

IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
JOINT PETITION OF	)	
TENNESSEE-AMERICAN WATER	)	
COMPANY, AND THUNDER AIR, INC.	)	Docket No. 20-00011
D/B/A JASPER HIGHLANDS	)	
DEVELOPMENT, INC. FOR APPROVAL OF	)	
AN ASSET PURCHASE AGREEMENT AND	)	
FOR THE ISSUANCE OF A CERTIFICATE	)	
OF CONVENIENCE AND NECESSITY	)	

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PETITION TO INTERVENE

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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 Tennessee 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 *Expedited Joint Petition of Tennessee-American Water Company and Thunder Air, Inc. d/b/a Jasper Highlands Development, Inc. for Approval of an Asset Purchase Agreement and for the Issuance of a Certificate of Convenience and Necessity* ("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 TPUC in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 *et seq.*, and TPUC rules.

2. Tennessee-American Water Company, Inc. ("TAWC") is a public utility regulated by TPUC and provides water utility services to consumers located in Chattanooga, Tennessee, and the surrounding areas.

3. On February 3, 2020, TAWC filed its *Petition*, joined by Thunder Air, Inc. d/b/a Jasper Highlands Development, Inc. ("Thunder Air"), seeking approval of an asset purchase agreement for a water utility located in Kimball, Tennessee, and operated by Thunder Air. TAWC also seeks the issuance of a Certificate of Public Convenience and Necessity ("CCN"), a first for the Jasper Highlands Development water system, which has previously operated without regulation.

4. This Docket involves substantively the same transaction as that sought for TPUC approval in Docket No. 18-00099. In the former Docket, TAWC and Thunder Air sought an expedited review of the acquisition of the Jasper Highlands water system, approval of the full purchase price being utilized for setting future rates, approval of TAWC's Capital Riders surcharges being applied to Jasper Highlands consumers, and the grant of a CCN to TAWC for the service territory. On February 14, 2019, TAWC and Thunder Air withdrew that request, and the Docket was closed.

5. In the current *Petition*, TAWC seeks advance approval of accounting and rate base treatments that reflect the full purchase price, \$2,398,000.00, plus acquisition and transaction costs in future rate base determinations. This marks an increase from the \$1,500,000.00 purchase price sought in Docket No. 18-00099.

6. TAWC also seeks to apply "all other rates and fees as authorized and applied to all other customers to the customers of Thunder Air, Inc. as well", including "late fees, service activation fees, returned check fees, disconnection fees, the Capital Recovery Riders as approved by the TPUC, and the PCOP Rider as appropriate."

7. TAWC requests that this Commission authorize the Company to apply its existing depreciation accrual rates to the water system, along with “other regulatory treatment expressly proposed” by TAWC.

8. TAWC and Thunder Air request that TPUC consider this matter on an expedited basis. However, additional investigation and discovery will be necessary to determine whether the proposed agreement, costs, and rate base treatment are appropriate and just and reasonable under Tennessee law.

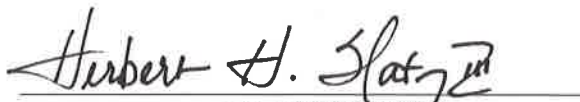
9. The interests of consumers may be affected by determinations and orders made by TPUC with respect to (A) the interpretation, application, and implementation of Tenn. Code Ann. § 65-5-103(a), Tenn. Code Ann. § 65-5-103(d), and other relevant statutory and regulatory provisions, and (B) the review and analysis of the Petitioners’ documentation, financial spreadsheets, and materials.

10. 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.

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

*Intentionally blank*

RESPECTFULLY SUBMITTED,



**HERBERT H. SLATTERY III**

Attorney General and Reporter  
State of Tennessee  
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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 19<sup>th</sup> day of February, 2020.



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