BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE August 10, 2017

IN RE:)	
PETITION OF TENNESSEE-AMERICAN WATER)	DOCKET NO.
COMPANY IN SUPPORT OF THE CALCULATION OF)	17-00020
THE 2017 CAPITAL RECOVERY RIDERS)	
RECONCILIATION)	

PRE-HEARING ORDER

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 August 7, 2017, the Hearing Officer held an informal telephone conference with the parties, Petitioner, Tennessee-American Water Company ("TAWC" of the "Company") 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.

PROCEDURAL MATTERS

A. Notice of Hearing & Public Comment

The purpose of the hearing is to consider TAWC's Petition in Support of the Calculation of the 2017 Capital Recovery Riders Reconciliation filed on March 1, 2017. On August 4, 2017, a Notice of Hearing was issued notifying the public that the hearing will be held during the Commission Conference scheduled to begin at 1:00 p.m. CDT on Tuesday, August 15, 2017. 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

The parties agreed to waive Opening Statements.

C. Witnesses

During direct examination, a time limit has been established for each witness to summarize his/her pre-filed testimony. In addition, each witness should be advised that they remain 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.

- TAWC will present the following two witnesses:
 - 1. Brent O'Neill, Director of Engineering for TAWC (10 minutes)
 - Linda Bridwell, Manager of Rates and Regulation for Tennessee and Kentucky,
 American Water Works Service Company (10 minutes)
- The Consumer Advocate will present one witness:
 - 1. William H. Novak, CPA, President, WHN Consulting (15 minutes)

D. Exhibits

The parties should exchange any demonstrative exhibits related to a witness's pre-filed testimony by August 10, 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 no later than **August 10, 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 Statements

Each party is permitted a maximum of ten (10) minutes to present a closing statement.

The Consumer Advocate will present its closing statement first, followed by TAWC.

G. 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 **August 10, 2017**.
- 2. The hearing scheduled to be held during the Commission Conference beginning at 1:00 p.m. CDT on August 15, 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 Office

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THE 2017 CAPITAL RECOVERY RIDERS)	
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PROCEDURAL OUTLINE OF HEARING

Time/Date: 1:00 p.m. CDT on August 15, 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. Witness Testimony:

TAWC witness #1	Brent O'Neill, Director of Engineering for TAWC
*Summary of pre-filed	Limited to 10 minutes
Cross-examination	Consumer Advocate
Questions	TPUC Advisory Staff and/or Commissioners ¹
Re-direct examination	TAWC
Re-cross evamination	(if requested & determined appropriate)

Attachment A to Pre-Hearing Order

¹ 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.

TAWC witness #2 Linda Bridwell, Manager of Rates and

Regulation for Tennessee and Kentucky, American Water Works Service

Company

*Summary of pre-filed Limited to 10 minutes

Cross-examination Consumer Advocate

Questions TPUC Advisory Staff and/or Commissioners

Re-direct examination TAWC

Re-cross examination (if requested & determined appropriate)

Consumer Advocate witness William H. Novak, CPA

President WHN Consulting

*Summary of pre-filed Limited to 15 minutes

Cross-examination TAWC

Questions TPUC Advisory Staff and/or Commissioners

Re-direct examination Consumer Advocate

Re-cross examination (if requested & determined appropriate)

- C. Closing Statements (10 minutes each):
 - 1) Consumer Advocate
 - 2) TAWC
- D. Public Comment
- E. Consideration of Final Matters/Issues (if any)
- F. Hearing Adjourned