

# FARRIS BOBANGO, PLC

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February 7, 2022

Chairman Kenneth Hill  
c/o Ectory Lawless  
Tennessee Public Utilities Commission  
502 Deadrick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243

Electronically Filed in TPUC Docket Room on  
February 7, 2022 at 3:02 p.m.

RE: *Docket 21-00059, 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 and for a Certificate of Public Convenience and Necessity*

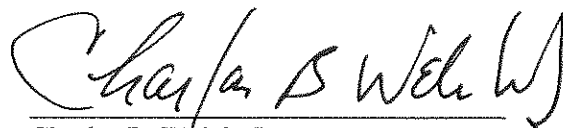
Dear Chairman Hill:

On May 20, 2021, Limestone Water Utility filed the application in the referenced Docket. On August 13, 2021, the Hearing Officer granted the Consumer Advocate's Petition to Intervene. Subsequently, our office received a letter from Assistant Attorney General Karen H. Stachowski dated December 14, 2021, notifying Limestone of alleged deficiencies in the application. Specifically, Ms. Bowen references Commission Rule 1220-04-14-.08. This specific rule was filed on August 10, 2021 and became effective November 8, 2021.

Although the Commission Rule cited by General Stachowski had not been adopted nor was it effective at the time of the filing of the petition, we would like to accommodate all of the concerns of the staff and the Consumer Advocate Division. Accordingly, I have enclosed supplemental documents to address the Consumer Advocate's request regarding the newly adopted filing requirements. Each document is marked to indicate the corresponding rule. Please file the enclosed documents in the referenced Docket. Please let me know if you have any questions.

Sincerely,

FARRIS BOBANGO PLC



Charles B. Welch, Jr.

cc:

Rachel C. Bowen  
Karen H. Stachowski

**Rule 1220-04-13-.08 (2)(b)**

Candlewood Lakes POA Water Works Inc  
Balance Sheet  
As of October 31, 2018

	<u>Oct 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
First South Bank - Water Works	<u>35,840.65</u>
Total Checking/Savings	<u>35,840.65</u>
Accounts Receivable	
Accounts Receivable	<u>66,295.56</u>
Total Accounts Receivable	<u>66,295.56</u>
Other Current Assets	
Inventory Asset	732.98
Undeposited Funds	<u>509.26</u>
Total Other Current Assets	<u>1,242.24</u>
Total Current Assets	<u>103,378.45</u>
TOTAL ASSETS	<u><u>103,378.45</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>592.95</u>
Total Accounts Payable	<u>592.95</u>
Other Current Liabilities	
Payments owed to POA	<u>-4.35</u>
Total Other Current Liabilities	<u>-4.35</u>
Total Current Liabilities	<u>588.60</u>
Total Liabilities	<u>588.60</u>
Equity	
Opening Balance Equity	21,248.74
Unrestricted Net Assets	45,812.68
Net Income	<u>35,728.43</u>
Total Equity	<u>102,789.85</u>
TOTAL LIABILITIES & EQUITY	<u><u>103,378.45</u></u>

Candlewood Lakes POA Water Works Inc  
Balance Sheet  
As of October 31, 2019

	Oct 31, 19
ASSETS	
Current Assets	
Checking/Savings	
First South Bank - Water Works	34,489.80
Total Checking/Savings	34,489.80
Accounts Receivable	
Accounts Receivable	89,037.64
Total Accounts Receivable	89,037.64
Other Current Assets	
Inventory Asset	732.98
Undeposited Funds	130.00
Total Other Current Assets	862.98
Total Current Assets	124,390.42
TOTAL ASSETS	124,390.42
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payments owed to POA	-4.35
Payroll Liabilities	
Federal Withholding	511.68
FICA Payable	571.05
Medicare	133.55
Total Payroll Liabilities	1,216.28
Total Other Current Liabilities	1,211.93
Total Current Liabilities	1,211.93
Total Liabilities	1,211.93
Equity	
Opening Balance Equity	21,248.74
Unrestricted Net Assets	76,799.65
Net Income	25,130.10
Total Equity	123,178.49
TOTAL LIABILITIES & EQUITY	124,390.42

Candlewood Lakes POA Water Works Inc  
Profit & Loss  
November 2019 through October 2020

	Nov '19 - Oct 20
Ordinary Income/Expense	
Income	
Returned Check Charges	35.00
Water Income	
Disconnection/Reconnect Fees	70.00
Flat Rate Water Sales - Annual	48,739.00
Flat Rate Water Sales - Monthly	1,560.00
Flat Rate Water Sales Addtl Lot	2,763.00
New Member Turn On Fee	2,760.00
Water Availability - Non Res	28,605.39
Water Service Late Fee	7,740.54
Total Water Income	92,237.93
Total Income	92,272.93
Gross Profit	92,272.93
Expense	
Backup Well	8,175.23
Bad Debt	865.78
Bank Service Charges	3.00
Benevolence	100.00
Business Expenses	
Business Registration Fees	20.95
Memberships	900.00
Total Business Expenses	920.95
Contract Services	
Accounting Fees	17.77
Contract Water Maintenance	8,050.00
Legal Fees	3,460.47
Outside Contract Labor	1,870.00
Total Contract Services	13,398.24
Facilities and Equipment	
Equip Rental and Maintenance	653.53
Roads	582.35
Utilities	4,748.75
Water Line Repair & Maintenance	
Chemicals	1,749.15
Water Testing - Labs	1,566.38
Water Line Repair & Maintenance - ...	965.93
Total Water Line Repair & Maintenance	4,281.46
Water Tank Maintenance	50.00
Total Facilities and Equipment	10,316.09

Candlewood Lakes POA Water Works Inc  
Profit & Loss  
November 2019 through October 2020

	Nov '19 - Oct 20
Gross Wages	2,949.39
Merchant Service fees	14.23
Operations	
Bookkeeping Software Annual Fee	878.98
Fuel	321.97
Postage, Mailing Service	937.30
Supplies	693.38
Telephone, Telecommunications	188.32
Total Operations	3,019.95
Other Types of Expenses	
Insurance - Liability, D and O	7,358.47
Property Taxes	3,545.00
Other Types of Expenses - Other	2.20
Total Other Types of Expenses	10,905.67
Payroll Expenses	11,268.73
Uncategorized Expenses	950.00
Water Maintenance & Repair	
Water System Repairs	491.72
Total Water Maintenance & Repair	491.72
Total Expense	63,378.98
Net Ordinary Income	28,893.95
Net Income	28,893.95

	Nov '17 - Oct 21
Ordinary Income/Expense	
Income	
Other Types of Income	
Backhoe Service	25.00
Total Other Types of Income	25.00
Returned Check Charges	140.00
Uncategorized Income	1,316.15
Water Income	
Disconnection/Reconnect Fees	525.00
Discount for Early Payment	-840.00
Flat Rate Water Sales - Annual	175,297.25
Flat Rate Water Sales - Monthly	1,560.00
Flat Rate Water Sales Addtl Lot	8,352.00
New Member Turn On Fee	5,960.00
Water Availability - Non Res	86,581.96
Water Service Late Fee	46,267.57
Total Water Income	323,703.78
Total Income	325,184.93
Gross Profit	325,184.93
Expense	
Backup Well	16,884.18
Bad Debt	24,461.15
Bank Service Charges	19.00
Benevolence	100.00
Business Expenses	
Business Registration Fees	403.80
Memberships	2,050.00
Total Business Expenses	2,453.80
Contract Services	
Accounting Fees	16,571.17
Contract Water Maintenance	35,147.75
Legal Fees	7,176.55
Outside Contract Labor	2,174.00
Contract Services - Other	500.00
Total Contract Services	61,569.47
Facilities and Equipment	
Backup Well	
Consultation Fees	3,511.50
Land Purchase	15.71
Total Backup Well	3,527.21



Candlewood Lakes POA Water Works Inc  
Profit & Loss  
November 2017 through October 2021

	Nov '17 - Oct 21
Equip Rental and Maintenance	12,949.48
Maintenance	50.00
Pool Repairs & Maintenance	38.84
Roads	966.61
Security System	131.70
Utilities	20,463.59
Water Line Repair & Maintenance	
Chemicals	6,143.99
Water Testing - Labs	5,400.41
Water Line Repair & Maintenance - ...	5,609.08
Total Water Line Repair & Maintenance	17,153.48
Water Tank Maintenance	90.75
Facilities and Equipment - Other	1,072.91
Total Facilities and Equipment	56,444.57
Gross Wages	12,357.84
Merchant Service fees	14.44
Operations	
Bookkeeping Software Annual Fee	2,525.08
Fuel	2,528.61
Office Equipment	174.51
Postage, Mailing Service	4,916.46
Printing and Copying	54.63
State Fees	25.00
Supplies	3,349.49
Telephone, Telecommunications	687.70
Total Operations	14,261.48
Other Types of Expenses	
Insurance - Liability, D and O	20,362.54
Other Costs	2,275.00
Property Taxes	13,898.00
Other Types of Expenses - Other	2.20
Total Other Types of Expenses	36,537.74
Payroll Expenses	26,269.92
Remotes and Cards for POA	701.88
Uncategorized Expenses	950.00

	Nov '17 - Oct 21
Water Maintenance & Repair	
Customer Repair	57.12
Water System Repairs	2,652.71
Water Maintenance & Repair - Other	220.00
Total Water Maintenance & Repair	2,929.83
Total Expense	255,955.30
Net Ordinary Income	69,229.63
Net Income	69,229.63

	Nov '18 - Oct 19
Ordinary Income/Expense	
Income	
Other Types of Income	
Backhoe Service	25.00
Total Other Types of Income	25.00
Returned Check Charges	35.00
Uncategorized Income	116.15
Water Income	
Disconnection/Reconnect Fees	210.00
Flat Rate Water Sales - Annual	47,268.25
Flat Rate Water Sales - Monthly	190.00
Flat Rate Water Sales Addtl Lot	2,763.00
New Member Turn On Fee	1,600.00
Water Availability - Non Res	28,068.67
Water Service Late Fee	18,289.82
Total Water Income	98,389.74
Total Income	98,565.89
Gross Profit	98,565.89
Expense	
Backup Well	8,708.95
Bad Debt	10,910.08
Bank Service Charges	3.00
Business Expenses	
Business Registration Fees	340.95
Memberships	450.00
Total Business Expenses	790.95
Contract Services	
Accounting Fees	4,638.30
Contract Water Maintenance	9,250.00
Outside Contract Labor	304.00
Contract Services - Other	500.00
Total Contract Services	14,692.30
Facilities and Equipment	
Backup Well	
Consultation Fees	3,279.00
Total Backup Well	3,279.00
Equip Rental and Maintenance	6,750.22
Roads	315.49
Utilities	6,630.63

Candlewood Lakes POA Water Works Inc  
Profit & Loss  
November 2018 through October 2019

	Nov '18 - Oct 19
Water Line Repair & Maintenance	
Chemicals	2,470.69
Water Testing - Labs	924.27
Water Line Repair & Maintenance - ...	1,193.20
Total Water Line Repair & Maintenance	4,588.16
Water Tank Maintenance	40.75
Facilities and Equipment - Other	572.91
Total Facilities and Equipment	22,177.16
Gross Wages	9,408.45
Operations	
Bookkeeping Software Annual Fee	548.70
Fuel	1,023.81
Postage, Mailing Service	1,586.82
State Fees	25.00
Supplies	1,308.21
Telephone, Telecommunications	150.00
Total Operations	4,642.54
Other Types of Expenses	
Insurance - Liability, D and O	2,536.94
Property Taxes	3,605.00
Total Other Types of Expenses	6,141.94
Remotes and Cards for POA	701.88
Total Expense	78,177.25
Net Ordinary Income	20,388.64
Net Income	20,388.64

Candlewood Lakes POA Water Works Inc  
Balance Sheet  
As of October 31, 2020

	<u>Oct 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
CLEARING ACCOUNT	-12.00
First South Bank - Water Works	41,585.26
Total Checking/Savings	41,573.26
Accounts Receivable	
Accounts Receivable	109,418.48
Total Accounts Receivable	109,418.48
Other Current Assets	
Inventory Asset	732.98
Undeposited Funds	636.01
Total Other Current Assets	1,368.99
Total Current Assets	152,360.73
TOTAL ASSETS	<u>152,360.73</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,637.94
Total Accounts Payable	1,637.94
Other Current Liabilities	
Payments owed to POA	-4.35
Payroll Liabilities	
Federal Withholding	592.72
FICA Payable	753.92
Medicare	176.32
Payroll Liabilities - Other	-2,562.72
Total Payroll Liabilities	-1,039.76
Payroll Penalties & Interest	-305.54
Total Other Current Liabilities	-1,349.65
Total Current Liabilities	288.29
Total Liabilities	288.29

4:38 PM  
10/26/21  
Accrual Basis

Candlewood Lakes POA Water Works Inc  
Balance Sheet  
As of October 31, 2020

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	<u>Oct 31, 20</u>
Equity	
Opening Balance Equity	21,248.74
Unrestricted Net Assets	88,117.44
Net Income	<u>42,706.26</u>
Total Equity	<u>152,072.44</u>
TOTAL LIABILITIES & EQUITY	<u><u>152,360.73</u></u>

**Rule 1220-04-13-.08 (2)(c)**

Rules and Regulations Governing Rendering of  
Water Service

INDEX

Sheet No.

- 1 ..... Index  
2 ..... Schedule of Rates  
3 ..... Schedule of Service Charges

	Rule No.	Rule Title
5 .....	1.	Definitions
8 .....	2.	General Rules and Regulations
9 .....	3.	Company Employees and Customer Relations
10 .....	4.	Applications for Service
11 .....	5.	Inside Piping and Water Service Lines
15 .....	6.	Improper or Excessive Use
16 .....	7.	Discontinuance of Service by Company
21 .....	8.	Termination of Water Service at Customer's Request
22 .....	9.	Interruptions in Service
23 .....	10.	Bills for Service
27 .....	11.	Meters and Meter Installations
30 .....	12.	Meter Tests and Test Fees
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32 .....	14.	Extension of Water Mains

- \* Indicates new rate or text  
+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address



Rules and Regulations Governing Rendering of  
Water Service

Schedule of Rates

**Residential Monthly Water Service:**

All Residential Customers:

\$40 per month

- \* Indicates new rate or text
- + Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

Schedule of Service Charges

The following Miscellaneous Charges apply as authorized and Described elsewhere in the Company's filed Rule and Regulations:

New Service Connection Fee \$500

Consists of the costs incurred by the Company for construction including parts, material, labor and equipment, but excluding the cost of the meter. See Rule 5 B.

Turn-On/Turn-Off (Requested by the Customer)

8 am to 5 pm Monday through Friday (scheduled 24hrs in advance) \$35

Turn-On/Turn-Off Associated With Non-Payment \$35

Meter Test Fee \$120

See Rule 12 B.

Late Charges \$5

The late charge is calculated monthly with the greater amount above being added to the delinquent bill in accordance with Rule 10 G.

\* Indicates new rate or text

+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

Rule 1 DEFINITIONS

- A. The "COMPANY" is Limestone Water Utility Operating Company, Inc., acting through its officers, managers, or other duly authorized employees or agents.
- B. The "CURB STOP" is a valve on the Service Connection, located at or near the Customer's property line, and used to shut off water service to the premises. The Curb Stop is owned and maintained by the Company.
- C. A "CUSTOMER" is any person, firm, corporation or governmental body which has contracted with the Company for water service or is receiving service from Company, or whose facilities are connected for utilizing such service, and except for a guarantor is responsible for payment for service.
- D. The "DATE OF CONNECTION" shall be the date of the permit for installation and connection issued by the Company. In the event no permit is taken and a connection is made, the date of connection shall be based on available information such as construction/occupancy permits, electric service turn-on date, or may be the date of commencement of construction of the building upon the property.
- E. A "DEVELOPER" is any person, firm, corporation, partnership or any entity that, directly or indirectly, holds title to, or sells or leases, or offers to sell or lease, or advertises for sale or lease, any lots in a subdivision.
- F. "DISCONTINUANCE OF SERVICE" is the intentional cessation of service by the Company not requested by the Customer.
- G. The "MAIN" is a pipeline which is owned and maintained by the Company, located on public property or private easements, and used to transport water throughout the Company's service area.
- H. The "METER" is a device, owned by the Company, used to measure and record the quantity of water that flows through the service line, and is installed in the outdoor meter setting, or inside the Customer's building where the water service line enters through a foundation wall.

- \* Indicates new rate or text
- + Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

- I. The "METER SETTING" is a place either in the service connection or building plumbing for a water meter to be installed. An outdoor meter setting is located at or near the property line, and includes the meter box, meter yoke, lid, and appurtenances, all of which shall be owned and maintained by the Company. Indoor meter settings are located inside the Customer's premises where the water service line enters the foundation wall either installed directly in the piping or in a meter yoke.
- J. A "RETURNED CHECK" is a check that is returned to the Company from any bank unpaid for any reason.
- K. A "SEASONAL CUSTOMER" is a Customer who is absent from the premises and may turn off, or request the Company turn off, water service temporarily. All Rates, Rules and Regulations within this tariff continue to apply to "Seasonal Customers" during periods of seasonal absence or turn-off.
- L. The "SERVICE CONNECTION" is the pipeline connecting the main to the Customer's water service line and includes the curb stop, or outdoor meter setting and all necessary appurtenances located at or near the property line, or at the property line if there is no curb stop or outdoor meter setting. If the property line is in a street, and if the curb stop or meter setting is not located near the edge of the street abutting the Customer's property, the service connection shall be deemed to end at the edge of the street abutting the Customer's property. The service connection shall be owned and maintained by the Company.
- M. A "SUBDIVISION" is any land in the state of Tennessee which is divided or proposed to be divided into two or more lots or other divisions of land, whether contiguous or not, or uniform in size or not, for the purpose of sale or lease, and includes resubdivision thereof.
- N. "TERMINATION OF SERVICE" is cessation of service requested by the Customer.
- O. "TURN-OFF" is the act of turning water service off by physically turning a valve

- \* Indicates new rate or text
- + Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

such that water is unavailable to a Customer's premises.

- P. "TURN-ON" is the act of turning water service on by physically turning a valve to allow water to be available to a Customer's premises.
- Q. The word "UNIT" or "LIVING UNIT" shall be used herein to define the premises or property of a single water consumer, whether or not that consumer is the Customer. It shall pertain to any building whether multi-tenant or single occupancy, residential or commercial, or owned or leased. Each domicile within a multi-tenant building is a separate unit. Each mobile home in a mobile home park and each rental unit of a multi-tenant rental property are considered as separate units for each single family or firm occupying same as a residence or place of business.
- R. The "WATER SERVICE LINE" is a pipe with appurtenances installed, owned and maintained by the Customer, used to conduct water to the Customer's unit from the property line, curb stop or outdoor meter setting, including the connection to the curb stop or meter setting. If the property line is in a street, then the water service line shall be deemed to begin at the edge of the street abutting the Customer's property.

- \* Indicates new rate or text  
+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

Rule 2 GENERAL RULES & REGULATIONS

- A. Every applicant, upon signing an application for any water service rendered by the Company, or any Customer upon taking of water service, shall be considered to have expressed consent to be bound by these Rates, Rules and Regulations.
- B. The Company's Rules and Regulations governing rendering of service are set forth in these numbered sheets. The rates applicable to appropriate water service or service in particular service areas are set forth in rate schedules and constitute a part of these Rules and Regulations.
- C. The Company reserves the right, subject to authority of the Tennessee Public Utility Commission, to prescribe additional Rates, Rules or Regulations or to alter existing Rates, Rules or Regulations as it may from time to time deem necessary and proper.
- D. After the effective date of these Rules and Regulations, all new facilities, construction contracts, and written agreements shall conform to these Rules and Regulations, and in accordance with the statutes of the state of Tennessee and the Rules and Regulations of the Tennessee Public Utility Commission. Pre-existing facilities that do not comply with applicable Rules and Regulations may remain, provided that their existence does not constitute a service problem or improper use, and reconstruction is not practical.
- E. The point of delivery of water service shall be at the connection of the Customer's service line to the Company's service connection.
- F. The Company shall have the right to enter upon the Customer's premises for the purpose of inspecting for compliance with these Rules and Regulations. Company personnel shall identify themselves and such inspections shall be conducted during reasonable hours.

\* Indicates new rate or text

+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

Rule 3 COMPANY EMPLOYEES AND CUSTOMER RELATIONS

- A. Employees or agents of the Company are expressly forbidden to demand or accept any compensation for any services rendered to its Customers except as covered in the Company's Rules and Regulations.
- B. No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the intent of these Rules and Regulations.
- C. The Company shall not be responsible for damages caused by any failure to maintain water pressure or water quality, or for interruption, if such failure or interruption is without willful default or negligence on its part.
- D. The Company shall not be liable for damages due to, or interruptions caused by, defective piping, fittings, fixtures and appliances on the Customer's premises and not owned by the Company.
- E. The Company shall not be liable for damages due to Acts of God, civil disturbances, war, government actions, or other uncontrollable occurrences.

\* Indicates new rate or text  
+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

Rule 4 APPLICATIONS FOR SERVICE

- A. A written application for service, signed by the Customer, stating the type of service required and accompanied by any other pertinent information, will be required from each Customer before service is provided to any unit.
- B. If service is requested at a point not already served by a main of adequate capacity, a main of adequate size shall be extended as may be necessary in accordance with Rule 14.
- C. When, in order to provide the service requested a main extension or other construction or equipment expense is required, the Company may require a written contract. Said contract may include, but not be limited to, the obligations upon the Company and the applicant, and shall specify a reasonable period of time necessary to provide such service.

- \* Indicates new rate or text
- + Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address



Rules and Regulations Governing Rendering of  
Water Service

Rule 5 INSIDE PIPING AND WATER SERVICE LINES

- A. The Company will provide water service at the outdoor meter, at the curb stop if an indoor meter setting is utilized; or at the property line if neither an outdoor meter nor a curb stop exists at or near the property line, or at the edge of the street if such property line is in the street. Separate buildings shall be served through separate water service lines if they are not on one lot that cannot be subdivided.
- B. The service connection from the water main to the Customer's property line shall be owned and maintained by the Company. Construction of the service connection, outdoor meter setting and curb stop shall be accomplished in one of the following ways at the Customer's option:
1. The Company will construct the service connection, outdoor meter setting and curb stop, as necessary, and make the connection to the main, within ten (10) business days of an application for service, or within the time period specified in an application for service (See Rule 4). The Customer shall be responsible for payment of the New Service Connection Fee, as specified by or provided for in the Schedule of Service Charges; or,
  2. The Customer may have installed by a professional contractor or plumber, the service connection from the water main to the meter setting, and make the connection to the main, subject to prior approval of the Company; or,
  3. The Customer may have installed by a professional contractor or plumber, the service connection from the water main to the meter setting, and the Company will tap the main and connect the service connection. The Customer shall be responsible for payment of a New Service Connection Fee as specified by or provided for in the Schedule of Service Charges.
- C. A service connection installation constructed by the Customer as provided for

\* Indicates new rate or text

+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

## Rules and Regulations Governing Rendering of Water Service

in paragraphs B. 2. or 5 B. 3., above, is subject to inspection by the Company. The Service Connection Inspection Fee as specified in the Schedule of Service Charges shall apply if the Company must make a trip solely to conduct an inspection of a service connection constructed by the Customer, and shall not apply if the inspection of a service connection is accomplished at the same time as a tap is made for the Customer, or the same time as an inspection of the water service line as provided for in paragraph D., below, or if the Company installs the service connection as provided in 5 B. 1., above.

- D. Water service line construction and maintenance from the property line, curb stop or meter setting, including the connection to the curb stop or meter setting, to the building shall be the responsibility of the Customer, and is subject to inspection by the Company. The Customer shall be responsible for any applicable fees as listed in the Schedule of Service Charges.
- E. Customers shall be responsible for the cost of repairing any damage to the Company's mains, curb stops, valve boxes, meters, and meter installations caused by the Customer, Customer's agent, or tenant.
- F. Existing water service lines and service connections may be used in connecting with new buildings only when they are found by examination and testing not to constitute a hazard to the health and safety of any Customer or the Company's facilities.
- G. The water service line shall be brought to the unit at a depth of not less than thirty-six inches (36") and have a minimum inside diameter of three-quarters inch (3/4"). The Customer is responsible for the determination of whether or not a larger size is needed to provide adequate flow to the unit. A valve must be installed in the service line where it enters the unit. This valve must be kept in good repair in order to shut off the water supply and drain the inside plumbing, if necessary.
- H. Water service lines and inside piping shall be of material conforming to

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recognized standards for potable water service and shall have a pressure rating of at least one hundred sixty (160) psi working pressure.

- I. The Company will not install a service connection to a vacant lot if such lot is not intended and recognized by the Company to be for intermittent use such as camping or picnic activity in a recreational subdivision, and the Customer installs a frost-free lockable hydrant at any point of use.
- J. Any change in the location of an existing service connection requested by the Customer shall be made by the Company or with the Company's approval, at the Customer's expense.
- K. The Company shall have the right to enter the Customer's premises, after reasonable notice, for the purposes of inspection to ensure compliance with these Rules and Regulations. Company personnel shall identify themselves and make these inspections only at reasonable hours.
- L. Neither water service lines nor service connections may be extended along public streets or roadways or through property of others in connecting with the Company's mains. The service connection may, however, extend through the water main easement and roadway easement as necessary in order to be connected to a main located across and adjacent to a street in front of the Customer's living unit. The service connection and service line must be laid in a straight line and at right angles to the main and the face of the structure or as nearly so as possible. Any deviation from this because of physical obstruction, landlocked property, or a clear impossibility to construction a future main extension for further subdivision development or additional future customers, will be at the discretion of the Company.
- M. Any Customer having a plumbing arrangement, or a water-using device that could allow backsiphonage of any chemical, petroleum, process water, water from a questionable supply, or other substance that could create a health hazard or damage to the water system; or, any Customer's plumbing classified as an actual or potential backflow hazard in the Regulations of the Tennessee Department of Environment and Conservation shall be required to install and

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maintain a backflow prevention device. This rule may also apply to Customers on whose premises it is impossible or impractical for the Company to perform a cross connection survey. The device, installation, location and maintenance program shall be approved by the Company.

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Rule 6 IMPROPER OR EXCESSIVE USE

- A. No Customer shall be wasteful of the water supplied to the unit by the Customer's willful action or inaction. It shall be the responsibility and duty of each Customer to maintain all piping and fixtures at the unit in a good and efficient state of repair at all times.
- B. No Customer shall make or cause to be made a cross connection between the potable water supply and any source of chemical or bacterial contamination or any other water supply. The Company shall deny or discontinue service where Customer's water service line or inside piping may, in the opinion of the Company, cause a cross-connection with non-potable water or otherwise jeopardize the health and safety of other Customer's or the Company's facilities.
- C. The Customer shall not make or cause to be made a connection to a device that will result in excessive water demand or excessive shock, such as water-hammer, to the Company's mains.
- D. The Customer shall not tamper with, remove, or willfully damage a water meter or attempt to operate the shutoff cock on the service connection or meter yoke, or allow any such action. Licensed plumbers may operate such valves in order to work on the Customer's premises and to test their work, but must leave such valves open or closed as found.
- E. The Customer shall not attempt to take unmetered water from the Company mains either by an unauthorized tap or direct connection to service connection nor by connection to a fire hydrant.
- F. Customers will not be permitted to supply water in any way to premises other than the service address, nor to permit others to use their hose or attachments, nor leave them exposed to use by others without permission from the Company.

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Rule 7 DISCONTINUANCE OF SERVICE BY COMPANY

- A. The Company may discontinue service for any of the following reasons:
1. Non-payment of a delinquent account not in dispute; or
  2. Failure to post a security deposit or guarantee acceptable to the utility; or
  3. Unauthorized interference, diversion or use of the utility service situated or delivered on or about the Customer's premises; or
  4. Misrepresentation of identity in obtaining utility service; or
  5. Enclosing or obstructing any meter so as to make reading or repairs unreasonably difficult, or
  6. Failure to comply with the terms and conditions of a settlement agreement; or
  7. Refusal after reasonable notice to grant access at reasonable times to equipment installed upon the premises of the Customer for the purpose of inspection, meter reading, maintenance or replacement; or
  8. Violation of any of these Rules and Regulations on file with and approved by the Tennessee Public Utility Commission, or for any condition which adversely affects the safety of the Customer or other persons, or the integrity of the utility's delivery system; or
  9. Non-payment of a sewer bill issued by the Company or by a sewer utility requesting discontinuance of water service by an agreement between the Company and such sewer utility. When water service is discontinued for non-payment of a sewer bill and if the sewer bill is not issued by the Company, any service charges for turn on/off or disconnection/reconnection within these Rules and Regulations shall not

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apply, and notice to the Customer shall be provided by rules and procedure applicable to the Customer's sewer service in lieu of notification required by these Rules and Regulations.

B. None of the following shall constitute sufficient cause for the Company to discontinue service:

1. The failure of the Customer to pay for merchandise, appliances, or service not subject to Commission jurisdiction as an integral part of the utility service provided by the Company; or
2. The failure of the Customer to pay for service received at a separate metering point, residence, or location. In the event of discontinuance or termination of service at a separate residential metering point, residence, or location in accordance with these Rules and Regulations, the Company may transfer and bill any unpaid balance to any other residential service account of the Customer and may discontinue service after twenty-one (21) days after rendition of the combined bill, for nonpayment, in accordance with this rule; or
3. The failure of the customer to pay for a different class of service received at the same or different location. The placing of more than one (1) meter at the same location for the purpose of billing the usage of specific devices under operational rate schedules or provisions is not construed as a different class of service for the purpose of this rule; or
4. The failure to pay the bill of another customer, unless the customer whose service is sought to be discontinued received substantial benefit and use of the service billed to the other customer; or
5. The failure of a previous owner or occupant of the premises to pay an unpaid or delinquent bill except where the previous occupant remains an occupant of the living unit; or
6. The failure to pay a bill correcting a previous underbilling, whenever the

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customer claims an inability to pay the corrected amount, unless a utility has offered the customer a payment arrangement equal to the period of underbilling.

- C. The Company may discontinue service after notice by first class mail is sent to the Customer at least ten (10) days prior to the date of the proposed discontinuance. Service of notice by mail is complete upon mailing. If written notice is hand delivered to the Customer, it shall be done at least ninety-six (96) hours prior to discontinuance. If the Company intends to discontinue service to a multi-tenant dwelling with occupants who are not customers, a notice shall also be conspicuously posted in the building ten (10) days prior to the proposed discontinuance, along with information pertaining to how one or more of the tenants may apply to become customers. Discontinuance shall occur within thirty (30) calendar days after the date given as the discontinuance date, shall occur between the hours of 8:00 a.m. and 4:00 p.m., and shall not occur on a day when the Company will not be available to reconnect service or on a day immediately preceding such a day.
- D. A discontinuance notice provided to a customer shall include:
1. The name and address of the Customer, the service address if different than the Customer's address; and
  2. A statement of the reason for the proposed discontinuance of service and the cost for reconnection; and
  3. How the customer may avoid the discontinuance; and
  4. The possibility of a payment agreement if the claim is for a charge not in dispute and the Customer is unable to pay the charge in full at one time; and
  5. A telephone number the Customer may call from the service location without incurring toll charges and the address and any available electronic contact information of the utility prominently displayed where the customer may make an inquiry.

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- E. The Company shall make reasonable efforts to contact the Customer, at least twenty-four (24) hours prior to any discontinuance, regarding the reason(s) for discontinuance of service, and the resolution. If discontinuance of service would affect an occupant who is not the Company's Customer, or is not responsible for payment of the bill, then the Company shall make reasonable efforts to inform such occupant(s).
- F. The Company shall postpone the discontinuance if personnel will not be available to restore service the same day, or if personnel will not be available to restore service the following day. The Company also shall postpone discontinuance if a medical emergency exists on the premises, however the postponement may be limited to twenty-one (21) days, and the Company may require proof of a medical emergency.
- G. The Company shall have the right to enter the Customer's premises for purposes of discontinuance of service in compliance with these Rules and Regulations. Discontinuance of service will be made during reasonable hours. Company personnel shall identify themselves and announce the intention to discontinue service, or leave a conspicuous notice of the discontinuance. The Company shall have the right to communicate with the owner of the Customer's Unit for purposes of gaining access to the property for discontinuance of service in accordance with the Tennessee Public Utility Commission's billing practices, but any extra costs for arranging such access shall not be charged to the Customer's account.
- H. The provisions of paragraphs C. and E. above may be waived if safety of Company personnel while at the premises is a consideration.
- I. Discontinuance of service to a unit for any reason shall not prevent the Company from pursuing any lawful remedy by action at law or otherwise for the collection of monies due from the Customer.
- J. In case the Company discontinues its service for any violation of these Rules and Regulations, then any monies due the Company shall become immediately due and payable.

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- K. The Company has the right to refuse or to discontinue service to any unit to protect itself against fraud or abuse.
- L. The Company shall deal with Customers, handle Customer accounts, and manage discontinuance of service procedures in accordance with the Tennessee Public Utility Commission's Utility Billing Practices.
- M. Applicable Turn-off and turn-on charges are specified in the Schedule of Service Charges.

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Rule 8 TERMINATION OF WATER SERVICE AT CUSTOMER'S REQUEST

- A. Service will be terminated at the Customer's request, by giving not less than twenty-four (24) hours' notice to the Company during its regular office hours. The Company shall, on the requested day, read the Customer's meter and charges for water service rendered up to and including the time of termination shall be computed and will become due and payable immediately.
- B. A Customer may request temporary turn-off by the Company for the Customer's own convenience; however, the Customer shall still be charged for service at the appropriate rate as specified in the Schedule of Rates during the time the service is turned off.
- C. Turn-off and turn-on charges shall apply, and are specified in the Schedule of Service Charges.
- D. A Customer who requests termination of service, but returns to the premises and requests water service within nine (9) months of such termination, at the Company's discretion may be deemed to have been a seasonal customer, and applicable charges incurred during the period of absence may apply.

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Rule 9 INTERRUPTIONS IN SERVICE

- A. The Company reserves the right to discontinue water in its mains at any time, without notice, for making emergency repairs to the water system. Whenever service is interrupted for scheduled repairs or maintenance, Customers affected by such interruptions will be notified in advance whenever it is possible to do so. Every effort will be made to minimize interruption of service.
- B. No refunds of charges for water service will be made for interruptions of service unless due to willful misconduct of the Company.
- C. In order to avoid service problems when extraordinary conditions exist, the Company reserves the right, at all times, to determine the limit of and regulate water usage in a reasonable and non-discriminatory manner.

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Rule 10 BILLS FOR SERVICE

- A. The charges for water service shall be at the rates specified in the Schedule of Rates in these Rules and Regulations. Other applicable service charges are set forth in the Schedule of Service Charges in these Rules and Regulations.
- B. New Builds or new constructions will be metered right away while existing customers will remain at a flat rate until such time a new meter can be installed. Customer will then move to metered rate.
- C. The owner of the premises, the occupant and the user of the service shall be jointly and severally liable to pay for the sewer service to such premises; and the service is furnished to the premises by CSWR only upon the condition that the owner of the premises, occupant and user of the services are jointly and severally liable to CSWR. In accordance with 20 CSR 4240-13.050, debts incurred by one tenant will not be conveyed to a successive tenant. This provision is applicable only to new accounts established after the effective date of this tariff sheet.
- D. Each Customer is responsible for furnishing the Company with the correct address. Failure to receive bills will not be considered an excuse for non-payment nor reason to permit an extension of the date when the account would be considered delinquent. Bills and notices relating to the Company or its business will be mailed or delivered to the mailing address entered in the Customer's application unless the Company is notified in writing by the Customer of a change of address.
- E. Payments shall be made at the office of the Company or at such other places conveniently located as may be designated by the Company, by ordinary mail, or by electronic methods employed by the Company. Payment must be received by the close of business on the date due, unless the date due falls on a non-business day in which case payment must be received by the next business day.
- F. Neither the Company nor the Customer will be bound by bills rendered under

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mistake of fact as to the quantity of service rendered or as a result of clerical error. Customers will be held responsible for charges based on service provided.

- G. A separate bill shall be rendered for each Customer with itemization of all water service charges. All bills for service shall state the due date. The Company shall render bills monthly.

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- H. Monthly bills shall be due twenty-one (21) calendar days from the date of rendition, unless such due date falls on a Sunday, a legal holiday, or other day when the office is closed, in which case the due date shall be extended to the next business day. Bills unpaid after the stated due date will be delinquent and the Company shall have the right to discontinue service in accordance with Rule 7. Delinquent bills may be subject to a late charge as provided in the Schedule of Service Charges. The Company shall not be required to restore or connect any new service for such delinquent Customers until the unpaid account due the Company under these Rules and Regulations has been paid in full or arrangements satisfactory to the Company have been made to pay said account.
- I. When bills are rendered for a period of less than a complete billing period due to the connection or termination of service, the billing shall be the monthly or quarterly minimum plus an amount based on the water used at the commodity (water usage) rate or one-half (1/2) of the flat rate if applicable.
- J. The Company may require a security deposit or other guarantee as a condition of new service if the Customer:
1. Still has an unpaid account with a utility providing the same type of service accrued within the last five (5) years; or,
  2. Has diverted or interfered with the same type of service in an unauthorized manner within the last five (5) years; or,
  3. Is unable to establish a credit rating with the Company. Adequate credit rating for a residential Customer shall be established if the Customer:
    - a. Owns or is purchasing a home; or,
    - b. Is and has been regularly employed full time for at least one (1) year; or,
    - c. Has an adequate and regular source of income; or
    - d. Can provide credit references from a commercial credit source.

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- K. The Company may require a security deposit or other acceptable written guarantee of payment as a condition of continued service if:
1. The water service of the Customer has been discontinued for non-payment of a delinquent account not in dispute; or,
  2. The utility service to the unit has been diverted or interfered with in an unauthorized manner; or,
  3. The Customer has failed to pay undisputed bills before the delinquency date for five (5) billing periods out of twelve (12) consecutive monthly billing periods.
- L. The amount of a security deposit shall not exceed utility charges applicable to one (1) billing period plus thirty (30) days, computed on estimated or actual annual usage.
- M. Interest shall be payable annually on all deposits, but shall not accrue after the utility has made reasonable effort to return the deposit. Interest will be paid at a per annum rate equal to the prime bank lending rate, as published in the *Wall Street Journal* for the last business day of the preceding calendar year, plus one (1) percentage point. Interest may be credited to the Customer's account.
- N. After a Customer has paid proper and undisputed utility bills by the due dates, for a period not to exceed one (1) year, credit shall be established or re-established, and the deposit and any interest due shall be refunded. The utility may withhold full refund of the deposit pending resolution of a disputed matter.
- O. The utility shall give a receipt for deposits received, but shall also keep accurate records of deposits, including Customer name, service address, amounts, interest, attempts to refund and dates of every activity regarding the deposit.
- P. All billing matters shall be handled in accordance with the Tennessee Public Utility Commission's Rules and Regulations regarding Utility Billing Practices, 4 CSR 240-13.

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Rule 11 METERS AND METER INSTALLATIONS

- A. When water meters are utilized for billing, the Company shall furnish and install a suitable meter for each Customer, and the Company's installed meter shall be the standard for measuring water used to determine the bill. All meters shall be furnished, installed, maintained and removed by the Company and shall remain its property.
- B. The Company shall have the right to determine, on the basis of the Customer's flow requirements, the type and size of meter to be installed and location of same. No meter size selection will be based solely on the size of the Customer's service line. If flow requirements increase or decrease subsequent to installation and a larger or smaller meter is requested by the Customer, the cost of installing such larger or smaller meter shall be paid by the Customer.
- C. Domestic water service to any one Customer at a single premise shall be furnished through a single service connection. Individual units of a multi-unit building may have separate connections and meter installations only if each unit has separate plumbing, ground-level space, an individual service connection and meter installation location, and frontage to a Company-owned main. For multi-unit buildings with one service connection and meter installation, the inside piping may be rearranged at the Customer's own expense so as to separate the units and meter tenants, then divide the bill accordingly.
- D. The owners of premises wherein meters are located shall be held responsible for the safekeeping of the Company's meters and metering appurtenances, and are required to keep meters located within their property accessible to the Company for reading and for meter change outs. If a Customer limits accessibility, or fails to protect a meter against damage, the Company may discontinue service and/or refuse to supply water until accessibility is restored and the Company is paid for any such damage. The amount of the charge shall be the cost of the necessary replacement parts and the labor cost necessary to make the repair.

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- E. If the Company determines that no suitable outdoor location is available, then the meter may be installed inside the Customer's premises where the water service line enters the building and just downstream of the inside shutoff valve. The Company shall install a curb stop within the service connection at or near the property line as practical. When the meter is installed inside the Customer's premises, the Customer will either provide a meter yoke to accept installation of the Company's meter, or provide proper fittings for the house plumbing pipe to allow for direct installation of the Company's meter, along with a proper grounding strap installed around the meter to prevent electric charge build-up on either side of the meter or while a meter is removed. If installation in a special setting is necessary, the excess cost of installation shall be paid by the Customer.
- F. If an existing basement meter location is determined by the Company to be inadequate or inaccessible, then the Customer must provide for the installation of a meter to be located at or near the Customer's property line. The Customer shall furnish or obtain from the Company, as appropriate, the necessary meter installation appurtenances conforming to the Company's specifications, and the cost of said appurtenances and labor shall be paid by the Customer.
- G. Approved meter installation locations in dry basements, sufficiently heated to keep the meter from freezing, may remain provided the meter is readily accessible, at the Company's and Customer's convenience as determined by the Company, for servicing and reading and the meter space provided is located where the service line enters the building. The Company may, at its discretion, require the Customer to install a remote reading device at an approved location, for the purpose of reading the meter. It is the responsibility of the Customer and/or the owner of the premises to provide a location for the water meter which, in the event of water discharge as a result of leakage from the meter or couplings, will not result in damage. The Company's liability for damages to any and all property caused by such leakage shall in no event exceed the price of water service to the affected premises for one average billing period in the preceding year. Where damage is caused by the negligence of Company personnel at the premises, this limitation will not apply. If a Customer refuses to provide an accessible location for a meter as determined by the Company, the Company will notify the Staff of the Water and Sewer Unit of the Tennessee Public Utility Commission before ultimately refusing service or proceeding to discontinue

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service.

- H. The Customer shall promptly notify the Company of any defect in, or damage to, the meter setting.
- I. Any change in the location of any existing meter or meter setting at the request of the Customer shall be made at the expense of the Customer, and with the approval of the Company.

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Rule 12 METER TESTS AND TEST FEES

- A. Any Customer may request the Company to make a special test of the accuracy of the meter through which water is supplied to the Customer. This test will be made in accordance with water industry test procedures, and to check for accuracy as required by Regulations of the Tennessee Public Utility Commission.
- B. The Company reserves the right to remove and test a meter at any time and to substitute another in its place. In case of a dispute involving a question as to the accuracy of the meter, a test will be made by the Company upon the request of the Customer without charge if the meter has not been tested within twelve (12) months preceding the requested test; otherwise, an approved charge will be made if the test indicates meter accuracy within five percent (5%).
- C. A meter test requested by the Customer may be witnessed by the Customer or the Customer's duly authorized representative, except for tests of meters larger than two inch (2") inlet, which will be conducted by the water manufacturer. A certified copy of the test report will be provided to the Customer.
- D. If a test shows an average error of more than five percent (5%), billings shall be adjusted in accordance with Rule 13.

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Rule 13 BILL ADJUSTMENTS BASED ON METER TESTS

- A. Whenever any test by the Company of a meter while in service or upon its removal from service shall show such meter to have an average error of more than five percent (5%) on the test streams prescribed by the Tennessee Public Utility Commission, the Company shall adjust the Customer's bills by the amount of the actual average error of the meter and not the difference between the allowable error and the error as found. The period of adjustment on account of the under-registration or over-registration shall be determined as follows:
1. Where the period of error can be shown, the adjustment shall be made for such period; or
  2. Where the period of error cannot be shown, the error found shall be considered to have existed for three (3) months preceding the test.
- B. If the meter is found on any such test to under-register, the Company may render a bill to the Customer for the estimated consumption not covered by bills previously rendered during the period of inaccuracy as above outlined. Such action shall be taken only when the Company was not at fault for allowing the inaccurate meter to remain in service.
- C. If the meter is found on any such test to over-register, the Company shall refund to the Customer any overcharge caused during the period of inaccuracy as above defined. The refund shall be paid within a reasonable time and may be in the form of a bill credit.

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Rule 14 EXTENSION OF WATER MAINS

- A. This rule shall govern the extension of mains by the Company within its certified area where there are no water mains.
- B. Upon receipt of a written application for a main extension, the Company will provide the applicant(s) an itemized estimate of the cost of the proposed extension. Said estimate shall include the cost of all labor and materials required, including valves, fire hydrants, booster stations, storage facilities, reconstruction of existing mains (if necessary), and the direct costs associated with supervision, engineering, permits, and bookkeeping. The estimate will not include unanticipated costs such as rock excavation.
- C. Applicant(s) shall enter into a contract with the Company for the installation of said extension and shall tender to the Company the amount determined in paragraph B. above. Any applicable New Service Connection Fee will become due after the cost incurred by the Company has been ascertained, as per Rule 5 B. 1. or 3., and as specified in the Schedule of Service Charges. The contract may allow the Customer to contract with an independent contractor for the installation and supply of material, except that mains of twelve inches (12") or greater diameter must be installed by the Company, and the reconstruction of existing facilities must be done by the Company.
- D. The cost to single-family residential applicant(s) connecting to a main extension for which other applicant(s) paid an amount determined in paragraph B., above, subject to subsequent adjustments for actual cost, shall be as follows:
  - 1. For single-family residential applicant(s) applying for service in a platted subdivision, the Company shall divide the actual cost of the extension by the number of lots abutting said extension to determine the per lot extension cost. When counting lots, corner lots which abut existing mains shall be excluded.
  - 2. For single-family residential applicant(s) applying for service in areas that are unplatted in subdivision lots, an applicant(s) cost shall be equal to the

\* Indicates new rate or text

+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer

\_\_\_\_\_  
Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

total cost of the main extension divided by the total length of the main extension in feet times one hundred (100) feet.

3. For industrial, commercial, or multifamily residential applicants, the cost will be equal to the amount calculated for a single-family residence in paragraphs D.1. or D.2. above, multiplied by the flow factors of the applicants' meter. The flow factors of the various sizes of meters are as follows:

<u>Meter Size</u>	<u>Flow Factor</u>
5/8"	1
1"	2.5
1 1/2"	5
2"	8
3"	15
4"	25

- E. Refunds of funds paid by applicant(s) for any estimated costs or actual costs of a main extension shall be made to such applicant(s) as follows:
1. Should the actual cost of the extension be less than the estimated cost, the Company shall refund the difference to the applicant(s) as soon as the actual cost has been ascertained.
  2. During the first ten (10) years after the main extension is completed, the Company will refund to the applicant(s) who paid for the extension the money collected from applicant(s) in accordance with paragraph D. above. The refund shall be paid within a reasonable time after the money is collected.
  3. The sum of all refunds to any applicant shall not exceed the total amount which the applicant(s) has paid.
- F. Extensions made under this rule shall be and remain the property of the Company.

\* Indicates new rate or text

+ Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address

Rules and Regulations Governing Rendering of  
Water Service

- G. The Company reserves the right to further extend the main and to connect mains on intersecting streets and easements. Connecting new Customers to such further extensions shall not entitle the applicant(s) paying for the original extension to a refund for the connection of such Customers.
- H. Extensions made under this rule shall be of Company-approved pipe sized to meet water service requirements. If the Company chooses to size the extension larger in order to meet the Company's overall system requirements, the additional cost caused by the larger size of pipe shall be borne by the Company.
- I. No interest will be paid by the Company of payments for the extension made by the applicant(s).
- J. If extensions are required on private roads, streets, through private property, or on private property adjacent to public right-of-way, a proper deed of easement must be furnished to the Company without cost to the Company, before the extension will be made.

- \* Indicates new rate or text
- + Indicates change

Issue Date: \_\_\_\_\_  
Month /Day/Year

Effective Date: \_\_\_\_\_  
Month /Day/Year

ISSUED BY \_\_\_\_\_  
Name and Title of Issuing Officer Mailing Address



**Rule 1220-04-13-.08 (2)(d)**

Customer Type	Count
Commercial:	7
Residential:	107
Grand Total:	114

**Rule 1220-04-13-.08 (2)(h)**

System: **Candlewood Lakes**

**Net Book Value Calculation**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-01/00/1900</u>	<u>Dep Exp</u>	<u>AccDep-12/31/2021</u>	<u>NBV-12/31/2021</u>
						0.00	0.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Post-Closing Journal**

**Entries/Acquisition Adjustment**

**Schedule**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		70,000.00	Total closing consideration
Land & Land Rights	353.000	10,000.00		Transaction costs at closing (estimated)
Utility Plant Acquisition Adjustment	114.000	60,000.00		Acquisition Adjustment
		70,000.00	70,000.00	

Net Book Value \* 60,000.00  
 Legal Regulatory Cost 15,510.33  
**Acquisition Date Rate Base \*\* 75,510.33**

\*The Net Book Value is represented by the Purchase Price of \$60,000.

\*\*The Acquisition Date Rate Base is the Company's estimated Rate Base on the date of closing.

### Accounting Schedule Narrative

Limestone has prepared the above schedule to comply with the updated Acquisition Filing Requirements adopted by the TN PUC. Although Limestone details Acquisition Adjustments and Acquisition Date Rate Base to comply with these rules, the Company is not requesting an acquisition premium in the current case and the Commission will not be asked to approve any acquisition adjustments related to the purchase of Candlewood Lakes' assets. Accordingly, the beginning value of the acquired assets for ratemaking purposes shall be the value recorded in Candlewood's books and records as of the date of acquisition. In a future rate proceeding, Limestone may present evidence and argument concerning the value of assets used and useful for provisioning public utilities services and interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the appropriateness of any proposed acquisition premium. Limestone further proposes to defer to a future rate case all issues related to the recoverability or disallowance of any requested regulatory or transaction costs, title or easement issues, and any currently existing but unknown environmental issues related to the acquisition.

**Rule 1220-04-13-.08 (2)(i)**

System: **Candlewood Lakes**

**Net Book Value Calculation**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-01/00/1900</u>	<u>Dep Exp</u>	<u>AccDep-12/31/2021</u>	<u>NBV-12/31/2021</u>
					-	0.00	0.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Post-Closing Journal**

**Entries/Acquisition Adjustment**

**Schedule**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		70,000.00	Total closing consideration
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Utility Plant Acquisition Adjustment	114.000	60,000.00		Acquisition Adjustment
		70,000.00	70,000.00	

Net Book Value \* 60,000.00  
 Legal Regulatory Cost 15,510.33  
**Acquisition Date Rate Base \*\* 75,510.33**

\*The Net Book Value is represented by the Purchase Price of \$60,000.

\*\*The Acquisition Date Rate Base is the Company's estimated Rate Base on the date of closing.

### Accounting Schedule Narrative

Limestone has prepared the above schedule to comply with the updated Acquisition Filing Requirements adopted by the TN PUC. Although Limestone details Acquisition Adjustments and Acquisition Date Rate Base to comply with these rules, the Company is not requesting an acquisition premium in the current case and the Commission will not be asked to approve any acquisition adjustments related to the purchase of Candlewood Lakes' assets. Accordingly, the beginning value of the acquired assets for ratemaking purposes shall be the value recorded in Candlewood's books and records as of the date of acquisition. In a future rate proceeding, Limestone may present evidence and argument concerning the value of assets used and useful for provisioning public utilities services and interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the appropriateness of any proposed acquisition premium. Limestone further proposes to defer to a future rate case all issues related to the recoverability or disallowance of any requested regulatory or transaction costs, title or easement issues, and any currently existing but unknown environmental issues related to the acquisition.



**Rule 1220-04-13-.08 (2)(j)**

### **Acquisition Benefits**

Although Limestone details below various benefits supporting a potential acquisition premium to comply with the updated Filing Requirements adopted by the TN PUC, the Company is not requesting an acquisition premium in the current case and the Commission will not be asked to approve any acquisition adjustments related to the purchase of Candlewood Lakes' assets as Limestone is proposing to defer these issues to a future rate case. However, approving the proposed transfer of wastewater assets currently owned by Candlewood Lakes would be in the public interest. The affiliated group to which Limestone Water UOC belongs has demonstrated it has the managerial and operational expertise and experience necessary to own and operate the subject systems. It also has access to capital necessary to repair and upgrade those systems to ensure they comply with all health and environmental regulations and provide safe and reliable service to customers.

CSWR, LLC, and its affiliated utility operating companies have a proven track record of acquiring small, oftentimes distressed, water and wastewater systems, making the repairs and upgrades those systems require, and operating them in a way that pleases utility and environmental regulators alike. As evidence of their successes, utility, and environmental regulators in several states where affiliates currently operate have sought out those affiliates and asked them to become the emergency operator of systems in need of immediate aid. The Missouri Public Service Commission and the Missouri Department of Natural Resources have recognized the solid track record CSWR, and its affiliates have established for acquiring, rehabilitating, maintaining, and operating troubled water and wastewater systems in that state.

As its website expressly states, the mission of CSWR and its affiliates is to bring safe, reliable, and environmentally responsible water resources to every community in the United States. As it works to accomplish that objective, the group is transforming how water utilities work by using technology and innovation to quickly assess and invest in reliable infrastructure that meets or exceeds stringent state and federal safety standards, ensuring all communities across the country have access to safe, clean, and reliable water resources while protecting the aquifers, lakes, rivers, and streams that are essential to our world.

Technical resources and operational expertise that would be available to Candlewood Lakes customers already have greatly improved the quality of utility service provided to customers of affiliates in Missouri, Arkansas, Louisiana, Kentucky, Texas, and Mississippi. CSWR has on staff engineers and other trained and qualified personnel with experience in the design and operation of water and wastewater

systems, and CSWR supplements those resources with qualified and licensed local contract operators who are responsible for day-to-day plant operations. Access to these and other resources available through its affiliation with CSWR would allow Limestone Water to achieve economies of scale not generally available to similarly sized water and wastewater utilities. The affiliated group's business model makes this expertise and experience available to affiliates and does so through economies of scale that can be achieved because of CSWR's centralized management structure.

CSWR also has developed and implemented operating processes and technologies that improve service to customers. If authorized to make the acquisition proposed in this application, Limestone Water plans to implement operational changes specifically designed to improve and enhance customer service. Customers would have access to a 24-hour phone line to report any utility service issues. Information received from those calls would then be transferred into CSWR's computerized maintenance management system and converted into work orders, which creates a historical record of all reported service issues. The work order also ensures contracted customer service personnel can quickly commence work required to deal with issues affecting service efficiently and expeditiously.

CSWR utilizes the Computerized Maintenance Management System (CMMS), program Utility Cloud to facilitate field work, inspections, maintenance schedules, and reporting for all facilities. This allows CSWR to manage data, work, and compliance across plant and distributed field assets. Utility Cloud has been implemented to assist in avoiding compliance and equipment failures with real-time data monitoring across people, machines, and sensors throughout all our service areas.

The main benefit that Utility Cloud offers CSWR is that the system is highly configurable, easy-to-use asset management tool that helps all parties distribute work, report on maintenance, and streamline compliance reports. With the system being highly configurable CSWR can build out the systems efficiently and begin tracking maintenance and improvements day one of ownership.

It is paramount to our operations that this product is used, and a big proponent of that is the ease of use. Most of the end users of this system require only a 4-hour training session to be able to navigate, create and assign work, and complete the Work Orders. The ability to get our contractors trained so quickly speaks volumes to how easy the system is to operate. That initial training is adequate for 90% of our operators.

Features of Utility Cloud that have been beneficial to our operations and streamlined time-consuming processes consist of:

- Automating the completion and submission of compliance reports using the exact field data your crew collects.
- Utilize custom accounts, security roles, and user rights to maintain the separation between projects and managing multiple contractors while storing all CSWR's data in one database.
- Manage and track maintenance history on all assets to assist in identifying potential capital improvement projects.
- Created custom alerts to trigger as issues arise.
- Leveraging digital SOPs, manuals, and layouts helping standardize complex work and to meet regulatory and OSHA requirements.
- Create powerful workflows and reports for our compliance objectives.
- Integration with the survey database to create a useable asset for field work tracking, utilizing real-time data and leveraging analytical tools to trend plant performance.

As part of the CSWR's arsenal of tools utilized, Utility Cloud is pivotal in the operation and maintenance of the facilities that take over. The ability to create custom workflows gives us the ability to collect asset and task specific data quickly and efficiently. Utilizing this system allows for CSWR to quickly implement new processes that are applicable for all our sites across the country with the click of a button. This is the type of configuration scalability that CSWR requires and Utility Cloud delivers.

Limestone Water also would ensure customers have access to customer service representatives during normal business hours to discuss customer concerns. Additionally, Limestone Water will establish a utility-specific webpage and dedicated email address to keep customers informed about their utility service. Information available on the website would include state mandated drinking water testing information, up-to-date website bulletins about current service status, and service initiation or discontinuance procedures. Limestone Water also will also implement a dedicated social media page to offer another avenue of communication with customers. Limestone Water also will offer online bill paying options to customers including e-checks, debit card, and credit cards.

Due to all of the above, the existing customers of Limestone Water UOC and the existing customers of Candlewood Lakes would benefit from the proposed transaction. The technical, managerial, and financial capabilities of Limestone Water and its parent company CSWR will provide economies of scale that cannot be recognized by systems the size of Candlewood Lakes. As such, the Company believes that an Acquisition Premium is prudent for all affected parties.

**Rule 1220-04-13-.08 (2)(k)**

### Rate Design Methodology

Although no determination of the methodology used to set revenue requirement is being sought in this docket, Limestone intends to propose using a Rate Base rate of return methodology to recover costs of post-acquisition capital improvements and regulatory, transaction, and closing costs. As described in the testimony of Josiah Cox, Limestone may petition the Commission to increase rates or change certain operating regulations if it is determined that the revenue requirement for the system at hand increases in the future. Also described in the testimony of Josiah Cox, Limestone may also seek authority to consolidate rates of the systems it proposes to acquire in this case with those of other wastewater systems it operates in Tennessee.

**Rule 1220-04-13-.08 (2)(l)**

System: **Candlewood Lakes**

**Net Book Value Calculation**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-01/00/1900</u>	<u>Dep Exp</u>	<u>AccDep-12/31/2021</u>	<u>NBV-12/31/2021</u>
					-	0.00	0.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Post-Closing Journal**

**Entries/Acquisition Adjustment**

**Schedule**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
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		70,000.00	70,000.00	

Net Book Value \* 60,000.00  
 Legal Regulatory Cost 15,510.33  
**Acquisition Date Rate Base \*\* 75,510.33**

\*The Net Book Value is represented by the Purchase Price of \$60,000.

\*\*The Acquisition Date Rate Base is the Company's estimated Rate Base on the date of closing.



### Accounting Schedule Narrative

Limestone has prepared the above schedule to comply with the updated Acquisition Filing Requirements adopted by the TN PUC. Although Limestone details Acquisition Adjustments and Acquisition Date Rate Base to comply with these rules, the Company is not requesting an acquisition premium in the current case and the Commission will not be asked to approve any acquisition adjustments related to the purchase of Candlewood Lakes' assets. Accordingly, the beginning value of the acquired assets for ratemaking purposes shall be the value recorded in Candlewood's books and records as of the date of acquisition. In a future rate proceeding, Limestone may present evidence and argument concerning the value of assets used and useful for provisioning public utilities services and interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the appropriateness of any proposed acquisition premium. Limestone further proposes to defer to a future rate case all issues related to the recoverability or disallowance of any requested regulatory or transaction costs, title or easement issues, and any currently existing but unknown environmental issues related to the acquisition.

**Rule 1220-04-13-.08 (2)(m)**

System: **Candlewood Lakes**

**Net Book Value Calculation**

Acct Name	Acct #	Plant Balance	Dep %	AccDep-01/00/1900
Total		0.00		0.00

Dep Exp	AccDep-12/31/2021	NBV-12/31/2021
-	0.00	0.00
0.00	0.00	0.00

**Post-Closing Journal  
Entries/Acquisition Adjustment  
Schedule**

Acct Name	Acct #	Debit	Credit	Note
Utility Plant Purchased	106.000		70,000.00	Total closing consideration
Land & Land Rights	353.000	10,000.00		Transaction costs at closing (estimated)
Utility Plant Acquisition Adjustment	114.000	60,000.00		Acquisition Adjustment
		70,000.00	70,000.00	

Net Book Value *	60,000.00
Legal Regulatory Cost	15,510.33
Acquisition Date Rate Base **	75,510.33

\*The Net Book Value is represented by the Purchase Price of \$60,000.

\*\*The Acquisition Date Rate Base is the Company's estimated Rate Base on the date of closing.

### Accounting Schedule Narrative

Limestone has prepared the above schedule to comply with the updated Acquisition Filing Requirements adopted by the TN PUC. Although Limestone details Acquisition Adjustments and Acquisition Date Rate Base to comply with these rules, the Company is not requesting an acquisition premium in the current case and the Commission will not be asked to approve any acquisition adjustments related to the purchase of Candlewood Lakes' assets. Accordingly, the beginning value of the acquired assets for ratemaking purposes shall be the value recorded in Candlewood's books and records as of the date of acquisition. In a future rate proceeding, Limestone may present evidence and argument concerning the value of assets used and useful for provisioning public utilities services and interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the appropriateness of any proposed acquisition premium. Limestone further proposes to defer to a future rate case all issues related to the recoverability or disallowance of any requested regulatory or transaction costs, title or easement issues, and any currently existing but unknown environmental issues related to the acquisition.

**Rule 1220-04-13-.08 (2)(n)**

Chapel Woods

	Limestone Water UOC	
	Aqua Utilities Service Area	Chapel Woods HOA Service Area
<b>Monthly Recurring Charge - Pre Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Monthly Recurring Charge - Post Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Non-Recurring Charges - Pre Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A
<b>Non-Recurring Charges - Post Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A

**Rule 1220-04-13-.08 (2)(o)**

Chapel Woods

	Limestone Water UOC	
	Aqua Utilities Service Area	Chapel Woods HOA Service Area
<b>Monthly Recurring Charge - Pre Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Monthly Recurring Charge - Post Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Non-Recurring Charges - Pre Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A
<b>Non-Recurring Charges - Post Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A



**Rule 1220-04-13-.08 (2) (p)**

Chapel Woods

	Limestone Water UOC	
	Aqua Utilities Service Area	Chapel Woods HOA Service Area
<b>Monthly Recurring Charge - Pre Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Monthly Recurring Charge - Post Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Non-Recurring Charges - Pre Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A
<b>Non-Recurring Charges - Post Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A

**Rule 1220-04-13-.08 (2)(q)**

Chapel Woods

	Limestone Water UOC	
	Aqua Utilities Service Area	Chapel Woods HOA Service Area
<b>Monthly Recurring Charge - Pre Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Monthly Recurring Charge - Post Acquisition</b>		
<u>Minimum Charge - Water</u>	\$19.65	\$40
<u>Usage Rate - Water</u>	\$3.05 per 1,000 gallons	N/A
<u>Minimum Charge - Sewer</u>	\$19.65	N/A
<u>Usage Rate - Sewer</u>	\$3.05 per 1,000 gallons	N/A
<b>Non-Recurring Charges - Pre Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A
<b>Non-Recurring Charges - Post Acquisition</b>		
<u>Service Connection Charge</u>	\$1,425	\$500
<u>Late Fee</u>	N/A	\$5
<u>Reconnect Charge - Seasonal</u>	\$120	N/A
<u>Reconnect Charge - Nonpayment</u>	\$15	N/A
<u>Returned Check Charge</u>	\$20	N/A

**Rule 1220-04-13-.08 (5)**



**LIMESTONE WATER**

Utility Operating Company

A CSWR Managed Utility

**NOTICE OF APPLICATION FOR TRANSFER OF SYSTEM ASSETS**  
**FROM CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC. AND**  
**CANDLEWOOD LAKES POA WATER WORKS, INC. TO LIMESTONE WATER UOC, LLC**  
**DOCKET NO. 21-00059**

February xx, 2022

Dear Resident of Candlewood Lakes,

On 5/20/2021, Limestone Water Utility Operating Company, LLC, (Limestone Water) and Candlewood Lakes Property Owners Association, Inc. and Candlewood Lakes POA Water Works, Inc. (together, Candlewood Lakes) filed a joint application with the Tennessee Public Utility Commission (TPUC) seeking Commission authorization for Candlewood Lakes to transfer its water system assets to Limestone Water. Candlewood Lakes is currently serving approximately 114 connections in the Candlewood Lakes subdivision within Hardeman County.

***A hearing has been scheduled on [DATE] to review this application.***

If the application is approved by the TPUC, Limestone Water would become your regulated sewer utility, subject to the jurisdiction of the TPUC. Those wishing to comment should contact the Tennessee Public Utility Commission by mail at:

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

Or call toll-free at 1-800-342-8359 or email [contact.tpuc@tn.gov](mailto:contact.tpuc@tn.gov). In your correspondence, please refer to TPUC Docket Number 21-00059.

Limestone Water UOC is not requesting a change to rates, classifications, charges, or rules and regulations; therefore, your current rates will not be affected by this transfer.

Upon completing the proposed acquisition of these utility systems, Limestone Water will begin executing plans to numerous construction and operational improvements to your system to address component degradation, environmental and/or public health compliance issues, and more.

If you have questions, please contact Limestone Water by phone at 1-855-723-2450 or by email at [support@limestonewateruoc.com](mailto:support@limestonewateruoc.com).

Sincerely,

Limestone Water Utility Operating Company, LLC