

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE**

IN RE: )  
)  
PETITION OF TENNESSEE-AMERICAN )  
WATER COMPANY REGARDING )  
CHANGES TO THE QUALIFIED )  
INFRASTRUCTURE INVESTMENT )  
PROGRAM RIDER, THE ECONOMIC )  
DEVELOPMENT INVESTMENT RIDER, )  
AND THE SAFETY AND )  
ENVIRONMENTAL COMPLIANCE RIDER )  
AND IN SUPPORT OF THE CALCULATION )  
OF THE 2019 CAPITAL RECOVERY )  
RIDERS RECONCILIATION )

Docket No. 19-00031

## PETITION TO INTERVENE

Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate Unit in the Financial Division of the Office of the Attorney General (Consumer Advocate), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Utility Commission (TPUC or Commission) 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-American Water Company in Support of the Calculation of the 2019 Capital Recovery Riders Reconciliation (Petition)*. 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 utility services by initiating and intervening as a party in any matter or proceeding before the Commission in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 *et seq.*, and TPUC rules.

2. Tennessee-American Water Company (TAWC) is a public utility regulated by the Commission. It provides water utility services to approximately 75,840 consumers located in Chattanooga, Tennessee, and the surrounding areas.<sup>1</sup>

3. The *Petition* filed by TAWC is a follow-up to a set of tariffs originally approved by TPUC on April 14, 2014, in Docket No. 13-00130. The Consumer Advocate intervened in that Docket and, after extensive negotiation and discovery, entered into a stipulation with TAWC on January 10, 2014, which formed part of the basis of the approval of certain tariffs by the Commission. These tariffs – including the Qualified Infrastructure Improvement Program Rider (QIIP), the Economic Development Investment Rider (EDI), and the Safety and Environmental Compliance Rider (SEC) (collectively, the QIIP, EDI, and SEC are referred to herein as the Capital Riders) – were approved under the “alternative ratemaking” statute, Tenn. Code Ann. § 65-5-103 *et seq.*<sup>2</sup>

4. Subsequent to the approval of the Capital Riders in TPUC Docket No. 13-00130, TAWC filed TPUC Docket Nos. 14-00121, 15-00029, 15-00111, 16-00022, 16-00126, 17-00020, 17-00124, and 18-00022, which sought to recover and then to reconcile, respectively, expenses under the Capital Riders.<sup>3</sup> The Commission approved revised tariffs pursuant to those filings.<sup>4</sup>

5. Under the tariffs approved in TPUC Docket No. 13-00130, TAWC is required to file with the Commission, on or before March 1, of each year, a reconciliation for each of the Capital Riders from the previous calendar year, along with the accompanying support, in the

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<sup>1</sup> *Petition* at pg. 2, ¶1.

<sup>2</sup> *Id.* at pgs. 4-5, ¶¶6-7.

<sup>3</sup> *Id.* at pg. 1 and fn. 1. TAWC has submitted its fifth annual petition since approval of the Capital Riders in TPUC Docket No. 18-00120. However, TPUC Docket No. 18-00120 has not yet been heard by the Commission as of the date of this filing.

<sup>4</sup> *Petition* at pg. 1 and fn. 1.

manner set forth in those tariffs.<sup>5</sup> TAWC has now submitted its proposed reconciliation for the Capital Riders in this Docket.

6. Under this *Petition*, the average Tennessee-American customer in Chattanooga will see an annual increase in their bills of \$5.88.<sup>6</sup> However, the Company proposes that the savings from the Tax Cuts and Jobs Act (TCJA) be used to prevent any increase in the customers' bills.<sup>7</sup> In order to have a 0% rate increase as a result of the 2019 Capital Riders, Tennessee-American proposes to increase the proposed TCJA credit from TPUC Docket No. 18-000120 (-3.950%) with the proposed TCJA credit from this Docket (-2.253%) resulting in a total TJCA credit of (-6.203%).<sup>8</sup>

7. The interests of consumers may be affected by determinations and orders made by TPUC with respect to the following; (i) the interpretation, application, and implementation of Tenn. Code Ann. § 65-5-103(a), Tenn. Code Ann. § 65-5-103(d), and other relevant statutory and regulatory provisions; (ii) the review and analysis of the Company's documentation, financial spreadsheets, and materials; and (iii) the interpretation, application, and/or implementation of the terms and conditions of the Commission's Orders in TPUC Docket Nos. 13-00130, 14-00121, 15-00029, 15-00111, 16-00022, 16-00126, 17-00020, 17-00124, and 18-00022, as well as the related settlement agreements as applicable in these dockets.

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

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<sup>5</sup> *Id.* at pgs. 6-7, ¶¶12-14.


<sup>6</sup> *Id.* at pg. 35, lines 12-14.


<sup>7</sup> *Id.* at pg. 35, lines 22-23.

<sup>8</sup> *Id.* at pg. 36, lines 1-5.

Wherefore, the Consumer Advocate requests the Commission grant this *Petition to Intervene*.

RESPECTFULLY SUBMITTED,

  
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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 3<sup>rd</sup> day of April, 2019.

Karen H Stachowski  
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Assistant Attorney General