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VIA ELECTRONIC FILING

Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Re: Petition of Cartwright Creek, LLC to Extend Capital Improvement Surcharge
Staff Data Request No. 1
Docket No. 19-00097

Please accept for filing the attached answers to the Staff Data Request No. 1 in the above-captioned docket.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

By:


Henry Walker

HW/dbi
Attachments

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
DISCOVERY REQUEST OF THE TENNESSEE PUBLIC UTILITY COMMISSION

Question:

1. Please explain the difference between the 893 customers reported on the March 2019 quarterly report and the 835 customers that were billed the \$7.50 surcharge. Each quarterly report and quarterly billing reveals similar information. Does Cartwright [Creek] bill the surcharge to all customers and, if not, please explain.?

Response:

Cartwright Creek applies the Customer Improvement Surcharge to all of its customers.

The 893 Customers reported on Page 3 of the March 2019 Quarterly Report represents the average number of customers for the entire quarter. Some of these customers who enter or leave the system in a particular month can be counted twice – once for the previous customer and once for the new customer resulting in slightly higher customer counts.

The 835 Customers reported on Page 4 of the March 2019 Quarterly Report represents the actual number of customers for March 2019 that the Capital Improvement Surcharge was applied to.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
DISCOVERY REQUEST OF THE TENNESSEE PUBLIC UTILITY COMMISSION

Question:

2. Please provide the amounts by system and by date (Arrington Retreat, Hideaway, Troubadour, Hardeman Springs) since 2015 that Cartwright Creek has collected in "Owner Maintenance Fees" (fee paid by owner of each lot). Also, include the amount of any owner credits or refunds for these systems.

Response:

See Exhibit A.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
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Question:

3. Please provide the amount of tap fees by month since January 2010 that has been collected to date separated by all locations, including Grasslands, Arrington Retreat/Waterbridge, Hardeman Springs, Stillwater, Hideaway and Troubadour. Provide this information by system and also identify the number of lots added per quarter.

Response:

See Exhibit B. We do not track the historical number of lots per quarter.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
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Question:

4. Your annual reports for 2016, 2017 and 2018 show the following new customer connections:

| | Arrington | Hideaway | Grasslands |
|------|------------------|-----------------|-------------------|
| 2016 | 39 | 6 | 3 |
| 2017 | 13 | 25 | 0 |
| 2018 | 8 | 13 | 0 |

Also, your annual report shows the following amounts for tap fees:

2016: \$65,000
2017: \$22,500
2018: \$37,500

Please reconcile the number of new connections with the tariff tap fee rate of \$5,000 per new connection for these years. Also provide an explanation for any uncollected tap fees required by tariff.

Response:

Please see TPUC Attachment 1-4a for a detailed listing from our ledger of the tap fees charged by location for 2015 through 2019. Not every new connection has been charged a tap fee, depending upon Developer agreements.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
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Question:

5. Provide a two-year forecast for the number of lots to be added at each location and provide the anticipated tap fees to be collected.

Response:

The number of lots to be added is highly dependent on factors not in Cartwright Creek's control. We do not have a forecast on taps or fees to be collected.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
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Question:

6. Provide a two-year forecast for any developer subsidy/maintenance fees or fees of any sort to be collected for the expanded/upgraded developments.

Response:

See response to question 5.

CARTWRIGHT CREEK, LLC
DOCKET NO. 19-00097 - CAPITAL SURCHARGE EXTENSION
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Question:

7. If the Petition is approved, prove anticipated completion times for major repairs for the next two years, including a description of the repairs and estimated repair costs.

Response:

Major repairs will be planned as the funds from tap fees and the capital surcharge accrue. The amount from tap fees at this time is uncertain.

CARTWRIGHT CREEK LLC

OWNER MAINTENANCE FEE COLLECTED

Arrington Retreat

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|--------------|---------------|---------------|---------------|---------------|
| Arrington Property Holdings, LLC | | | | | |
| ARH Models II | | | | | |
| Aspen Construction LLC | | | | | |
| Britt At Arrington LLC | | | | | |
| Celebration Homes | | | | | |
| Hideaway Investments | | | | | |
| Legend Homes LLC | | | | | |
| MRSF1, LLC / Investor Nation LLC | | | | | |
| The Ernst Group LLC | | | | | |
| TN Valley Homes | | | | | |
| Weekley Homes LLC | | | | | |
| Wiesner Custom Homes | | | | | |
| Woodridge Homes | | | | | |
| Drees Premier Homes | 2,381 | 4,899 | 4,641 | 6,685 | 1,271 |
| Meritage Homes of Tennessee, Inc | 1,546 | 5,757 | 2,532 | 5,967 | 2,321 |
| PH Investments, LLC | 227 | 91 | 276 | | |
| Turnberry Homes LLC @ ARRINGTON RETREAT | | | 4,973 | 14,586 | 14,255 |
| Turnberry Homes LLC @ HARDEMAN SPRINGS | | | | | |
| Stonebridge Homes @ HARDEMAN SPRINGS | | | | | |
| OWNER MAINTENANCE FEE COLLECTED | 4,154 | 10,747 | 12,421 | 27,238 | 17,846 |
| year 1 credit to Arrington National Holdings | | | | | |
| TOTAL | | | | | |

TROUBADOUR/HIDEAWAY

[illegible]

HARDEMAN SPRINGS

[illegible]

Exhibit B

TAPS

| | 2015 | 2016 | 2017 | 2018 | 2019 | |
|---------------------|--------|--------|--------|--------|--------|---------|
| ARRINGTON RETREAT | 30,000 | 15,000 | 22,500 | 32,500 | 7,500 | |
| GRASSLANDS | 5,000 | | | | | |
| HIDEAWAY/TROUBADOUR | | 50,000 | | 5,000 | | |
| HARDEMAND SPRINGS | | | | | 40,000 | |
| | <hr/> | | | | | |
| TOTAL | 35,000 | 65,000 | 22,500 | 37,500 | 47,500 | 207,500 |