

STATE OF TENNESSEE

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May 27, 2022

Dr. Kenneth C. Hill, Chairman  
c/o Tory Lawless  
Docket Manager  
Tennessee Public Utility Commission  
502 Deaderick Street  
Nashville, TN 37243

Electronically Filed in TPUC Docket  
Room on May 27, 2022 at 6:28 a.m.

Re: *Docket to Investigate and Consider Potential Issues and Modifications to  
the Collective Capital Riders of Tennessee American Water Company,*  
TPUC Docket No. 19-00103

Dear Chairman Hill,

The purpose of this letter is to provide an update on the progress of TPUC Docket No. 19-00103. The Tennessee Public Utility Commission ("TPUC") directed the opening of a docket "to address potential issues and proposed modifications to improve, make more transparent, or streamline the collective Capital riders, including the contested proposals in the present docket."<sup>1</sup> Since the opening of the current docket, Tennessee-American Water Company ("TAWC"), the Consumer Advocate Unit in the Financial Division of the Tennessee Attorney General's Office, and Party Staff<sup>2</sup> have been involved in cooperative discussions, exchanged various information, and held numerous meetings throughout 2020, 2021, and early 2022 in the investigation to consider a redesign of the TAWC Capital Riders, as ordered.

Many different scenarios have been exchanged between the parties, which encouraged an open discussion and resulted in a significant narrowing of the issues. The complex nature of the transition from the filing of two capital rider submissions per year to one annual submission provided a challenge, but significant progress has been made to date. During the pendency of this matter, parties have circulated several proposals during and in preparation for periodic conference

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<sup>1</sup> *Order Approving Petition as Amended*, p.22, TPUC Docket No. 18-00120 (November 8, 2019).

<sup>2</sup> *Staff Participating as a Party Memorandum*, TPUC Docket No. 19-00103 (March 31, 2020). Michelle Maris, Deputy Director of the Utilities Division was added as Party Staff on December 6, 2021. *Staff Participating as a Party Memorandum*, TPUC Docket No. 19-00103 (December 6, 2021).

calls, and parties have submitted questions and comments concerning each proposal. All parties have been actively involved in this negotiation process, and nearly all the parties have provided their proposals for group review. All parties have had the opportunity to raise questions and express concerns with the proposal of other parties throughout the process.

As requested by the Hearing Officer, the Parties met recently to develop this update, including a timeline for moving this matter forward. At that time, and due to the number of substantive matters currently pending before the Commission, many of which are subject to statutory timelines, the Parties were advised by counsel for Commission Party Staff that it is Party Staff's respectful and good faith opinion that this Docket would not begin to actively move forward again until sometime in July 2022. As noted at the outset, the Parties remain committed to continuing our good faith, cooperative discussions.

We appreciate the opportunity to provide this update and status report. Should you have any questions concerning this filing, or require additional information, please do not hesitate to inform the Parties.

Sincerely,



Karen H. Stachowski  
Senior Assistant Attorney General

cc: Melvin Malone, Esq.  
Ryan McGehee, Esq.  
Rick Hitchcock, Esq.