

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:)
)
PETITION OF CARTWRIGHT CREEK,) **DOCKET NO. 09-00056**
L.L.C. TO CHANGE AND INCREASE)
RATES AND CHARGES)

**MOTION TO REQUEST LIMITED ADDITIONAL DISCOVERY
AND BIFURCATION OF WATERBRIDGE SPECIAL CONTRACT ISSUES**

The Consumer Advocate and Protection Division of the Tennessee Attorney General and Reporter ("Consumer Advocate") herein requests the Tennessee Regulatory Authority ("TRA" or "Authority") allow limited additional discovery and the bifurcation of issues arising from Waterbridge Development's ("Waterbridge") attempts to negotiate a special contract with Cartwright Creek, L.L.C. ("Cartwright Creek") the current rate case.

The Consumer Advocate requests additional limited discovery in relation to the answer provided by Cartwright Creek in response to TRA Staff Data Request No. 2, Question 10. Cartwright Creek's response raises several questions about the amortization of acquisition adjustments relating to prospective consumers, specifically, the impact of prospective customers in Waterbridge and the Stillwater Development. Additional limited discovery would allow the Consumer Advocate to gather information in order to insure that the amortization account includes expenses that are relevant to the current rate case.

On August 24, 2009, Waterbridge filed a Petition to Intervene in the above reference docket for reasons including:

The parties have been attempting to negotiate a contract under which Waterbridge will pay for, and Cartwright Creek will operate, a wastewater collection and treatment system to serve the

Waterbridge development. Although Waterbridge remains optimistic that a contract can soon be finalized, Waterbridge files this petition in case the parties are unable to negotiate their differences and it becomes necessary for the TRA to resolve them.

Waterbrige Development, Petition to Intervene, August 24, 2009. The Consumer Advocate would suggest that such an intervention be granted, but that the rate case be bifurcated in order to separate the prospective issues of the proposed special contract from the known and measurable facts contained in the current rate case. While the prospective contract between Cartwright Creek and Waterbridge is certainly an important issue between the parties, the impact of such a contract remains speculative at best. The Consumer Advocate's role in the above-referenced docket is to provide input to the TRA as to what is a reasonable rate increase based on known and measurable facts. The Consumer Advocate does not oppose the intervention of Waterbridge in this proceeding; however, the issue of a prospective contract does not provide any known and measurable facts bearing on Cartwright Creek's request to change and increase rates. As such, any issues related to the implementation or negotiation of a speculative contract should be bifurcated from the underlying request for a rate increase and considered independently of the current rate case proceeding. If a contract for service is ultimately entered into between Cartwright Creek and Waterbridge, then and only then will there potentially be known and measurable facts that might have a bearing on the proper utility rates for Cartwright Creek customers. By bifurcating these proceedings, the TRA can adjudicate the current rate case, retain active jurisdiction over Cartwright Creek's rates, arbitrate or approve the contract between Cartwright Creek and Waterbridge (if one is ever finalized) and then see if any terms of that potential contract have any effect on the factors that underlie the just and proper rates for Cartwright Creek's customers.

While the Consumer Advocate does not generally support "special contracts" between utilities and its consumers, outside of the bounds of the approved general tariff, should the TRA ultimately be asked to arbitrate, review or approve a "special contract" between Cartwright Creek and Waterbridge the Consumer Advocate would reserve the right to review such contract to ensure fairness to all ratepayers.

RESPECTFULLY SUBMITTED,


MARY LEIGH WHITE (BPR #026659)

Assistant Attorney General
C. SCOTT JACKSON (BPR # 011005)
Senior Counsel
Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202-0207
(615) 741-4657

Dated: Sept. 14th, 2009.

CERTIFICATE OF SERVICE

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

Thomas L. Kolschowsky
Corporate Counsel
Sheaffer International, LLC
800 Roosevelt Road, Ste A-120
Glen Ellyn, IL 60137

Gregory L. Cashion
Smith Cashion & Orr, PLC
231 Third Avenue North
Nashville, TN 37201

Henry Walker
Attorneys for Waterbridge
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203

This the 14th day of Sept., 2009.


MARY LEIGH WHITE