BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

July 15, 2025

IN RE:)	
)	
JOINT PETITION OF TENNESSEE-AMERICAN)	DOCKET NO.
WATER COMPANY, AMERICAN WATER WORKS)	25-00040
COMPANY, INC., NEXUS REGULATED)	
UTILITIES, LLC, AND TENNESSEE WATER)	
SERVICE, INC. FOR AUTHORIZATION OF)	
CHANGE OF CONTROL, APPROVAL OF THE)	
AGREEMENT AND PLAN OF MERGER AND FOR)	
THE ISSUANCE OF A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY)	

ORDER GRANTING THE PETITION TO INTERVENE FILED BY THE CONSUMER ADVOCATE

This matter is before the Administrative Judge of the Tennessee Public Utility Commission ("Commission" or "TPUC") to consider the *Petition to Intervene* filed by the Consumer Advocate Division of the Office of the Tennessee Attorney General ("Consumer Advocate") on June 25, 2025.

RELEVANT BACKGROUND

On May 30, 2025, Tennessee-American Water Company ("TAWC," "Tennessee-American," or the "Company"), American Water Works Company, Inc. ("American Water" or "AWWC"), Nexus Regulated Utilities, LLC ("Nexus"), and Tennessee Water Service, Inc. ("TWS") (together "Joint Petitioners") filed the *Joint Petition of Tennessee-American Water Company, American Water Works Company, Inc., Nexus Regulated Utilities, LLC, and Tennessee Water Service, Inc. for Authorization of Change of Control, Approval of the Agreement and Plan of Merger and for the Issuance of a Certificate of Convenience and Necessity ("Joint Petition").*

The Joint Petitioners seek approval to merge TWS into TAWC with TAWC being the surviving entity.

CONSUMER ADVOCATE'S PETITION TO INTERVENE

On June 25, 2025, the Consumer Advocate filed a *Petition to Intervene* seeking to intervene in the docket pursuant to Tenn. Code Ann. § 65-4-118, which qualifies the Consumer Advocate to represent the interests of Tennessee consumers of public utility services in proceedings before the Commission. According to the Consumer Advocate,

[u]pon closing, TAWC states it will keep the TWS system separate and apart from TAWC systems for purposes of accounting and ratemaking. Therefore, TAWC proposes to '...adopt the rates, financials, and rate base of TWS.' However, TAWC seeks to apply 'all other fees as authorized and applied to all other TAWC customers to TWS customers such as late fees, service-activation fees, returned-check fees, and disconnection fees.

The Consumer Advocate asserts:

[t]he interests of consumers, both the existing and to be acquired customers of TAWC, may be affected by determinations and orders made by TPUC with respect to (A) the interpretation, application, and implementation of Tenn. Code Ann. §65-5-103(a), Tenn Code Ann. §65-5-103(d), and other relevant statutory and regulatory provisions, and (B) the review and analysis of the Petitioners' documentation, financial spreadsheets, and materials. ¹

Further, the Consumer Advocate asserts that only by participating in this docket can it adequately represent the interests of Tennessee consumers.² TAWC did not oppose the Consumer Advocate'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:

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¹ Petition to Intervene, p. 3 (June 25, 2025).

 $^{^{2}}$ Id.

- (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
- (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.³

Although it is not an automatic or absolute right to participate in proceedings before the Commission, Tenn. Code Ann. § 65-4-118(b)(1) provides a general basis for the qualification of the Consumer Advocate to be permitted to intervene as a party to represent the interests of Tennessee public utility consumers. It provides as follows:

The consumer advocate division has the duty and authority to represent the interests of Tennessee consumers of public utilities services. The division may, with the approval of the attorney general and reporter, participate or intervene as a party in any matter or proceeding before the commission or any other administrative, legislative or judicial body and initiate such proceeding, in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, and the rules of the commission.⁴

Because the *Joint Petition* involves the transfer of a utility and its customers, including, but not limited to, establishing rates and charges, accounting methodologies, and terms of service for those customers, the Administrative Judge finds that there is a sufficient factual basis to find that the

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³ Tenn. Code Ann. § 4-5-310 (2021).

⁴ Tenn. Code Ann. § 65-4-118(b)(1) (2022).

legal rights or interests held by those consumers may be determined in this proceeding.

THEREFORE, upon due consideration, the Administrative Judge concludes that the legal rights, duties, privileges, immunities, or other legal interest of Tennessee consumers may be determined in this proceeding. Further, the Administrative Judge finds that the Consumer Advocate qualifies under law as an intervenor for the purpose of representing those consumer interests, there is no opposition to its intervention, and its *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 Consumer Advocate's *Petition to Intervene* should be granted.

IT IS THEREFORE ORDERED THAT:

The *Petition to Intervene* filed by the Consumer Advocate Division of the Office of the Tennessee Attorney General is granted. The Consumer Advocate Division of the Office of the Tennessee Attorney General 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