# BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

#### NASHVILLE, TENNESSEE

## March 15, 2018

IN RE:	)
PETITION OF TENNESSEE-AMERICAN WATER	) )
COMPANY REGARDING THE 2018 INVESTMENT AND	) 17-00124
RELATED EXPENSES UNDER THE QUALIFIED	)
INFRASTRUCTURE INVESTMENT PROGRAM RIDER,	)
THE ECONOMIC DEVELOPMENT INVESTMENT	)
RIDER AND THE SAFETY AND ENVIRONMENTAL	)
COMPLIANCE RIDER	, )

### 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 March 5, 2018, the Hearing Officer held an informal telephone conference with the parties, Petitioner, Tennessee-American Water Company ("TAWC" or 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* that was filed on November 7, 2017 regarding the 2018 investment and related expenses under the qualified infrastructure investment program rider, the economic development investment rider and the safety and environmental compliance rider. On March 9, 2018, 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 Monday, March 19, 2018. 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 two witnesses:
  - 1. William H. Novak, CPA, President, WHN Consulting (10 minutes)
  - 2. David N. Dittemore, Consumer Advocate Financial Analyst (10 minutes)

#### D. Exhibits

The parties have indicated they have no audiovisual needs and should exchange any demonstrative exhibits related to a witness's pre-filed testimony by March 12, 2018. 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 Director. Delaying or interrupting the proceedings to make copies is disfavored and, in the discretion of the panel, may not be permitted.

#### 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 fifteen (15) 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 March 12, 2018.
- 2. The hearing scheduled to be held during the Commission Conference beginning at 1:00 p.m. CDT on March 19, 2018, 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

# BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION NASHVILLE, TENNESSEE

IN RE:	
)	
PETITION OF TENNESSEE-AMERICAN WATER ) DOCK	ET NO.
COMPANY REGARDING THE 2018 INVESTMENT ) 17-00	124
AND RELATED EXPENSES UNDER THE QUALIFIED )	
INFRASTRUCTURE INVESTMENT PROGRAM )	
RIDER, THE ECONOMIC DEVELOPMENT )	
INVESTMENT RIDER AND THE SAFETY AND	
ENVIRONMENTAL COMPLIANCE RIDER )	

## PROCEDURAL OUTLINE OF HEARING

Time/Date: 1:00 p.m. CDT on March 19, 2018

• 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 <sup>1</sup>
Re-direct examination	TAWC
Re-cross examination	(if requested & determined appropriate)

Attachment A to Pre-Hearing Order

<sup>&</sup>lt;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.

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 #1 William H. Novak, CPA

President WHN Consulting

\*Summary of pre-filed Limited to 10 minutes

Cross-examination TAWC

Questions TPUC Advisory Staff and/or Commissioners

Re-direct examination Consumer Advocate

Re-cross examination (if requested & determined appropriate)

Consumer Advocate witness #2 David N. Dittemore

Consumer Advocate Financial Analyst

\*Summary of pre-filed Limited to 10 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 (15 minutes each):
  - 1) Consumer Advocate
  - 2) TAWC
- D. Public Comment
- E. Consideration of Final Matters/Issues (if any)
- F. Hearing Adjourned