

IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:

PETITION OF INTEGRA WATER  
TENNESSEE, LLC FOR A CCN AND  
AUTHORITY TO CHARGE RATES  
IN CASEY COVE SUBDIVIONS  
LOCATED IN DEKALB COUNTY,  
TENNESSEE

DOCKET NO. 17-00014

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RESPONSE TO PETITIONER'S MOTION TO ADOPT PROCEDURAL SCHEDULE  
AND  
MOTION BY THE CONSUMER ADVOCATE  
TO ADOPT ITS PROPOSED PROCEDURAL SCHEDULE  
ATTACHED HEREWITH

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Comes the Consumer Protection and Advocate Division of the Office of the Attorney General (Consumer Advocate) and respectfully moves that the Hearing Officer deny the Procedural Schedule proposed and filed by Integra Water Tennessee, LLC (Integra) on September 27, 2017, in this TPUC Docket 17-00014 for the reasons set forth below. The Consumer Advocate also respectfully moves that the Hearing Officer approve the Proposed Procedural Schedule attached herewith as Exhibit A for the reasons set forth below.

**BACKGROUND**

The Record in this Docket reflects:

1. On February 8, 2017, Integra filed an Initial Petition for Certificate of Public Convenience and Necessity by Integra Water Tennessee, LLC (*Initial Petition*);
2. The Consumer Advocate's Petition to Intervene was granted on March 16, 2017;
3. On April 7, 2017, TPUC staff sent a Data Request to Integra with a deadline of April 25, 2017 for responses;
4. On April 19, 2017, the Hearing Officer issued an Order Establishing Procedural Schedule;

5. On May 8, 2017, the Consumer Advocate filed with TPUC correspondence to Integra seeking clarification regarding proposed revision to the *Initial Petition* and request for new procedural schedule;
6. On May 9, 2017, the Consumer Advocate sent its First Discovery Request to Integra with a deadline of May 23, 2017 for responses;
7. On May 18, 201, Integra filed an Amendment to Petition for Certificate of Public Convenience and Necessity by Integra Water Tennessee, LLC (*First Amended Petition*);
8. On May 25, 2017, the Hearing Officer issued a Protective Order;
9. On May 30, 2017, the Consumer Advocate filed its correspondence with Integra reiterating the need of a new procedural schedule due to the filed *First Amended Petition* and identifying deficiencies with the Proposed Tariff<sup>1</sup> and *Initial Petition*;
10. On June 6, 2017, Integra formally filed its responses to TPUC's Data Request and the Consumer Advocate's First Discovery Request. Integra had provided responses to both TPUC staff and the Consumer Advocate prior to this formal filing with TPUC;
11. On June 22, 2017, the Hearing Officer held a status conference;
12. On June 23, 2017, Integra filed its Rate Model and Petitioner's Amended and Supplemental Responses to First Discovery Request of the Consumer Protection and Advocate Division to Integra Water, LLC;
13. On June 30, 2017, the Hearing Officer issued an Order Suspending Procedural Schedule;
14. On September 27, 2017, the Hearing Officer scheduled a conference call for October 2, 2017 and requested a joint proposed procedural schedule be filed by Friday, September 29, 2017;

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<sup>1</sup> The Proposed Tariff was not filed with the *Initial Petition* or the *First Amended Petition* but was filed in response to TPUC Data Request #21.

15. On September 27, 2017, Integra filed an Amendment to Petition for Certificate of Public Convenience and Necessity by Integra Water Tennessee, LLC (*Second Amended Petition*); Integra Water Tennessee, LLC's Notice of Filing Amended Tariff (*Amended Tariff*); and Integra Water Tennessee, LLC's Motion for Entry of a Proposed Procedural Schedule;
16. The Consumer Advocate did not receive service of process for these September 27<sup>th</sup> filings by Integra with TPUC;
17. Prior to the filing of Integra's Proposed Procedural Schedule, Integra did not contact the Consumer Advocate to discuss the possibility of a joint procedural schedule;
18. Integra's Proposed Procedural Schedule fails to provide adequate time to analyze the *Second Amended Petition* and amended tariff prior to the Second Discovery Request, fails to allow adequate time to analyze the responses to the Second Discovery Request, and fails to allow adequate time to prepare testimony;
19. While the Consumer Advocate proposes a procedural schedule with the same target hearing date, the Consumer Advocate believes additional time is necessary to review the recent filings prior to the Second Discovery Request, additional time for review of Integra's responses to the Second Discovery and additional time to prepare for direct testimony.

### **ARGUMENT**

#### **I. Integra's Proposed Procedural Schedule Is Unworkable and Should Not be Adopted.**

The Procedural Schedule proposed by Integra is unworkable and should not be adopted because it fails to allow for analysis of the Second Amended Petition and Amended Tariff prior to the deadline for issuance of the Consumer Advocate's Second Discovery Request and fails to allow for analysis of Integra's Response to the Second Discovery Request prior to the filing of prepared testimony. Each of these points will be addressed below.

**A. Integra's Proposed Procedural Schedule is unworkable and should not be adopted because it does not permit the Consumer Advocate adequate time to review the recently filed Second Amended Petition and Amended Tariff prior to the Consumer Advocate's second discovery request.**

The proposed procedural schedule Integra would allow the Consumer Advocate only seven days from the date Integra filed its *Second Amended Petition* and an *Amended Tariff* to the date when the Consumer Advocate is required to issue its Second Discovery Request. Although the Parties have participated in discussions regarding revisions to Integra's Proposed Tariff, the details of the final content of the Amended Tariff were unknown to the Consumer Advocate until it found the filing on TPUC's docket page. The Consumer Advocate did not receive service of process of Integra's three filings with TPUC on September 27, 2017, and still has not received service.

In addition, there is confusion regarding the Application for Service for Tennessee. In TPUC's Data Request #1-10, a copy of the customer contract was requested. Integra stated that it does not require contracts but it does have an application. A copy of the application was not provided with its response. However, a Customer Application was available on Integra's website until recently.<sup>2</sup> When the Consumer Advocate reviewed this Customer Application, it identified multiple contradictions between the *Initial Petition's* fees and the fees set out in the Customer Application. Recently Integra explained that the Tennessee Application on its website was not the "proper application."<sup>3</sup> On September 26, 2017, the Consumer Advocate requested a copy of the correct Tennessee Customer Application. However, Integra has not yet provided the requested copy.<sup>4</sup> So not only has the Consumer Advocate not seen the correct Customer Application, it has

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<sup>2</sup> A copy of this Customer Application is attached as Exhibit B

<sup>3</sup> A copy of the emails between the Consumer Advocate and Integra discussing the Customer Application is attached as Exhibit C.

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

not had time to review and analyze the Customer Application in relation to filings in this TPUC Docket No. 17-00014.

It is worth emphasizing that it takes time to analyze thoroughly and fairly the recent filings by Integra with previous filings and to produce appropriate discovery questions. Accordingly, the ratepayers' rights and interests will be adversely affected by Integra's Proposed Procedural Schedule.

**B. Integra's Proposed Procedural Schedule is unworkable and should not be adopted because it fails to allow adequate time for the Consumer Advocate to review Integra's responses to the Second Discovery Request prior to the filing of prepared testimony.**

The proposed procedural schedule by Integra would allow the Consumer Advocate only 21 days from the date on which Integra will presumably file a substantial amount of discovery responses to the Consumer Advocate until the Consumer Advocate's pre-filed testimony in this Docket.<sup>5</sup> It is worth noting that, in this Docket, Integra has filed two amendments to its *Initial Petition* and filed an *Amended Tariff* to address missing or incorrect information. The Consumer Advocate is requesting an additional five days, which is reasonable in light of the expected size of the Second Discovery Request and the multiple amended filings by Integra.

If Integra's Proposed Procedural Schedule is approved, the testimony of the Consumer Advocate's witnesses runs the risk of being incomplete. The effect of this would be to deny to the Consumer Advocate, and the consumers it represents, the ability to provide even an adequate recommendation to assist the TPUC in evaluating this CCN Petition.

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<sup>5</sup> The Consumer Advocate is working on its Second Discovery Request and it will be a significant discovery request.

**II. The Hearing Officer Should Approve the Consumer Advocate's Proposed Procedural Schedule Attached to This Motion Herewith.**


The Proposed Procedural Schedule attached as Exhibit A allows for adequate time to analyze the recent filings by Integra and provides adequate time to analyze discovery responses received prior to the filing of prepared testimony. The Consumer Advocate's Proposed Procedural Schedule is a workable approach that accommodates the Company's apparent desire for a December target hearing date, while balancing the need of the Consumer Advocate to investigate and develop information and data that it needs to prepare its case and represent ratepayers.

Furthermore, the Proposed Procedural Schedule establishes time for formal settlement negotiations, thereby ensuring that not only do the Parties have the opportunity to analyze each filing and to respond to these filings in furtherance of the case, the Parties will also have time set aside to openly and amicably discuss what would be a successful resolution to this case. In fact, these settlements discussions – while not only providing both Parties and the TPUC the ability to analyze the filings – could result in the case being settled in as timely of a manner as a contested hearing would lead to.

**CONCLUSION**

WHEREFORE, the Consumer Advocate respectfully moves that the Hearing Officer deny Piedmont's Proposed Procedural Schedule filed in this TPUC Docket No. 17-00014 and, further, respectfully moves that the Hearing Officer approve the Consumer Advocate's Proposed Procedural Schedule.

RESPECTFULLY SUBMITTED,

  
KAREN H. STACHOWSKI (BPR #019607)  
Assistant Attorney General  
Office of the Tennessee Attorney General

Public Protection Section  
Consumer Protection and Advocate Division  
P.O. Box 20207  
Nashville, Tennessee 37202-0207  
Phone: (615) 741-2370  
Fax: (615) 532-2910  
Email: karen.stachowski@ag.tn.gov

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:

Benjamin A. Gastel, Esq.  
Branstetter, Stranch & Jennings, PLLC  
The Freedom Center  
223 Rosa L. Parks Avenue, Suite 200  
Nashville, Tennessee 37203  
Tel: 615.254.8801  
Fax: 615.255.5419  
Email: beng@bsjfirm.com

This the 29<sup>th</sup> day of September 2017.

  
\_\_\_\_\_  
Karen H. Stachowski



**Docket No. 17-00014 Integra Water**  
**Revised Proposed Schedule—December Hearing Date**

<b>Due Date</b>	<b>Filing/Action</b>
October 13, 2017	2 <sup>nd</sup> Round Discovery Request by Consumer Advocate
October 20, 2017	2 <sup>nd</sup> Round Discovery Responses by Integra
	Formal Settlement Meeting by November 8th (negotiations not limited to formal meetings)
November 15, 2017	Consumer Advocate Pre-Filed Testimony
November 22, 2017	Integra Pre-Filed Rebuttal Testimony*
November 30, 2017	Pre-Hearing Telephone Conference
December 12, 2017	Target Hearing Date

*Copies of all discovery exchanged between the parties shall be filed with the Commission within 3 days of the exchange of information. All spreadsheets shall be filed in Excel format with working formulas intact.*

*\* Integra's Rebuttal Testimony should be filed by noon on November 22, 2017 and should be limited to issues raised in the Consumer Advocate's Direct Testimony. Integra's Rebuttal Testimony should include the page and line number of the consumer Advocate's testimony that is being rebutted.*

**Exhibit A**



PO Box 10127, Birmingham, AL 35202

Toll Free (877) 511-2911 Fax (205) 326-6856

\*\*\*\*\*WATER / WASTE WATER SERVICE APPLICATION\*\*\*\*\*

\*\*\*\*\*READ THIS APPLICATION IN ITS ENTIRETY BEFORE SIGNING\*\*\*\*\*

\*\*\*\*\*THIS APPLICATION WILL BECOME A BINDING CONTRACT UPON ACCEPTANCE BY THE UTILITY\*\*\*\*\*

I, we, the undersigned ("Consumer") hereby request water/waste water service from Integra Water, LLC or its subsidiaries ("Utility") at the Service Address and for the use stated below and none other. Consumer agrees to promptly pay the application fees, service fees, deposits, late fees, after-hours fees, processing fees and all other charges and fees of Utility ("Charges") at Utility's standard rates as set by Utility, now or at any future time, and to comply with Utility's rules, regulations and policies, as modified from time to time by Utility ("Rules"). Utility's obligation to provide water/waste water service is subject to (i) Utility's acceptance of this Application and (ii) the provisions of any water or sewer license, franchise, easement, right-of-way or other agreements that may exist between Utility and any governmental authority or other person. Utility shall have exclusive right to furnish such service(s) to the Service Address. Consumer will read and comply with the **Water & Waste Water Policy Manual** available at [www.integrawater.com](http://www.integrawater.com) or upon request from Utility at the address shown above. The signed Application, together with a copy of Consumer's valid Driver's License and applicable Charges, must be submitted to Utility at the address set forth above. Consumer further agrees that:

- (1) Utility retains title to and has the sole right to use all meters, connections and other property furnished by it and may remove them at anytime; and
- (2) Consumer is responsible for the safekeeping of all property of Utility at the Service Address; and
- (3) Consumer consents to Consumer's water provider releasing to Utility, water consumption at the Service Address for exact calculation of sewer services;
- (4) Consumer grants and guarantees free right of access by Utility employees, agents, and contractors to meters, connections and other property of Utility at the Service Address without obstruction (e.g., shrubs, decks, porches, vehicles, animals, fences, etc., or human intervention); and
- (5) Consumer will keep the service line, all other piping, all plumbing fixtures and fittings and all appliances at the Service Address (not including meters maintained by the Utility) in good and safe operating condition, first notifying the Utility prior to having repairs made to the service line, and will report immediately to the Utility any leaks discovered; and
- (6) Consumer will not connect supplementary water or sewer service to a new or existing meter or connection on Utility's system. Consumer agrees that a separate tap with associated Charges will be required for each building or structure at the Service Address; and
- (7) Consumer will notify Utility within 10 days prior to vacating the Service Address or service discontinuance for any reason; and
- (8) Consumer will install, at Consumer's expense and pursuant to Utility specifications, the service line from Utility's distribution system to the point of use at the Service Address. Consumer is responsible for obtaining correct specifications from Utility for service lines. Utility has the sole right to determine the location of the service line's connection to the Utility's distribution system. Utility will not refund any payments made by Consumer for extension of water or waste water distribution lines to the property line of the Service Address unless required under a separate agreement with Utility; and
- (9) Consumer agrees that Utility may install or cause to be installed a cut-off valve on the water service line at the Service Address, and that upon a Default, Utility has the absolute right 10 days after mailing notice to the Service Address to stop water and waste water service to the Service Address by use of the cut-off valve. Utility has the right to do so without notice in the event of an emergency or if damage to Utility's system or plant is likely to occur or Utility is otherwise likely to incur liability. Use of the cut-off valve to terminate waste water service will also result in the termination of water service, but Consumer must continue to pay the minimum fee for water service if required by the water service provider.
- (10) Discontinuance of Service: Consumer understands and agrees that:
  - a.) 10 days after mailing written notice to the Service Address (or immediately and without notice in the event of an emergency or if damage to Utility's system or plant is likely to occur or Utility is otherwise likely to incur liability), Utility can cut off water and waste water service to the Service Address if Consumer fails to pay any Charges, fails to comply with any of the Regulations or fails to comply with any provision of this Contract (a "Default"); and
  - b.) Consumer must pay an additional delinquent processing fee to reinstate service, and if reinstatement of service occurs after hours, Consumer must pay an additional after hours call out fee and;
  - c.) Consumer must pay all Charges in full before service will be reinstated; and
  - d.) Utility employees or contracted agents are not allowed to collect payments in the field without special authorization from management; and
  - e.) Utility employees and contracted agents must disconnect all accounts that are delinquent; and
  - f.) Consumer must pay any unpaid Charges promptly at time service is discontinued; and
- (11) Consumer will pay a late fee equal to 10% of any Charges that remain unpaid following the delinquent date shown on the utility bill. Consumer will pay or reimburse Utility for all costs and expenses, including, but not limited to, reasonable attorney's fee, collection fees, and interest, incurred by the Utility in collecting or attempting to collect any Charges or other sum due from Consumer to Utility; and Consumer waives all rights of exemption as to personal property under the constitution and laws of this state or any other state; and
- (12) Septage Haulers contributing to any of the Utility's WWT Plants must sign this plus an additional agreement; and
- (13) Consumer does and hereby release and forever discharge, and hereby agrees to indemnify, defend and hold harmless, Utility, its members, managers, employees, contractors, successors and assigns (collectively, the "Indemnified Parties"), from all loss, claim, damage and expense to property, person or otherwise and of every nature (including attorney's fees) arising out of or relating to the provision of service to the Service Address by Utility, including any loss, claim, damage or expense arising out of a breach by Consumer of any provision of this Contract, except to the extent caused by the sole negligence or willful misconduct of Utility. In addition, Consumer does hereby releases and forever discharge the Indemnified Parties from all loss, claim, damage and expense to property, person or otherwise and of every kind arising from any service interruptions or other conditions or occurrences arising from or relating to use of the cut-off valve, water or waste water line breaks or blockages, tampering, failures of the Utility system, acts of God, fire, earthquake, flood, explosion, war or hostilities, any act of terrorism or belligerence, riot, public disorder, expropriation, requisition, confiscation or nationalization, rationing or allocation (whether imposed by law, decree, regulation or industry insistence), restraint by order of court or governmental authority, inability to obtain necessary approvals from any governmental authority, epidemic, quarantine, strikes or combination of workmen, labor disturbances, failure or breakdown of facilities and/or equipment (whether or not resulting from any cause listed above), changes in laws or regulations, termination or restriction of rights under any license, franchise, easement, right-of-way or other agreement for any cause whatsoever or any other event, matter or thing, wherever occurring, which shall not be within the reasonable control of Utility (each a "Force Majeure Event"). Utility's failure to perform or delay in performing any of its obligations under this Contract as a result of a Force Majeure Event shall not be a breach of this Contract.

Signature Applicant #1: \_\_\_\_\_

Date: \_\_\_\_\_

Signature Applicant #2: \_\_\_\_\_

Date: \_\_\_\_\_

UTILITY SIGNATURE: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit B**



Print Applicant #1: \_\_\_\_\_

Print Applicant #2: \_\_\_\_\_

Owner: ☐ Tenant: ☐ Developer: ☐ Landlord: ☐  
Other: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Service Address: \_\_\_\_\_  
\_\_\_\_\_

Federal Tax ID #: \_\_\_\_\_

*Integra Water, LLC will not disclose any personal information about you to a third party vendor unless for debt collection or compelled to do so by law.*

Valid US Driver's License or Approved Picture ID and  
A Social Security Number or Federal Tax ID # is Requested

Use: Residential ☐ Commercial ☐ Industrial ☐

Would you like to participate in our free bank draft payment plan?  
Have you previously had service on our Water / Waste Water System?

Employer Applicant #1: \_\_\_\_\_

Employer Applicant #2: \_\_\_\_\_

Information Applicant #1

Information Applicant #2

DL #: \_\_\_\_\_

SS #: \_\_\_\_\_

Work #: \_\_\_\_\_

Home #: \_\_\_\_\_

Cell #: \_\_\_\_\_

Providing cell # is granting permission to Integra Water to use the cell # for all contact purposes.

DOB: \_\_\_\_\_

E-Mail #1: \_\_\_\_\_

E-Mail #2: \_\_\_\_\_

☐ Yes ☐ No  
☐ Yes ☐ No

DATE TO START NEW SERVICE: \_\_\_\_\_

IF TRANSFER: DATE TO STOP SERVICE: \_\_\_\_\_

ADDRESS TRANSFERRING FROM: \_\_\_\_\_ Rt./Acct. #: \_\_\_\_\_

**For Office Use Only:**

System ID: \_\_\_\_\_

CUSTOMER NUMBER: \_\_\_\_\_  
ROUTE / ACCOUNT #: \_\_\_\_\_

SERVICE ADDRESS: \_\_\_\_\_

SUB-DIVISION NAME: \_\_\_\_\_

PHASE: \_\_\_\_\_

LOT NUMBER: \_\_\_\_\_

*\*Application & Tap Fees are Non-refundable*

*\*Fire Hydrant permits are Non-refundable*

*APPLICATION FEE	\$
TRANSFER FEE	\$
*TAP FEE	\$
SYSTEM DEV. FEE	\$
METER CHARGE	\$
*FIRE HYD PERMIT	\$
Meter UPSIZE Fee	\$
Meter DOWNSIZE Fee	\$
OTHER CHARGES	\$
TOTAL CHARGES	\$

Payment Method:

CASH

☐

CHECK #

☐

DEBIT

☐

CREDIT

☐

Application Type:

WATER

☐

SEWER

☐

\*SEPTAGE HAULER

☐

*\*Additional Application*

**Required**

New Account Service Order #: \_\_\_\_\_

Final Bill Service Order #: \_\_\_\_\_

Transfer From Customer #: \_\_\_\_\_

Transfer To Customer #: \_\_\_\_\_

Customer User Class: \_\_\_\_\_

Special Instructions

Meter #: \_\_\_\_\_

Meter #: \_\_\_\_\_

Billing Cycle #: \_\_\_\_\_

Billing Cycle #: \_\_\_\_\_

Billing Category: \_\_\_\_\_

Rates and Miscellaneous Charges are Subject to Change

\*\*\*\*\*Read This Contract in Its Entirety Before Signing\*\*\*\*\*

## Karen H. Stachowski

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**From:** Karen H. Stachowski  
**Sent:** Tuesday, September 26, 2017 4:18 PM  
**To:** Ben Gastel  
**Cc:** Vance Broemel; Cynthia Kinser  
**Subject:** Re: 17-00014 Integra Water

Thanks Ben. It would be helpful if you could resend the application Integra Water does intend to use in Tennessee. I agree it is confusing to have an application on Integra's website for Tennessee if it is not the intended application. I will let our financial analyst know the contact person for him is Mike Myers.

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**From:** Ben Gastel <beng@bsjfirm.com>  
**Sent:** Tuesday, September 26, 2017 3:50:57 PM  
**To:** Karen H. Stachowski  
**Cc:** Vance Broemel; Cynthia Kinser  
**Subject:** RE: 17-00014 Integra Water

Karen,

I am fine with proceeding with informal discovery requests. As for discussions between the respective financial analysts. The person to contact is Mike Myers at Integra. I will send his email separately. We intend to file a new proposed tariff tomorrow that largely accepts the proposed changes from the AG. One bit of confusion seems to be that the AG is looking at the "application" Integra posted on its website, that is not the proper application and is not intended to list the fees Integra intends to charge. To that end, we will not have nearly as many fees listed in the tariff as the AG requested simply because I don't think Integra intends to charge them.

I believe Integra has previously served the application it intends to use in Tennessee, but if you need me to resend it please advise. I have asked my client to remove the application from its website so to avoid confusion in the future.

Thank You,  
Ben Gastel  
**Branstetter, Stranch & Jennings, PLLC**  
The Freedom Center  
223 Rosa L. Parks Avenue, Suite 200  
Nashville, TN 37203  
P: 615.254.8801  
F: 615.255.5419

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**From:** Karen H. Stachowski [mailto:Karen.Stachowski@ag.tn.gov]  
**Sent:** Tuesday, September 19, 2017 1:15 PM  
**To:** Ben Gastel <beng@bsjfirm.com>  
**Cc:** Vance Broemel <Vance.Broemel@ag.tn.gov>; Cynthia Kinser <Cynthia.Kinser@ag.tn.gov>  
**Subject:** RE: 17-00014 Integra Water

Ben,

Exhibit C