

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
	)	
<b>PETITION OF TENNESSEE</b>	)	
<b>WASTEWATER SYSTEMS, INC., TO</b>	)	<b>DOCKET NO. 18-00107</b>
<b>AMEND ITS CERTIFICATE OF</b>	)	
<b>CONVEIENCE AND NECESSITY</b>	)	

---

**TENNESSEE WASTEWATER SYSTEMS, INC.'S RESPONSE TO THE CONSUMER  
ADVOCATE'S FIRST DISCOVERY REQUEST**

---

Tennessee Wastewater Systems, Inc. ("TWSI") hereby submits its responses to the Consumer Advocate's First Discovery Request.

**GENERAL OBJECTIONS**

1. TWSI objects to the definitions and instructions accompanying the requests to the extent the definitions and instructions contradict, are inconsistent with, or impose any obligations beyond those required by applicable provisions of the Tennessee Rules of Civil Procedure or the rules, regulations, or orders of the Tennessee Public Utility Commission.

2. TWSI objects to all requests that seek information protected by the attorney-client privilege, the work-product doctrine and/or any other applicable privilege or restriction on disclosure.

3. TWSI objects to each request to the extent that it is unreasonably cumulative or duplicative, or seeks information obtainable from some other source that is more convenient, less burdensome or less expensive.

4. TWSI objects to each request to the extent it seeks information outside TWSI's custody or control.

5. TWSI objects to those requests that seek the identification of “any” or “all” documents or information related to a particular subject matter on the grounds that they are overboard and unduly burdensome, and exceed the scope of permissible discovery.

6. TWSI objects to those requests seeking information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence and is not limited to this matter.

7. The specific responses set forth below are based on information now available to TWSI and TWSI reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information produced.

8. TWSI’s decision, now or in the future, to provide information or documents notwithstanding the objectionable nature of any of the definitions or instructions, or the requests themselves, should not be construed as: (a) a stipulation that the material is relevant or admissible; (b) a waiver of TWSI’s General Objections or the objections asserted in response to specific discovery requests; or (c) an agreement that requests for similar information will be treated in a similar manner.

#### **RESPONSES TO DISCOVERY REQUESTS**

1-1. In a letter dated October 10, 2018 (Letter), the Tennessee Department of Environment and Conservation (TDEC) informed the Company that its permit application for the Warrioto Hill Treatment Facility (SOP-18024) was incomplete. A copy of this letter is attached as CA Exhibit A. According to the TDEC Permit Dataviewer, the permit application is “incomplete”.<sup>1</sup> Provide responses to the following:

- a. Has the Company addressed the deficiencies as stated in the Letter? If not, when will the deficiencies be addressed?

- b. If the deficiencies have been addressed, provide a copy of a letter issued by TDEC confirming that the permit application for SOP-18024 is complete.

**RESPONSE:**

a. **TWSI has submitted updated information to TDEC to address the deficiencies stated in the Notice of Incomplete Application.**

b. **TWSI has not received notification that the permit application for SOP-18024 is complete. When that notice is received a copy will be filed in this docket along with any draft and final permits TDEC issues for the project.**

- 1-2. Refer to the Company's Response to TPUC DR No. 1. The Company states that the capacity of the wastewater system is 17,100 gpd.<sup>2</sup> However, the Company's TDEC Permit Application states that the Recirculating Media Filter (RMF) is sized for 19,250 gpd.<sup>3</sup> Which number is correct for the size of the RMF for this subdivision - 17,100 gpd or 19,250 gpd?

**RESPONSE:**

**The RMF will be sized at 19,250 GPD. The plans call for the construction of a sand filter (which is a type of RMF). Sand filters have standard sizing to allow for lower cost and easier installation. This filter will only be permitted to treat up to 17,100 GPD of flow which does not exactly correspond to a standard sand filter size, so a larger sized filter is required. So, while the sand filter is technically capable of handling 19,250 GPD, it will only have a permitted capacity for up to 17,100 GPD.**

- 1-3. Refer to the Company's Response to TPUC DR No. 3 and the treatment schematic filed with TDEC as part of the Company's Permit Application (CA Exhibit B). In the Company's Response to TPUC DR No. 3, the Company states that "[t]he treatment system is designed to handle those flows only." To ensure understanding of the terminology being used in the responses to the TPUC's Data Requests, define what the Company means by

the term "treatment system" using the attached treatment schematic. Provide responses to the following:

- a. Does the term "treatment system" as used by the Company refer only to the Watertight Collection System?
- b. Does the term "treatment system" as used by the Company refer only to the 19,250 GPD Recirculating Media Filter?
- c. Does the term "treatment system" as used by the Company refer only to the 5,000 Gallon Recirculating Tank?
- d. Does the term "treatment system" as used by the Company refer only to the 1,500 Gallon Final Dose Tank?
- e. Does the term "treatment system" as used by the Company refer only to Filtration?
- f. Does the term "treatment system" as used by the Company refer only to the Drip Disposal Field (43,000 GPD)?
- g. Does the term "treatment system" as used by the Company refer to a combination of a-e above? If yes, please list the components of the "treatment system".

**RESPONSE:**

The term "treatment system" refers to all the above with the exception of the 43,000 GPD drip disposal field. The drip disposal field is part of the treatment system, but TDEC will only approve soils to dispose of 17,100 GPD so only that amount of soils will be part of the treatment system. Also included in the term "treatment system" is the collection system and the control building for the plant.

- 1-4. Refer to the Company's Response to TPUC DR No. 2 and your Exhibit 1 (TDEC meeting notes). The TDEC meeting notes state that 4.56 acres of available soil would meet the needs for the 43,000 gpd requested; however, the recirculating media (sand) filter being installed is sized for a flow of 19,100 gpd. Is it correct that the capacity being considered for authorization under the TDEC State Operating Permit is limited to 19,100 gpd, which is the treatment capacity of the recirculating media (sand) filter?

**RESPONSE:**

**No. The capacity being considered for authorization is 17,100 GPD which corresponds to the system design flow per TDEC guidelines of 300 GPD per EDU. There are 57 EDU's proposed for this project which results in the 17,100 GPD of flow.**

- 1-5. Refer to the Company's Response to TPUC DR No. 2, Exhibit 1 (TDEC meeting notes); TPUC DR No. 3, CA Exhibit B (treatment schematic). It appears there are 4.56 acres of available soil to meet the needs for the 43,0000 gpd, and the recirculating media (sand) filter is sized for a flow of 19,100 gpd. Provide responses to the following:
- a. Is the proposed 5,000-gallon recirculating tank sized to meet the needs of 43,000 gpd or 19,100 gpd?
  - b. Is the proposed 1,500-gallon final dose tank sized to meet the needs of 43,000 gpd or 19,100 gpd?

**RESPONSE:**

**Both tanks are of standard size and will accommodate any flows coming into the system. Put another way, the tanks will not require upgrading in the event the system is expanded.**

- 1-6. Refer to the Company's Response to TPUC DR No. 3. According to the Response, the Company's Petition<sup>4</sup> is for a system providing 43,000 GPD, but "support" was provided for 57 residential lots. Explain by what you mean by the term "support" in the statement that "support was provided for 57 residential lots and a total of 17,100 GPD".

**RESPONSE:**

**The term "support" was used by TPUC in DR No. 3. TWSI did not use that term in its response and cannot speak to what TPUC intended by its use of the term.**

- 1-7. Refer to the Company's Response to TPUC DR No. 3. According to the Response, the Company's Petition is for a system providing 43,000 GPD, but "support" was provided

for 57 residential lots amounting to 17,100 GPD. This results in a capacity difference of 25,900 gpd Petition request and the “support” provided for the 57 residential lots. Provide answers to the following:

- a. Will the 25,900 GPD in unused system capacity be recorded as an asset by any entity?
- b. Who will be responsible for the costs of upgrading the system to serve customers beyond the initial 57 residential lots?
- c. Describe the upgrades that would be necessary for the system to be upgraded to serve additional customers.
- d. Will the unused capacity result in incremental Operations and Maintenance expenses beyond what would be required to serve the 57 residential lots?

#### **RESPONSE**

To clarify, the term “support” was not used by TWIS in its response to TPUC’s DR No. 3. TPUC used the term in its data request to TWSI. TWSI cannot speak to what TPUC’s use of the term means.

a. No. There is no unused capacity in the system. The development requires 17,100 GPD of capacity. The limiting factor for capacity in this system is the amount of approved soils. While the sand filter is capable of treating up to 19,250 gpd, TDEC has said it will only approve soils for the 17,100 GPD necessary to serve the development. Since no additional soils are available to the system, there is no additional capacity available.

b. Any upgrades to the system to serve additional customers will be at the cost of the developer or customer requesting service and/or expansion of the system.

c. The sand filter is capable of treating flows for an additional 7 EDU’s ( $7 \times 300\text{GPD} = 2100 \text{ GPD} + 17,100 \text{ GPD} = 19,200 \text{ GPD}$ ). Any requests for service up to 7 EDU’s will require the provision of additional soils for those 7 EDU’s. If additional capacity is required beyond 7 EDU’s, additional soils will need to be provided and additional treatment will need to be built.

d. No.

- 1-8. Refer to the Company’s Response to TPUC DR No. 6. Does the Sewer Service Agreement cover the conveyance of land for the land in excess of those necessary to serve the 57 lots?

**RESPONSE:**

**The developer will only convey the land necessary to provide drip disposal capacity (17,100 GPD) to the subdivision. No excess land will be conveyed.**

- 1-9. Refer to the Company's Response to TPUC DR No. 6. Is there anything in writing between the developer and the Company covering the conveyance of lands beyond those necessary to serve the original 57 lots?

**RESPONSE:**

**No.**

- 1-10. Refer to Exhibit J filed with the Company's Petition. Specifically, refer to numbered Paragraph 6 regarding the extension of piping infrastructure to serve future development.
- a. How would the Company record such investments on its books and records?
  - b. Since the Company is not earning a rate of return on plant investment is it the company's intention to pass these costs onto the current customers of the utility, the lot owner who desires service, or some other means of recovery?

**RESPONSE:**

- a. **It will be recorded as a contribution in aid of construction from a developer.**
  - b. **TWSI obtains the right to extend piping infrastructure to serve future development through existing developments at the time of contracting in the event neighboring systems or developments are tied together; or if there is a regional system in operation and piping needs to be run to make other connections. It is easier to do this at the time of contracting than to come back and negotiate for this right after the fact. The cost for extending the infrastructure is born by developers or those requesting the service.**
- 1-11. Refer to Exhibit J filed with the Company's Petition. Specifically, refer to numbered Paragraph 11 regarding sewer access fees. How does the Company plan on counting the number of plats for "...which a service connection to the wastewater system is available,

installed, or expanded but for which no residence, building, or structure has been attached to the service connection”?

**RESPONSE:**

**The individual plats (or lots) to be served are identified on the final plat signed by the Utility. By signing the plat, the utility is committing to serve those identified lots.**

- 1-12. Refer to the Company’s Response to TPUC DR No. 10. The Company explained that a typo existed in the Letter of Understanding (LOU), Paragraph 17. Specifically, the last sentence should read “TWS will not incur any costs in procuring easement so pursuing condemnation with the Developer’s written approval.” Has the Company executed a corrected LOU with the developer? If yes, provide a copy of the executed corrected LOU. If not, explain why not and when a corrected LOU will be executed.

**RESPONSE:**

**No. Condemnation is not a concern with this project. There are no plans to issue a corrected LOU because the typo is not material to the agreement since condemnation is not a concern with the project.**

- 1-13. Refer to the Company’s Response to TPUC DR No. 5. At the bottom of page 2 of the Company’s TPUC Responses, the Company states that “Sewer contracts are not typically executed until the sewer system is complete . . .” However, in the paragraph before and after this statement, the Company uses the term “Service Agreement” and “Sewer Service Agreement”. Is the Company using sewer contracts, Service Agreement and Sewer Service Agreement interchangeably in this response? If not, explain the difference.

**RESPONSE:**

**The terms are used interchangeably.**



1-14. Refer to Exhibit E filed with the Company's Petition. Specifically, refer to the line "Pumps & Equipment." Provide narrative responses to the following:

- a. What are the specifications of the pumps being used for this project?
- b. Will the pumps need to be upgraded in the system is ever expanded?
- c. If the answer to b. is yes, who will be responsible for upgrading the pumps?

**RESPONSE:**

a. **Sludge ejector pump: Sta-rite EC2 series or approved equal; Upper Volute: Cast Iron, Motor Cover: Cast Iron, Lower Volute Base: FRP, Impeller: FRN with threaded brass insert, Shaft seal: Mechanical; carbon ceramic, bearings: upper sleeve and lower ball bearings, oil lubricated, O-rings: Buna-N, Ext hardware: S.S. Motor: 4/10 hp 1550 RPM, 115V, 60 Hz. Class b insulation. Oil filled shaded pole containing built in overload protection with auto reset.**

**Recert Pump: HCP A-43 or approved equal; Submersable, Wastewater/sump, Insulation: Class-B, Protection: IP68, Protector: Auto-cut, Bearing: Ball type, M.Seal: Upper, Carbon ceramic, lower, silicon/silicon, Impeller: Enclosed channel, Upper cover: Engineered composite, Motor Frame: 304 SS, Main shaft: 403 SS, Casing: Engineered composite, Impeller: Engineered composite.**

**Final Dose pump: Manufactured by Pentair or approved equal, 4" Submersible Motor; 5/16-24 UNF threaded studs on 3" diameter for pump head mounting, Encapsulated, epoxy stator, End bell: 304 SS, rounded bottom, Shell: 304 SS with laser welded to end bells, Motor shaft: 17-4 precipitation hardened SS, insulation: Class-F, Fasteners: 304 SS, Lip seal: nitrile, sand boot: nitrile, Diaphragm: EPDM, Thrust bearings: Kingsbury-type, pivot shoe, carbon graphite mating ring. Pump head; Shell: SS, Discharge Bearing: Self-lubricating Nylatron, Impellers: Engineered composite, Diffusers: Engineered composite, Suction cups: Engineered composite with SS wear ring, Shaft and coupling: SS 300 grade, Intake: Engineered composite, Intake screen: Polypropylene**


- b. No.
- c. N/A.

1-15. Provide all documents not already provided that were used or relied upon in responding to these Requests.

**RESPONSE:**

**There are none at this time, however TWSI will update the record should additional, relevant documents be produced.**

**RESPECTFULLY SUBMITTED,**

---

Jeff Riden (RPR No. 32769)  
General Counsel  
Tennessee Wastewater Systems, Inc.  
851 Aviation Parkway  
Smyrna, TN 37167  
615-220-7171  
[jeff.riden@adenus.com](mailto:jeff.riden@adenus.com)

**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:

Karen H. Stachowski  
Assistant Attorney General  
Office of the Tennessee Attorney General  
Financial Division, Consumer Advocate Group  
PO Box 20207  
Nashville, TN 37202-0207  
615-741-2370  
Email: [Karen.Stachowski@ag.tn.gov](mailto:Karen.Stachowski@ag.tn.gov)

This the 8th day of February, 2019.

---

Jeff Riden