

STATE OF TENNESSEE

Office of the Attorney General



JONATHAN SKRMETTI
ATTORNEY GENERAL AND REPORTER

P.O. BOX 20207, NASHVILLE, TN 37202
TELEPHONE (615) 741-3491
FACSIMILE (615) 741-2009

June 11, 2024

VIA ELECTRONIC FILING

Hon. Herbert H. Hilliard, Chairman
c/o Ectory Lawless, Docket Room Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243
TPUC.DocketRoom@tn.gov

Electronically Filed in TPUC Docket
Room on June 11, 2024 at 1:56 p.m.

RE: *Petition of Tennessee-American Water Company's 2024 Incremental Capital Recovery Rider Tariff, TPUC Docket No. 24-00011*

Dear Chairman Hilliard:

Since the submission of Tennessee-American Water Company's ("TAWC") Petition in the above-referenced matter, TAWC and the Consumer Advocate Division in the Office of the Tennessee Attorney General ("Consumer Advocate") have been involved in cooperative discussions and have exchanged various information related to the Petition. With the recent submission of the Consumer Advocate's Supplemental Testimony of David N. Dittmore and the Company's Supplemental Rebuttal Testimony of Robert C. Lane, the parties hereby jointly represent that there are no outstanding procedural matters requiring resolution by the Hearing Officer in TPUC Docket No. 24-00011.

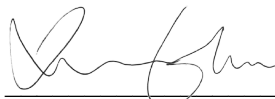
After considering the entire record, including TAWC's responses to discovery, it is the joint position of the parties that this matter is ripe for consideration on the merits by the Tennessee Public Utility Commission ("TPUC" or the "Commission"). At this time, there remain no outstanding disputes between the parties with respect to this Docket, as clarified by and through discovery, the parties' communications, and pre-filed testimonies, and this letter. As reflected in the Pre-filed Direct and Rebuttal Testimony of Robert C. Lane and the Pre-filed Direct Testimony of Mr. Dittmore, there are no contested issues between the parties on the merits of the Petition, and it is the position of the parties that this matter should be resolved in favor of the positions set forth in TAWC's Petition, including the Company's agreement to submit its Balance Sheet and

Income Statement in future ICR Tariff filings¹ and the Company's confirmation of the appropriate TCJA credit is (3.82%).² Consistent with agency practice, the parties hereby jointly request that the entire official record in this docket, including discovery, be made a part of the evidentiary record.

In addition to the foregoing, the parties have also agreed to continue good faith discussions regarding the proper vehicle for the over/under adjustment section in the Company's ICR Tariff on a going forward basis and anticipate submitting language to resolve the concern raised by the Consumer Advocate in this docket at a later date in TPUC Docket No. 19-00103. More specifically, subsequent to collaborative discussions, the parties have generally agreed that TAWC will track the ICR Tariff over/under recoveries effective January 1, 2024, comparing actual ICR Tariff collections with those approved by the Commission. Under this concept, the parties will later submit to the Commission for approval that any over-recoveries under the ICR Tariff would be recorded to a regulatory liability and any under-recoveries would be recorded to a regulatory asset. This tracking of over/under ICR Tariff recoveries shall continue until such time as new base rates become effective and the ICR Tariff surcharge is no longer charged to customers. As later proposed to the Commission, it is the intent of the parties that the balance of any regulatory liability will be returned to customers and that the balance of any regulatory asset shall be recovered from customers.

As required, the original plus four (4) hard copies will be mailed to your office. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Sincerely,



VICTORIA B. GLOVER (BPR No. 037954)
Assistant Attorney General

cc: Bob Lane, TAWC
Melvin Malone
Katherine Barnes

¹ *Direct Testimony of David N. Dittemore*, pp. 3 and 9-10, TPUC Docket No. 24-00011 (April 26, 2024) and *Rebuttal Testimony of Robert C. Lane*, p. 8, TPUC Docket No. 24-00011 (May 10, 2024).

² *Direct Testimony of David N. Dittemore*, pp. 3 and 9, TPUC Docket No. 24-00011 (April 26, 2024) and *Rebuttal Testimony of Robert C. Lane*, pp. 7-8, TPUC Docket No. 24-00011 (May 10, 2024).