00%			
12																											
13																											
14																											
15																											
16		Volumetric Charges:																									
17		First 30 hgal		5,219		\$0.12544		\$655		4,934		\$0.12544		\$619		4,934		\$0.05969		\$295		(\$324)		-52.42%			
18		Next 456 hgal		27,115		0.68770		18,647		24,728		0.68770		17,006		24,728		0.94791		23,440		6,435		37.84%			
19		Next 3,254 hgal		16,357		0.48925		8,003		13,829		0.48925		6,766		13,829		0.59574		8,238		1,473		21.77%			
20		Next 33,660 hgal		0		0.34205		0		827		0.34205		283		827		0.42075		348		65		23.01%			
21		Next 74,600 hgal		0		0.28311		0		0		0.28311		0		0		0.32145		0		0		0.00%			
22		Over 112,000 hgal		0		0.20525		0		0		0.20525		0		0		0.19122		0		0		0.00%			
23																											
24		Rider Revenue						\$16,291						\$18,593						\$0		(\$18,593)		-100.00%			
25																											
26																											
27																											
28		Total		48,691		\$60,985		44,318		\$64,288		44,318		\$63,901		(\$386)		-0.60%									

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue		
1	Suck Creek Summary								
2									
3	Residential	0	\$178,960	116,894	\$190,762	116,894	\$133,031	(\$57,731)	-30.26%
4	Commercial	1,790	4,472	2,089	4,423	2,089	2,877	(1,547)	-34.97%
5									
6	Total	<u>1,790</u>	<u>\$183,432</u>	<u>118,983</u>	<u>\$195,185</u>	<u>118,983</u>	<u>\$135,907</u>	<u>(\$59,278)</u>	<u>-30.37%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Normalized Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Suck Creek Residential														
2	<u>Minimum Charge:</u>														
3	5/8" Monthly	2,758		\$30.60	\$84,399	2,894		\$30.60	\$88,541	2,894		\$21.50	\$62,210	(\$26,331)	-29.74%
4	3/4" Monthly	0		30.60	0	0		30.60	0	0		32.25	0	0	0.00%
5	1" Monthly	36		30.60	1,102	36		30.60	1,102	36		53.75	1,935	833	75.65%
6	1-1/2" Monthly	0		30.60	0	0		30.60	0	0		107.50	0	0	0.00%
7	2" Monthly	16		30.60	499	24		30.60	734	24		172.00	4,128	3,394	462.09%
8	3" Monthly	0		30.60	0	0		30.60	0	0		344.00	0	0	0.00%
9	4" Monthly	0		30.60	0	0		30.60	0	0		537.50	0	0	0.00%
10	6" Monthly	0		30.60	0	0		30.60	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		30.60	0	0		30.60	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	<u>Volumetric Charges:</u>														
17	First 15 hgal		38,400	\$0.00000	\$0		39,149	\$0.00000	\$0		0	\$0.0000	\$0	\$0	0.00%
18	Next 79 hgal		62,406	0.60731	37,899		64,558	0.60731	39,207		0	0.0000	\$0	(39,207)	-100.00%
19	All over 94 hgal		13,105	0.45551	5,969		13,186	0.45551	6,007		0	0.0000	\$0	(6,007)	-100.00%
20															
21	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		66,337	\$0.00000	\$0	\$0	100.00%
22	Next 456 hgal		0	0.00000	0		0	0.00000	0		49,524	1.28091	63,436	63,436	100.00%
23	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		1,032	1.28091	1,322	1,322	100.00%
24	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
25	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
26	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
27															
28	Rider Revenue				\$49,092				\$55,172				\$0	(\$55,172)	-100.00%
29															
30															
31															
32	Total		<u>0</u>		<u>\$178,960</u>		<u>116,894</u>		<u>\$190,762</u>		<u>116,894</u>		<u>\$133,031</u>	<u>(\$57,731)</u>	<u>-30.26%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Suck Creek Commercial														
2	Minimum Charge:														
3	5/8" Monthly	60		\$39.06	\$2,344	60		\$39.06	\$2,344	60		\$27.50	\$1,650	(\$694)	-29.60%
4	3/4" Monthly	0		39.06	0	0		39.06	0	0		41.00	0	0	0.00%
5	1" Monthly	0		39.06	0	0		39.06	0	0		68.50	0	0	0.00%
6	1-1/2" Monthly	0		39.06	0	0		39.06	0	0		137.50	0	0	0.00%
7	2" Monthly	0		39.06	0	0		39.06	0	0		219.50	0	0	0.00%
8	3" Monthly	0		39.06	0	0		39.06	0	0		438.50	0	0	0.00%
9	4" Monthly	0		39.06	0	0		39.06	0	0		686.50	0	0	0.00%
10	6" Monthly	0		39.06	0	0		39.06	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		39.06	0	0		39.06	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 15 hgal		455	\$0.00000	\$0		449	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 79 hgal		781	0.53533	418		1,058	0.53533	567		0	0.00000	\$0	(567)	-100.00%
19	All over 94 hgal		554	0.40241	223		581	0.40241	234		0	0.00000	\$0	(234)	-100.00%
20															
21	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		848	\$0.05969	\$51	\$51	100.00%
22	Next 456 hgal		0	0.00000	0		0	0.00000	0		1,241	0.94791	1,176	1,176	100.00%
23	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		0	0.59574	0	0	0.00%
24	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	0.42075	0	0	0.00%
25	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	0.32145	0	0	0.00%
26	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	0.19122	0	0	0.00%
27															
28	Rider Revenue				\$1,487				\$1,279				\$0	(\$1,279)	-100.00%
29															
30															
31															
32	Total		<u>1,790</u>		<u>\$4,472</u>		<u>2,089</u>		<u>\$4,423</u>		<u>2,089</u>		<u>\$2,877</u>	<u>(\$1,547)</u>	<u>-34.97%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates		Dollar Change	% Change
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue		
1	Whitwell Inside City Summary								
2									
3	Residential	337,227	\$364,040	345,500	\$384,875	345,500	\$405,227	\$20,352	5.29%
4	Commercial	40,308	36,906	41,152	37,256	41,152	56,397	19,141	51.38%
5	Municipal & OPA	2,778	4,001	2,284	3,899	2,284	15,804	11,905	305.36%
6	Miscellaneous								
7									
8	Total	<u>380,313</u>	<u>\$404,946</u>	<u>388,936</u>	<u>\$426,030</u>	<u>388,936</u>	<u>\$477,429</u>	<u>\$51,399</u>	<u>12.06%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Inside Residential														
2	Minimum Charge:														
3	5/8" Monthly	8,647		\$20.45	\$176,824	8,885		\$20.45	\$181,693	8,885		\$21.50	\$191,022	\$9,329	5.13%
4	3/4" Monthly	0		20.45	0	0		20.45	0	0		32.25	0	0	0.00%
5	1" Monthly	0		20.45	0	12		20.45	245	12		53.75	645	400	162.84%
6	1-1/2" Monthly	0		20.45	0	0		20.45	0	0		107.50	0	0	0.00%
7	2" Monthly	0		20.45	0	24		20.45	491	24		172.00	4,128	3,637	741.08%
8	3" Monthly	0		20.45	0	0		20.45	0	0		344.00	0	0	0.00%
9	4" Monthly	0		20.45	0	0		20.45	0	0		537.50	0	0	0.00%
10	6" Monthly	0		20.45	0	0		20.45	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		20.45	0	0		20.45	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 20 hgal		137,386	\$0.00000	\$0		142,891	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		76,230	0.48000	36,590		79,494	0.48000	38,157		0	0.00000	0	(38,157)	-100.00%
19	Next 20 hgal		36,054	0.45600	16,441		37,587	0.45600	17,140		0	0.00000	0	(17,140)	-100.00%
20	Over 60 hgal		87,557	0.41900	36,687		85,528	0.41900	35,836		0	0.00000	0	(35,836)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		181,997	\$0.00000	\$0	\$0	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		146,572	1.28091	187,746	187,746	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		16,930	1.28091	21,686	21,686	100.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
28															
29	Rider Revenue				\$97,498				\$111,313				\$0	(\$111,313)	-100.00%
30															
31															
32															
33	Total		<u>337,227</u>		<u>\$364,040</u>		<u>345,500</u>		<u>\$384,875</u>		<u>345,500</u>		<u>\$405,227</u>	<u>\$20,352</u>	<u>5.29%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Inside Commercial														
2	<u>Minimum Charge:</u>														
3	5/8" Monthly	637		\$20.45	\$13,027	516		\$20.45	\$10,552	516		\$27.50	\$14,190	\$3,638	34.47%
4	3/4" Monthly	0		20.45	0	0		20.45	0	0		41.00	0	0	0.00%
5	1" Monthly	0		20.45	0	36		20.45	736	36		68.50	2,466	1,730	234.96%
6	1-1/2" Monthly	0		20.45	0	0		20.45	0	0		137.50	0	0	0.00%
7	2" Monthly	0		20.45	0	48		20.45	982	48		219.50	10,536	9,554	973.35%
8	3" Monthly	0		20.45	0	0		20.45	0	0		438.50	0	0	0.00%
9	4" Monthly	0		20.45	0	0		20.45	0	0		686.50	0	0	0.00%
10	6" Monthly	0		20.45	0	0		20.45	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		20.45	0	0		20.45	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	<u>Volumetric Charges:</u>														
17	First 20 hgal		7,896	\$0.00000	\$0		8,365	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		4,771	0.48000	2,290		5,313	0.48000	2,550		0	0.00000	0	(2,550)	-100.00%
19	Next 20 hgal		3,611	0.45600	1,647		4,025	0.45600	1,835		0	0.00000	0	(1,835)	-100.00%
20	Over 60 hgal		24,030	0.41900	10,069		23,449	0.41900	9,825		0	0.00000	0	(9,825)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		10,732	\$0.05969	\$641	\$641	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		29,650	0.94791	28,106	28,106	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		770	0.59574	459	459	100.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	0.42075	0	0	0.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	0.32145	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	0.19122	0	0	0.00%
28															
29	Rider Revenue				\$9,873				\$10,775				\$0	(\$10,775)	-100.00%
30															
31															
32															
33	Total		<u>40,308</u>		<u>\$36,906</u>		<u>41,152</u>		<u>\$37,256</u>		<u>41,152</u>		<u>\$56,397</u>	<u>\$19,141</u>	<u>51.38%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Whitwell Inside MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Inside MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS														
2	Minimum Charge:														
3	5/8" Monthly	106		\$20.45	\$2,177	48		\$20.45	\$982	48		\$27.50	\$1,320	\$338	34.47%
4	3/4" Monthly	0		20.45	0	0		20.45	0	0		41.00	0	0	0.00%
5	1" Monthly	0		20.45	0	0		20.45	0	0		68.50	0	0	0.00%
6	1-1/2" Monthly	0		20.45	0	0		20.45	0	0		137.50	0	0	0.00%
7	2" Monthly	0		20.45	0	60		20.45	1,227	60		219.50	13,170	11,943	973.35%
8	3" Monthly	0		20.45	0	0		20.45	0	0		438.50	0	0	0.00%
9	4" Monthly	0		20.45	0	0		20.45	0	0		686.50	0	0	0.00%
10	6" Monthly	0		20.45	0	0		20.45	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		20.45	0	0		20.45	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 20 hgal		1,030	\$0.00000	\$0		1,004	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		237	0.48000	114		296	0.48000	142		0	0.00000	0	(142)	-100.00%
19	Next 20 hgal		200	0.45600	91		221	0.45600	101		0	0.00000	0	(101)	-100.00%
20	Over 60 hgal		1,311	0.41900	549		763	0.41900	320		0	0.00000	0	(320)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		958	\$0.05969	\$57	\$57	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		1,326	0.94791	1,257	1,257	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		0	0.59574	0	0	0.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	0.42075	0	0	0.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	0.32145	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	0.19122	0	0	0.00%
28															
29	Rider Revenue				\$1,069				\$1,128				\$0	(\$1,128)	-100.00%
30															
31															
32															
33	Total		2,778		\$4,001		2,284		\$3,899		2,284		\$15,804	\$11,905	305.36%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Line #	Class/ Description	Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates			
		Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Dollar Change	% Change
1	Whitwell Outside City Summary								
2									
3	Residential	1,016,082	\$1,205,764	1,057,871	\$1,296,205	1,057,871	\$1,216,153	(\$80,052)	-6.18%
4	Commercial	17,308	27,615	25,645	33,303	25,645	46,139	12,836	38.54%
5	Municipal & OPA	29,037	21,704	30,290	23,241	30,290	55,968	32,727	140.82%
6	Miscellaneous								
7									
8	Total	1,062,426	\$1,255,084	1,113,806	\$1,352,749	1,113,806	\$1,318,261	(\$34,488)	-2.55%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Outside Residential														
2	Minimum Charge:														
3	5/8" Monthly	24,406		\$23.37	\$570,361	25,196		\$23.37	\$588,831	25,196		\$21.50	\$541,714	(\$47,117)	-8.00%
4	3/4" Monthly	0		23.37	0	0		23.37	0	0		32.25	0	0	0.00%
5	1" Monthly	0		23.37	0	180		23.37	4,207	180		53.75	9,675	5,468	130.00%
6	1-1/2" Monthly	0		23.37	0	0		23.37	0	0		107.50	0	0	0.00%
7	2" Monthly	0		23.37	0	108		23.37	2,524	108		172.00	18,576	16,052	635.99%
8	3" Monthly	0		23.37	0	0		23.37	0	0		344.00	0	0	0.00%
9	4" Monthly	0		23.37	0	0		23.37	0	0		537.50	0	0	0.00%
10	6" Monthly	0		23.37	0	0		23.37	0	0		1,075.00	0	0	0.00%
11	8" Monthly	0		23.37	0	0		23.37	0	0		1,720.00	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 20 hgal		413,921	\$0.00000	\$0		429,966	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		251,064	0.58700	147,374		262,135	0.58700	153,873		0	0.00000	0	(153,873)	-100.00%
19	Next 20 hgal		121,810	0.53200	64,803		126,780	0.53200	67,447		0	0.00000	0	(67,447)	-100.00%
20	Over 60 hgal		229,287	0.43700	100,199		238,990	0.43700	104,439		0	0.00000	0	(104,439)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		553,395	\$0.00000	\$0	\$0	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		449,165	1.28091	575,340	575,340	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		48,086	1.28091	61,593	61,593	100.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		7,225	1.28091	9,255	9,255	100.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	1.28091	0	0	0.00%
28															
29	Rider Revenue				\$323,028				\$374,885				\$0	(\$374,885)	-100.00%
30															
31															
32															
33	Total		<u>1,016,082</u>		<u>\$1,205,764</u>		<u>1,057,871</u>		<u>\$1,296,205</u>		<u>1,057,871</u>		<u>\$1,216,153</u>	<u>(\$80,052)</u>	<u>-6.18%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Outside Commercial														
2	<u>Minimum Charge:</u>														
3	5/8" Monthly	637		\$23.37	\$14,880	534		\$23.37	\$12,480	534		\$27.50	\$14,685	\$2,205	17.67%
4	3/4" Monthly	0		23.37	0	0		23.37	0	0		41.00	0	0	0.00%
5	1" Monthly	0		23.37	0	48		23.37	1,122	48		68.50	3,288	2,166	193.11%
6	1-1/2" Monthly	0		23.37	0	0		23.37	0	0		137.50	0	0	0.00%
7	2" Monthly	0		23.37	0	36		23.37	841	36		219.50	7,902	7,061	839.24%
8	3" Monthly	0		23.37	0	12		23.37	280	12		438.50	5,262	4,982	1776.34%
9	4" Monthly	0		23.37	0	0		23.37	0	0		686.50	0	0	0.00%
10	6" Monthly	0		23.37	0	0		23.37	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		23.37	0	0		23.37	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	<u>Volumetric Charges:</u>														
17	First 20 hgal		6,964	\$0.00000	\$0		7,003	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		3,550	0.58700	2,084		3,648	0.58700	2,141		0	0.00000	0	(2,141)	-100.00%
19	Next 20 hgal		2,567	0.53200	1,366		2,681	0.53200	1,426		0	0.00000	0	(1,426)	-100.00%
20	Over 60 hgal		4,227	0.43700	1,847		12,313	0.43700	5,381		0	0.00000	0	(5,381)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		9,764	\$0.05969	\$583	\$583	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		14,080	0.94791	13,347	13,347	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		1,801	0.59574	1,073	1,073	100.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	0.42075	0	0	0.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	0.32145	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	0.19122	0	0	0.00%
28															
29	Rider Revenue				\$7,439				\$9,632				\$0	(\$9,632)	-100.00%
30															
31															
32															
33	Total		<u>17,308</u>		<u>\$27,615</u>		<u>25,645</u>		<u>\$33,303</u>		<u>25,645</u>		<u>\$46,139</u>	<u>\$12,836</u>	<u>38.54%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Whitwell Outside MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Whitwell Outside MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS														
2	Minimum Charge:				0										
3	5/8" Monthly	155		\$23.37	\$3,612	60		\$23.37	\$1,402	60		\$27.50	\$1,650	\$248	17.67%
4	3/4" Monthly	0		23.37	0	0		23.37	0	0		41.00	0	0	0.00%
5	1" Monthly	0		23.37	0	0		23.37	0	0		68.50	0	0	0.00%
6	1-1/2" Monthly	0		23.37	0	0		23.37	0	0		137.50	0	0	0.00%
7	2" Monthly	0		23.37	0	72		23.37	1,683	72		219.50	15,804	14,121	839.24%
8	3" Monthly	0		23.37	0	0		23.37	0	0		438.50	0	0	0.00%
9	4" Monthly	0		23.37	0	24		23.37	561	24		686.50	16,476	15,915	2837.53%
10	6" Monthly	0		23.37	0	0		23.37	0	0		1,372.50	0	0	0.00%
11	8" Monthly	0		23.37	0	0		23.37	0	0		2,196.50	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 20 hgal		1,581	\$0.00000	\$0		1,430	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 20 hgal		1,244	0.58700	730		1,125	0.58700	660		0	0.00000	0	(660)	-100.00%
19	Next 20 hgal		1,086	0.53200	578		981	0.53200	522		0	0.00000	0	(522)	-100.00%
20	Over 60 hgal		25,126	0.43700	10,980		26,754	0.43700	11,692		0	0.00000	0	(11,692)	-100.00%
21															
22	First 30 hgal		0	\$0.00000	\$0		0	\$0.00000	\$0		2,307	\$0.05969	\$138	\$138	100.00%
23	Next 456 hgal		0	0.00000	0		0	0.00000	0		14,851	0.94791	14,078	14,078	100.00%
24	Next 3,254 hgal		0	0.00000	0		0	0.00000	0		13,131	0.59574	7,823	7,823	100.00%
25	Next 33,660 hgal		0	0.00000	0		0	0.00000	0		0	0.42075	0	0	0.00%
26	Next 74,600 hgal		0	0.00000	0		0	0.00000	0		0	0.32145	0	0	0.00%
27	Over 112,000 hgal		0	0.00000	0		0	0.00000	0		0	0.19122	0	0	0.00%
28															
29	Rider Revenue				\$5,804				\$6,722				\$0	(\$6,722)	-100.00%
30															
31															
32															
33	Total		29,037		\$21,704		30,290		\$23,241		30,290		\$55,968	\$32,727	140.82%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

		Test Period at Present Rates		Attrition Year at Present Rates		Attrition Year at Proposed Rates			
Line #	Class/ Description	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Sales (00 Gal)	Total Revenue	Dollar Change	% Change
1	Jasper Highlands Summary								
2									
3	Residential	207,205	\$520,327	183,941	\$622,965	183,941	\$440,389	(\$182,575)	-29.31%
4	Commercial	36,503	61,991	43,497	73,671	43,497	54,767	(18,904)	-25.66%
5	Municipal & OPA	1	854	0	880	0	626	(255)	-28.92%
6	Private Fire Service	0	909	0	935	0	1,026	91	9.74%
7	Miscellaneous								
8									
9	Total	243,709	\$584,081	227,438	\$698,451	227,438	\$496,808	(\$201,643)	-28.87%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Jasper Highlands Residential														
2	Minimum Charge:														
3	5/8" Monthly	4,652		\$52.15	\$242,586	6,116		\$52.15	\$318,936	6,116		\$52.15	\$318,936	(\$0)	0.00%
4	3/4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
5	1" Monthly	0		52.15	0	24		52.15	1,252	24		52.15	1,252	0	0.03%
6	1-1/2" Monthly	0		52.15	0	24		52.15	1,252	24		52.15	1,252	0	0.00%
7	2" Monthly	0		52.15	0	12		52.15	626	12		52.15	626	0	0.00%
8	3" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
9	4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
10	6" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
11	8" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
12														0	
13															
14															
15															
16	Volumetric Charges:														
17	First 25 hgal		85,700	\$0.00000	\$0		78,096	\$0.00000	\$0		78,096	\$0.00000	\$0	\$0	0.00%
18	Next 25 hgal		35,973	1.31000	47,125		32,156	1.31000	42,124		32,156	1.11790	35,947	(6,177)	-14.66%
19	Next 25 hgal		17,553	1.17000	20,537		15,127	1.17000	17,699		15,127	1.11790	16,910	(788)	-4.45%
20	Over 75 hgal		67,979	1.04000	70,698		58,562	1.04000	60,905		58,562	1.11790	65,467	4,562	7.49%
21															
22	Rider Revenue				\$139,382				\$180,172				\$0	(\$180,172)	-100.00%
23															
24															
25															
26	Total		<u>207,205</u>		<u>\$520,327</u>		<u>183,941</u>		<u>\$622,965</u>		<u>183,941</u>		<u>\$440,389</u>	<u>(\$182,575)</u>	<u>-29.31%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Jasper Highlands Commercial														
2	Minimum Charge:														
3	5/8" Monthly	179		\$52.15	\$9,333	108		\$52.15	\$5,632	108		\$52.15	\$5,632	\$0	0.00%
4	3/4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
5	1" Monthly	0		52.15	0	24		52.15	1,252	24		52.15	1,252	0	0.00%
6	1-1/2" Monthly	0		52.15	0	12		52.15	626	12		52.15	626	0	0.00%
7	2" Monthly	0		52.15	0	24		52.15	1,252	24		52.15	1,252	0	0.00%
8	3" Monthly	0		52.15	0	12		52.15	626	12		52.15	626	0	0.00%
9	4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
10	6" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
11	8" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 25 hgal		2,764	\$0.00000	\$0		2,902	\$0.00000	\$0		2,902	\$0.00000	\$0	\$0	0.00%
18	Next 25 hgal		1,916	1.31000	2,510		2,034	1.31000	2,664		2,034	1.11790	2,273	(391)	-14.66%
19	Next 25 hgal		1,535	1.17000	1,796		1,616	1.17000	1,891		1,616	1.11790	1,807	(84)	-4.45%
20	Over 75 hgal		30,288	1.04000	31,500		36,944	1.04000	38,422		36,944	1.11790	41,300	2,878	7.49%
21															
22	Rider Revenue				\$16,853				\$21,307				\$0	(\$21,307)	-100.00%
23															
24															
25															
26	Total		<u>36,503</u>		<u>\$61,991</u>		<u>43,497</u>		<u>\$73,671</u>		<u>43,497</u>		<u>\$54,767</u>	<u>(\$18,904)</u>	<u>-25.66%</u>

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)
Jasper Highlands MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Class/ Description	Test Period at Present Rates				Attrition Year at Present Rates				Attrition Year at Proposed Rates				Dollar Change	% Change
		Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (00 Gal)	Proposed Rate	Total Revenue		
1	Jasper Highlands MUNICIPAL & OTHER PUBLIC AUTHORITY CLASS														
2	Minimum Charge:														
3	5/8" Monthly	12		\$52.15	\$626	12		\$52.15	\$626	12		\$52.15	\$626	\$0	0.00%
4	3/4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
5	1" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
6	1-1/2" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
7	2" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
8	3" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
9	4" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
10	6" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
11	8" Monthly	0		52.15	0	0		52.15	0	0		52.15	0	0	0.00%
12															
13															
14															
15															
16	Volumetric Charges:														
17	First 25 hgal		1	\$0.00000	\$0		0	\$0.00000	\$0		0	\$0.00000	\$0	\$0	0.00%
18	Next 25 hgal		0	1.31000	0		0	1.31000	0		0	1.11790	0	0	0.00%
19	Next 25 hgal		0	1.17000	0		0	1.17000	0		0	1.11790	0	0	0.00%
20	Over 75 hgal		0	1.04000	0		0	1.04000	0		0	1.11790	0	0	0.00%
21															
22	Rider Revenue				\$228				\$255				\$0	(\$255)	-100.00%
23															
24															
25															
26	Total		1		\$854		0		\$880		0		\$626	(\$255)	-28.92%

Tennessee-American Water Company
Attrition Year Operating Revenues at Present Rates & Proposed Rates
Test Period (12 Months Ending December 31, 2023)
Attrition Year (12 Months Ending December 31, 2025)

Petitioner's Exhibit Rev-2-Revenue at Present & Proposed Rates-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 2_Revenue at Present and Proposed Rates

Line #	Connection Size	Test Period at Present Rates			Attrition Year at Present Rates			Attrition Year at Proposed Rates				
		Number of Connections	Current Rate	Total Revenue	Number of Connections	Current Rate	Total Revenue	Number of Connections	Proposed Rate	Total Revenue	Dollar Change	% Change
1	Private Fire Service:											
2	1" Service	0	\$9.20	\$0								
3	1 1/2" Service	0	20.75	0								
4	2" Service	0	36.91	0								
5	2 1/2" Service	0	56.28	0								
6	3" Service	0	82.96	0								
7	4" Service	4	166.13	665								
8	6" Service	0	332.00	0								
9	8" Service	0	664.56	0								
10	10" Service	0	996.91	0								
11	12" Service	0	1,329.33	0								
12	Private Hydrants	0	316.72	0								
13												
14	1" Service			\$0	0	\$3.07	\$0	0	\$4.70	\$0	\$0	0.00%
15	1 1/2" Service			0	0	6.92	0	0	10.70	0	0	0.00%
16	2" Service			0	0	12.30	0	0	19.00	0	0	0.00%
17	2 1/2" Service			0	0	18.76	0	0	28.90	0	0	0.00%
18	3" Service			0	0	27.65	0	0	42.60	0	0	0.00%
19	4" Service			0	12	55.38	665	12	85.50	1,026	361	54.39%
20	6" Service			0	0	110.67	0	0	170.75	0	0	0.00%
21	8" Service			0	0	221.52	0	0	341.65	0	0	0.00%
22	10" Service			0	0	332.30	0	0	512.40	0	0	0.00%
23	12" Service			0	0	443.11	0	0	683.30	0	0	0.00%
24	Private Hydrants			0	0	105.57	0	0	162.86	0	0	0.00%
25												
26	Total	<u>4</u>		<u>\$665</u>	<u>12</u>		<u>\$665</u>	<u>12</u>		<u>\$1,026</u>	<u>\$361</u>	<u>54.39%</u>
27												
28	Rider Revenue			\$244			\$270			\$0	(\$270)	-100.00%
29												
30	Total Private Fire	<u></u>		<u>\$909</u>	<u></u>		<u>\$935</u>	<u></u>		<u>\$1,026</u>	<u>\$91</u>	<u>9.74%</u>

*Private fire service connection billings are presented quarterly in the test period and monthly in the attrition period

Tennessee-American Water Company**Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB****Residential Bill Comparison****Witness Responsible: Heath Brooks****Chattanooga****File: TAWC - Exhibit Rev - 4_Residential Bill Comparison**

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$19.64	\$21.50	\$1.86	9.5%
5/8-METER	500	19.89	21.50	1.61	8.1%
5/8-METER	1,000	20.14	21.50	1.36	6.7%
5/8-METER	1,500	20.39	21.50	1.11	5.4%
5/8-METER	2,000	20.64	21.50	0.86	4.1%
5/8-METER	2,500	20.89	21.50	0.61	2.9%
5/8-METER	3,000	21.15	21.50	0.35	1.7%
5/8-METER	3,500	25.12	27.90	2.78	11.1%
5/8-METER	3,800	27.51	31.75	4.24	15.4% TAWC Average Use
5/8-METER	4,000	29.10	34.31	5.21	17.9%
5/8-METER	4,500	33.08	40.71	7.63	23.1%
5/8-METER	5,000	37.06	47.12	10.06	27.1%
5/8-METER	6,000	45.02	59.93	14.91	33.1%
5/8-METER	7,000	52.97	72.74	19.76	37.3%
5/8-METER	8,000	60.93	85.55	24.62	40.4%
5/8-METER	9,000	68.89	98.35	29.47	42.8%
5/8-METER	10,000	76.84	111.16	34.32	44.7%
5/8-METER	11,000	84.80	123.97	39.17	46.2%
5/8-METER	12,000	92.76	136.78	44.03	47.5%
5/8-METER	13,000	100.71	149.59	48.88	48.5%
5/8-METER	14,000	108.67	162.40	53.73	49.4%
5/8-METER	15,000	116.63	175.21	58.58	50.2%

Tennessee-American Water Company
Residential Bill Comparison
Lookout Mountain

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$22.03	\$21.50	(\$0.53)	-2.4%
5/8-METER	500	22.97	21.50	(1.47)	-6.4%
5/8-METER	1,000	23.90	21.50	(2.40)	-10.0%
5/8-METER	1,500	24.84	21.50	(3.34)	-13.4%
5/8-METER	2,000	25.77	21.50	(4.27)	-16.6%
5/8-METER	2,500	26.70	21.50	(5.20)	-19.5%
5/8-METER	3,000	27.64	21.50	(6.14)	-22.2%
5/8-METER	3,500	32.76	27.90	(4.86)	-14.8%
5/8-METER	3,800	35.84	31.75	(4.09)	-11.4%
----- TAWC Average Use -----					
5/8-METER	4,000	37.89	34.31	(3.58)	-9.4%
5/8-METER	4,500	43.01	40.71	(2.30)	-5.3%
5/8-METER	5,000	48.14	47.12	(1.02)	-2.1%
5/8-METER	6,000	58.39	59.93	1.54	2.6%
5/8-METER	7,000	68.64	72.74	4.10	6.0%
5/8-METER	8,000	78.88	85.55	6.66	8.4%
5/8-METER	9,000	89.13	98.35	9.22	10.3%
5/8-METER	10,000	99.38	111.16	11.78	11.9%
5/8-METER	11,000	109.63	123.97	14.34	13.1%
5/8-METER	12,000	119.88	136.78	16.90	14.1%
5/8-METER	13,000	130.13	149.59	19.46	15.0%
5/8-METER	14,000	140.38	162.40	22.02	15.7%
5/8-METER	15,000	150.63	175.21	24.58	16.3%

Tennessee-American Water Company
Residential Bill Comparison
Lakeview

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$22.03	\$21.50	(\$0.53)	-2.4%
5/8-METER	500	22.49	21.50	(0.99)	-4.4%
5/8-METER	1,000	22.96	21.50	(1.46)	-6.3%
5/8-METER	1,500	23.42	21.50	(1.92)	-8.2%
5/8-METER	2,000	23.88	21.50	(2.38)	-10.0%
5/8-METER	2,500	24.34	21.50	(2.84)	-11.7%
5/8-METER	3,000	24.80	21.50	(3.30)	-13.3%
5/8-METER	3,500	29.19	27.90	(1.28)	-4.4%
5/8-METER	3,800	31.82	31.75	(0.07)	-0.2%
----- TAWC Average Use -----					
5/8-METER	4,000	33.57	34.31	0.74	2.2%
5/8-METER	4,500	37.96	40.71	2.76	7.3%
5/8-METER	5,000	42.34	47.12	4.78	11.3%
5/8-METER	6,000	51.11	59.93	8.82	17.3%
5/8-METER	7,000	59.88	72.74	12.86	21.5%
5/8-METER	8,000	68.64	85.55	16.90	24.6%
5/8-METER	9,000	77.41	98.35	20.94	27.1%
5/8-METER	10,000	86.18	111.16	24.98	29.0%
5/8-METER	11,000	94.95	123.97	29.02	30.6%
5/8-METER	12,000	103.72	136.78	33.06	31.9%
5/8-METER	13,000	112.49	149.59	37.10	33.0%
5/8-METER	14,000	121.25	162.40	41.15	33.9%
5/8-METER	15,000	130.02	175.21	45.19	34.8%

Tennessee-American Water Company
Residential Bill Comparison
Suck Creek

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$43.05	\$21.50	(\$21.55)	-50.1%
5/8-METER	500	43.05	21.50	(21.55)	-50.1%
5/8-METER	1,000	43.05	21.50	(21.55)	-50.1%
5/8-METER	1,500	43.05	21.50	(21.55)	-50.1%
5/8-METER	2,000	47.32	21.50	(25.82)	-54.6%
5/8-METER	2,500	51.60	21.50	(30.10)	-58.3%
5/8-METER	3,000	55.87	21.50	(34.37)	-61.5%
5/8-METER	3,500	60.14	27.90	(32.24)	-53.6%
5/8-METER	3,800	62.70	31.75	(30.96)	-49.4%
5/8-METER	4,000	64.41	34.31	(30.10)	-46.7%
5/8-METER	4,500	68.68	40.71	(27.97)	-40.7%
5/8-METER	5,000	72.96	47.12	(25.84)	-35.4%
5/8-METER	6,000	81.50	59.93	(21.57)	-26.5%
5/8-METER	7,000	90.04	72.74	(17.31)	-19.2%
5/8-METER	8,000	98.59	85.55	(13.04)	-13.2%
5/8-METER	9,000	107.13	98.35	(8.78)	-8.2%
5/8-METER	10,000	114.40	111.16	(3.23)	-2.8%
5/8-METER	11,000	120.80	123.97	3.17	2.6%
5/8-METER	12,000	127.21	136.78	9.57	7.5%
5/8-METER	13,000	133.62	149.59	15.97	12.0%
5/8-METER	14,000	140.03	162.40	22.37	16.0%
5/8-METER	15,000	146.44	175.21	28.77	19.6%

TAWC Average Use

Tennessee-American Water Company
Residential Bill Comparison
Whitwell (Inside City)

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$28.77	\$21.50	(\$7.27)	-25.3%
5/8-METER	500	28.77	21.50	(7.27)	-25.3%
5/8-METER	1,000	28.77	21.50	(7.27)	-25.3%
5/8-METER	1,500	28.77	21.50	(7.27)	-25.3%
5/8-METER	2,000	28.77	21.50	(7.27)	-25.3%
5/8-METER	2,500	32.15	21.50	(10.65)	-33.1%
5/8-METER	3,000	35.52	21.50	(14.02)	-39.5%
5/8-METER	3,500	38.90	27.90	(11.00)	-28.3%
5/8-METER	3,800	40.93	31.75	(9.18)	-22.4%
----- TAWC Average Use -----					
5/8-METER	4,000	42.28	34.31	(7.97)	-18.8%
5/8-METER	4,500	45.49	40.71	(4.77)	-10.5%
5/8-METER	5,000	48.69	47.12	(1.57)	-3.2%
5/8-METER	6,000	55.11	59.93	4.82	8.7%
5/8-METER	7,000	61.00	72.74	11.73	19.2%
5/8-METER	8,000	66.90	85.55	18.65	27.9%
5/8-METER	9,000	72.79	98.35	25.56	35.1%
5/8-METER	10,000	78.69	111.16	32.48	41.3%
5/8-METER	11,000	84.58	123.97	39.39	46.6%
5/8-METER	12,000	90.48	136.78	46.30	51.2%
5/8-METER	13,000	96.37	149.59	53.22	55.2%
5/8-METER	14,000	102.27	162.40	60.13	58.8%
5/8-METER	15,000	108.16	175.21	67.05	62.0%

Tennessee-American Water Company
Residential Bill Comparison
Whitwell (Outside City)

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$32.88	\$21.50	(\$11.38)	-34.6%
5/8-METER	500	32.88	21.50	(11.38)	-34.6%
5/8-METER	1,000	32.88	21.50	(11.38)	-34.6%
5/8-METER	1,500	32.88	21.50	(11.38)	-34.6%
5/8-METER	2,000	32.88	21.50	(11.38)	-34.6%
5/8-METER	2,500	37.01	21.50	(15.51)	-41.9%
5/8-METER	3,000	41.14	21.50	(19.64)	-47.7%
5/8-METER	3,500	45.27	27.90	(17.36)	-38.4%
5/8-METER	3,800	47.74	31.75	(16.00)	-33.5%
----- TAWC Average Use -----					
5/8-METER	4,000	49.40	34.31	(15.09)	-30.5%
5/8-METER	4,500	53.14	40.71	(12.42)	-23.4%
5/8-METER	5,000	56.88	47.12	(9.76)	-17.2%
5/8-METER	6,000	64.37	59.93	(4.44)	-6.9%
5/8-METER	7,000	70.51	72.74	2.22	3.2%
5/8-METER	8,000	76.66	85.55	8.88	11.6%
5/8-METER	9,000	82.81	98.35	15.54	18.8%
5/8-METER	10,000	88.96	111.16	22.21	25.0%
5/8-METER	11,000	95.11	123.97	28.87	30.4%
5/8-METER	12,000	101.25	136.78	35.53	35.1%
5/8-METER	13,000	107.40	149.59	42.19	39.3%
5/8-METER	14,000	113.55	162.40	48.85	43.0%
5/8-METER	15,000	119.70	175.21	55.51	46.4%

Tennessee-American Water Company
Residential Bill Comparison
Jasper Highlands

Petitioner's Exhibit Rev- 4-Residential Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 4_Residential Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$73.37	\$52.15	(\$21.22)	-28.9%
5/8-METER	500	73.37	52.15	(21.22)	-28.9%
5/8-METER	1,000	73.37	52.15	(21.22)	-28.9%
5/8-METER	1,500	73.37	52.15	(21.22)	-28.9%
5/8-METER	2,000	73.37	52.15	(21.22)	-28.9%
5/8-METER	2,500	73.37	52.15	(21.22)	-28.9%
5/8-METER	3,000	82.59	57.74	(24.85)	-30.1%
5/8-METER	3,500	91.80	63.33	(28.47)	-31.0%
5/8-METER	3,800	97.33	66.68	(30.65)	-31.5%
----- TAWC Average Use -----					
5/8-METER	4,000	101.02	68.92	(32.10)	-31.8%
5/8-METER	4,500	110.23	74.51	(35.72)	-32.4%
5/8-METER	5,000	119.45	80.10	(39.35)	-32.9%
5/8-METER	6,000	135.91	91.28	(44.63)	-32.8%
5/8-METER	7,000	152.37	102.46	(49.91)	-32.8%
5/8-METER	8,000	167.91	113.63	(54.28)	-32.3%
5/8-METER	9,000	182.55	124.81	(57.73)	-31.6%
5/8-METER	10,000	197.18	135.99	(61.18)	-31.0%
5/8-METER	11,000	211.81	147.17	(64.64)	-30.5%
5/8-METER	12,000	226.44	158.35	(68.09)	-30.1%
5/8-METER	13,000	241.07	169.53	(71.54)	-29.7%
5/8-METER	14,000	255.70	180.71	(75.00)	-29.3%
5/8-METER	15,000	270.34	191.89	(78.45)	-29.0%

Tennessee-American Water Company
Commercial Bill Comparison
Chattanooga

Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB

Witness Responsible: Heath Brooks

File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$25.07	\$27.50	\$2.43	9.7%
5/8-METER	1,000	25.51	28.10	2.58	10.1%
5/8-METER	2,000	25.96	28.69	2.74	10.5%
5/8-METER	3,000	26.40	29.29	2.89	10.9%
5/8-METER	4,000	33.43	38.77	5.34	16.0%
5/8-METER	5,000	40.46	48.25	7.79	19.3%
5/8-METER	10,000	75.60	95.64	20.05	26.5%
5/8-METER	15,000	110.74	143.04	32.30	29.2%
1-METER	20,000	190.88	231.44	40.55	21.2%
1-METER	25,000	226.02	278.83	52.81	23.4%
1-METER	30,000	261.16	326.23	65.06	24.9%
1-METER	35,000	296.30	373.62	77.32	26.1%
1-METER	40,000	331.44	421.02	89.58	27.0%
1-METER	45,000	366.58	468.41	101.83	27.8%
1-METER	50,000	398.06	510.88	112.81	28.3%
1-METER	55,000	420.14	540.67	120.52	28.7%
1-METER	60,000	442.22	570.45	128.23	29.0%
1-METER	70,000	486.39	630.03	143.64	29.5%
1-METER	80,000	530.55	689.60	159.05	30.0%
1-METER	90,000	574.71	749.17	174.47	30.4%
1-METER	100,000	618.87	808.75	189.88	30.7%

**Tennessee-American Water Company
Commercial Bill Comparison
Lookout Mountain**

**Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison**

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$28.15	\$27.50	(\$0.65)	-2.3%
5/8-METER	1,000	29.80	28.10	(1.70)	-5.7%
5/8-METER	2,000	31.45	28.69	(2.76)	-8.8%
5/8-METER	3,000	33.10	29.29	(3.81)	-11.5%
5/8-METER	4,000	42.15	38.77	(3.38)	-8.0%
5/8-METER	5,000	51.20	48.25	(2.96)	-5.8%
5/8-METER	10,000	96.47	95.64	(0.82)	-0.9%
5/8-METER	15,000	141.73	143.04	1.31	0.9%
1-METER	20,000	228.91	231.44	2.52	1.1%
1-METER	25,000	274.18	278.83	4.66	1.7%
1-METER	30,000	319.44	326.23	6.79	2.1%
1-METER	35,000	364.70	373.62	8.92	2.4%
1-METER	40,000	409.96	421.02	11.06	2.7%
1-METER	45,000	455.22	468.41	13.19	2.9%
1-METER	50,000	496.83	510.88	14.05	2.8%
1-METER	55,000	529.03	540.67	11.64	2.2%
1-METER	60,000	561.23	570.45	9.22	1.6%
1-METER	70,000	625.64	630.03	4.39	0.7%
1-METER	80,000	690.04	689.60	(0.44)	-0.1%
1-METER	90,000	754.45	749.17	(5.27)	-0.7%
1-METER	100,000	818.85	808.75	(10.10)	-1.2%

Tennessee-American Water Company
Commercial Bill Comparison
Lakeview

Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$28.15	\$27.50	(\$0.65)	-2.3%
5/8-METER	1,000	28.97	28.10	(0.87)	-3.0%
5/8-METER	2,000	29.78	28.69	(1.08)	-3.6%
5/8-METER	3,000	30.59	29.29	(1.30)	-4.3%
5/8-METER	4,000	38.34	38.77	0.43	1.1%
5/8-METER	5,000	46.08	48.25	2.17	4.7%
5/8-METER	10,000	84.81	95.64	10.84	12.8%
5/8-METER	15,000	123.54	143.04	19.50	15.8%
1-METER	20,000	204.19	231.44	27.25	13.3%
1-METER	25,000	242.91	278.83	35.92	14.8%
1-METER	30,000	281.64	326.23	44.59	15.8%
1-METER	35,000	320.37	373.62	53.26	16.6%
1-METER	40,000	359.09	421.02	61.92	17.2%
1-METER	45,000	397.82	468.41	70.59	17.7%
1-METER	50,000	432.89	510.88	77.99	18.0%
1-METER	55,000	458.56	540.67	82.11	17.9%
1-METER	60,000	484.23	570.45	86.23	17.8%
1-METER	70,000	535.56	630.03	94.46	17.6%
1-METER	80,000	586.90	689.60	102.70	17.5%
1-METER	90,000	638.23	749.17	110.94	17.4%
1-METER	100,000	689.57	808.75	119.18	17.3%

Tennessee-American Water Company
Commercial Bill Comparison
Suck Creek

Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$54.95	\$27.50	(\$27.45)	-50.0%
5/8-METER	1,000	54.95	28.10	(26.86)	-48.9%
5/8-METER	2,000	58.72	28.69	(30.03)	-51.1%
5/8-METER	3,000	66.25	29.29	(36.96)	-55.8%
5/8-METER	4,000	73.78	38.77	(35.01)	-47.5%
5/8-METER	5,000	81.31	48.25	(33.07)	-40.7%
5/8-METER	10,000	117.85	95.64	(22.21)	-18.8%
5/8-METER	15,000	146.16	143.04	(3.12)	-2.1%
1-METER	20,000	174.46	231.44	56.97	32.7%
1-METER	25,000	202.77	278.83	76.06	37.5%
1-METER	30,000	231.08	326.23	95.15	41.2%
1-METER	35,000	259.39	373.62	114.23	44.0%
1-METER	40,000	287.69	421.02	133.32	46.3%
1-METER	45,000	316.00	468.41	152.41	48.2%
1-METER	50,000	344.31	510.88	166.57	48.4%
1-METER	55,000	372.62	540.67	168.05	45.1%
1-METER	60,000	400.93	570.45	169.53	42.3%
1-METER	70,000	457.54	630.03	172.49	37.7%
1-METER	80,000	514.16	689.60	175.44	34.1%
1-METER	90,000	570.77	749.17	178.40	31.3%
1-METER	100,000	627.39	808.75	181.36	28.9%

Tennessee-American Water Company
Commercial Bill Comparison
Whitwell (Inside City)

Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$28.77	\$27.50	(\$1.27)	-4.4%
5/8-METER	1,000	28.77	28.10	(0.67)	-2.3%
5/8-METER	2,000	28.77	28.69	(0.08)	-0.3%
5/8-METER	3,000	35.52	29.29	(6.23)	-17.5%
5/8-METER	4,000	42.28	38.77	(3.51)	-8.3%
5/8-METER	5,000	48.69	48.25	(0.44)	-0.9%
5/8-METER	10,000	78.69	95.64	16.96	21.5%
5/8-METER	15,000	108.16	143.04	34.88	32.2%
1-METER	20,000	137.64	231.44	93.80	68.1%
1-METER	25,000	167.11	278.83	111.72	66.9%
1-METER	30,000	196.59	326.23	129.64	65.9%
1-METER	35,000	226.06	373.62	147.56	65.3%
1-METER	40,000	255.54	421.02	165.48	64.8%
1-METER	45,000	285.01	468.41	183.40	64.3%
1-METER	50,000	314.48	510.88	196.39	62.4%
1-METER	55,000	343.96	540.67	196.71	57.2%
1-METER	60,000	373.43	570.45	197.02	52.8%
1-METER	70,000	432.38	630.03	197.64	45.7%
1-METER	80,000	491.33	689.60	198.27	40.4%
1-METER	90,000	550.28	749.17	198.89	36.1%
1-METER	100,000	609.23	808.75	199.52	32.7%

**Tennessee-American Water Company
Commercial Bill Comparison
Whitwell (Outside City)**

**Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison**

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$32.88	\$27.50	(\$5.38)	-16.4%
5/8-METER	1,000	32.88	28.10	(4.78)	-14.5%
5/8-METER	2,000	32.88	28.69	(4.19)	-12.7%
5/8-METER	3,000	41.14	29.29	(11.85)	-28.8%
5/8-METER	4,000	49.40	38.77	(10.63)	-21.5%
5/8-METER	5,000	56.88	48.25	(8.63)	-15.2%
5/8-METER	10,000	88.96	95.64	6.69	7.5%
5/8-METER	15,000	119.70	143.04	23.34	19.5%
1-METER	20,000	150.44	231.44	81.00	53.8%
1-METER	25,000	181.18	278.83	97.65	53.9%
1-METER	30,000	211.92	326.23	114.31	53.9%
1-METER	35,000	242.66	373.62	130.96	54.0%
1-METER	40,000	273.40	421.02	147.61	54.0%
1-METER	45,000	304.14	468.41	164.27	54.0%
1-METER	50,000	334.88	510.88	175.99	52.6%
1-METER	55,000	365.63	540.67	175.04	47.9%
1-METER	60,000	396.37	570.45	174.09	43.9%
1-METER	70,000	457.85	630.03	172.18	37.6%
1-METER	80,000	519.33	689.60	170.27	32.8%
1-METER	90,000	580.81	749.17	168.36	29.0%
1-METER	100,000	642.29	808.75	166.46	25.9%

Tennessee-American Water Company
Commercial Bill Comparison
Jasper Highlands

Petitioner's Exhibit Rev- 5-Commercial Bill Comparison-HB
Witness Responsible: Heath Brooks
File: TAWC - Exhibit Rev - 5_Commercial Bill Comparison

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
5/8-METER	-	\$73.37	\$52.15	(\$21.22)	-28.9%
5/8-METER	1,000	73.37	52.15	(21.22)	-28.9%
5/8-METER	2,000	73.37	52.15	(21.22)	-28.9%
5/8-METER	3,000	82.59	57.74	(24.85)	-30.1%
5/8-METER	4,000	101.02	68.92	(32.10)	-31.8%
5/8-METER	5,000	119.45	80.10	(39.35)	-32.9%
5/8-METER	10,000	197.18	135.99	(61.18)	-31.0%
5/8-METER	15,000	270.34	191.89	(78.45)	-29.0%
1-METER	20,000	343.49	247.78	(95.71)	-27.9%
1-METER	25,000	416.65	303.68	(112.98)	-27.1%
1-METER	30,000	489.81	359.57	(130.24)	-26.6%
1-METER	35,000	562.97	415.47	(147.50)	-26.2%
1-METER	40,000	636.13	471.36	(164.77)	-25.9%
1-METER	45,000	709.29	527.26	(182.03)	-25.7%
1-METER	50,000	782.45	583.15	(199.29)	-25.5%
1-METER	55,000	855.61	639.05	(216.56)	-25.3%
1-METER	60,000	928.77	694.94	(233.82)	-25.2%
1-METER	70,000	1,075.08	806.73	(268.35)	-25.0%
1-METER	80,000	1,221.40	918.52	(302.88)	-24.8%
1-METER	90,000	1,367.72	1,030.31	(337.41)	-24.7%
1-METER	100,000	1,514.04	1,142.10	(371.93)	-24.6%

Tennessee-American Water Company**Industrial Bill Comparison****Chattanooga****Petitioner's Exhibit Rev- 6-Industrial Bill Comparison-HB****Witness Responsible: Heath Brooks****File: TAWC - Exhibit Rev - 6_Industrial Bill Comparison**

Meter Size	Usage (Gallons)	Current Monthly Bill	Proposed Monthly Bill	Monthly Increase	Percentage Monthly Increase
2-METER	-	\$467.72	\$219.50	(\$248.22)	-53.1%
2-METER	250,000	1,735.09	1,853.36	118.26	6.8%
2-METER	500,000	2,719.34	3,122.22	402.88	14.8%
2-METER	750,000	3,535.27	4,174.10	638.82	18.1%
2-METER	1,000,000	4,351.20	5,225.97	874.77	20.1%
2-METER	2,000,000	7,614.93	9,433.47	1,818.54	23.9%
2-METER	3,000,000	10,878.66	13,640.97	2,762.31	25.4%
2-METER	4,000,000	13,942.11	17,590.29	3,648.18	26.2%
2-METER	5,000,000	16,435.56	20,804.79	4,369.23	26.6%
2-METER	6,000,000	18,929.01	24,019.29	5,090.28	26.9%
2-METER	7,000,000	21,422.46	27,233.79	5,811.33	27.1%
2-METER	8,000,000	23,915.91	30,448.29	6,532.38	27.3%
2-METER	9,000,000	26,409.36	33,662.79	7,253.43	27.5%
2-METER	10,000,000	28,902.81	36,877.29	7,974.49	27.6%
2-METER	11,000,000	31,396.25	40,091.79	8,695.54	27.7%
2-METER	12,000,000	33,081.58	42,264.45	9,182.87	27.8%
2-METER	13,000,000	34,564.87	44,176.65	9,611.78	27.8%
2-METER	14,000,000	36,048.17	46,088.85	10,040.68	27.9%
2-METER	15,000,000	37,531.46	48,001.05	10,469.59	27.9%
2-METER	16,000,000	39,014.76	49,913.25	10,898.49	27.9%
2-METER	17,000,000	40,498.05	51,825.45	11,327.40	28.0%
2-METER	18,000,000	41,981.35	53,737.65	11,756.30	28.0%
2-METER	19,000,000	43,464.64	55,649.85	12,185.21	28.0%
2-METER	20,000,000	44,947.94	57,562.05	12,614.11	28.1%

Tennessee-American Water Company
Cost of Service Study - Functional Allocators to Customer Class
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

Functional COS		Alloc	Description	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total
Source of Supply Expense										
Fixed	\$1,082,839	2	Base/Extra Daily	\$400,568	\$319,751	\$177,862	\$106,628	\$60,783	\$17,248	\$1,082,839
Variable	228,859	1	Total Usage	82,592	68,958	41,580	16,123	14,920	4,686	228,859
Power and Pumping Expenses										
Fixed	12,102,660	2	Base/Extra Daily	4,477,064	3,573,783	1,987,923	1,191,754	679,360	192,776	12,102,660
Variable	2,882,286	1	Total Usage	1,040,179	868,469	523,670	203,050	187,907	59,012	2,882,286
Water Treatment										
Fixed	9,559,288	2	Base/Extra Daily	3,536,210	2,822,753	1,570,161	941,307	536,593	152,264	9,559,288
Variable	3,154,058	1	Total Usage	1,138,258	950,357	573,047	222,195	205,625	64,576	3,154,058
Transmission	7,337,946	3	Base/Extra Daily w/ Fire	2,729,999	2,037,147	1,059,678	739,880	329,503	441,740	7,337,946
Distribution	18,873,211	4	Base/Extra Hourly w/ Fire	9,028,394	5,546,226	940,800	1,656,509	361,457	1,339,826	18,873,211
Storage	2,602,463	5	Storage	1,005,237	723,544	367,958	253,685	107,680	144,359	2,602,463
Meters	13,005,209	8	Meters	9,251,464	3,068,419	171,205	511,168	2,952	0	13,005,209
Services	5,005,000	9	Services	4,080,589	521,541	12,168	50,554	167	339,981	5,005,000
Customers	5,439,610	10	Customers	4,660,069	531,248	6,683	41,917	301	199,391	5,439,610
Hydrants	2,785,912	7	Public Fire Protection	1,540,926	787,765	295,134	162,087	0	0	2,785,912
Total	\$84,059,343			\$42,971,547	\$21,819,961	\$7,727,869	\$6,096,857	\$2,487,250	\$2,955,859	\$84,059,343
				51.12%	25.96%	9.19%	7.25%	2.96%	3.52%	
Attrition Year Water Revenue	\$70,507,132			\$32,458,901	\$22,715,453	\$5,750,304	\$4,322,067	\$1,286,516	\$3,973,889	\$70,507,132
Other Operating Revenue	\$1,796,580									
Increase	\$13,552,211			\$10,512,646	(\$895,492)	\$1,977,564	\$1,774,789	\$1,200,734	(\$1,018,030)	\$13,552,211
Retail Percent Increase	19.22%			32.39%	-3.94%	34.39%	41.06%	93.33%	-25.62%	19.22%
Attrition Year Revenue				\$32,458,901	\$22,715,453	\$5,750,304	\$4,322,067	\$1,286,516	\$3,973,889	\$70,507,132
Cost of Service Increase				10,512,646	(895,492)	1,977,564	1,774,789	1,200,734	(1,018,030)	13,552,211
COS Revenue				42,971,547	21,819,961	7,727,868	6,096,856	2,487,250	2,955,859	84,059,343
COS Percent Increase				32.39%	-3.94%	34.39%	41.06%	93.33%	-25.62%	19.22%

[illegible]

Tennessee-American Water Company
Cost of Service Study - Account Detail
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

Source of															
Water															
Attrition Period		Alloc	Description	Supply	Pumping	Treatment	Transmission	Distribution	Storage	Meters	Services	Customers	Hydrants	Total	
Transmission & Distribution Expense															
Operating Expense															
Purchased Water	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Fuel and Power	48,365	1	T/D Oper. Expense	0	0	0	15,431	32,934	0	0	0	0	0	48,365	
Chemicals	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Waste Disposal	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Salaries and Wages	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Pension Expense	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Group Insurance	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Other Benefits	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Support Services	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Contract Services	441,083	1	T/D Oper. Expense	0	0	0	140,726	300,357	0	0	0	0	0	441,083	
Building Maintenance and Services	53,834	1	T/D Oper. Expense	0	0	0	17,207	36,727	0	0	0	0	0	53,834	
Telecommunications	14,006	1	T/D Oper. Expense	0	0	0	4,469	9,537	0	0	0	0	0	14,006	
Postage	15	1	T/D Oper. Expense	0	0	0	5	10	0	0	0	0	0	15	
Office Supplies	35,464	1	T/D Oper. Expense	0	0	0	11,315	24,149	0	0	0	0	0	35,464	
Employee Related Expenses	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Miscellaneous	148,353	1	T/D Oper. Expense	0	0	0	47,332	101,021	0	0	0	0	0	148,353	
Rents	21,989	1	T/D Oper. Expense	0	0	0	7,016	14,974	0	0	0	0	0	21,989	
Transportation	66,910	1	T/D Oper. Expense	0	0	0	21,347	45,563	0	0	0	0	0	66,910	
Uncollectible Accounts	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Customer Accounting	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Regulatory Expense	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
Insurance Other Than Group	0	1	T/D Oper. Expense	0	0	0	0	0	0	0	0	0	0	0	
	830,119			0	0	0	264,847	565,272	0	0	0	0	0	830,119	
Maintenance Expense															
Salaries and Wages	439,816	2	T/D Maint. Expense	0	0	0	140,322	299,494	0	0	0	0	0	439,816	
Maintenance	880,962	2	T/D Maint. Expense	0	0	0	281,068	599,893	0	0	0	0	0	880,962	
	1,320,778			0	0	0	421,391	899,387	0	0	0	0	0	1,320,778	
Total T&D Expense	\$2,150,897			\$0	\$0	\$0	\$686,238	\$1,464,659	\$0	\$0	\$0	\$0	\$0	\$2,150,897	
Storage Expense															
Operating Expense															
Purchased Water	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Fuel and Power	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Chemicals	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Waste Disposal	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Salaries and Wages	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Pension Expense	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Group Insurance	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Other Benefits	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Support Services	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Contract Services	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Building Maintenance and Services	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Telecommunications	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Postage	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Office Supplies	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Employee Related Expenses	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Miscellaneous	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Rents	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Transportation	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Uncollectible Accounts	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Customer Accounting	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Regulatory Expense	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Insurance Other Than Group	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
	0			0	0	0	0	0	0	0	0	0	0	0	
Maintenance Expense															
Salaries and Wages	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
Maintenance	0	F	Storage	0	0	0	0	0	0	0	0	0	0	0	
	0			0	0	0	0	0	0	0	0	0	0	0	
Total Storage Expense	\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Meter Expense															
Operating Expense															
Purchased Water	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Fuel and Power	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Chemicals	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Waste Disposal	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Salaries and Wages	958,564	G	Meters	0	0	0	0	0	0	958,564	0	0	0	958,564	
Pension Expense	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Group Insurance	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Other Benefits	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Support Services	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Contract Services	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Building Maintenance and Services	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Telecommunications	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Postage	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Office Supplies	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Employee Related Expenses	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Miscellaneous	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Rents	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Transportation	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Uncollectible Accounts	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Customer Accounting	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Regulatory Expense	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Insurance Other Than Group	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
	958,564			0	0	0	0	0	0	958,564	0	0	0	958,564	
Maintenance Expense															
Salaries and Wages	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
Maintenance	0	G	Meters	0	0	0	0	0	0	0	0	0	0	0	
	0			0	0	0	0	0	0	0	0	0	0	0	
Total Meter Expense	\$958,564			\$0	\$0	\$0	\$0	\$0	\$0	\$958,564	\$0	\$0	\$0	\$958,564	

Tennessee-American Water Company
Cost of Service Study - Account Detail
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

				Source of		Water													
				Attrition Period		Alloc Description		Supply	Pumping	Treatment	Transmission	Distribution	Storage	Meters	Services	Customers	Hydrants	Total	
Service Expense	Operating Expense	Purchased Water	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Fuel and Power	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Chemicals	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Waste Disposal	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Salaries and Wages	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Pension Expense	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Group Insurance	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Other Benefits	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Support Services	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Contract Services	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Building Maintenance and Services	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Telecommunications	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Postage	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Office Supplies	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Employee Related Expenses	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Miscellaneous	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Rents	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Transportation	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Uncollectible Accounts	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Customer Accounting	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Regulatory Expense	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Insurance Other Than Group	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance Expense	Salaries and Wages	281,567	H	Services	0	0	0	0	0	0	0	0	0	0	281,567	0	0	0	281,567
	Maintenance	0	H	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				281,567		0	0	0	0	0	0	0	0	281,567	0	0	0	281,567	
Total Service Expense				\$281,567		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$281,567	\$0	\$0	\$0	\$281,567
Hydrant Expense	Operating Expense	Purchased Water	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Fuel and Power	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Chemicals	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Waste Disposal	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Salaries and Wages	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Pension Expense	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Group Insurance	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Other Benefits	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Support Services	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Contract Services	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Building Maintenance and Services	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Telecommunications	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Postage	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Office Supplies	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Employee Related Expenses	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Miscellaneous	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Rents	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Transportation	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Uncollectible Accounts	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Customer Accounting	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Regulatory Expense	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Insurance Other Than Group	0	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance Expense	Salaries and Wages	227,173	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	227,173	227,173
	Maintenance	647	J	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	647	647
				227,820		0	0	0	0	0	0	0	0	0	0	0	0	227,820	227,820
Total Hydrant Expense				\$227,820		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,820	\$227,820
Customer Accounts	Operating Expense	Purchased Water	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Fuel and Power	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Chemicals	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Waste Disposal	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Salaries and Wages	457,359	I	Customers	0	0	0	0	0	0	0	0	0	0	0	457,359	0	457,359
		Pension Expense	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Group Insurance	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Other Benefits	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Support Services	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Contract Services	159	I	Customers	0	0	0	0	0	0	0	0	0	0	0	159	0	159
		Building Maintenance and Services	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Telecommunications	(1,607)	I	Customers	0	0	0	0	0	0	0	0	0	0	0	(1,607)	0	(1,607)
		Postage	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Office Supplies	5,461	I	Customers	0	0	0	0	0	0	0	0	0	0	0	5,461	0	5,461
		Employee Related Expenses	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Miscellaneous	3,975	I	Customers	0	0	0	0	0	0	0	0	0	0	0	3,975	0	3,975
		Rents	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Transportation	11,861	I	Customers	0	0	0	0	0	0	0	0	0	0	0	11,861	0	11,861
		Uncollectible Accounts	606,679	I	Customers	0	0	0	0	0	0	0	0	0	0	0	606,679	0	606,679
		Customer Accounting	577,105	I	Customers	0	0	0	0	0	0	0	0	0	0	0	577,105	0	577,105
		Regulatory Expense	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Insurance Other Than Group	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				1,662,992		0	0	0	0	0	0	0	0	0	0	0	1,662,992	0	1,662,992
Maintenance Expense	Salaries and Wages	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Maintenance	0	I	Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Customer Accounting Expense				\$1,662,992		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,662,992	\$0	\$1,662,992

			Source of		Water										
Attrition Period			Alloc Description		Supply	Pumping	Treatment	Transmission	Distribution	Storage	Meters	Services	Customers	Hydrants	Total
Administrative & General Expense															
Operating Expense															
Purchased Water		0	3	Fixed O&M	0	0	0	0	0	0	0	0	0	0	0
Fuel and Power		0	3	Fixed O&M	0	0	0	0	0	0	0	0	0	0	0
Chemicals		0	3	Fixed O&M	0	0	0	0	0	0	0	0	0	0	0
Waste Disposal		0	3	Fixed O&M	0	0	0	0	0	0	0	0	0	0	0
Salaries and Wages	2,642,944	4	Labor	32	985,547	210,429	85,870	183,275	0	586,590	172,304	279,880	139,018	2,642,944	
Pension Expense	619,489	4	Labor	7	231,006	49,323	20,127	42,958	0	137,493	40,387	65,602	32,585	619,489	
Group Insurance	481,683	4	Labor	6	176,616	38,351	15,650	33,402	0	158,907	31,403	51,009	26,336	481,683	
Other Benefits	633,149	4	Labor	8	236,100	50,411	20,571	43,906	0	140,525	41,278	67,049	33,303	633,149	
Support Services	8,536,676	4	Labor	104	3,220,594	687,645	289,607	598,909	0	1,916,873	563,059	914,598	454,286	8,536,676	
Contract Services	555,982	4	Labor	6	188,530	40,254	16,530	32,961	0	112,212	23,961	33,540	26,593	555,982	
Building Maintenance and Services	155,428	3	Fixed O&M	1,557	36,579	16,685	12,895	27,523	0	18,427	5,413	31,969	4,380	155,428	
Telecommunications	320,426	3	Fixed O&M	3,210	75,411	34,397	26,585	56,741	0	37,989	11,159	65,907	9,029	320,426	
Postage	19,091	3	Fixed O&M	181	4,291	1,501	1,258	3,254	0	2,192	630	3,721	510	19,091	
Office Supplies	147,308	3	Fixed O&M	1,476	34,668	15,813	12,222	26,085	0	5,130	30,299	3,169	4,151	147,308	
Employee Related Expenses	212,144	4	Labor	3	79,108	16,891	6,893	14,711	0	47,084	13,631	22,485	11,159	212,144	
Miscellaneous	591,085	3	Fixed O&M	5,927	138,050	63,635	49,091	104,776	0	70,516	20,625	70,149	16,872	591,085	
Rents	7,995	3	Fixed O&M	80	1,882	858	663	1,416	0	40,817	1,189	7,012	9,701	7,995	
Transportation	344,276	3	Fixed O&M	3,446	81,023	36,957	28,564	60,964	0	40,817	11,969	70,812	9,701	344,276	
Uncollectible Accounts	123,470	1	Customers	0	0	0	0	0	0	0	0	0	0	123,470	
Customer Accounting	0	1	Customers	0	0	0	0	0	0	0	0	0	0	0	
Regulatory Expense	518,000	3	Fixed O&M	5,189	125,606	55,606	42,977	91,727	0	12,927	108,544	18,413	118,009	518,000	
Insurance Other - Group	1,205,504	3	Fixed O&M	12,075	283,709	129,407	100,018	213,471	0	142,922	41,982	247,953	33,968	1,205,504	
	17,016,904			33,308	5,899,190	1,448,484	720,660	1,538,128	0	3,439,959	1,010,448	2,111,214	815,512	17,016,904	
Maintenance Expense															
Salaries and Wages		0	3	Fixed O&M	0	0	0	0	0	0	0	0	0	0	0
Maintenance	294,472	3	Fixed O&M	2,950	69,302	31,611	24,432	52,145	0	34,912	10,255	60,568	8,297	294,472	
	294,472			2,950	69,302	31,611	24,432	52,145	0	34,912	10,255	60,568	8,297	294,472	
Total A&G Expense	\$17,311,376			\$36,257	\$5,968,493	\$1,480,095	\$745,092	\$1,590,273	\$0	\$3,474,871	\$1,020,703	\$2,171,782	\$823,809	\$17,311,376	
Total Operations & Maintenance Exp. (Water)	\$31,710,128			\$346,101	\$10,753,582	\$5,502,074	\$1,431,330	\$3,054,932	\$0	\$4,433,435	\$1,302,270	\$3,834,775	\$1,051,630	\$31,710,128	
Taxes Other Than Income Tax															
General Taxes	8,219,702	6	Rate Base	168,049	564,923	1,128,588	1,045,425	2,872,301	389,079	1,025,818	615,531	131,217	278,770	8,219,702	
	8,219,702			168,049	564,923	1,128,588	1,045,425	2,872,301	389,079	1,025,818	615,531	131,217	278,770	8,219,702	
Total Taxes Other Than Income Taxes (Water)	\$8,219,702			\$168,049	\$564,923	\$1,128,588	\$1,045,425	\$2,872,301	\$389,079	\$1,025,818	\$615,531	\$131,217	\$278,770	\$8,219,702	
Plant Depreciation															
Intangible Plant	179,124	5	Net Plant (less int. & acc.)	3,662	12,311	24,594	22,782	62,593	8,479	22,355	13,414	2,859	6,075	179,124	
Source of Supply															
Struct & Imp-Supply	68,730	A	Source of Supply	68,730	0	0	0	0	0	0	0	0	0	68,730	
Lake, River & Other Intakes	42,108	A	Source of Supply	42,108	0	0	0	0	0	0	0	0	0	42,108	
Supply Mains	38,076	A	Source of Supply	38,076	0	0	0	0	0	0	0	0	0	38,076	
Other PIE-Supply	24,187	A	Source of Supply	24,187	0	0	0	0	0	0	0	0	0	24,187	
Water Pumping															
Land & Land Rights-Pumping	0	B	Pumping	0	0	0	0	0	0	0	0	0	0	0	
Power Generation Equip	0	B	Pumping	0	0	0	0	0	0	0	0	0	0	0	
Struct & Imp-Pumping	122,160	B	Pumping	0	122,160	0	0	0	0	0	0	0	0	122,160	
Pump Exp Electric	89,657	B	Pumping	0	89,657	0	0	0	0	0	0	0	0	89,657	
Pump Exp Diesel	1,068	B	Pumping	0	1,068	0	0	0	0	0	0	0	0	1,068	
Pump Exp Other	266,754	B	Pumping	0	266,754	0	0	0	0	0	0	0	0	266,754	
Pump Exp-SCS & Pumping	82,610	B	Pumping	0	82,610	0	0	0	0	0	0	0	0	82,610	
Water Treatment															
Land & Land Rights-Treatment	0	C	Water Treatment	0	0	0	0	0	0	0	0	0	0	0	
Struct & Imp-Treatment	541,963	C	Water Treatment	0	0	541,963	0	0	0	0	0	0	0	541,963	
Struct & Imp-Treat-Op Maint	0	C	Water Treatment	0	0	0	0	0	0	0	0	0	0	0	
Struct & Imp-Treatment-Hard	0	C	Water Treatment	0	0	0	0	0	0	0	0	0	0	0	
WT Equip Non-Media	782,120	C	Water Treatment	0	0	782,120	0	0	0	0	0	0	0	782,120	
WT Equip Filter Media	365,208	C	Water Treatment	0	0	365,208	0	0	0	0	0	0	0	365,208	
Transmission & Distribution															
Land & Land Rights-T&D	0	K	Mains	0	0	0	0	0	0	0	0	0	0	0	
Land-T&D	0	K	Mains	0	0	0	0	0	0	0	0	0	0	0	
Land & Land Rights-T&D ROW	0	K	Mains	0	0	0	0	0	0	0	0	0	0	0	
Struct & Imp-T&D	60,564	K	Mains	0	60,564	0	0	0	0	0	0	0	0	60,564	
TD Mains Not Classified	377,068	K	Mains	0	0	0	120,303	256,765	0	0	0	0	0	377,068	
TD Mains 4in & Less	282,635	E	Distribution	0	0	0	0	282,635	0	0	0	0	0	282,635	
TD Mains 6in to 10in	1,662,962	E	Distribution	0	0	0	0	1,662,962	0	0	0	0	0	1,662,962	
TD Mains 10in to 16in	654,460	D	Transmission	0	0	0	654,460	0	0	0	0	0	0	654,460	
TD Mains 18in & Grtr	79,524	D	Transmission	0	0	0	79,524	0	0	0	0	0	0	79,524	
Storage															
Dist Reservoirs & Standpipes	261,462	F	Storage	0	0	0	0	0	0	261,462	0	0	0	261,462	
Tank Reservoirs	384,857	F	Storage	0	0	0	0	0	0	384,857	0	0	0	384,857	
Elevated Tanks & Standpipes	122,892	F	Storage	0	0	0	0	0	0	122,892	0	0	0	122,892	
Ground Level Tanks	96,408	F	Storage	0	0	0	0	0	0	96,408	0	0	0	96,408	
Below Ground Tanks	1,960	F	Storage	0	0	0	0	0	0	1,960	0	0	0	1,960	
Clearwell	15,996	F	Storage	0	0	0	0	0	0	15,996	0	0	0	15,996	
Meters															
Meters	2,340,988	G	Meters	0	0	0	0	0	0	2,340,988	0	0	0	2,340,988	
Meters Bronze Case	344,783	G	Meters	0	0	0	0	0	0	344,783	0	0	0	344,783	
Meters Other	12,288	G	Meters	0	0	0	0	0	0	12,288	0	0	0	12,288	
Meter Reading Units	5,172	G	Meters	0	0	0	0	0	0	5,172	0	0	0	5,172	
Meter Installations	739,327	G	Meters	0	0	0	0	0	0	739,327	0	0	0	739,327	
Meter Vaults	5,484	G	Meters	0	0	0	0	0	0	5,484	0	0	0	5,484	
Services															
Services	809,261	H	Services	0	0	0	0	0	0	0	0	809,261	0	809,261	
Hydrants															
Hydrants	362,028	J	Hydrants	0	0	0	0	0	0	0	0	0	362,028	362,028	

			Source of		Water																	
General Plant		Attrition Period		Alloc		Description		Supply	Pumping	Treatment	Transmission	Distribution	Storage	Meters	Services	Customers	Hydrants	Total				
Struct & Imp-General			102,544	3	Fixed O&M			2,027	24,133	11,008	8,508	18,159	0		12,157	3,571	21,092	2,889	102,544			
Struct & Imp-Offices			253,800	3	Fixed O&M			1,542	59,730	27,245	21,057	44,943	0		30,090	8,839	52,203	7,151	253,800			
Struct & Imp-Store Shop, Gar			4,710	3	Fixed O&M			307	1,108	508	17	194	0		588	99	133	588	4,710			
Struct & Imp-Misc			3,052	3	Fixed O&M			61	718	328	253	540	0		362	106	628	86	3,052			
Other Plant & Misc Equipment			0	3	Fixed O&M			0	0	0	0	0	0		0	0	0	0	0			
Office Furniture & Equip			66,143	3	Fixed O&M			303	15,566	7,100	5,486	11,713	0		7,842	2,303	13,805	1,864	66,143			
Comp & Periph Equip			381,275	3	Fixed O&M			3,819	89,731	40,929	31,633	67,516	0		45,203	13,278	78,422	10,743	381,275			
Comp & Periph Mainframe			8,544	3	Fixed O&M			86	2,011	917	709	1,513	0		1,013	298	1,757	241	8,544			
Comp & Periph Personal			110,080	3	Fixed O&M			1,103	90,003	19,807	15,433	33,634	0		13,051	3,834	22,462	3,051	110,080			
Comp & Periph Other			153,020	3	Fixed O&M			1,633	38,366	17,500	13,525	28,868	0		19,327	5,331	33,631	4,593	153,020			
Comp & Periph Capital Lease			888	3	Fixed O&M			39	915	417	323	688	0		800	125	800	110	888			
Computer Software			2,882,972	3	Fixed O&M			680,845	240,845	102,285	510,745	282,972	0		342,972	100,745	595,387	81,517	2,882,972			
Comp Software Mainframe			3,240	3	Fixed O&M			32	763	348	269	574	0		384	113	666	91	3,240			
Comp Software Spec Despr Rat			21,395	3	Fixed O&M			214	5,035	2,297	1,775	3,789	0		2,537	745	4,401	603	21,395			
Comp Software Personal			2,445	3	Fixed O&M			25	576	293	433	290	0		290	85	594	69	2,445			
Comp Software Other			148,356	3	Fixed O&M			1,486	34,915	15,926	12,309	26,271	0		17,589	5,167	30,514	4,180	148,356			
Data Handling Equipment			1,344	3	Fixed O&M			13	316	144	112	238	0		159	47	276	38	1,344			
Other Office Equipment			0	3	Fixed O&M			0	0	0	0	0	0		0	0	0	0	0			
Trans Equip Ld Duty Trks			350,630	3	Fixed O&M			3,512	82,519	37,639	29,091	62,090	0		41,570	12,211	72,119	9,880	350,630			
Trans Equip Hvy Duty Trks			116,237	3	Fixed O&M			1,164	27,356	12,478	9,644	20,563	0		13,781	4,048	23,908	3,275	116,237			
Trans Equip Autos			0	3	Fixed O&M			0	0	0	0	0	0		0	0	0	0	0			
Trans Equip Other			15,189	3	Fixed O&M			152	3,575	1,630	1,260	2,690	0		1,801	529	3,124	428	15,189			
Tools, Shop, Garage Equip			59,093	3	Fixed O&M			592	13,907	6,343	4,903	10,464	0		7,006	2,058	12,154	1,665	59,093			
Laboratory Equipment			20,796	3	Fixed O&M			208	4,894	2,232	1,725	3,683	0		2,466	724	4,277	586	20,796			
Power Operated Equipment			218	3	Fixed O&M			2	51	23	18	38	0		26	8	44	6	218			
Comm Equip Non-Telephone			149,773	3	Fixed O&M			1,500	35,248	16,078	12,426	26,522	0		17,757	5,216	30,806	4,220	149,773			
Remote Control & Instrument			218,052	3	Fixed O&M			2,184	51,317	23,407	18,619	38,013	0		29,852	7,584	44,850	6,144	218,052			
Comm Equip Telephone			36	3	Fixed O&M			3	842	384	297	633	0		424	125	736	101	36			
Misc Equipment			61,988	3	Fixed O&M			621	14,589	6,654	5,143	10,977	0		7,349	2,159	12,750	1,747	61,988			
Other Tangible Property			1,584	3	Fixed O&M			15	373	183	131	283	0		185	55	326	45	1,584			
AFUDC Debt			0	3	Fixed O&M			0	0	0	0	0	0		0	0	0	0	0			
Property held for future			0	3	Fixed O&M			0	0	0	0	0	0		0	0	0	0	0			
Vehicle Depreciation Capitalization Credit			(180,520)	3	Fixed O&M			(1,808)	(42,494)	(14,371)	(31,978)	(31,968)	0		(21,820)	(6,202)	(37,130)	(5,207)	(180,520)			
Plant Depreciation			16,206,960					226,680	1,747,381	2,246,841	1,309,854	3,188,693	891,674	4,061,222	996,223	1,027,870	508,523	16,206,960				
Total Depreciation Expense			\$16,206,960					\$226,680	\$1,747,381	\$2,246,841	\$1,309,854	\$3,188,693	\$891,674	\$4,061,222	\$996,223	\$1,027,870	\$508,523	\$16,206,960				
Amortization Expense																						
Amortization Expense			1,116	6	Rate Base			23	77	153	142	390	53	139	84	18	38	1,116				
Amort. Of CIAC			(443,088)	6	Rate Base			(0,059)	(30,453)	(60,837)	(50,354)	(154,833)	(20,974)	(55,297)	(33,181)	(7,073)	(15,027)	(443,088)				
Total Amortization Expense (Water)			(441,972)					(0,036)	(30,376)	(60,684)	(50,212)	(154,443)	(20,921)	(55,158)	(33,097)	(7,056)	(14,989)	(441,972)				
Total Depreciation & Amortization			\$15,764,988																			
Income Taxes																						
Federal Income Tax																						
Federal Income Tax			4,368,709	6	Rate Base			89,317	300,252	599,836	555,635	1,526,606	206,792	545,215	327,150	69,741	148,164	4,368,709				
State Income Tax			1,565,361	6	Rate Base			32,203	107,684	214,292	197,584	547,294	74,098	187,222	117,222	24,098	53,085	1,565,361				
Total Income Taxes (Water)			5,934,070					121,320	407,837	814,764	754,726	2,073,607	280,888	740,572	444,372	94,730	201,253	5,934,070				
Total Income Tax Expense			\$5,934,070					\$121,320	\$407,837	\$814,764	\$754,726	\$2,073,607	\$280,888	\$740,572	\$444,372	\$94,730	\$201,253	\$5,934,070				
Required Net Operating Income (Water)			24,227,035	6	Rate Base			496,314	1,665,075	3,326,439	3,081,322	8,465,920	1,146,784	3,023,533	1,814,238	386,754	821,657	24,227,035				
Other Operating Revenue (Water)			1,796,580	6	Rate Base			36,730	123,475	246,675	228,499	627,799	85,041	224,213	134,537	28,680	60,931	1,796,580				
Total Retail Revenue Requirement (Water)			\$84,059,343					\$1,311,698	\$14,984,946	\$12,713,347	\$7,337,346	\$18,873,211	\$2,602,463	\$13,005,209	\$5,005,000	\$5,439,610	\$2,785,912	\$84,059,343				
Plant Account																						
Intangible Plant																						
Other PIE-CPS			779,386	5	Net Plant (less int. & acc.)			15,934	53,566	107,012	99,126	272,349	36,892	97,267	58,364	12,442	26,433	779,386				
Source of Supply																						
Struct & Imp-Supply			2,931,133	A	Source of Supply			2,931,133	0	0	0	0	0	0	0	0	0	2,931,133				
Lakes, River & Other Intakes			2,465,084	A	Source of Supply			2,465,084	0	0	0	0	0	0	0	0	0	2,465,084				
Supply Mains			1,642,284	A	Source of Supply			1,642,284	0	0	0	0	0	0	0	0	0	1,642,284				
Other PIE-Supply			530,880	A	Source of Supply			530,880	0	0	0	0	0	0	0	0	0	530,880				
Water Pumping																						
Land & Land Rights-Pumping			108,582	B	Pumping			0	108,582	0	0	0	0	0	0	0	0	108,582				
Power Generation Equip			322,593	B	Pumping			0	322,593	0	0	0	0	0	0	0	0	322,593				
Struct & Imp-Pumping			4,714,631	B	Pumping			0	4,714,631	0	0	0	0	0	0	0	0	4,714,631				
Pump Equip Electric			2,809,933	B	Pumping			0	2,809,933	0	0	0	0	0	0	0	0	2,809,933				
Pump Equip Diesel			19,008	B	Pumping			0	19,008	0	0	0	0	0	0	0	0	19,008				
Pump Equip Other			9,006,132	B	Pumping			0	9,006,132	0	0	0	0	0	0	0	0	9,006,132				
Pump Equip-SOS & Pumping			2,410,890	B	Pumping			0	2,410,890	0	0	0	0	0	0	0	0	2,410,890				
Water Treatment																						
Land & Land Rights-Treatment			18,009	C	Water Treatment			0	18,009	0	0	0	0	0	0	0	0	18,009				
Struct & Imp-Treatment			25,179,499	C	Water Treatment			0	25,179,499	0	0	0	0	0	0	0	0	25,179,499				
Struct & Imp-Treat-Clr Plant			(1,749,774)	C	Water Treatment			0	(1,749,774)	0	0	0	0	0	0	0	0	(1,749,774)				
Struct & Imp-Treatment-Handl			40,690	C	Water Treatment			0	40,690	0	0	0	0	0	0	0	0	40,690				
WT Equip Non-Media			30,644,185	C	Water Treatment			0	30,644,185	0	0	0	0	0	0	0	0	30,644,185				
WT Equip Filter Media			(4,494,423)	C	Water Treatment			0	(4,494,423)	0	0	0	0	0	0	0	0	(4,494,423)				
Transmission & Distribution																						
Land & Land Rights-T&D			720,879	K	Mains			0	0	0	229,995	450,885	0	0	0	0	0	720,879				
Land-T&D			360,906	K	Mains			0	0	0	115,146	245,760	0	0	0	0	0	360,906				
Land & Land Rights-T&D ROW			132,294	K	Mains			0	0	0	42,208	90,086	0	0	0	0	0	132,294				
Struct & Imp-T&D			946,474	K	Mains			0	0	0	270,065	676,408	0	0	0	0	0	946,474				
TD Mains Not Classified			25,752,428	K	Mains			0	0	0	8,216,244	17,536,185	0	0	0	0	0	25,752,428				
TD Mains 4in & Less			22,313,422	E	Distribution			0	0	0	0	22,313,422	0	0	0	0	0	22,313,422				
TD Mains 6in to 16in			97,949,652	E	Distribution			0	0	0	0	97,949,652	0	0	0	0	0	97,949,652				
TD Mains 10in to 16in			32,587,135	D	Transmission			0	0	0	32,587,135	0	0	0	0	0	0	32,587,135				
TD Mains 18in & Grtr			5,011,617	D	Transmission			0	0	0	5,011,617	0	0	0	0	0	0	5,011,617				
Storage																						

Tennessee-American Water Company
Cost of Service Study - Account Detail
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

					Source of		Water									
					Allocation		Water									
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Tennessee-American Water Company
Cost of Service Study - Allocator Summary
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Alloc Description	Source of Supply	Pumping	Water Treatment	Transmission	Distribution	Storage	Meters	Services	Customers	Hydrants	Total Notes
A Source of Supply	\$1	-	-	-	-	-	-	-	-	-	1.00000
B Pumping	0	1.00000	-	-	-	-	-	-	-	-	1.00000
C Water Treatment	0	-	1.00000	-	-	-	-	-	-	-	1.00000
D Transmission	0	-	-	1.00000	-	-	-	-	-	-	1.00000
E Distribution	0	-	-	-	1.00000	-	-	-	-	-	1.00000
F Storage	0	-	-	-	-	1.00000	-	-	-	-	1.00000
G Meters	0	-	-	-	-	-	1.00000	-	-	-	1.00000
H Services	0	-	-	-	-	-	-	1.00000	-	-	1.00000
I Customers	0	-	-	-	-	-	-	-	1.00000	-	1.00000
J Hydrants	0	-	-	-	-	-	-	-	-	1.00000	1.00000
K Mains	0	-	-	0.31905	0.68095	-	-	-	-	-	1.00000
1 T/D Oper. Expense	0	-	-	0.31905	0.68095	-	-	-	-	-	1.00000
2 T/D Maint.. Expense	0	-	-	0.31905	0.68095	-	-	-	-	-	1.00000
3 Fixed O&M	0	0.23534	0.10735	0.08297	0.17708	-	0.11856	0.03483	0.20568	0.02818	1.00000
4 Labor	0	0.37290	0.07962	0.03249	0.06934	-	0.22195	0.06519	0.10590	0.05260	1.00000
5 Net Plant (less int. & acq.)	0	0.06873	0.13730	0.12719	0.34944	0.04733	0.12480	0.07488	0.01596	0.03391	1.00000
6 Rate Base	0	0.06873	0.13730	0.12719	0.34944	0.04733	0.12480	0.07488	0.01596	0.03391	1.00000

Alloc Description	Residential	Commercial	Industrial	OPA	SFR	Private Fire
1 Total Usage	\$0	0.30131	0.18169	0.07045	0.06519	0.02047
2 Base/Extra Daily	\$0	0.29529	0.16426	0.09847	0.05613	0.01593
3 Base/Extra Daily w/ Fire	0.37204	0.27762	0.14441	0.10083	0.04490	0.06020
4 Base/Extra Hourly w/ Fire	0.47837	0.29387	0.04985	0.08777	0.01915	0.07099
5 Storage	0.38626	0.27802	0.14139	0.09748	0.04138	0.05547
6 Mains	0.44445	0.28868	0.08002	0.09194	0.02737	0.06755
7 Public Fire Protection	0.55311	0.28277	0.10594	0.05818	-	-
8 Meters	0.71137	0.23594	0.01316	0.03930	0.00023	-
9 Services	0.81530	0.10420	0.00243	0.01010	0.00003	0.06793
10 Customers	0.85669	0.09766	0.00123	0.00771	0.00006	0.03666

Tennessee-American Water Company
Cost of Service Study - Class Allocators
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1. VARIABLE COST

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Units
Total Usage	96,570	\$80,628	48,617	18,851	17,445	5,479	267,590	Hundred Gallons
Allocator	0.3609	0	0.1817	0.0704	0.0652	0.0205	1.0000	

2. BASE/EXTRA DAILY

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Units
Average Daily Use	96,570	80,628	48,617	18,851	17,445	5,479	267,590	Hundred Gallons
Extra Capacity	50,244	34,303	12,909	24,605	3,051	---	125,112	Hundred Gallons
System Capacity Factor	0.7780							
Average Day Allocator	0.2808	0	0.1413	0.0548	0.0507	0.0159	0.7780	
Extra Capacity Allocator	0.0892	0	0.0229	0.0437	0.0054	---	0.2220	
Allocator	0.3699	0	0.1643	0.0985	0.0561	0.0159	1.0000	

3. BASE/EXTRA DAILY (w FIRE PROTECTION)

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Units
Average Daily Use	96,570	\$80,628	48,617	18,851	17,445	5,479	267,590	Hundred Gallons
Extra Capacity	50,244	\$34,303	12,909	24,605	3,051	21,826	146,938	Hundred Gallons
Base/Extra Weighting (Fire)	0.64							
Base Allocator	0.3609	\$0	0.1817	0.0704	0.0652	0.0205	1.00	
Extra Daily Usage	0.3419	\$0	0.0879	0.1675	0.0208	0.1485	1.00	
Average Daily Sendout	326,328	0.5854	Ratio of Total					
Extra Daily Sendout	180,932	0.3246	Ratio of Total					
Public Fire Extra Daily Sendout	50,174	0.0900	Ratio of Total					
Average Day Allocator	0.2113	0.1764	0.1064	0.0412	0.0382	0.0120	0.5854	
Extra Capacity Allocator	0.1110	0.0758	0.0285	0.0544	0.0067	0.0482	0.3246	
Public Fire Protection	0.0498	0.0255	0.0095	0.0052	---	---	0.0900	
Combined Allocator	0.3720	0.2776	0.1444	0.1008	0.0449	0.0602	1.0000	

Tennessee-American Water Company
Cost of Service Study - Class Allocators
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4. BASE/EXTRA HOURLY (w FIRE PROTECTION)

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total Units
Average Hourly Usage	4,024	3,360	564	785	308	228	9,270 Hundred Gallons
Extra Hourly Usage	11,547	6,063	714	2,288	362	2,731	23,705 Hundred Gallons
Base/Extra Weighting	0.3726						
Base Allocator	0.4341	0.3624	0.0609	0.0847	0.0333	0.0246	1.00
Extra Daily Usage	0.4871	0.2558	0.0301	0.0965	0.0153	0.1152	1.00
Average Hourly Sendout (per min.)	188.40	0.3247	Ratio of Total				
Extra Hourly Sendout (per min.)	317.29	0.5469	Ratio of Total				
Public Fire Hourly Sendout (per min.)	74.49	0.1284	Ratio of Total				
Average Day Allocator	0.1410	0.1177	0.0198	0.0275	0.0108	0.0080	0.3247
Extra Capacity Allocator	0.2664	0.1399	0.0165	0.0528	0.0084	0.0630	0.5469
Fire Protection	0.0710	0.0363	0.0136	0.0075	-	---	0.1284
Combined Allocator	0.4784	0.2939	0.0498	0.0878	0.0192	0.0710	1.0000

5. STORAGE

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total Units
Average Daily Use	96,570	80,628	48,617	18,851	17,445	5,479	267,590
Extra Capacity	50,244	34,303	12,909	24,605	3,051	21,826	146,938
System Capacity Factor	0.6433						
Base Allocator	0.3609	0.3013	0.1817	0.0704	0.0652	0.0205	1.00
Extra Daily Usage	0.3419	0.2335	0.0879	0.1675	0.0208	0.1485	1.00
Average Daily Sendout	326,328	0.5394	Ratio of Total				
Extra Daily Sendout	180,932	0.2991	Ratio of Total				
High Fire Sendout (per day)	50,174	0.1615	Ratio of total daily high fire sendout to total storage capability				
Average Day Allocator	0.1947	0.1625	0.0980	0.0380	0.0352	0.0110	0.5394
Extra Capacity Allocator	0.1023	0.0698	0.0263	0.0501	0.0062	0.0444	0.2991
Fire Protection	0.0893	0.0457	0.0171	0.0094	---	---	0.1615
Combined Allocator	0.3863	0.2780	0.1414	0.0975	0.0414	0.0555	1.0000

Tennessee-American Water Company
Cost of Service Study - Class Allocators
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

6. MAINS

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Units
Factor 4	0.3720	0.2776	0.1444	0.1008	0.0449	0.0602	1.0000	Hundred Gallons
Factor 5	0.4784	0.2939	0.0498	0.0878	0.0192	0.0710	1.0000	Hundred Gallons
Tranmission Weighting	0.3190							
Distribution Weighting	0.6810							
Combined Allocator	0.4444	0.2887	0.0800	0.0919	0.0274	0.0675	1.0000	

7. Reallocation of Public Fire Protection

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total
Average Daily Usage	96,570	80,628	48,617	18,851	-	-	244,666
Meter Equivalents	940,032	311,779	17,396	51,939	-	-	1,321,146
Usage Allocator	0.395	0.330	0.199	0.077	-	-	1.00
Meter Allocator	0.712	0.236	0.013	0.039	-	-	1.00
Allocator	0.5531	0.2828	0.1059	0.0582	-	-	1.0000

8. METERS

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Weighting
5/8-METER	921,170	63,788	228	2,160	-	-	987,346	1.0
3/4-METER	1,227	1,337	24	120	-	-	2,708	1.5
1-METER	4,610	19,951	288	1,693	-	-	26,542	2.5
1.5-METER	348	5,580	84	890	-	-	6,902	5.0
2-METER	408	15,063	904	3,696	-	-	20,071	8.0
3-METER	12	1,020	-	72	-	-	1,104	16.0
4-METER	12	540	192	288	12	-	1,044	25.0
6-METER	-	300	60	60	-	-	420	50.0
8-METER	-	36	12	-	-	-	48	80.0
Total	940,032	311,779	17,396	51,939	300	-	1,321,446	-----
Allocator	0.71137	0.23594	0.01316	0.03930	0.00023	-	1.00000	

Tennessee-American Water Company
Cost of Service Study - Class Allocators
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

9. SERVICES

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total	Weighting
5/8-SERVICE	921,170	63,788	228	2,160	-	-	987,346	1.00
3/4-SERVICE	1,227	1,337	24	120	-	-	2,708	1.00
1-SERVICE	4,610	19,951	288	1,693	-	-	26,542	1.04
1.5-SERVICE	348	5,580	84	890	-	24	6,926	1.21
2-SERVICE	408	15,063	904	3,696	-	688	20,759	1.38
2.5-SERVICE	-	-	-	-	-	12	12	1.38
3-SERVICE	12	1,020	-	72	-	24	1,128	2.28
4-SERVICE	12	540	192	288	12	2,050	3,094	3.17
6-SERVICE	-	300	60	60	-	13,867	14,287	3.43
8-SERVICE	-	36	12	-	-	4,456	4,504	4.40
10-SERVICE						204	204	5.43
12-SERVICE						247	247	6.12
Total	928,241	118,639	2,768	11,500	38	77,338	1,138,523	-----
Allocator	0.81530	0.10420	0.00243	0.01010	0.00003	0.06793	1.00000	

10. CUSTOMERS

Item	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Total
Total Customers	77,284	8,810	111	695	5	3,307	90,212
Allocator	0.85669	0.09766	0.00123	0.00771	0.00006	0.03666	1.00000

Tennessee American Water
Cost of Service Study - Usage Statistics
Petitioner's Exhibit COS-1-Class Cost of Service Study-HB

	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Public Fire	Total	
Total Usage	35,247,887	29,429,257	17,745,274	6,880,618	6,367,500	1,999,704	-	97,670,241	Hundred Gallons
Average Day Usage	\$96,570	80,628	48,617	18,851	17,445	5,479	-	267,590	Hundred Gallons
Max Day Capacity Factor	2	1.43	1.27	2.31	1.17	---	---	---	
Max Day Usage	146,813	114,932	61,526	43,456	20,496	27,305	44,695	414,528	Hundred Gallons
Extra Capacity	50,244	34,303	12,909	24,605	3,051	21,826	44,695	146,938	Hundred Gallons
Fire Allocator						0.38	0.62		
Distribution Multiplier	1	1.00	0.28	1.00	0.42	1.00	1.00		
Average Hourly Usage	4,024	3,360	564	785	308	228	---	9,270	Hundred Gallons
Max Hour Capacity Factor	3	1.80	1.27	2.91	1.17	---		---	
Max Hour Usage	11,547	6,063	714	2,288	362	2,731	4,469	23,705	Hundred Gallons
Extra Capacity	7,523	2,703	150	1,502	54	2,502	4,469	14,435	Hundred Gallons
Customers	77,284	8,810	111	695	5	3,307		90,212	

Revenue 32,458,901 \$ 22,715,453 \$ 5,750,304 \$ 4,322,067 \$ 1,286,516 \$ 3,973,889 \$ 70,507,132

	Residential	Commercial	Industrial	OPA	SFR	Private Fire	Meter Weighting	Service Weighting
5/8-METER	\$921,170	63,788	228	2,160	-	-	1.0	1.0
3/4-METER	\$1,227	1,337	24	120	-	-	1.5	1.0
1-METER	\$4,610	19,951	288	1,693	-	-	2.5	1.0
1.5-METER	\$348	5,580	84	890	-	-	5.0	1.2
2-METER	\$408	15,063	904	3,696	-	-	8.0	1.4
3-METER	12	1,020	-	72	-	-	16.0	2.3
4-METER	12	540	192	288	12	-	25.0	3.2
6-METER	-	300	60	60	-	-	50.0	3.4
8-METER	-	36	12	-	-	-	80.0	4.4
10-METER								5.4
12-METER								6.1

System Load Factor Daily: 0.7780 343,954 max day - hundred gallons per day
System Load Factor Daily (Fire) 0.6433 415,954 max day - hundred gallons per day W/Fire Protection
System Load Factor (Hourly) 0.5176 17,908 max hour - hundred gallons per day
System Load Factor (Hourly Fire) 0.3726 24,880 max hour - hundred gallons per day W/Fire Protection

Fire Protection Service: 12,000 GPM
10 Hours

Mains Statistics (Length x Diameter)

Type	Length x Diameter	Pct
10-Inch and Larger	18,572,055	0.3190
Under 10-inch	39,638,915	0.6810
Total	58,210,971	1.0000

Storage Statistics

Total Capacity 310,680 Distribution Tanks - hundred gallons

System Lost Water Factor 1.21951

Tennessee-American Water Company
TAWC Exhibit Cos - 2: Other Operating Revenue Fees Cost Study
Summary
Petitioner's Exhibit COS-2-Other Operating Revenue Fees Cost Study-HB

Activity	Cost per Occurrence
Activity Fee	\$29
New Service Fee	29
Disconnection - Reconnection Charge	52
Disconnection - Reconnection After Hours Charge	73

Tennessee-American Water Company**TAWC Exhibit Cos - 2: Other Operating Revenue Fees Cost Study****Activity Fee****Petitioner's Exhibit COS-2-Other Operating Revenue Fees Cost Study-HB**

	Description	Calculation
a	Base Wage FSRs in Base Year	\$33.70
b	Overhead ratio	55%
$c = a * (1 + b)$	Base rate with overheads	\$52.11
d	Non-productive rate	17.37%
$e = c * (1 + d)$	Working hourly rate with overheads	\$61.16
f	Approximate order + Transit time in minutes	20
$g = e * f / 60$	Weighted wages and overheads for related field service order	\$20.39
h	Vehicle related costs as a fraction of field service labor costs	2.81
$i = g + h$	Weighted average FSR wages and overheads w/ vehicle costs	\$23.20
j	Average Monthly Occurrence	1,785
$k = j * 12$	Estimated Annual Number of Occurrence	21,425
$l = i * k$	Estimated Annual FSR Labor & Vehicle Costs	\$497,071
Call Center/Customer Service		
m	Average Hourly Call Center Associate Rate	\$19.07
b	Overhead ratio	55%
$n = m * (1 + b)$	Base rate with overheads	\$29.48
d	Non-productive rate	17.37%
$o = n * (1 + d)$	Working hourly rate with overheads	\$34.60
p	Approximate processing time in minutes	9
$q = o * p / 60$	Weighted wages and overheads for related customer service	\$5.19
$r = q * k$	Estimated Annual Call Center Costs	\$111,188
s	Postage & Printing	\$0.55
$t = s * k$	Estimated Annual Postage & Printing Costs	\$11,784
$u = l + r + t$	Annual Application/Activation Cost	\$620,042
$v = u / k$	Application/Activation Cost per Occurrence	\$29.00

Tennessee-American Water Company
TAWC Exhibit Cos - 2: Other Operating Revenue Fees Cost Study
New Service Fee
Petitioner's Exhibit COS-2-Other Operating Revenue Fees Cost Study-HB

	Description (*)	Calculation
a	Base Wage FSRs in Test Year	\$33.70
b	Overhead ratio	55%
c = a*(1+b)	Base rate with overheads	\$52.11
d	Non-productive rate	17.37%
e=c*(1+d)	Working hourly rate with overheads	\$61.16
f	Approximate order + Transit time in minutes	20
g = e*f/60	Weighted wages and overheads for related field service order	\$20.39
h	Vehicle related costs as a fraction of field service labor costs	2.81
i= g+h	Weighted average FSR wages and overheads w/ vehicle costs	\$23.20
j	Average Monthly Occurrence	111
k=j*12	Estimated Annual Number of Occurrence	1,336
l = i*k	Estimated Annual FSR Labor & Vehicle Costs	\$30,996
Call Center/Customer Service		
m	Average Hourly Call Center Associate Rate	\$19.07
b	Overhead ratio	55%
n = m*(1+b)	Base rate with overheads	\$29.48
d	Non-productive rate	17.37%
o = n*(1+d)	Working hourly rate with overheads	\$34.60
p	Approximate processing time in minutes	9
q = o*p/60	Weighted wages and overheads for related customer service	\$5.19
r = q*k	Estimated Annual Call Center Costs	\$6,933
s	Postage & Printing	\$0.55
t = s*k	Estimated Annual Postage & Printing Costs	\$735
u = l + r + t	Annual Reconnection Cost	\$38,664
v = u/k	New Service Cost per Occurrence	\$29.00

Tennessee-American Water Company**TAWC Exhibit Cos - 2: Other Operating Revenue Fees Cost Study****Disconnection - Reconnection Charge****Petitioner's Exhibit COS-2-Other Operating Revenue Fees Cost Study-HB**

	Description (*)	Calculation
a	Base Wage FSRs in Test Year	\$33.70
b	Overhead ratio	55%
c = a*(1+b)	Base rate with overheads	\$52.11
d	Non-productive rate	17.37%
e=c*(1+d)	Working hourly rate with overheads	\$61.16
f	Approximate order + Transit time in minutes	40
g = e*f/60	Weighted wages and overheads for related field service order	\$40.78
h	Vehicle related costs as a fraction of field service labor costs	5.63
i= g+h	Weighted average FSR wages and overheads w/ vehicle costs	\$46.40
j	Average Monthly Occurrence	1,136
k=j*12	Estimated Annual Number of Occurrence	13,636
l = i*k	Estimated Annual FSR Labor & Vehicle Costs	\$632,724
Call Center/Customer Service		
m	Average Hourly Call Center Associate Rate	\$19.07
b	Overhead ratio	55%
n = m*(1+b)	Base rate with overheads	\$29.48
d	Non-productive rate	17.37%
o = n*(1+d)	Working hourly rate with overheads	\$34.60
p	Approximate processing time in minutes	9
q = o*p/60	Weighted wages and overheads for related customer service	\$5.19
r = q*k	Estimated Annual Call Center Costs	\$70,766
s	Postage & Printing	\$0.55
t = s*k	Estimated Annual Postage & Printing Costs	\$7,500
u = l + r + t	Annual Reconnection Cost	\$710,990
v = u/k	Reconnection Cost per Occurrence	\$52.00

Tennessee-American Water Company**TAWC Exhibit Cos - 2: Other Operating Revenue Fees Cost Study****Disconnection - Reconnection Charge - After Hours****Petitioner's Exhibit COS-2-Other Operating Revenue Fees Cost Study-HB**

	Description (*)	Calculation
a	Base Wage FSRs in Test Year	\$50.56
b	Overhead ratio	55%
c = a*(1+b)	Base rate with overheads	\$78.17
d	Non-productive rate	17.37%
e=c*(1+d)	Working hourly rate with overheads	\$91.75
f	Approximate order + Transit time in minutes	40
g = e*f/60	Weighted wages and overheads for related field service order	\$61.16
h	Vehicle related costs as a fraction of field service labor costs	5.63
i= g+h	Weighted average FSR wages and overheads w/ vehicle costs	\$66.79
j	Average Monthly Occurrence	1,136
k=j*12	Estimated Annual Number of Occurrence	13,636
l = i*k	Estimated Annual FSR Labor & Vehicle Costs	\$910,733
Call Center/Customer Service		
m	Average Hourly Call Center Associate Rate	\$19.07
b	Overhead ratio	55%
n = m*(1+b)	Base rate with overheads	\$29.48
d	Non-productive rate	17.37%
o = n*(1+d)	Working hourly rate with overheads	\$34.60
p	Approximate processing time in minutes	9
q = o*p/60	Weighted wages and overheads for related customer service	\$5.19
r = q*k	Estimated Annual Call Center Costs	\$70,766
s	Postage & Printing	\$0.55
t = s*k	Estimated Annual Postage & Printing Costs	\$7,500
u = l + r + t	Annual Reconnection Cost	\$988,999
v = u/k	Reconnection Cost per Occurrence	\$73.00

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE


PETITION OF TENNESSEE-
AMERICAN WATER COMPANY TO
CHANGE AND INCREASE CERTAIN
RATES AND CHARGES

DOCKET NO. 24-_____

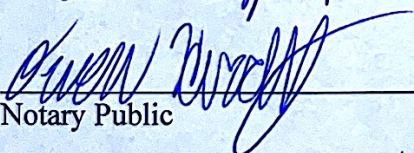
VERIFICATION

STATE OF Georgia)
COUNTY OF Walton)

I, HEATH J. BROOKS, 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, my testimony would be as set forth in my pre-filed testimony in this matter, and that my testimony herein is true and correct to the best of my knowledge, information, and belief.


HEATH J. BROOKS

Sworn to and subscribed before me
this 26 day of April, 2024.


Notary Public

My Commission Expires: October 9, 2027

