

TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway Nashville, Tennessee 37243-0505

February 21, 2013

The Honorable Charles M. Sargent. Jr. State Representative 206 War Memorial Building Nashville, TN 37243-0194

Re: Berry's Chapel Utility - Docket No. 11-00065

Dear Representative Sargent:

Thank you for your letter regarding Berry's Chapel Utility. The Tennessee Regulatory Authority has pending dockets concerning Berry's Chapel, so my response cannot include comments on those matters which I may be called upon to ultimately decide.

Although the TRA declared Berry's Chapel to be a public utility in 2011, the show cause proceedings and the potential refunds were held in abeyance pending litigation in the Tennessee Court of Appeals concerning the TRA's jurisdiction over Berry's Chapel. The TRA vigorously defended our jurisdiction and the Court issued an opinion on December 21, 2012, affirming the TRA's authority.

Because the show cause proceeding was brought by the agency itself, the TRA has assigned investigative staff to be a party to the proceeding. Since the Court's decision, the investigative staff has been working with Berry's Chapel and the Consumer Advocate Division of the Attorney General's Office to bring resolution to the matters referenced in your letter, including a determination of any refunds owed and to whom they are owed. After negotiations among the parties conclude, the show cause proceeding or any settlement agreement will be brought before the assigned panel of TRA directors. I have placed the matter on the agenda of the April 15, 2013 meeting of the Authority for the parties to provide an update or to take any appropriate action.

The TRA will be glad to notify you of any other scheduled hearings related to the show cause proceeding. If you need any additional information, please do not hesitate to ask.

Sincerely,

James M. Allison apr

Chairman

c:

TRA Docket No. 11-00065