



**TENNESSEE REGULATORY AUTHORITY**

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

**NOTICE OF FILING AND DELIBERATIONS**

**DOCKET NO:** 10-00189

**IN RE:** *Petition of Tennessee American Water Company for a  
General Rate Increase*

**DATE:** August 3, 2011

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On January 28, 2011, the Tennessee Court of Appeals issued its opinion in Case No. M2009-00553-COA-R12-CV, affirming in part and reversing in part certain decisions of the Tennessee Regulatory Authority ("TRA") in the rate case of Tennessee American Water Company ("TAWC") filed in TRA Docket No. 08-00039. In its opinion, the Court reversed the TRA's decision to limit TAWC to a recovery of \$275,000, which represented one half of TAWC's projected rate case expenses in Docket No. 08-00039, and awarded TAWC "... the full amount of its proposed rate case expenses."<sup>1</sup> Upon issuance of the Court's opinion, TAWC amended its request for recovery of rate case expenses in its pending rate case proceeding in this docket, No. 10-00189, to include recovery of the one half of rate case expenses awarded by the Court in Docket No. 08-00039.<sup>2</sup> The TRA did not include consideration of those rate case expenses in its deliberations in Docket No. 10-00189 because on March 16, 2011, the City of Chattanooga filed in the Tennessee Supreme Court an Application for Permission to Appeal the Court of Appeals' decision. Subsequent to the TRA's deliberations in Docket No. 10-00189, the Tennessee Supreme Court denied the Application and on June 7, 2011, the Court of Appeals issued its Mandate to the TRA to "effectuate the objects of [its] order to remand, . . ."<sup>3</sup>

As of the date of this Notice, no party has come forth to address the recovery of TAWC's rate case expenses in Docket No. 08-00039 as awarded by the Court of Appeals. In accordance with the Court of Appeals' Order and Mandate issued on June 7, 2011, and inasmuch as a final order in Docket No. 10-00189 has not been entered by the TRA, the panel assigned to Docket No. 10-00189 shall proceed to consider TAWC's request to recover the remaining one half of the rate case expenses, which was awarded by the Court of Appeals in Docket No. 08-00039, specifically deliberating the issue of the manner in which TAWC shall recover those rate case expenses. The TRA will consider this issue during its Authority Conference scheduled for **August 22, 2011 at 1:00 p.m. (CDST)**.

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<sup>1</sup> *Tennessee American Water Co. v. The Tenn. Regulatory Auth.*, 2011 WL 334678, p. 30 (January 28, 2011).

<sup>2</sup> See, Pre-filed Rebuttal Testimony of Michael A. Miller, pp. 75 – 79 (February 8, 2011).

<sup>3</sup> Mandate, State of Tennessee, issued by Court of Appeals, Middle Division at Nashville (June 7, 2011).

In light of these deliberations, please be advised that any interested party desiring to file comments or a brief on the issue of the manner in which TAWC shall recover the remaining one half of its rate case expenses from Docket No. 08-00039, shall do so no later than **2:00 p.m. on Wednesday, August 10, 2011**. All filings shall be served on the parties by hand-delivery, facsimile or e-mail on the date of filing with the Authority.

**FOR THE TENNESSEE REGULATORY AUTHORITY:**

  
Mary W. Freeman, Hearing Officer

Original in Docket File

cc: Parties of Record in Docket No. 10-00189  
Interested Parties