BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

February 4, 2014

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

ORDER GRANTING CONSUMER ADVOCATE'S PETITION TO INTERVENE

This matter is before the Hearing Officer of the Tennessee Regulatory Authority ("Authority" or "TRA") upon a Petition to Intervene filed by the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General ("Consumer Advocate") on January 23, 2014.

BACKGROUND

Berry's Chapel Utility, Inc. ("Berry's Chapel" or the "Utility"), a public utility regulated by the TRA pursuant to Title 65 of the Tennessee Code, provides wastewater service to approximately 850 customers in Williamson County, Tennessee. On January 16, 2014, Berry's Chapel filed a Petition, under Tenn. Code Ann. § 65-5-101 et seq., seeking approval to increase its annual revenue by approximately \$99,000 or 13.35% and to implement a pass-through mechanism to recover the costs of obtaining financial security, in accordance with TRA Rule 1220-04-13-.07.2 In addition, under Tenn. Code Ann. § 65-5-103(d),3 Berry's Chapel requested

¹ *Petition*, p. 1 (January 16, 2014). ² *Petition*, p. 2 (January 16, 2014).

approval of a mechanism to true-up expenses for sludge removal, electricity, and chemicals, and to pass-through the anticipated costs of complying with state and federal environmental requirements.⁴ During the regularly scheduled Authority Conference held on February 3, 2014, the voting panel of Directors assigned in this docket voted unanimously to convene a contested case proceeding and appoint General Counsel or her designee to act as Hearing Officer to handle any preliminary matters arising in the proceedings.

PETITION TO INTERVENE

In its *Petition to Intervene*, the Consumer Advocate seeks to intervene in these proceedings pursuant to Tenn. Code Ann. § 65-4-118, which qualifies the Consumer Advocate to intervene in proceedings before the Authority in order to represent the interests of Tennessee consumers of public utility services.⁵ The Consumer Advocate asserts that its intervention is necessary because consumers may be adversely affected by the increases and pass-throughs sought by Berry's Chapel in its *Petition*. Further, the Consumer Advocate asserts that the requests made by Berry's Chapel require that it investigate to determine whether such requests are just and reasonable. In conclusion, the Consumer Advocate states that only by participating in this proceeding can it work to adequately protect the interests of consumers.⁶

³ The Authority is authorized to implement alternative regulatory methods to allow public utility rate reviews and cost recovery in lieu of a general rate case proceeding, and is required to make a final determination on any such alternative regulatory method no later than one hundred twenty (120) days from the initial filing by the public utility. Tenn. Code Ann. § 65-5-103(d)(1)(A) (2013).

⁴ Petition, p. 2 (January 16, 2014); see also Direct Testimony of Robert T. Buckner, pp. 12-13 (January 15, 2014).

Tenn. Code Ann. § 65-4-118(b)(1) states, "The consumer advocate division has the duty and authority to represent the interests of Tennessee consumers of public utilities services. The division may, with the approval of the attorney general and reporter, participate or intervene as a party in any matter or proceeding before the authority or any other administrative, legislative or judicial body and initiate such proceeding, in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, and the rules of the authority."

⁶ Petition to Intervene (January 23, 2014).

FINDINGS & CONCLUSIONS

Tenn. Code Ann. § 4-5-310(a) sets forth the following criteria to be considered in reviewing a petition to intervene in Authority proceedings:

- (a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if;
 - (1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;
 - (2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of the law; and
 - (3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.⁷

In addition, in situations that do not satisfy the standards of Tenn. Code Ann. § 4-5-310(a), the Hearing Officer has discretion to grant a petition to intervene upon determining that the intervention sought is in the interests of justice and shall not impair the orderly and prompt conduct of the proceedings. Further, the Hearing Officer may, at any time, limit or impose conditions upon an intervenor's participation. Finally, under TRA Rule 1220-1-2-.06, any party opposing a motion in a contested case must file and serve a response to the motion within seven (7) days of service of the motion.

Upon due consideration, the Hearing Officer finds that the *Petition to Intervene* is timelyfiled, the Consumer Advocate qualifies as an intervenor under law, and that its intervention

⁷Tenn. Code Ann. § 4-5-310(a); see also Tenn. Code Ann. § 65-2-107: "All persons having a right under the provisions of the laws applicable to the authority to appear and be heard in contested cases as defined in this chapter shall be deemed parties to such proceedings for the purposes of this chapter. In addition, the authority may upon motion allow any interested person to intervene and become a party to any contested case."

⁸ Tenn. Code Ann. § 4-5-310(b).

⁹ Tenn. Code Ann. § 4-5-310(c).

should not impair the interests of justice or the orderly and prompt conduct of the proceedings. Further, Berry's Chapel has not objected to the Consumer Advocate's request to intervene in these proceedings. For these reasons, the Hearing Officer finds that the Consumer Advocate's request to intervene in these proceedings should be granted.

IT IS THEREFORE ORDERED THAT:

- 1) The *Petition to Intervene* filed by the Consumer Advocate and Protection Division of the Office of the Attorney General is granted.
- 2) The Consumer Advocate and Protection Division of the Office of the Attorney General may intervene and participate as a party in this proceeding and, as such, shall receive copies of any notices, orders, or other documents filed herein.

Kelly Cashman-Grams, Hearing Officer