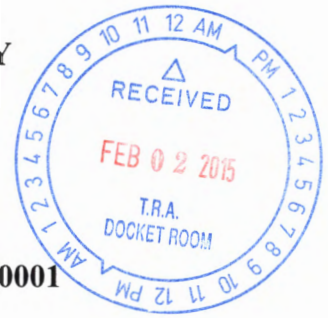


**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:)
)
PETITION OF TENNESSEE-AMERICAN)
WATER COMPANY REGARDING THE)
PRODUCTION COSTS AND OTHER PASS-)
THROUGHS RIDER)

Docket No. 15-00001



PETITION TO INTERVENE

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 affected by the Petition of Tennessee-American Water Company Regarding the Production Costs and Other Pass-Throughs Rider (“Petition”) filed electronically by Tennessee-American Water Company, Inc. (“Tennessee-American”) on December 30, 2014.

For cause, the Consumer Advocate 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 any matter or proceeding before the Authority in accordance with the Uniform Administrative Procedures Act (“UAPA”), Tenn. Code Ann. § 4-5-101 *et seq.*, and Authority rules.

2. Tennessee-American is a public utility regulated by the Authority that provides water utility services to consumers located in the State of Tennessee. Petition ¶ 1.

3. This filing by Tennessee-American is a follow-up to a set of tariffs approved by the TRA on April 14, 2014, in TRA Docket No. 13-00130. Petition ¶¶ 6-9. In TRA Docket No. 13-00130, the Authority approved four alternative regulatory methods, under the new alternative ratemaking statute, Tenn. Code Ann. § 65-5-103 *et seq.*, by which Tennessee-American could recover certain expenditures under the following tariffs: the Qualified Infrastructure Investment Program (“QIIP”) rider, the Economic Development Investment (“EDI”) rider, the Safety and Environmental Compliance (“SEC”) rider (collectively, the QIIP, EDI, and SEC riders are referred to herein as the “Capital Riders”), and a pass-through mechanism for fuel, purchased power, chemicals, purchased water, wheeling water costs, waste disposal, and TRA inspection fee (“PCOP”) rider. *Id.* The PCOP rider is based upon actual historical expense increases, rather than a forward-looking, projection mechanism on which the Capital Riders are based. *See* Petition at p. 5, fn. 11.

4. A petition concerning the Capital Riders was filed by Tennessee-American in TRA Docket No. 14-00121 on October 29, 2014. The Consumer Advocate has intervened. In that docket, the Consumer Advocate has reviewed and analyzed Tennessee-American’s filings, and has filed witness testimony with respect to certain expenses and related matters.

5. The Petition filed by Tennessee-American in the present docket, TRA Docket No. 15-00001, seeks approval of a PCOP rider percentage rate for 2015. Petition at p. 7. The PCOP rider percentage rate results from the review and analysis of an annual filing, made by Tennessee-American, 30 days after the end of the most recently authorized attrition year, and within 30 days after the end of each successive twelve month period (corresponding to such attrition year) thereafter, as set forth in Tennessee-American’s most recent rate case order. *See* Petition ¶ 11. This Petition also addresses a mismatch in the time periods as contemplated by the original petition in TRA Docket No. 13-00130 and the time period(s) covered by this initial

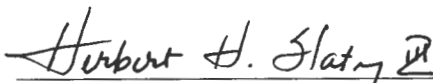
PCOP rider percentage rate filing. Petition ¶¶ 12-13. The proposed tariff and supporting documentation were filed on January 6, 2015, with a proposed effective date of January 29, 2015. *See* Order Suspending Tariff for Sixty (60) Days, as filed in TRA Docket No. 15-00001, at ¶ 1. On January 12, 2015, the Authority suspended the proposed PCOP tariff for sixty days from January 29, 2015. *Id.*

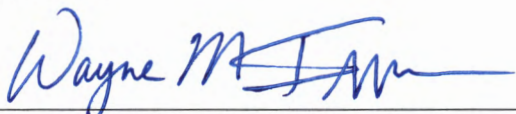
6. The interests of consumers, including without limitation the proposed PCOP rider percentage rate to be paid by Tennessee-American's customers, may be affected by determinations and orders made by the Authority with respect to (i) the interpretation and application of Tenn. Code Ann. § 65-5-103, other relevant statutory and regulatory provisions, and the order issued by the Authority in TRA Docket No. 13-00130 and (ii) the review and analysis of the documentation and materials provided by Tennessee-American.

7. 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 No. 09077)
Attorney General and Reporter
State of Tennessee


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Dated: February 2, 2015

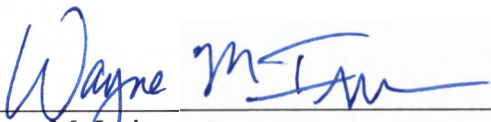
CERTIFICATE OF SERVICE

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

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This the 2nd day of February, 2015.



Wayne M. Irvin