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July 30, 2019

tpuc.docketroom@tn.org

Tennessee Public Utility Commission 502 Deaderick Street, 4<sup>th</sup> Floor Nashville, TN 37243

Re:

Petition of Cartwright Creek, LLC for Declaratory Ruling

Docket No. 19-00061

Please accept the attached letter and testimony for filing in the above-captioned matter.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

Henry Walker

HW/dbi Attachments

cc: Kelly Cashman-Grams



Henry Walker Direct: 615.252.2363 Fax: 615.252.6363 hwalker@babc.com

July 30, 2019

Earl Taylor, Executive Director Tennessee Public Utility Commission 502 Deaderick Street, 4<sup>th</sup> Floor Nashville, TN 37243

Re:

Petition of Cartwright Creek, LLC for Declaratory Ruling

Docket No. 19-00061

Dear Earl:

I am writing to ask that the above-captioned matter be placed on the Commission's August 12, 2019 agenda for hearing.

This docket involves a request by Cartwright Creek that the Commission issue a declaratory ruling that Cartwright Creek is not required to amend its certificate of convenience and necessity in order to provide wastewater service to twenty-two homes to be built on a parcel of land that is bordered on three sides by the service area of Cartwright Creek and that no other utility can serve. Under these circumstances, state law expressly provides that the utility does "not" have to amend its certificate to provide the requested service. T.C.A. § 65-4-201(a).

It is very important to the developer of the parcel that the agency rule on this issue as soon as possible. This will save the developer months of time and a substantial amount of money. Under the rules of the Williamson County Planning Commission, the developer normally cannot present his plans to the county for review until Cartwright Creek amends its certificate to include this parcel. If, however, the Commission grants the petition and confirms that, under the circumstances presented here, state law provides that Cartwright Creek does not have to amend its certificate, the attorney for the county has stated that the developer can move forward and submit his plans to the Planning Commission.

Although the petition was only filed July 22, 2019, there is no apparent reason why this matter cannot be placed before the agency on August 12. The legal issue presented is straightforward and involves the application of a statute to a very specific set of facts. The statutory language is clear and the facts are undisputed. There are no other parties and I have confirmed with the Consumer Advocate's Office that they do not intend to intervene. The hearing should take less than ten minutes.

<sup>&</sup>lt;sup>1</sup> With this letter, I am also filing testimony of Mr. Bruce Meyer attesting to the facts described in the petition.

Earl Taylor, Executive Director July 30, 2019 Page 2

Thank you for your consideration of this request.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

Henry Walk

HW/dbi Attachments

cc: Kelly Cashman-Grams

### DIRECT TESTIMONY of BRUCE MEYER

ON BEHALF OF CARTWRIGHT CREEK, LLC

July 30, 2019

- Q1. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION FOR THE RECORD.
- A1. My name is Bruce Meyer and my business address is 6545 Cox Road, College Grove, TN 37046.
- Q2. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
- A2. I am employed by Sheaffer Wastewater Solutions, LLC as Operations Manager.
- Q3. HOW LONG HAVE YOU BEEN EMPLOYED BY SHEAFFER WASTEWATER SOLUTIONS?
- A3. I have been employed by Sheaffer Wastewater Solutions ("Sheaffer") for approximately seventeen years.
- O4. WHAT IS YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE?
- I have a Bachelor's and Master's Degree in Environmental Engineering for the University of Illinois, Chicago and the Illinois Institute of Technology, respectively. I have over 35 years of experience in various roles in the environmental industry. I currently hold a Professional Engineering license in Tennessee and have State of Tennessee Biological Natural Systems and Collection System II wastewater operator's licenses.
- Q5. WHAT ARE YOUR RESPONSIBILITIES AS THE OPERATIONS MANAGER FOR CARTWRIGHT CREEK, LLC?
- A5. I am responsible for the day-to-day operation, engineering and permitting for Cartwright Creek, LLC ("Cartwright Creek").

#### O6. PLEASE DESCRIBE THE CARTWRIGHT CREEK SERVICE AREA.

A6. Cartwright Creek currently provides service to the Grassland's area in Williamson County and to the Hardeman Springs, Arrington Retreat and Troubadour (formerly Hideaway) subdivisions in the Arrington/Triune area in Williamson County. The existing service area in the Arrington/Triune area was approved by the Tennessee Regulatory Authority in Docket Nos. 04-00358 and 07-00180.

### Q7. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A7. The purpose of this testimony is to support Cartwright Creek's Petition for a Declaratory Ruling, Docket No. 19-00061. In the Petition, Cartwright Creek is asking the Commission to issue a declaratory ruling that Cartwright Creek is not required to amend its certificate of convenience and necessity in order to provide service to twenty-two homes that are going to be built on a one-hundred-ten acre parcel, called the Wilson parcel, that is contiguous to Cartwright Creek's service territory and cannot be served by any other utility. Attached to the Petition are two maps showing the location of the Wilson parcel and showing that the parcel is bounded on three sides by Cartwright Creek's service territory.

## Q8. CAN ANY OTHER UTILITY PROVIDE WASTEATER SERVICE TO THESE TWENTY-TWO HOUSES?

A8. No. The area is currently unserved and the only utility that could have provided wastewater service is the Nolensville/College Grove Utility District. The District has submitted a letter releasing their right to provide service to the Wilson parcel. A copy of the District's letter is also attached to the Petition as an exhibit.

- Q9. HAS THE DEVELOPER OF THE WILSON PARCEL REQUESTED

  WASTEWATER SERVICE FROM CARTWRIGHT CREEK?
- A9. Yes. A letter requesting service is attached to my testimony.
- Q10. DOES CARTWRIGHT CREEK HAVE A STATE OPERATOR'S PERMIT TO OPERATE A WASTEWATER SYSTEM TO SERVE THIS PARCEL?
- A10. Yes. Although Cartwright Creek's existing treatment system at Troubadour has ample capacity to service these twenty-two additional homes, Cartwright Creek is in the process of enlarging the existing system to serve up to 375 homes, including these twenty-two, and has obtained a State Operator's Permit for the expanded system. A copy of the SOP has been filed in Docket 19-00042.
- Q11. IF THIS PETITION IS GRANTED, WILL CARTWRIGHT CREEK WITHDRAW

  ITS APPLICATION TO AMEND ITS CERTIFICATE TO INCLUDE THE WILSON

  PARCEL?
- All. Yes. Our attorney has been advised by Ms. Kristi Ransom, counsel for Williamson County, that if the Commission confirms that Cartwright Creek is not required to amend its certificate in order to serve these twenty-two houses on the Wilson parcel, the developer of this parcel can go ahead and submit his design for the parcel to the Williamson County Planning Commission for review. The application filed in Docket 19-00042, the costs of which are being paid by the developer, will be withdrawn. This will save the developer months of time and a substantial amount of money.

- Q12. WHAT TYPE OF WASTEWATER COLLECTION AND WASTEWATER

  TREATMENT IS PROPOSED TO PROVIDE SEWER SERVICE TO THESE 22

  HOUSES?
- A12. The collection system will be a low-pressure force main system, with grinder pumps at every home. The pumps will discharge to common low-pressure collection lines that will convey the wastewater to the existing Troubadour treatment system owned by Cartwright Creek on Cox Road. The existing wastewater treatment system, an aerated lagoon system, currently has capacity to treat the wastewater from the twenty-two houses to be built on the Wilson parcel.

#### Q13. WHAT IS THE CURRENT STATUS OF THE WILSON PARCEL DEVELOPMENT?

- A13. The civil engineering design of the development is underway. The design includes the wastewater collection system. Construction activity will not commence until Williamson County approval is granted. However, the developer cannot submit his plans to the county for review until this Commission either amends Cartwright Creek's certificate, a process that is expensive and time consuming, or issues a ruling in this docket that no amendment is required.
- Q14. DOES CARFTWRIGHT CREEK HAVE THE MANAGERIAL AND
  TECHNICAL ABILITY TO OPERATE AND MAINTAIN THE WILSON
  PARCEL DEVELOPMENT'S WASTEWATER TREATMENT SYSTEM?
- A14. Yes. The Wilson addition fits well into Cartwright Creek's existing operations in the Arrington/Triune area, where there are three existing wastewater collection and treatment systems owned and operated by Cartwright Creek. Cartwright Creek has a full-time, licensed wastewater operator and an office/shop at the existing Troubadour treatment

facility, across the street from the Wilson Parcel development. His duties include the operation of the wastewater treatment systems at the Arrington Retreat, Hardeman Springs, and Troubadour developments. When required, Cartwright Creek's other wastewater operators assist the Troubadour operator. Due to the existing operations, Cartwright Creek has the equipment and tools required for the regular maintenance and operation of the system. Cartwright Creeks also has established relationships with several qualified contractors to address regular and emergency maintenance needs.

# Q15. HOW WILL THE CONSTRUCTION OF THE PROPOSED COLLECTION SYSTEM AT THE WILSON PARCEL DEVELOLPMENT BE MANAGED AND FUNDED?

A15. The developer will bear all expense for the engineering and construction of the collection system. Cartwright Creek will review and approve the design and will field inspect and approve the construction. Upon completion and passing final inspection, the collection system will become the responsibility of Cartwright Creek, LLC for ownership and operation.

## Q16. WHAT RATES AND CHARGES WILL BE USED FOR THE WILSON PARCEL DEVELOPMENT?

A16. The units on the Wilson Parcel will be part of the Troubadour development, which will be charged the Commission's tariffed rates for that development.

# Q17. YOU DESCRIBED THE COLLECTION SYSTEM IN A PREVIOUS ANSER. HOW WILL THE GRINDER PUMPS AT EACH HOME BE MAINTAINED?

A17. The Tennessee Department of Environment and Conservation (TDEC) requires a wastewater system of this type to be owned by the utility to ensure that it is properly installed and maintained. Therefore, Cartwright Creek will own and maintain the system

components at each customer's home. The cost of this equipment, including the grinder pumps, will be treated as a contribution in aid of construction. Maintenance will be done by qualified contractors under Cartwright Creek's direction and the homeowner will pay the contractor's bill.

- Q18. WHY DOES CARTWRIGHT CREEK WANT TO SERVE THIS NEW DEVELOPMENT AND WHAT BENEFIT IS IT TO THE EXISTING SEWER CUSTOMERS?
- A18. Cartwright Creek wants to serve the Wilson parcel because an increase in the customer base helps the financial picture for the utility. Its proximity to existing operations means it can be served with a relatively few new additional resources. And finally, the tap fees from each home will be escrowed and used, with TPUC approval, to improve Cartwright Creek's facilities.
- Q19. DOES CARTWRIGHT CREEK HAVE THE FINANCIAL RESOURCES TO PROVIDE SERVICE TO THE WILSON PARCEL DEVELOPMENT?
- A19. Yes. Cartwright Creek's financial capability was presented and reviewed the TPUC staff extensively during the work for the 2016 joint rate case in Docket No. 16-00127. The rates and charges approved in that case helped the financial picture of the Company. Additional customers and tap fees will continue to improve the utility's long-term financial situation.

# Q20. TO YOUR KNOWLEDGE, DOES ANYONE OPPOSE WHAT CARTWRIGHT CREEK IS ASKING THIS COMMISSION TO DO IN THIS DOCKET?

A20. No. As I have said, there are no other utilities that can provide service to this parcel.

There are no other parties to this docket. Furthermore, we have confirmed that the

Consumer Advocate's Office does not intend to intervene in this docket.

### Q22. DOES THIS COMPLETE YOUR TESTIMONY?

A22. Yes, it does.

LETTER FROM DEVELOPER OF WILSON PARCEL

See attached.

December 5, 2018

Mr. Bruce Meyer Cartwright Creek, LLC 1551 Thompson's Station Road West Thompson's Station, TN 37179

RE: Expansion of Cartwright Creek Service District

Dear Mr. Meyer

I am writing you to request wastewater service at our +/- 110 acre project along Cox Road in Arrington, Tennessee, commonly known as the "Wilson Property."

We would like to initiate proceedings to include this project into Cartwright Creek's service area. We are anticipating developing approximately 22 large acreage sites with a limited commercial component.

Thank you in advance for your consideration.

Sincerely,

Thomas R. Fous Project President

Troubadour