

BEFORE THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE

May 1, 2009

IN RE:)	
)	
PETITION OF TENNESSEE WASTEWATER)	DOCKET NO.
SYSTEMS, INC. FOR APPROVAL TO AMEND)	08-00202
ITS RATES AND CHARGES)	

**ORDER DENYING MOTION FOR CONTINUANCE
AND SECOND PRE-HEARING ORDER**

Motion

This matter is before the Hearing Officer upon the electronic filing of a *Joint Motion for Brief Continuance* ("Motion") by the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate") and Tennessee Wastewater Systems, Inc. ("TWS") after the close of business on April 30, 2009. The Motion requests a "postponement of at least two days" in order for the Consumer Advocate and TWS "to continue working towards a possible settlement."

While the Tennessee Regulatory Authority ("Authority") generally provides parties the opportunity to resolve their disputes, stipulate to issues and propose agreements of settlement and compromise for the Directors' consideration, the public interest must take priority. In this case, not only has the required public notice been given by both the Authority and TWS, but many ratepayers who have filed specific objections to the proposed rate increase in this docket have asked for and been given individual notice of the May 4, 2009 commencement of this hearing. It is simply not possible to notify these ratepayers of a postponement on a Friday (May 1, 2009) preceding a Monday morning hearing (May 4, 2009). Because of this fact, this Hearing

Officer has no choice but to deny the Motion, and to reiterate that the Hearing on the Merits in this matter will commence at 9:00 am, Monday, May 4, 2009.

Order of Hearing

On April 30, 2009, Counsel for TWS filed a letter declaring the order of TWS' witnesses; the Consumer Advocate had announced its order of witnesses at the April 27, 2009 Pre-Hearing Conference. Therefore, the order of the Hearing will proceed as follows, subject to any modifications announced by the presiding Director:

Call to order and introductions

Public comments

Brief Opening Statements	(1) TWS
	(2) Consumer Advocate
	(3) King's Chapel Capacity, LLC

TWS' case-in-chief	(1) Charles Pickney
	(2) Matt Pickney
	(3) Charles Hyatt

Consumer Advocate's case-in-chief	(1) Mike Chrysler
	(2) Terry Buckner

TWS' rebuttal (if necessary)

Closing Arguments	(1) TWS
	(2) Consumer Advocate
	(3) King's Chapel Capacity, LLC

During their case-in-chief, witnesses will give a brief (less than 5 minutes) summary of their pre-filed testimony, followed by cross-examination by the opposing party, followed by cross-

examination by an attorney for the limited intervenor, King's Chapel Capacity, LLC. ("King's Chapel"), if requested. Authority Staff will then ask questions, followed by re-direct questioning. The panel may ask questions at any time. The parties have agreed to closing arguments rather than post-hearing briefs unless the panel requests otherwise.

Issue of Confidentiality

The TWS' letter of April 30, 2009 informed the Hearing Officer that TWS and the Consumer Advocate "have resolved all disagreements concerning the confidentiality of filings." Therefore, as this issue is no longer in dispute, the Hearing Officer will **not** hear the matter on Friday, May 1, 2009 at 1:30 p.m. in the Tennessee Regulatory Authority Hearing Room.

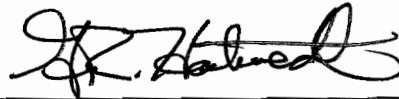
Limitations on King's Chapel Capacity, LLC

The April 30th letter also outlines certain restrictions placed by the Hearing Officer on the participation in the Hearing by King's Chapel, as Counsel for TWS "understands." So to clarify previous rulings, Kings Chapel has previously been granted limited intervention in this case, subject to the following:

- (1) King's Chapel may only participate in the hearing through a licensed attorney;
- (2) Only King's Chapel's attorney, after signing the protective order in this docket, may have access to any proprietary information filed therein, which cannot be shared with any corporate representative;
- (3) As King's Chapel did not pre-file any testimony, it may not offer direct proof; and
- (4) King's Chapel may offer an opening statement and closing argument, and may cross-examine any witness on any issue relevant to the determination of **this rate case**.

IT IS THEREFORE ORDERED THAT

1. The *Joint Motion for Brief Continuance* is denied; the Hearing on the Merits will commence at 9:00 am, May 4, 2009, as previously noticed;
2. The order of hearing is as set forth above; and
3. The participation in the hearing by King's Chapel Capacity, LLC, is as set forth above.

A handwritten signature in black ink, appearing to read "G. Hotvedt", written over a horizontal line.

Gary Hotvedt, Hearing Officer