BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

PETITION OF TENNESSEE-AMERICAN)	
WATER COMPANY REGARDING)	
CHANGES TO THE QUALIFIED)	
INFRASTRUCTURE INVESTMENT)	Docket No. 16-00022
PROGRAM RIDER, THE ECONOMIC)	
DEVELOPMENT INVESTMENT RIDER,)	
AND THE SAFETY AND)	
ENVIRONMENTAL COMPLIANCE)	
RIDER AND IN SUPPORT OF THE)	
CALCULATION OF THE 2016 CAPITAL)	
RIDERS RECONCILIATION)	

PETITION TO INTERVENE

Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Protection and Advocate 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 in Support of the Calculation of the 2016 Capital Riders Reconcilation* ("Petition"), filed by Tennessee-American Water Company, Inc. ("Tennessee American" or "Company") on March 1, 2016.

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* \P 1.
- 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, ftn. 11. The tariffs for the QIIP, EDI, and SEC riders are hereinafter referred to as the "Approved Tariffs."
- 4. As set forth in the Approved Tariffs, on or before December 1 of each year, Tennessee American is required to file with the Authority its QIIP, EDI and SEC Rider projections for the upcoming calendar year in the manner, and with the accompanying support, required by the Approved Tariffs and the Authority. As required, Tennessee American previously submitted these projections to the Authority in TRA Docket No. 15-00111.
- 5. As further set forth in the Approved Tariffs, no later than March 1 of each year, Tennessee American is required to file with the Authority its QIIP, EDI, and SEC Rider reconciliations for the previous calendar year in the manner, and with the accompanying support, required by the Approved Tariffs and the Authority. Based upon Tenn. Code Ann. § 65-5-103 et

seq., and consistent with the Approved Tariffs, as well as the action of the Authority in TRA Docket Nos. 14-00121 and 15-00029, Tennessee American has now submitted its proposed reconciliation for the Capital Riders in the present docket, TRA Docket No. 16-00022.

- 6. The interests of consumers 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 in conducting the reconciliation in the present case 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. SLATERY IJ (BPR No. 09077)

Attorney General and Reporter

State of Tennessee

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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 2 day of MMh, 2016.

Vance L. Broemel