

STATE OF TENNESSEE

Office of the Attorney General



**Electronically Filed in TPUC Docket Room on August 31, 2020 at 2:02 p.m.**

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August 31, 2020

Dart Kendall  
President  
Aqua Green Utility Inc.  
3350 Galts Road  
Acworth, GA 30102

Re: Tennessee Public Utility Commission, Docket No. 20-00094, *Petition of Aqua Green Utility Inc. to Amend Its Certificate of Public Convenience and Necessity for the Service Part of Williamson County Tennessee Known as Bethesda Road Subdivision on Bethesda Road.*

Dear Mr. Kendall:

The Consumer Advocate is reviewing Aqua Green Utility Inc.'s (Aqua Green) Petition in the above-referenced docket. As part of our review, we checked compliance with the minimum requirements for an amendment to a Certificate of Convenience and Necessity (CCN), which is set out in TPUC Rule 1220-04-13-.17. The Consumer Advocate appreciates the time and effort that Aqua Green put into compiling its Petition and its attention to the Commission's Minimum Filing Requirements. However, we could not locate or are seeking clarification on the items set out in Attachment A. Please review.

The Consumer Advocate would like to thank, in advance, Aqua Green's attention to the Consumer Advocate's request. If you have questions regarding this request, please contact me at (615) 741-2370.

Respectfully,

A handwritten signature in blue ink that reads "Karen H Stachowski".

Karen H. Stachowski  
Assistant Attorney General

cc: Patsy Fulton, TPUC  
Kelly Cashman-Grams, TPUC

## **ATTACHMENT A**

### **Rule 1220-04-13-.17(2)(a) General Information**

1. *Rule 1220-04-13-.17(2)(a)7.* Aqua Green states that it plans to expand its service area to include a portion of Williamson County which it refers to as the Bethesda Road Project. The project is located on Louisburg Pike at the corner of Bethesda Road in Thompson Station.
  - Subpart (i). The Consumer Advocate could not locate any map that provides the proposed location of the wastewater system (i.e. treatment plant, pre-application facilities, collection infrastructure, building(s) for equipment, drip fields, disposal fields and/or wetland cells).
  - Subpart (iii). The Consumer Advocate could not locate any that provides the location of access roads and names of access roads, if available, and other utilities necessary to provide service on any of the maps.
  - Subpart (v). The Consumer Advocate could not locate a map to indicate if any portion of the area will not be served by the water or wastewater system.

### **Rule 1220-04-13-.17(2)(b) Property Rights and Public Need**

1. *Rule 1220-04-13-.17(2)(b)1.* A letter from the local government or public wastewater utility was not included in the Petition. The Consumer Advocate located only a statement from Mr. Dart Kendall of the need for this service.
2. *Rule 1220-04-13-.17(2)(b)2.* In its General Information Attachment to its cover letter, Aqua Green states that it has no franchise agreement with Williamson County. The Consumer Advocate seeks confirmation that Williamson County does not require such franchise agreements.
3. *Rule 1220-04-13-.17(2)(b)3.* The Consumer Advocate could not locate in the Petition a copy of a contract or service agreement between the developer and the utility.

### **Rule 1220-04-13-.17(2)(c) Sufficient Managerial Ability**

1. *Rule 1220-04-13-.17(2)(c)4.* The Consumer Advocate could not locate a copy of Advanced Septic's current contractor's license from the applicable licensing board of the State of Tennessee.

### **Rule 1220-04-13-.17(2)(d) Sufficient Technical Ability**

1. *Rule 1220-04-13-.17(2)(d)1.* The Consumer Advocate could not locate a letter from the Tennessee Department of Conservation (TDEC) stating that Aqua Green's application for a State Operating Permit is complete. In the Petition, Aqua Green states that a signed confidential engineering report is in progress. Has this engineering report been completed?

Rule 1220-04-13-.17(2)(e) Sufficient Financial Ability

1. *Rule 1220-04-13-.17(2)(e)1.* The Consumer Advocate could not locate financial statements for the applicant covering the most recent year ended were not included (i.e. a balance sheet, income statement, and a statement of cash flow).
2. *Rule 1220-04-13-.17(2)(e)2.* The Consumer Advocate could not locate any pro forma income statements for the wastewater utility for the first three (3) years of operations.
3. *Rule 1220-04-13-.17(2)(e)4.* The Consumer Advocate could not locate a list of all plant-in-service account numbers with account names and estimated account balances as of the state of operations.
4. *Rule 1220-04-13-.17(2)(e)5.* The Consumer Advocate could not locate depreciation rates the applicant intends to use for each plant account that will be on the wastewater utility's books.
5. *Rule 1220-04-13-.17(2)(e)6.* The Consumer Advocate could not locate the total estimated *detailed* breakdown cost of construction of the wastewater system to be constructed for the proposed service area.
6. *Rule 1220-04-13-.17(2)(e)7.* The Consumer Advocate could not locate a detailed breakdown of the estimated amount of contributed capital that will be recorded on the applicant's financial books.
7. *Rule 1220-04-13-.17(2)(e)9.* The Consumer Advocate could not locate the estimates of cost and customers added by month for the first five (5) years based upon the construction build-out schedule for developers in the service area of the proposed wastewater system.
8. *Rule 1220-04-13-.17(2)(e)10.* The Consumer Advocate could not locate any documentation describing bonding requirements imposed by municipal governments for the proposed wastewater system.

Rule 1220-04-13-.17(2)(f) Sworn Pre-filed Testimony

1. *Rule 1220-04-13-.17(2)(f)4.* The Consumer Advocate seeks clarification regarding the name of the development. In Mr. Kendall's testimony (ll. 35-39), the development is called both Forest Trails Subdivision and the Bethesda Road Subdivision. Can you clarify the name of the subdivision and the name of the system?
2. *Rule 1220-04-13-.17(2)(f)6.* There was no signed affidavit stating that all information submitted concerning the wastewater CCN application is true and correct to the best of the witness's knowledge and belief.