

STATE OF TENNESSEE

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September 23, 2022

Charles B. Welch, Jr.
Tyler A. Cosby
Farris Bobango PLC
414 Union Street, Suite 1105
Nashville, TN 37219

Electronically Filed in TPUC Docket Room
on September 23, 2022 at 10:41 a.m.

Re: Tennessee Public Utility Commission, Docket No. 21-00053, *Application of Limestone Water Utility Operating Company, LLC for Authority to Sell or Transfer Title to the Assets, Property, and Real Estate of a Public Utility, Cartwright Creek, LLC, and for a Certificate of Public Convenience and Necessity.*

Dear Mr. Welch and Mr. Cosby:

The Commission issued its *Order Approving the Settlement Agreement and Transfer of Systems, and Granting Certificate of Convenience and Necessity* (the “Final Order”) in the above-referenced docket on January 24, 2022.¹ In the Final Order, the Commission required “Limestone Water Utility Operating Company, LLC [to] file a report in this docket demonstrating its compliance with the filing documentation required by Paragraphs 5, 9, 13, 16, 17, 18, 19, 20, 21, and 22 of the Stipulation and Settlement Agreement.”²

The Consumer Advocate contacted you by letter³ dated July 20, 2022, inquiring about Limestone’s compliance with the Final Order, but Limestone did not respond. The Consumer Advocate sent a follow-up letter⁴ dated September 6, 2022.

¹ Final Order (available at [2100053ah.pdf \(tn.gov\)](#)).

² *Id.* at p. 11, No. 3.

³ *Letter To Attorneys Charles B. Welch, Jr. And Tyler Cosby From Karen Stachowski, Consumer Advocate Re: Limestone Water Utility Operating Company, LLC Compliance With The Tennessee Public Utility Commission Order Approving Settlement Agreement And Transfer Of Systems, And Granting Certificate Of Convenience And Necessity Issued On January 24, 2022* (filed July 20, 2022) (available at [2100053ap.pdf \(tn.gov\)](#)).

⁴ *Letter To Attorneys Charles B. Welch, Jr. And Tyler Cosby From Karen Stachowski, Consumer Advocate Re: Limestone Water Utility Operating Company, LLC Response To Consumer Advocate Letter Filed July 20, 2022* (filed Sept. 6, 2022) (available at [2100053aq.pdf \(tn.gov\)](#)).

On September 8, 2022, Mr. Cosby responded to the Consumer Advocate's inquiry by a letter⁵ to the Chairman with certain accompanying documents; however, the following outstanding compliance issues remain and are indicated in blue text:

- Paragraph 9. The Parties agree that Limestone shall be required to file, within 30 days after closing, a balance sheet and supporting general ledger, in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-.11, showing Cartwright Creek's ending balances of the assets acquired by Limestone as of the date of acquisition. Limestone also shall be required to file a balance sheet and supporting general ledger, in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-.11, showing Limestone's beginning balances of the assets acquired from Cartwright Creek as of the date of the acquisition. **Copies of the supporting general ledgers have been received by the Consumer Advocate in the native Excel format on September 8, 2022, as requested. The Consumer Advocate could not locate the Balance Sheet in its native Excel format. We again request a copy of the filed Balance Sheet in its native Excel format.**
- Paragraph 13. The Parties agree that Limestone be required to adopt Cartwright Creek's presently tariffed rates, charges and terms of service and it shall file a new tariff substituting itself in place of Cartwright Creek as the service provider within 30 days after the date of acquisition. The tariff shall identify all residential subdivisions by each subdivision name, as well as any commercial customers being served within Limestone's CCN. **On January 25, 2022, Limestone asked the Commission to substitute "Limestone Water Utility Operating Company, LLC" in each instance for "Cartwright Creek, LLC" in the current tariff. Limestone refers to this request again in its September 8, 2022, letter as "satisfying the condition of Paragraph 13 of the Settlement Agreement."**

This would be confusing for a consumer, particularly as the contact information within the tariff is that of the previous owner, and even refers to the Commission as the "Tennessee Regulatory Authority."⁶ The Consumer Advocate again requests a copy of Limestone's tariff for Cartwright Creek that is updated showing Limestone's ownership and including corrected contact information within the tariff.

This is required by TENN. COMP. R. & REGS. 1220-04-14-.08(4), which states that "[t]he acquiring utility shall file a proposed tariff incorporating the acquired customers into the acquiring utility's rates, charges and terms of provisioning public utilities services." Additionally, the Consumer Advocate would note that Commission Staff has also requested that Limestone file tariffs in related TPUC Docket Nos. 21-00055 and 21-00060.⁷

- Paragraph 17. The Parties agree that Limestone be required to file within 30 days of execution copies of contracts or pricing agreements between Limestone and any

⁵ *Limestone Water Utility Operating Company, LLC Response To Consumer Advocate Letter Filed July 20, 2022* (filed Sept. 9, 2022) (available at [2100053ar.pdf \(tn.gov\)](#)).

⁶ Cartwright Creek Sewer Tariff," p. 10 of 34 (last visited Sept. 13, 2022) (available at [Limestone-UOC-Cartwright-Creek-Sewer-Tariff.pdf \(centralstateswaterresources.com\)](#)).

⁷ *Commission Staff Data Request To Attorney Charles B. Welch* (filed in TPUC Docket No. 21-00055, Sept. 2, 2022) (available at [2100055ao.pdf \(tn.gov\)](#)); *Commission Staff Data Request To Attorney Charles B. Welch* (filed in TPUC Docket No. 21-00060, Sept. 2, 2022) (available at [2100060ag.pdf \(tn.gov\)](#)).

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affiliate and between Limestone and contractors that provide ongoing operations and maintenance or billing services to the Cartwright Creek systems or customers served by those systems. This information was marked confidential and appears to have been provided at the time of the September 8, 2022 letter from Limestone.

- Paragraph 22. The Parties agree Limestone be required to file copies of maps and engineering designs for the water and wastewater systems within 30 days of availability. Limestone has indicated in its September 8, 2022, letter that maps and engineering designs will be provided within 30 days of availability.

The Consumer Advocate would like to thank Limestone again for its attention to the Consumer Advocate's request and for its continued compliance updates. If you have questions regarding this request, please contact me at (615) 741-2370.

Respectfully,



Mason C. Rush
Assistant Attorney General

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