

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

June 12, 2024

IN RE:

PETITION OF TENNESSEE-AMERICAN WATER  
COMPANY TO MODIFY TARIFF, CHANGE AND  
INCREASE CHARGES, FEES, AND RATES, AND  
FOR APPROVAL OF A GENERAL RATE  
INCREASE

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DOCKET NO.  
24-00032

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ORDER GRANTING THE PETITION TO INTERVENE FILED BY THE  
CITY OF CHATTANOOGA

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This matter is before the Administrative Judge of the Tennessee Public Utility Commission (“Commission” or “TPUC”) to consider the *City of Chattanooga’s Petition to Intervene* (“City’s *Petition to Intervene*”) filed by the City of Chattanooga, Tennessee (“City”) on May 29, 2024.

**RELEVANT BACKGROUND**

Tennessee-American Water Company (“TAWC”) is a public utility providing residential, commercial, industrial, and municipal water service to approximately 87,000 customers in Chattanooga, Tennessee and surrounding areas. On May 1, 2024, TAWC filed a Petition to Modify Tariff, Change and Increase Charges, Fees, and Rates, and for Approval of a General Rate Increase (“*Petition*”).

**CITY’S *PETITION TO INTERVENE***

On May 29, 2024, the City filed the *City’s Petition to Intervene* seeking to intervene in the docket pursuant to Tenn. Code Ann. §§ 4-5-310 and 65-2-107 and Commission Rule 1220-1-2-.08 asserting that the “legal rights, duties, privileges, immunities, or other legal interests of the

City of Chattanooga and its citizens may be adversely affected by revisions to the tariffs, charges, fees, and rates of the Tennessee-American Water Company (“TAWC”).”<sup>1</sup> The City argues that “TAWC is proposing to dramatically raise residential rates in the City of Chattanooga in order to subsidize and dramatically lower residential rates in outlying areas served by TAWC. TAWC says that average residential bill in Chattanooga would increase by approximately 20%, while bills in outlying zones would fall by as much as 49%.”<sup>2</sup> In addition, the City maintains that, if granted, TAWC’s *Petition* would create an economic hardship on the residents and businesses of Chattanooga.<sup>3</sup> The City asserts it is the proper party to intervene because it is a major customer of TAWC that would potentially pay higher rates for water service, and it is also a proper party to intervene to protect the legal rights of the citizens of the City of Chattanooga.<sup>4</sup> TAWC did not oppose the *City’s Petition to Intervene*.

## FINDINGS & CONCLUSIONS

Tenn. Code Ann. § 4-5-310 establishes the following criteria for granting petitions to intervene:

(a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if:

(1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;

(2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of law; and

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<sup>1</sup> *City’s Petition to Intervene*, p. 1 (May 29, 2024).

<sup>2</sup> *Id.* at unnumbered p. 3.

<sup>3</sup> *Id.* at unnumbered p. 5.

<sup>4</sup> *Id.*

(3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

(b) The agency may grant one (1) or more petitions for intervention at any time, upon determining that the intervention sought is in the interests of justice and shall not impair the orderly and prompt conduct of the proceedings.<sup>5</sup>

The Administrative Judge finds that the determinations made in this docket will directly impact the citizens of the City of Chattanooga and the City of Chattanooga as well. Therefore, upon due consideration, the Administrative Judge concludes that the legal rights, duties, privileges, immunities, or other legal interest of the City may be determined in this proceeding. Further, the Administrative Judge finds that there is no opposition to the City's intervention, and the *City's Petition to Intervene* was timely-filed and should not impair the interests of justice or the orderly and prompt conduct of the proceedings. For these reasons, the Administrative Judge concludes that the *City's Petition to Intervene* should be granted.

**IT IS THEREFORE ORDERED THAT:**

The *City of Chattanooga's Petition to Intervene* filed by the City of Chattanooga is granted. The City of Chattanooga may intervene and participate as a party in this proceeding and, as such, shall receive copies of any notices, orders, or other documents filed herein.

  
Monica Smith-Ashford, Administrative Judge

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<sup>5</sup> Tenn. Code Ann. § 4-5-310.