

# TENNESSEE REGULATORY AUTHORITY



502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, Tennessee 37243

July 22, 2016

Henry Walker  
Bradley Arant Bolt Cummings, LLP  
1600 Division Street, Suite 700  
Nashville, Tennessee 37203

RE: Docket No. 16-00069 – Joint Petition of Cumberland Basin Wastewater Systems, LLC and Integrated Resource Management, Inc. d/b/a IRM Utility, Inc. to Transfer Certificate

Dear Mr. Walker:

Please provide the information as outlined on the attached Data Request. Pursuant to TRA Rule1220-1-1-.03(4), submit either an electronic response along with an original and four (4) written copies or an original written response and thirteen (13) copies.

Please note that the requisite number of written copies of all requested information must be provided to the Docket Manager and electronic responses, if filed, must be in .pdf format.

All information should be provided no later than 2 PM, Friday August 5, 2016. Should you have questions regarding the attached request, please contact Patsy Fulton at 615-770-6887.

Sincerely,

David Foster  
Chief, Utilities Division

Attachment (1)

## CUMBERLAND BASIN

### Data Request

1. Cumberland Basin's 2015 Annual Report provided a statement that the Developer of The Bluffs will not convey title to Cumberland Basin for the wastewater utility. Explain why and what the plan is to retrieve the deed from the Developer. Is there a plan in place to retrieve the deed to the property?
2. Provide a copy of all recorded easements for the property of the wastewater system for The Bluffs that has been signed over to the Utility, Cumberland Basin Wastewater Systems, LLC.
3. Provide the name and address of the Property Owner(s)/Developers/Contractors of Genesis Villages Estates Subdivision ("GVES").
4. Provide a certified copy of the current easements for the wastewater system at GVES, showing the transfer of the easements from IRM to Cumberland Basin.
5. Please provide a copy of the performance Letter of Credit or bond that GVET will be furnishing to the Utility to insure build-out/completion of the wastewater system.
6. Provide a copy of the contract(s) between Genesis Village Estates Townhomes, LLC ("GVET" or "Developer"), the "Builder" of the wastewater system and Cumberland Basin Wastewater Systems, LLC ("CBWS" or "Utility").
7. Provide copies of any other contracts that the Utility has consummated with any other parties concerning the construction of the wastewater system that will provide, identify and explain the following:
  1. Statement guaranteeing that the land/property that the wastewater treatment and collection system resides on will be deeded to the Utility within 30 days of the wastewater system being accepted by Utility and Developer. This should state the map and parcel number, address and the number of acres included.
  2. The easements that will be issued to the Utility that will be required to connect each lot to the wastewater system.
  3. Contract amount Developer will pay for the wastewater system to be installed. (Treatment and Collection)
  4. Market value of property site being transferred (property tax information).
  5. Amount negotiated for "unsold lots" to be paid by Developer till Genesis Estates Subdivision has completely sold all 100 lots (number of lots included in original petition for CCN, Docket No. 11-00081).

6. Total Number of houses/condos to be built/number of connections to the wastewater system.
8. Explain in detail the type of system that will be built?
9. Provide a copy of the application provided to TDEC to transfer the TDEC permit from IRM, Inc. to Cumberland Basin, Inc, inclusive of engineering designs.
10. Provide date or number of days after CCN and TDEC approval that the wastewater system will be complete.
11. Provide a breakdown from the "Builder" or GVET of the dollar (\$) amounts for each of the following included in the building of the wastewater system. This can also be in the form of an itemized costs makeup for building of the system. Please make sure the amounts below totals/coincides with #6 above.

Land owned or leased  
STEP/STEG tanks  
Effluent pumps and associated components  
Telemetry systems  
Effluent collection pipe  
Treatment system (separate components where feasible e.g. drip lines, Advantex filter system, etc.)  
+ any other components

12. Provide a copy of a contract with a certified wastewater system operator that includes a list of duties and the terms of compensation. If the wastewater operator's duties will be performed by a Cumberland Basin employee, provide a copy of the employee's wastewater operator certification.
13. Understanding that there are already residents living in homes that have been built, will the Utility be taking over the wastewater treatment and collection as it exists today prior to the wastewater system being completed?
14. What will be the design flow of the system?
15. How many homes have been built to date at GEVS and how many have been sold and are occupied?
16. The letter provided with the Petition and accepted by David Bryan, Partner at GVET states that the treatment facilities shall have the capacity to serve the entire anticipated population of the subdivision; however, it does not state how many lots. The population in Docket 11-00081 covered 100 platted lots/homes. Is the capacity in this docket to serve 100 platted lots/homes? If not, please explain.

17. Provide a copy of the Operation and Maintenance Procedures required by the TRA 1200-4-13-.06(2).
18. Provide a current tariff for GVES inclusive of rates, products and services.
19. Provide a 5 year build-out of revenues with anticipated number of houses built by month to completion. Identify all sources of revenues, (from Developer and/or Customers) and itemize all individual budgeted expenses including but not limited to:
  - Power costs based on local power rates.
  - Certified Operator maintenance costs.
  - Routine maintenance parts and supplies.
  - Testing/inspection maintenance expenses, sampling frequency.
  - List of Cumberland Basin employees by title, duties performed and estimated annual compensation.
  - Administrative Expense (office materials and supplies).
  - Management Expenses
  - Telephone Expense
  - Legal Expenses
  - Insurance Expense
  - Accounting Expense
  - Billing expenses
  - Regulatory Fees
  - TDEC permitting fees
  - Taxes
  - Provide the annual disposal cost for sludge based on a documented pumping frequency and local disposal costs. Understanding that Genesis has been pumping and hauling since the first sewer connection, you may provide the actual costs that the developer has experienced as the pro-forma costs, giving the beginning dates included and the number of houses by month. This will only be if Cumberland Basin intends to take over the pump and haul treatment until the system is built.

Please follow similar schedules to IRM E, schedules 1-4 in Docket 11-00081 (the approved CCN that is being transferred), using excel format, inclusive of the proposed rates provided in the tariff in No. 19 above.

20. Provide a copy of the Contract or Settlement Agreement signed by both parties between IRM and the Developer, whereby IRM is giving up its rights as the holder of the CCN for Genesis Village endorsed by the holder of the CCN, IRM, Inc.
21. Provide pre-filed testimony which provides, identifies and/or explains:

- a. Public need for the wastewater system;
- b. Technical, managerial, and financial expertise ability and why;
- c. Services to be provided;
- d. The design capacity of the system in GPD;
- e. A breakdown of Contributions in Aid of Construction (land and wastewater treatment plant); and