

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

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

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 determined or affected by the *Petition of Tennessee Wastewater Systems, Inc., for Approval of Adjustment of its Rates and New Tariff* ("Petition") filed in this TRA Docket by Tennessee Wastewater Systems, Inc. ("TWSI" or "Utility"). 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, Tenn. Code Ann. § 4-5-101 *et seq.*, and Authority rules.

2. TWSI is a public utility regulated by the Authority and provides wastewater service to approximately 2,800 customers in Tennessee. The Utility's principal office is located in 851 Aviation Parkway, Smyrna, Tennessee 37167.¹

3. On November 29, 2016, TWSI filed the *Petition*, in which TWSI requests a rate increase because "TWSI's current and projected rates and charges are not sufficient for the Company to have a fair opportunity to recover its reasonable operating costs and to provide a fair and reasonable net operating income."² TWSI is projecting to "experience a net operating loss of \$305,216 for the Twelve-Month Attrition Period Ending December 31, 2015."³

4. TWSI also proposes a new rate category for cabins. Specifically, it is doing "away with the Residential Cabin and Commercial Cabin distinctions and replaces them with an overall Cabin category."⁴ TWSI states that, in its experience, "most of the cabins on our system are commercial in nature."⁵ As such, the cabins are "housing significantly more people than the wastewater systems were originally contemplated to serve."⁶

5. The requested rate increase, according to TWSI, would produce additional revenues of \$492,815.18 or 24%.⁷ The impact to the customer classes is as follows: (a) Residential will have an average increase of \$10.89/month or 26%; (b) Commercial without Food will have an average increase of \$55.31/month or 21%; (c) Commercial with Food will have an average increase of \$70.06/month or 21%; and (d) Cabins will have an average increase of \$19.21/month or 27%.

¹ *Petition*, page 1, paragraph 3. TWSI is a wholly-owned subsidiary of Adenus Group, LLC which also owns Alabama Wastewater Systems, Inc. (AL), Commonwealth Wastewater Systems, Inc. (KY), and Ohio Wastewater Systems, Inc. (OH).

² *Id.* at page 2, paragraph 6.

³ *Id.* at page 2, paragraph 7.

⁴ *Direct Testimony of Charles Hyatt*, page 4.

⁵ *Id.*

⁶ *Id.*

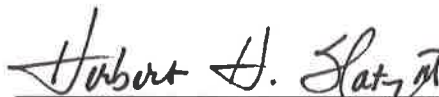
⁷ *Petition*, page 1, paragraph 8.

6. The interests of consumers, including without limitation the proposed increase in rates to be paid by the Utility's consumers under the *Petition*, may be affected by determinations and orders made by the Authority in this matter.

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

WHEREFORE, Petitioner respectfully asks the Authority to grant this Petition to Intervene.

RESPECTFULLY SUBMITTED,



HERBERT H. SLATTERY II (BPR #09077)
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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 13th day of December, 2016.

Karen H. Stachowski
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