

TENNESSEE REGULATORY AUTHORITY

502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

April 7, 2017

Michael Myers
Integra Water Tennessee, LLC
600 University Park Place, Suite 275
Birmingham, Alabama 35209

RE: Docket No. 17-00014 –Petition of Integra Water Tennessee, LLC. to Obtain a CCN to provide wastewater service to the Casey Cove Subdivision in a portion of DeKalb County, Tennessee.

Dear Mr. Myers:

In order to assist the Authority in its investigation of the above-captioned matter, it is requested that responses be provided to the questions contained in the attached data request.

Pursuant to TRA Rule 1220-1-1-.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. Also, 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. Any excel spreadsheets must be submitted electronically with formulas.

It is requested that all information be provided no later than 2 PM, Tuesday, April 25, 2017, and that Docket No. 17-00014 be referenced on the response. Should you have questions regarding the attached request, please contact Patsy Fulton at (615) 770-6887.

Sincerely,



David Foster
Chief, Utilities Division

Attachment (1)

Data Request Dated April 7, 2017

1. Will the system be built to serve 31 customers initially? If not, please provide how many customers the system will initially be able to serve. In addition, provide the anticipated completion date of the initial system.
2. Please explain the relationship between Integra Water, LLC, (“Integra”) Integra Water Tennessee, LLC, (“Integra – Tennessee” or “Utility”) and Envirolink, Inc. (“Envirolink”), including all activities that Envirolink will perform for Integra – Tennessee.
3. Please list all members of Integra Water, LLC.
4. Please list all members of Integra Water Tennessee, LLC.
5. Also, provide an organization chart for the above referenced entities along with all other affiliated companies and/or affiliates of each entity listed.
6. Does Envirolink perform any management activities for Integra Water, Inc.?
7. Provide a copy of the contract between Envirolink and/or Integra and/or Integra - Tennessee.
8. Provide a copy of the contract(s) or agreement(s) between Integra and any other party to the wastewater system at Casey Cove Estates (developer, contractor of system, customer.)
9. If one of the contracts above does not include entitlement to the treatment system, collection system and land where each will be, provide a copy of the deed to each in Integra – Tennessee’s name or provide when and how Integra – Tennessee will be provided ownership documentation.
10. Will Integra require each customer to sign a customer contract? If so, please provide a copy of said form/contract/customer agreement as part of Integra’s proposed tariff.
11. Identify the funding or financial capital that is available to the Utility to operate the wastewater system, excluding utility revenue received from wastewater service customers.
12. Provide copies of all contracts related to any pending merger or acquisition of the applicant, corporate parent or affiliate.

13. Provide the name, address and phone number for the Developer of Casey Cove Estates.
14. Provide the name, address and phone number for the Contractor of the wastewater system.
15. Provide a copy of the license to do business in the State of Tennessee for the contractor of the wastewater system.
16. Is there a Homeowners Association (HOA) at Casey Cove and does Integra have a contract with the HOA?
17. If there is a HOA, provide a copy of the by-laws for the HOA.
18. Please list any components to the wastewater system (from customers drain) that Integra intends for the customer to provide and/or maintain.
19. Does Integra have a deed to the property where the wastewater system will be built?
20. If Integra does not yet own the land where the system will be built, provide the name of the company that owns the land and provide map and parcel number for the land.
21. Provide a tariff in accordance with TRA Rules and Regulations. The tariff must include any and all fees and/or charges that will be billed to the utility customers, along with all service regulations and liabilities of the customer and company. The tariff should specifically define each customer class and the terms and conditions that differentiate between them. The TRA numbered rules for tariffs are as follows:

1220-4-1-.02 Tariff Specifications:

1220-4-1-.03 Tariff Contents:
22. State whether Cecil Brown is full time/part time employee or contractual employee of Integra Water Tennessee, LLC. If he is a contractual employee, please provide a copy of the contract.
23. Provide biography/resume for Cecil Brown if he is going to be the wastewater operator of the Integra – Tennessee system.
24. Does the Utility have any employees other than those under contract? If yes, provide name and position of each.

25. Provide biographies of officers and/or key wastewater utility staff that demonstrate managerial and financial ability. Include a list of certifications or professional licenses earned by officers or wastewater utility staff with documentation especially for those that will be managerially and financially responsible for the Utility.
26. The application submitted with the Petition states that "Actual Cost" will be charged for a reconnect charge if sewer service is cut off by Utility. Please define "Actual Cost" and describe exactly how charges will be calculated. Also, please provide an average cost to reconnect customers.
27. Provide a chart of accounts for the wastewater utility following the NARUC Uniform System of Accounts (USOA) for wastewater utilities.
28. The sewer rate provided in the Petition states \$60 per 1000 gallons flat rate for residential and a rate of \$60 per thousand for non-residential; however, the Petition is only requesting 31 residential homes to be included.
29. The revenue amounts on the Projected Income Statement do not equate to the amount to be charged per customer as stated in the Petition. Please provide a spreadsheet that coordinates the proposed tariff rates and number of projected customers.
30. Provide an excel spreadsheet with working formulas that details (itemizes) the operation and maintenance expenses by account number. Provide basis and/or assumptions used to arrive at each expense. Provide backup documents for all expense assumptions on the five year statement of revenues and expenses used to establish rates, inclusive but not limited to a copy of the tariff from the local electric company and a written quote from the insurance agencies supporting insurance expense for the system. Understanding that it is warranted for one year, provide the insurance expense for the 4 years thereafter as well as any insurance expense Integra – Tennessee will have in case of a natural disaster.
31. Is it Integra's understanding that the wastewater treatment and collection system ownership and the ownership of the land will be transferred to Integra – Tennessee when the system is complete? If so, provide a contractual reference for the transfer.
32. Please state the amount that Integra – Tennessee will record as Contributions in Aid of Construction upon the transfer of the system and the land.

33. Will the Utility require the developer to provide an equipment room to house the equipment so that the equipment, such as the control panel, is protected from the weather?
34. Provide a list of all plant-in-service account numbers with account names and estimated account balances as of the start of operations.
35. Since Envirolink is a management company for Integra – Tennessee, include the management expenses based on the contractual agreement with Envirolink on appropriate spreadsheets.
36. Provide a copy of Integra's cost allocation manual. If a manual is not available, provide the basis, rationale and assumptions that will be used in allocating revenue and expenses between regulated and non-regulated activities within Integra and its affiliates.
37. Were any tap fees collected by either the developer or LUB that will be turned over to Integra, Integra – Tennessee or Envirolink? If the answer is yes, please state the type of each customer, the date and the amount of tap fees that were collected.
38. Please provide a surety bond or bank letter of credit in accordance with TRA Rule 1220-4-13-.07.
39. Provide a list with dates and describe any North Carolina or Alabama State, City, County complaint or otherwise notice of any violation within the last three years. Provide whether each is open or closed. If open, please explain why.
40. Provide a copy of the monitoring reporting that will be available for this system and a timetable for how quickly it can be provided upon request.
41. What is Integra – Tennessee's process and anticipated response time for a standard service request? What is Integra – Tennessee's process and anticipated response time for an emergency request?