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May 9, 2024

VIA ELECTRONIC FILING

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

Electronically Filed in TPUC Docket
Room on May 9, 2024 at 10:19 a.m.

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

Dear Chairman Hilliard:

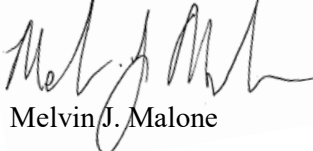
Attached for filing is a substitute page 4 to the *Petition of Tennessee-American Water Company to Modify Tariff, Change and Increase Charges, Fees, and Rates, and for Approval of a General Rate Increase*, which was filed on May 1, 2024, in the above-captioned matter.

For ease of reference, the correction to the *Petition* is as follows: on substitute page 4, paragraph 9, last sentence, the amount is changed from \$4.24 to \$4.98. With this correction on substitute page 4, the corrected sentence on page 4 now reads: "If the proposed rates are approved, the monthly bill for an average residential customer using 3,800 gallons would increase by approximately \$4.98 per month."

As required, the original plus four (4) hard copies will follow. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP



Melvin J. Malone

clw

Attachment

cc: Bob Lane, TAWC

Shilina Brown, Consumer Advocate Division

Victoria Glover, Consumer Advocate Division

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Company to earn a just and reasonable return. Rather, and due to projected market conditions during the Attrition Year, Tennessee-American is requesting that it be permitted to earn a 10.75% return on common equity (“ROE”). This ROE produces a weighted average cost of capital (“WACC”) or overall rate of return of 7.94% on a rate base of \$305.1 million. The Incremental Capital Rider and Legacy Capital Recovery Rider will be reset to zero, as the new base rates will recover costs previously recovered through those mechanisms.

9. The revenue deficiency along with the other pro forma adjustments the Company has proposed result in a revenue requirement of approximately \$85.9 million for the Attrition Year. Tennessee-American proposes that it be allowed to place into effect a consolidated customer rate structure, moving from seven rate areas with multiple customer classes to two rate areas and two customer classes (with exceptions for special contracts and private fire service). If the proposed rates are approved, the monthly bill for an average residential customer using 3,800 gallons would increase by approximately \$4.98 per month.

10. Tennessee-American also proposes to update its tariff in this case to make the document text searchable, to update, clarify, and simplify language throughout the tariff, and to increase certain fees and to add one new charge for meter tampering.

11. In further support of its Petition, Tennessee-American has simultaneously filed the following direct testimony and their accompanying exhibits, which are incorporated herein by reference:

- (a) Direct Testimony of **Grant Allen Evitts**, providing the basis for the Company’s request to increase base rates and implement other tariff changes, including explaining how the Company’s cost recovery proposals support the efficient use of


CERTIFICATE OF SERVICE

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

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This the 9th day of May 2024.



Melvin J. Malone