

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE
April 7, 2016

IN RE:)	
)	
PETITION OF LAUREL HILLS WATER SYSTEM IN)	DOCKET NO.
RECEIVERSHIP FOR APPROVAL OF ADJUSTMENT)	16-00012
OF ITS RATES AND CHARGES)	

ORDER GRANTING PETITIONS TO INTERVENE FILED BY CONSUMER
ADVOCATE AND TRA PARTY STAFF

This is before the Hearing Officer of the Tennessee Regulatory Authority on the Petitions to Intervene filed by the Consumer Protection and Advocate Division of the Office of the Attorney General (“Consumer Advocate”) on February 8, 2016 and TRA Staff acting as a party in this matter (“Party Staff”) on February 11, 2016.

CONSUMER ADVOCATE’S PETITION TO INTERVENE

The Consumer Advocate filed a *Petition to Intervene* on February 8, 2016 seeking to intervene in this docket pursuant to Tenn. Code Ann. § 65-4-118, which qualifies the Consumer Advocate to represent the interests of Tennessee consumers of public utility services in proceedings before the Authority. According to the Consumer Advocate, the options for a rate increase presented in the Receiver’s rate case petition “involve a shift of Receivership costs to consumers that appear to be in conflict with the *Order Appointing a Receiver* issued by the Chancery Court of Cumberland County, October 26, 2015.”¹ For this reason the Consumer Advocate maintains that “consumers’ interests, rights, duties or privileges may be determined or affected by the *Petition of Laurel Hills Water System in Receivership for Approval of*

¹ *Petition to Intervene*, p. 1 (February 8, 2016).

Adjustments of its Rates and Charges.”²

TRA PARTY STAFF *PETITION TO INTERVENE*

TRA Party Staff filed a *Petition to Intervene* on February 11, 2016 stating that it was appointed as a party in related Docket Nos. 12-00030 and 12-000777 and is seeking to intervene in the proceedings to “ensure that the Authority is aware that Consumers as well as the Advocate were aware that the appointment of a receivership would increase costs to the Consumers through higher rates.”³

FINDINGS & CONCLUSIONS

Tenn. Code Ann. § 4-5-310 establishes the following criteria for granting petitions to intervene:

- (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 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.
- (b) The agency may grant one (1) or more petitions for intervention at any time, upon determining that the intervention sought is in the interests of justice and shall not impair the orderly and prompt conduct of the proceedings.⁴

Although it is not an automatic or absolute right to participate in proceedings before the Authority, Tenn. Code Ann. § 65-4-118(b)(1) provides a general basis for the qualification of the

² *Id.*

³ *Petition to Intervene*, p. 3 (February 11, 2016).

⁴ Tenn. Code Ann. § 4-5-310.

Consumer Advocate to be permitted to intervene as a party to represent the interests of Tennessee public utility consumers. It provides as follows:

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.⁵

In the instant proceeding, the Laurel Hills' Receiver's requests could result in an increase in rates for its customers. As the Receiver's *Petition* will directly impact its customers, the Hearing Officer finds that there is a sufficient factual basis to find that legal rights or interests held by those consumers may be determined in this proceeding.

Therefore, upon due consideration, the Hearing Officer concludes that the legal rights, duties, privileges, immunities or other legal interest of Laurel Hills Water Systems' customers may be determined in this proceeding. Further, the Hearing Officer finds that the Consumer Advocate qualifies under law as an intervenor for the purpose of representing those consumer interests, there is no opposition to its intervention, and its *Petition to Intervene* was timely-filed and should not impair the interests of justice or the orderly and prompt conduct of the proceedings. For these reasons, the Hearing Officer concludes that the Consumer Advocate's *Petition to Intervene* should be granted.

In addition, the Hearing Officer finds that granting TRA Party Staff's *Petition to Intervene* is in the interests of justice and shall not impair the orderly and prompt conduct of the proceedings. Further, the Hearing Officer finds that the TRA Party Staff's *Petition to Intervene* was timely-filed, and there has been no opposition filed to the *Petition to Intervene*. Therefore, upon applying the standards set forth in Tenn. Code Ann. § 4-5-310(b), the Hearing Officer

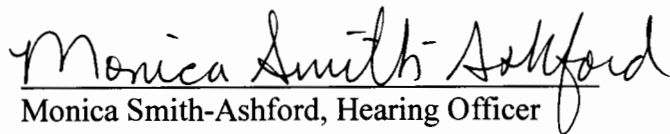
⁵ Tenn. Code Ann. § 65-4-118(b)(1).

grants Party Staff's *Petition to Intervene*.⁶

IT IS THEREFORE ORDERED THAT:

1. The *Petition to Intervene* filed by the Consumer Protection and Advocate Division of the Office of the Attorney General is granted. The Consumer Protection and Advocate 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.

2. The *Petition to Intervene* filed by the Consumer Protection and Advocate Division of the Office of the Attorney General is granted. The Consumer Protection and Advocate 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.


Monica Smith-Ashford, Hearing Officer

⁶ Subsequent to the Hearing Officer's ruling granting its *Petition to Intervene*, TRA Party Staff filed a notice withdrawing as a party from the proceedings on March 9, 2016. See *Notice of Withdrawal* (March 9, 2016).