

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

March 21, 2007

IN RE:

**PETITION OF TENNESSEE AMERICAN WATER
COMPANY TO CHANGE AND INCREASE CERTAIN
RATES AND CHARGES SO AS TO PERMIT IT TO
EARN A FAIR AND ADEQUATE RATE OF RETURN
ON ITS PROPERTY USED AND USEFUL IN FURNISHING
WATER SERVICE TO ITS CUSTOMERS**

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**DOCKET NO.
06-00290**

ORDER RESUSPENDING TARIFFS THROUGH MAY 22, 2007

This matter initially came before Chairman Sara Kyle, Director Pat Miller and Director Ron Jones, of the Tennessee Regulatory Authority (“Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on December 4, 2006 for consideration of the *Petition* filed by Tennessee American Water Company on November 22, 2006. During that Conference, the panel voted unanimously to proceed to convene a contested case proceeding and to appoint General Counsel or his designee as Hearing Officer for the purpose of preparing this matter for hearing, including handling preliminary matters and establishing a procedural schedule to completion.

On November 22, 2006, Tennessee American Water Company (“TAWC” or the “Company”) filed its *Petition* in which TAWC requests that the Authority set a hearing and determine, after the presentation of evidence, that the rates proposed by TAWC are just and reasonable. A number of the tariffs filed with TAWC’s *Petition* on November 22, 2006 were marked with an effective date of December 22, 2006. On December 21, 2006, the Hearing

Officer entered an order suspending the effectiveness of the tariffs through March 22, 2007. Tenn. Code Ann. § 65-5-103 permits the Authority to suspend any increase, change, or alteration initially for a period of three months from the proposed effective date of the increase, change, or alteration and provides that the TRA may “extend the period of suspension for such further period as will reasonably enable it to complete its investigation of any such increase, change or alteration”¹ Because the hearing and determination of TAWC’s proposed increase, change or alteration in tariffs cannot be completed within the time period of the original suspension, the Hearing Officer hereby suspends the effectiveness of the tariffs filed with the *Petition* for an additional two months through **May 22, 2007**.

IT IS THEREFORE ORDERED THAT:

The *Petition* and the effective dates of the tariffs filed with the *Petition* by Tennessee American Water Company are hereby suspended through **May 22, 2007**.


J. Richard Collier, Hearing Officer

¹ Tenn. Code Ann. § 65-5-103(a).