

IN THE TENNESSEE REGULATORY AUTHORITY  
AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF BERRY'S CHAPEL	)	
UTILITY, INC. TO INCREASE	)	
RATES AND CHARGES; TARIFF TO	)	DOCKET NO. 14-00004
RECOVER THE COST OF	)	
FINANCIAL SECURITY;	)	
IMPLEMENTATION OF PASS	)	
THROUGHS FOR SLUDGE	)	
REMOVAL, ELECTRICITY,	)	
CHEMICALS AND PURCHASED	)	
WATER	)	

**AMENDED MOTION FOR CLARIFICATION**

On March 25, 2015, the Consumer Advocate filed a "Response" to the above-captioned "Motion for Clarification" from Berry's Chapel Utility, Inc. ("BCUI"). In the Response (at 4), the Consumer Advocate stated his office "would not oppose a limited clarification of the Agreement that would result in a recognition that the net book value of the Utility's assets restricts the amount that could be recovered in rates from customers to make payments on the notes."


BCUI agrees with the Consumer Advocate's statement that the ratemaking process is directly tied to the net book value of the company's regulated assets. In light of the Advocate's statement as well as the possibility that BCUI may, in the absence of rate relief or a settlement with the company's creditors, be forced into liquidation, it would be helpful and appropriate for the Authority in its response to the Motion to confirm the relationship among rate base, rates, and the fair market value of a regulated utility.

Therefore, BCUI amends its "Motion for Clarification" to request that the Authority also explain that, because rates are established to allow a utility to earn a market-based return on the net book value of the utility's assets, the net book value and fair market value of a utility's assets are presumed to be the same. See United Cities Gas Company v. Tennessee Public Service Commission, 789 S.W.2d 256 (Tenn., 1990) (affirming the Commission's decision that the United Cities Gas Company could earn a return only on the net book value of the assets of the Franklin city gas system, not on the higher, purchase price that Cities had paid for the system).

Respectfully submitted,

BRADLEY ARANT BOULT CUMMINGS LLP

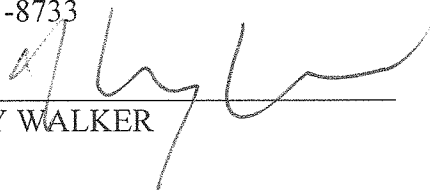
By: \_\_\_\_\_

  
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 10<sup>th</sup> day of July, 2015, a copy of the foregoing document was served on the parties of record, via hand-delivery, overnight delivery or U.S. Mail, postage prepaid, addressed as follows:

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HENRY WALKER