

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION**

**NASHVILLE, TENNESSEE**

**July 6, 2017**

<b>IN RE:</b>	)	
	)	
<b>PETITION OF TENNESSEE WASTEWATER SYSTEMS,</b>	)	<b>DOCKET NO.</b>
<b>INC. FOR APPROVAL OF ADJUSTMENT OF ITS RATES</b>	)	<b>16-00139</b>
<b>AND NEW TARIFF</b>	)	

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**PRE-HEARING ORDER**

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Pursuant to Tenn. Code Ann. § 4-5-306(d) and TPUC Rule 1220-1-2-.12, this matter is before the Hearing Officer to establish the orderly conduct of the hearing in this matter. On June 30, 2017, the Hearing Officer held an informal telephone conference with the parties, Petitioner, Tennessee Wastewater Systems, Inc. (“TWSI”) and the Consumer Protection and Advocate Division of the Office of the Attorney General (“Consumer Advocate”), an intervening party, to discuss the procedural aspects of the hearing. This Order is entered in lieu of a formal pre-hearing conference with the parties.

**PROCEDURAL MATTERS**

**A. Notice of Hearing & Public Comment**

The purpose of the hearing is to consider TWSI’s petition and proposed tariffs, filed on November 29, 2017, pursuant to Tenn. Code Ann. § 65-5-103 *et seq.* and TPUC Rules, requesting an adjustment in its rates and charges for the provision of wastewater services. On June 30, 2017, a *Notice of Hearing* was issued notifying the public that the hearing will be held at **9:00 a.m. CDT on Monday, July 10, 2017**. If necessary, the hearing in this matter will continue after the Commission Conference scheduled to begin at 1:00 p.m. CDT has concluded.

As was included in the notice, members of the public are encouraged to participate by filing written comments in the docket file and/or presenting verbal comments during the hearing.

### **B. Opening Statements**

After any preliminary matters are considered, each party is permitted a maximum of fifteen (15) minutes to present an opening statement. TWSI will present its opening statement first, followed by the Consumer Advocate.

### **C. Witnesses**

During direct examination, a time limit has been established for each witness to summarize his pre-filed testimony. In addition, each witness should be advised that he remains subject to recall for rebuttal purposes and should remain available throughout the length of the proceedings. The witnesses and time limits are set forth below.

- TWSI will present the following three witnesses:
  1. Charles Hyatt, CEO, Adenus Group (10-15 minutes)
  2. Matt Pickney, Development Lead HAWKMS, Adenus Group (5-10 minutes)
  3. Robert T. (“Terry”) Buckner, CPA, Consultant (10 minutes)
- The Consumer Advocate will present one witness:
  1. Mr. William H. Novak, CPA, President, WHN Consulting (20-30 minutes)

### **D. Exhibits**

The parties should exchange any demonstrative exhibits related to a witness’s pre-filed testimony by **Noon on July 7, 2017**. Each party should have its own copy of all exhibits, including those appended to pre-filed testimony, available for reference during the hearing, and is responsible for supplying a sufficient number of copies of any exhibits that it intends to reference or discuss with a witness. A party should use its own judgment and discretion in

determining the total number of copies to have on hand, but at a minimum, copies of an exhibit should be provided to the court reporter, each Commissioner, Legal Staff, and each Commission Division Chief. Delaying or interrupting the proceedings to make copies is disfavored and, in the discretion of the panel, may not be permitted.

Further, the parties should inform the Hearing Officer of any requests or requirements for visual display aids and technology that might be needed during the hearing. So that appropriate arrangements may be made, all such requests and information should be provided via email to the Hearing Officer at [monica.smith-ashford@tn.gov](mailto:monica.smith-ashford@tn.gov) no later than **July 5, 2017**.

#### **E. Examination of Witnesses and Questions by the Commission**

While re-direct examination of a witness is allowed, the parties are reminded that it is to be limited to matters elicited during cross-examination that require clarification. It is not appropriate to raise new issues during re-direct examination. Re-cross examination is not permitted except in the event that a new issue is raised during the immediately preceding re-direct examination. The Commission's Advisory Staff has the opportunity to ask questions following cross-examination, before re-direct examination. The parties should be aware that the Commissioners might ask questions at any time during a witness's testimony and after cross-examination.

#### **F. Closing Arguments**

The parties will file post-hearing briefs in lieu of presenting closing arguments at the hearing. Post-hearing briefs shall be filed by the parties no later than **July 26, 2017**.

#### **G. Preliminary Matters/Motions**

The Consumer Advocate filed the *Consumer Advocate's Motion to Strike Portions of Rebuttal Testimony of Robert T. Buckner and Bar the Testimony of the Unnamed Representative from Dempsey Vantrease and Follis PLLC* ("Motion to Strike") on June 30, 2017. During the

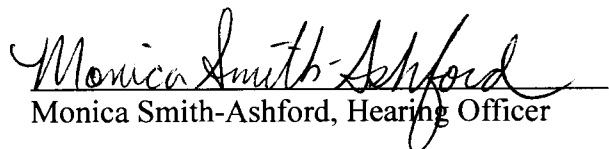
Pre-hearing Conference, TWSI agreed to file a response to the *Motion to Strike* by close of business on **July 6, 2017**. The Hearing Officer will conduct a telephone Status Conference on the *Motion to Strike* and any other preliminary issues that may arise on **July 7, 2017 at 2:00 p.m. CDT**. The parties should make the Hearing Officer aware of any other preliminary matters as soon as possible in advance of the hearing.

#### **H. Summary Outline of Hearing**

For the convenience of the presiding panel and the parties, a *Procedural Outline of Hearing* has been provided as Attachment A to this Order.

#### **IT IS THEREFORE ORDERED THAT:**

1. The parties shall exchange demonstrative exhibits by **Noon on July 7, 2017**.
2. Requests for visual aids or technology or information concerning the technical requirements of the parties should be provided via email to the Hearing Officer at [monica.smith-ashford@tn.gov](mailto:monica.smith-ashford@tn.gov) by **July 5, 2017**.
3. Tennessee Wastewater Systems, Inc. shall file its response to the *Consumer Advocate's Motion to Strike Portions of Rebuttal Testimony of Robert T. Buckner and Bar the Testimony of the Unnamed Representative form Dempsey Vantrease and Follis PLLC* by close of business on **Thursday, July 6, 2017**.
4. Post-hearing briefs shall be filed by the parties no later than **July 26, 2017**.
5. The hearing scheduled to begin at **9:00 a.m. CDT on July 10, 2017**, shall be conducted in accordance with the requirements and deadlines set forth in this Pre-Hearing Order unless otherwise ordered by the Chairman.

  
Monica Smith-Ashford, Hearing Officer

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
	)	
<b>PETITION OF TENNESSEE WASTEWATER</b>	)	<b>DOCKET NO.</b>
<b>SYSTEMS, INC. FOR APPROVAL OF ADJUSTMENT</b>	)	<b>16-00139</b>
<b>OF ITS RATES AND NEW TARIFF</b>	)	

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**PROCEDURAL OUTLINE OF HEARING**

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**Time/Date: 9:00 a.m. CDT on July 10, 2017**

- **Location:** Hearing Room G.201  
Andrew Jackson State Office Building  
500 Deaderick Street, Nashville, TN

**Hearing on the Merits**

Hearing Convened by Chairman/Presiding Commissioner and Introductions

A. Preliminary Matters

B. Opening Statements (15 minutes each):

- 1) Tennessee Wastewater Systems, Inc. ("TWSI")
- 2) Attorney General-Consumer Protection & Advocate Div. ("Consumer Advocate")

C. Witness Testimony:

**TWSI witness #1**

\*Summary of pre-filed

Cross-examination

Questions

Re-direct examination

Re-cross examination

**Charles Hyatt, CEO, Adenus Group**

Limited to 10-15 minutes

Consumer Advocate

TPUC Advisory Staff and/or Commissioners<sup>1</sup>

TWSI

(if requested & determined appropriate)

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<sup>1</sup> The Commission Advisory Staff has an opportunity to question a witness between cross and re-direct examination. Commissioners may ask questions at any time, including between cross and re-direct examination.

**TWSI witness #2**

\*Summary of pre-filed  
Cross-examination  
Questions  
Re-direct examination  
Re-cross examination

**Matt Pickney, Development Lead  
HAWKMS, Adenus Group**

Limited to 5-10 minutes  
Consumer Advocate  
TPUC Advisory Staff and/or Commissioners  
TWSI  
(if requested & determined appropriate)

**TWSI witness #3**

\*Summary of pre-filed  
Cross-examination  
Questions  
Re-direct examination  
Re-cross examination

**Robert (“Terry”) Buckner, CPA  
Consultant**

Limited to 10 minutes  
Consumer Advocate  
TPUC Advisory Staff and/or Commissioners  
TWSI  
(if requested & determined appropriate)

**Consumer Advocate witness**

\*Summary of pre-filed  
Cross-examination  
Questions  
Re-direct examination  
Re-cross examination

**William H. Novak, CPA  
President WHN Consulting**

Limited to 30 minutes  
TWSI  
TPUC Advisory Staff and/or Commissioners  
Consumer Advocate  
(if requested & determined appropriate)

D. Public Comment

E. Consideration of Final Matters/Issues (if any)

F. Hearing Adjourned