

# BUTLER | SNOW

August 10, 2017

## VIA ELECTRONIC FILING

Hon. David Jones, Chairman  
c/o Sharla Dillon  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243

**RE: Petition of Tennessee-American Water Company in Support of the Calculation of the 2017 Capital Recovery Riders Reconciliation, TPUC Docket No. 17-00020**

Dear Chairman Jones:

Since the submission of Tennessee-American Water Company's ("TAWC") Petition in the above-referenced matter, TAWC and the Consumer Protection and Advocate Division of the Office of the Tennessee Attorney General ("CPAD") have been involved in cooperative discussions and have exchanged various information related to the Petition. With the recent submission of the CPAD's Testimony of William H. Novak, TAWC's Rebuttal Testimony of Linda C. Bridwell, and additional discovery responses by TAWC, the parties hereby jointly represent that there are no outstanding procedural matters requiring resolution by the Hearing Officer. Moreover, after considering the entire record, including TAWC's responses to discovery, and consistent with the streamlined approach contemplated in the alternative method riders approved in TPUC Docket No. 13-00130, it is the joint position of the parties that this matter is ripe for consideration on the merits by the Tennessee Public Utility Commission. At this time, and as set forth further below, there remains only one (1) contested issue between the parties with respect to this Docket, as clarified by and through discovery and the parties' communications.

In the Pre-filed Testimony of Mr. Novak, the CPAD identified five (5) contested issues related to the Petition.<sup>1</sup> The issue raised by the CPAD regarding the formula for the Capital Rider Reconciliation Calculation<sup>2</sup> has not been resolved by the parties and remains contested by the parties. The second issue set forth in the Pre-filed Testimony of Mr. Novak relates to the Capitalized Incentive Compensation.<sup>3</sup> With respect to this second issue, the CPAD has accepted the acknowledgement by TAWC, along with TAWC's proposed manner of addressing the error.<sup>4</sup> The remaining three (3) issues raised by the CPAD have been resolved by the parties either by

<sup>1</sup> *Pre-filed Testimony of CPAD Witness William H. Novak*, TPUC Docket No. 17-00020, pp. 4, LL 19-23 – p. 5, LL 1-8 (June 30, 2017).

<sup>2</sup> *Id.* at pp. 5, LL 10-19 – p. 9, LL 1-4.

<sup>3</sup> *Id.* at pp. 9, LL 6-26 – p. 11, LL 1-17.

<sup>4</sup> *Pre-filed Rebuttal Testimony of TAWC Witness Linda C. Bridwell*, TPUC Docket No. 17-00020, pp. 12, LL 4-21 – p. 13, LL 1-14 (July 21, 2017).

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the explanations and clarifications set forth in Ms. Bridwell's Pre-filed Rebuttal Testimony or by TAWC's Responses to the Fourth Set of Discovery Requests of the CPAD.

Consistent with agency practice, the parties hereby jointly request that the entire official record in this docket, including discovery, be made a part of the evidentiary record.

As required, an original of this filing, along with four (4) hard copies, will follow. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP

  
Melvin J. Malone

MJM:bh

cc: Linda C. Bridwell, Tennessee-American Water Company  
Daniel Whitaker III, Assistant Attorney General, Consumer Protection and Advocate Division  
Vance Broemel, Assistant Attorney General, Consumer Protection and Advocate Division

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