

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE
January 14, 2026**

IN RE:)	
)	
PETITION OF TENNESSEE-AMERICAN)	DOCKET NO.
WATER COMPANY TO MODIFY TARIFF,)	24-00032
CHANGE AND INCREASE CHARGES, FEES,)	
AND RATES, AND FOR APPROVAL OF A)	
GENERAL RATE INCREASE [RATE CASE)	
EXPENSES])	

**ORDER GRANTING CONSUMER ADVOCATE’S MOTION
FOR LIMITED DISCOVERY**

This matter is before the Administrative Judge upon the *Consumer Advocate’s Motion for Limited Discovery* (“*Motion*”) filed by the Consumer Advocate Division of the Office of the Tennessee Attorney General (“Consumer Advocate”) on December 23, 2025, requesting permission to seek limited discovery pursuant to Tennessee Public Utility Commission (“Commission” or “TPUC”) Rule 1220-1-2-.11. The Consumer Advocate seeks limited discovery “concerning the issue of whether Tennessee American Water Company (“TAWC” or the “Company”) should be granted recovery of its rate case expenses and whether these rate case expenses are just and reasonable.”¹ The Consumer Advocate also filed a *Memorandum in Support of the Consumer Advocate’s Motion for Limited Discovery* (“*Memo*”) on December 23, 2025.

CONSUMER ADVOCATE’S MEMO

In its *Memo*, the Consumer Advocate maintains that the discovery phase of the initial rate case docket has concluded, and it needs to conduct limited discovery on this phase of the docket

¹ *Motion*, p. 1 (December 23, 2025).

regarding just and reasonable legal expenses.² According to the Consumer Advocate, “[i]t is the duty and obligation of the Consumer Advocate to protect the interests of consumers regarding costs being passed through to consumers and it is necessary to determine the prudence of such rate case expenses which will ultimately result in a rate increase for TAWC customers.”³ The Consumer Advocate asserts its request is reasonable and necessary. Also, the Consumer Advocate maintains that “[t]he consequences of the denial of the request for limited discovery would include the inability of the Consumer Advocate to determine whether the rate case expenses are just and reasonable. The Consumer Advocate would not have the ability to determine the prudence of such costs, and the Consumer Advocate will be severely constrained in representing the interests of TAWC’s customers.”⁴ According to the Consumer Advocate, its discovery requests are not abusive or oppressive, nor are they unreasonable, cumulative, or duplicative.⁵ TAWC did not oppose the Consumer Advocate’s *Motion*.

FINDINGS AND CONCLUSIONS

TPUC Rule 1220-1-2-.11 (1) provides as follows:

Any party to a contested case proceeding may petition for discovery. In any case where discovery is sought, no discovery shall be undertaken until a discovery schedule is set in accordance with these rules. Parties are encouraged, where practicable, to attempt to informally obtain any necessary discovery and avoid undue expense and delay in resolving the matter. When such attempts have failed or the complexity of the case is such that informal discovery is not practicable, discovery shall be sought, effectuated, and enforced under the Tennessee Rules of Civil Procedure.

In its *Order Setting Utility Rates* issued in this docket on April 21, 2025, the Commission noted that “the Company submitted an estimate of \$1.554 million in rate case expense, covering

² *Memo*, p. 1 (December 23, 2025).

³ *Id.* at 4.

⁴ *Id.* at 5.

⁵ *Id.* at 5-6.

legal, internal costs, and outside consultants, for a rate case that ultimately ended with a relatively modest rate increase of \$1,073,930.”⁶ The Commission ordered that a separate proceeding should be established “to determine the actual amount of regulatory costs, the time period for recovery, and the mechanism for allowing TAWC to recover these costs” and capped the amount of rate case expense at \$1.554 million.⁷ The Administrative Judge finds that the discovery phase of the initial docket has concluded, TAWC filed limited information in support of its rate case expenses and additional information is necessary to analyze the reasonableness of the rate case expenses requested by TAWC in this phase of the docket. Based on the preceding reasons, the Administrative Judge concludes it is reasonable for the Consumer Advocate to seek limited discovery for this phase of the docket, and its *Motion* should be granted.

IT IS THEREFORE ORDERED THAT:

The *Consumer Advocate’s Motion for Limited Discovery* is granted.



Monica Smith-Ashford, Administrative Judge

⁶ See *Order Setting Utility Rates*, p. 34 (April 21, 2025).

⁷ *Id.* at 35.