

February 16, 2024

Electronically Filed in TPUC Docket Room
on February 16, 2024 at 12:06 p.m.

Executive Director Earl Taylor
c/o Ectory Lawless
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

RE: *Consumer Advocate's Petition to Obtain Information from Tennessee-American Water Company Pertaining to Differing Rates Charged to its Customers Among its Service Areas*, TPUC Docket No. 24-00003

Dear Mr. Taylor:

On January 24, 2024, the Consumer Advocate Division of the Office of the Tennessee General (“Consumer Advocate” or “CAD”) filed a Petition in the above-captioned docket requesting the Tennessee Public Utility Commission (“Commission” or “TPUC”) “to grant the Consumer Advocate’s request to obtain information from Tennessee-American Water Company”¹ (“Tennessee-American,” “TAWC” or the “Company”). More specifically, “the Consumer Advocate requests that the Company provide information pertaining to differing rates charged to the Company’s customers among its service areas.”² According to the Petition, “Accessing and evaluating this information will allow the Consumer Advocate to open discussions with the Company regarding the initiation of a rate design docket by either the Company or the Consumer Advocate.”³ The detailed information requested by the Consumer Advocate is outlined on pages 2 and 3 of the Petition.

As noted in the Petition, the Consumer Advocate submitted a July 11, 2023, letter to TAWC requesting this information. The Company timely responded to the CAD by letter on August 21, 2023. Both letters are attached to the Petition.⁴ Some further background, at least from Tennessee-American’s perspective, is necessary to place both the Consumer Advocate’s July 11, 2023, letter, and the Petition in better context.

¹ *Consumer Advocate’s Petition to Obtain Information from Tennessee American Water Company Pertaining to Differing Rates Charged to its Customers Among its Service Areas*, p. 1, TPUC Docket No. 24-00003 (Jan. 24, 2024) (hereinafter the “Petition”).

² *Id.*

³ *Id.*

⁴ The Petition references a complaint by TAWC customer Tony Mangiameli to the CAD regarding the Company’s rates. Mr. Mangiameli contacted the Company prior to June 21, 2023, and TAWC timely responded to and addressed the issues raised by Mr. Mangiameli.

During the discussions among the parties in TPUC Docket No. 19-00103, TAWC was asked to provide and present various information and methodologies for rate design for review and evaluation by the parties. The Company did so cooperatively and in good faith on several occasions. After much evaluation and discussion of rate design over extended periods of time, the parties determined to continue working on the other issues in the case and to defer any further discussions or considerations of rate design to a later time, after learning whether a resolution could be reached on the remaining issues. In fact, the decision of the parties to defer rate design until a later time is captured in the Stipulation and Settlement Agreement that was submitted to and approved by the Commission in Docket No. 19-00103.⁵ The Stipulation and Settlement Agreement was submitted to the Commission on October 26, 2023, and considered and approved by the Commission on December 11, 2023. The Commission's Order memorializing its approval was issued on January 31, 2024.

In its responsive August 21, 2023, letter to the Consumer Advocate, the Company attempted to remind the CAD of TAWC's earlier good faith cooperation on rate design in Docket No. 19-00103 and of the parties' agreement that rate design be deferred to a later time. Given the parties' determination to defer rate design in Docket No. 19-00103, the broad scope of the information requested by the Consumer Advocate in its letter, and the time and resources necessary to produce the requested information, the Consumer Advocate's July 11, 2023, request appeared to the Company to be both premature and contextually misplaced. Therefore, TAWC focused its response on Mr. Mangiameli's complaint. While the Company respected the CAD's request, the Company deemed the more prudent and appropriate course was to address Mr. Mangiameli's complaint, to forge ahead with the significant progress being made by the parties in Docket No. 19-00103 and to proceed to work on rate design later as the parties had resolved.

Along with the parties in Docket No. 19-00103, Tennessee-American has always contemplated and anticipated a timely process to review and evaluate rate design. Still, the Company did not believe that commencing that process long before the conclusion of Docket No. 19-00103 was appropriate or efficient under the whole of the circumstances. Nor does Tennessee-American believe that it is the appropriate process to leverage a customer complaint into a rate design review. Now that Docket No. 19-00103 has been amicably resolved by the parties and approved by the Commission, the parties can appropriately turn their attention to rate design.

Notwithstanding the scope of the requested information, TAWC has begun the process of gathering and assembling the information requested by the Consumer Advocate. It will, no doubt, take some time and resources to prepare the information that exists in the manner requested by the Consumer Advocate.⁶ Absent any unforeseen hurdles, TAWC believes that it can provide the Consumer Advocate with the requested and most current information in the 2nd Quarter of this

⁵ See *Stipulation and Settlement Agreement*, p. 2, Docket to Investigate and Consider Potential Issues and Modifications to the Collective Capital Riders of Tennessee American Water Company, TPUC Docket No. 19-00103 (Oct. 26, 2023).

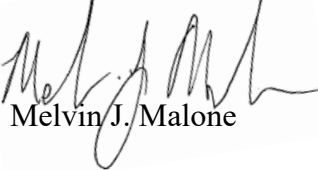
⁶ The Consumer Advocate identified TAWC's service areas as including Ft. Oglethorpe and Walker County. Ft. Oglethorpe and Walker County are individual sale for resale customers and not considered by the Company as discrete service areas.

year, and no later than June 6, 2024.⁷ In the event the Company can complete its compilation of this information prior to this time, it will produce the information earlier.

For the foregoing reasons, including the Company's demonstrated cooperation and good faith, Tennessee-American requests that the Commission take no action on the Petition at this time and permit the Company a reasonable opportunity to provide the Consumer Advocate with the requested information on or before June 6, 2024.

Very truly yours,

BUTLER SNOW LLP



Melvin J. Malone

cc: Karen Stachowski, Consumer Advocate Division
Bob Lane, TAWC

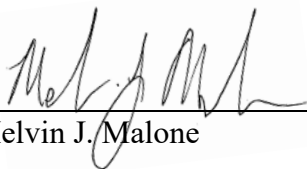
⁷ The Consumer Advocate's request asked for information from 2022, given the passage of time from the original request and the wisdom of using more recent and relevant information TAWC will respond with 2023 data.

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 16th day of February 2024.



Melvin J. Malone