

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

**IN RE: PETITION OF HAMMERLAND )  
UTILITIES, INC. TO OBTAIN A )  
CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY )  
FOR SEWER SERVICE TO A PART OF )  
STEWART COUNTY, TENNESSEE )  
KNOWN AS RIVER TRACE II )**

**Docket No. 14-00124**

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**PETITION TO INTERVENE**

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Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate and Protection Division of the Office of the Attorney General (“Consumer Advocate”), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Regulatory Authority (“TRA” or “Authority”) to grant the Consumer Advocate’s intervention into this proceeding because consumers’ interests, rights, duties or privileges may be determined or affected by the proceeding. For cause, Petitioner would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utilities services by initiating and intervening as a party in proceedings before the Authority in accordance with the Uniform Administrative Procedures Act (“UAPA”), Tenn. Code Ann. § 4-5-101 *et seq.*, and Authority rules.

2. Hammerland Utilities, Inc. (“HUI”), is a Tennessee corporation that owns and operates a sewer system serving the River Trace II property development in Stewart County,

Tennessee. This sewer system was previously owned and operated by the River Trace II developer, Hammerland, Inc. *Petition* ¶ 6.

3. In its *Petition to Obtain a Certificate of Public Convenience and Necessity for Sewer Service to a Part of Stewart County, Tennessee Known as River Trace II* (“*Petition*”), filed November 6, 2014, in Docket 14-00124, HUI requested that the TRA grant it a certificate of public convenience and necessity (“CCN”) to own and operate as a public utility a sewer collection and treatment system serving residential and commercial consumers in the area of Stewart County, Tennessee, known as River Trace II. *Petition* ¶ 1.

4. HUI’s *Petition* outlines its proposed growth to serve 52 total residential units, a resort hotel with 160 total units, a restaurant, a recreation center, a commercial center of up to 100,000 square feet, and a marina. This growth would require the development of two treatment facilities to handle the volume of sewage flow. *Petition* ¶ 6.

5. The *Petition* includes a proposed rate schedule, including a \$6,500 tap fee for houses with three or fewer bedrooms, an additional tap fee of \$1,000 per additional bedroom, connection charges for certain customers of \$120 per year, and a lump sum residential service fee of \$50 per month.

6. River Trace II property owners filed a *Petition to Intervene* in this Docket on April 16, 2015, expressly claiming that HUI’s request for a CCN affected their interests, rights, duties, and privileges.

7. The property owners’ *Petition to Intervene* makes various allegations, in their words, of “illegal” activity by HUI and Hammerland, Inc. Among the allegations are claims that Hammerland, Inc., (1) violated a restraining order by transferring the sewer system to HUI, (2) operated the sewer system illegally and without approval from the Tennessee Department of

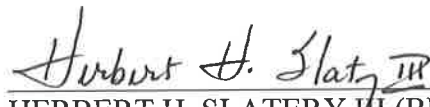
Environmental Conservation ("TDEC"), (3) misrepresented the sewer system in its marketing materials, (4) neglected to provide public water service, and (5) failed to notify property owners of the excess service fees for homes with more than three bedrooms.


8. Consumers have interests in the legal operation of the sewer system at River Trace II and the responsible development of sewer services for the residential expansion, resort accommodations, recreational facilities, and commercial growth that HUI has planned. Consumers also have an interest in the proposed rate schedule. The Consumer Advocate is entitled to represent those interests.

9. Only by participating as a party to this proceeding can the Consumer Advocate adequately carry out its statutory duty to represent the interests of Tennessee consumers.

WHEREFORE, the Consumer Advocate requests the Authority to grant this Petition to Intervene.

RESPECTFULLY SUBMITTED,

  
HERBERT H. SLATTERY III (BPR #09077)  
Attorney General and Reporter  
State of Tennessee

  
ERIN MERRICK (BPR # 033883)  
Assistant Attorney General  
Consumer Advocate and Protection Division  
425 Fifth Ave., North  
P.O. Box 20207  
Nashville, Tennessee 37202-0207  
(615) 741-8722  
(615) 741-1026 FAX

CERTIFICATE OF SERVICE

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

Michael L. Ainley  
Ainley, Hoover & Hoover, PLLC  
200 North Poplar Street  
Paris, TN 38242  
731-642-0178

This the 27<sup>th</sup> day of May, 2015.

  
Erin Merrick