

November 13, 2024

VIA ELECTRONIC FILING

Hon. David Jones, 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 November 13, 2024 at 3:33 p.m.

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, TPUC Docket No. 24-00032*

Dear Chairman Jones:

Attached for filing in the above-captioned matter are a Stipulation and Settlement Agreement (the "Settlement Agreement") between Tennessee-American Water Company (the "Company") and the Utility Workers Union of America, AFL-CIO and UWUA Local 121 (collectively, the "UWUA"). TAWC and the UWUA have worked cooperatively and in good faith on the issues raised by the UWUA in Docket No. 24-00032, and their investment in cooperative dialogue and reasonable compromise has produced the Settlement Agreement. As further outlined in the Settlement Agreement, the Company and UWUA have agreed to resolve all of the issues raised by the UWUA in this docket.

Pursuant to the terms of the Settlement Agreement, the Company and the UWUA hereby submit this Agreement to the Commission for its review and approval. If the Commission approves this Settlement Agreement, the Company and the UWUA agree to forgo further litigation in this proceeding and agree not to cross-examine each other's witnesses at the hearing. Further upon approval of this Settlement Agreement, the Union requests that its witnesses be excused from appearing at the hearing and withdraw from the case. If the Commission does not approve this settlement, this settlement will become null and void, and the UWUA will continue in its role as an intervenor in this matter. Although the UWUA will no longer participate in this matter if the Commission approves this Settlement Agreement, the UWUA has memorialized in the Settlement Agreement its support for the Company's request for approval to recover in rates expenses for its forecasted 117 full-time employees.

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BUTLER SNOW LLP

Hon. David Jones, Chairman

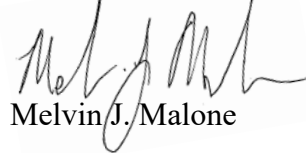
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As required, the original plus four (4) hard copies will be mailed to your office. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP

A handwritten signature in black ink, appearing to read "Melvin J. Malone", is written over a light gray rectangular background.

Melvin J. Malone

Attachment

cc: Bob Lane, TAWC

Shilina Brown, Consumer Advocate Division

Victoria Glover, Consumer Advocate Division

Phillip Noblett, City of Chattanooga

Frederick Hitchcock, City of Chattanooga

Scott Tift, UWUA

Settlement Agreement Resolving All Claims Brought by Intervenors Utility Workers Union of America, AFL-CIO, and UWUA Local 121

TPUC Docket No. 24-00032

The Tennessee-American Water Company (the “Company”) and the Utility Workers Union of America, AFL-CIO, and UWUA Local 121 (collectively, the “UWUA”) engaged in discussions to negotiate a settlement of all the UWUA’s issues in the Company’s rate case, TPUC Docket No. 24-00032. As a result of those discussions, the Company and the UWUA were able to agree on a settlement, set forth in this Settlement Agreement, which resolves all of UWUA’s issues in this rate case proceeding. This settlement does not establish any rights under the Union’s collective bargaining agreement (CBA), the National Labor Relations Act (NLRA), Section 301 of the Labor Management-Relations Act (LMRA), or any other settlements between the Company and the Union relative to their collective bargaining relationship.

The Company and the UWUA agree to seek approval of this settlement by the Commission and request that the agreements set forth herein be incorporated in the Commission’s Final Order adjudicating this rate case. If the Commission approves this settlement, the Company and the UWUA agree to forgo further litigation in this proceeding and agree not to cross-examine each other’s witnesses at the hearing should a hearing be held in this proceeding. The Union further agrees to request that its witnesses be excused from appearing at the hearing and withdraw from the case. If the Commission does not approve this settlement, this settlement will become null and void, and the UWUA will continue in its role as an intervenor in this matter.

Although the UWUA will no longer participate in this matter if the Commission approves this settlement, the UWUA hereby memorializes and communicates its support for the Company’s request for approval to recover in rates expenses for its forecasted 117 full-time employees.

The Company further agrees as follows:

Reporting

The Company agrees to quarterly filings with UWUA Local 121 and with the Commission related to head count, valve maintenance, and hydrant maintenance, and to continue such filings until the next rate case or until otherwise directed by the Commission, whichever is sooner, as follows:

1. Head Count: The quarterly report will include (1) identification of all vacancies by job title for each month during the quarter, (2) the date when each vacancy occurred, (3) the Company’s expected date to fill each vacancy, and (4) explanatory information, including for any position included in the labor expense approved by the Commission in this case that has remained vacant for more than three months an explanation of why the Company has not filled the position.

Settlement Agreement Resolving All Claims Brought by Intervenor
Utility Workers Union of America, AFL-CIO, and UWUA Local 121
TPUC Docket No. 24-00032

2. Valve Maintenance: The quarterly report will identify (1) the target number of valves to be inspected for the quarter, (2) the actual number of valves inspected in the quarter, (3) the number of valves that were labeled as in need of replacement at the start of the quarter, grouped by size (4) the number of valves replaced during the quarter, grouped by size, (5) the date of the work order related to the replacement of each valve, (6) the expected date of each valve's replacement, and (7) explanatory information.
3. Hydrant Maintenance: The quarterly report will identify (1) the target number of fire hydrants to be inspected for the quarter, (2) the actual number of fire hydrants inspected in the quarter, (3) the number of fire hydrants that were labeled as in need of replacement at the start of the quarter, (4) the number of fire hydrants replaced during the quarter, (5) the date of the work order related to the replacement of each fire hydrant, (6) the expected date of each fire hydrant's replacement, and (7) explanatory information.

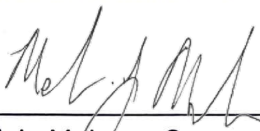
Maintenance Standards

The Company utilizes and will continue to follow American Water policies, as they may be changed from time to time. Further, the Company will follow guidance from American Water Works Association manuals, as appropriate.


Head Count Enforcement Mechanism

The Commission has general supervisory and regulatory power, jurisdiction, and control over all public utilities, and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter. Tenn. Code Ann. § 65-4-104. It, further, has the power to fix the rates of the Company. Tenn. Code Ann. § 65-5-101. If the Company does not comply with the guidance provided by the Commission for the operation of the business, the Commission has the authority to enforce or penalize the Company. *Id. et seq.*

Agreed to this 13th day of November, 2024, by the following parties through their authorized counsel of record as noted below:



Melvin Malone, Counsel
Tennessee-American Water Company



Scott P. Tift, Counsel
Utility Workers Union of America, AFL-CIO
and UWUA Local 121

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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Office of the Tennessee Attorney
General
Consumer Advocate Division
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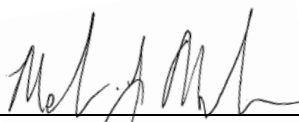
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Union Counsel

This the 13th day of November 2024.



Melvin J. Malone