

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

IN RE:)	
)	
JOINT PETITION OF SUPERIOR WASTEWATER SYSTEMS, LLC, AND TPUC STAFF (AS A PARTY) TO INCREASE RATES AND CHARGES)))))))	Docket No. 22-00087

**SUPERIOR WASTEWATER SYSTEMS, LLC'S RESPONSE TO SECOND
DISCOVERY REQUEST OF THE CONSUMER ADVOCATE**

Response to Second Set of Discovery Request

Question:

- 2-1. Provide a schematic showing the Sewer Main, Sewer Tap, Tank, and Service Lines for a home being served by Superior Wastewater.

Response:

See Attachment 2-1a.

Question:

- 2-2. Provide a schematic showing the location of the Sewer Main, Sewer Tap, roads, sidewalks and the Company's right-of-way in relation to a home being served by Superior Wastewater.

Response:

See Attachment 2-2a

Question:

- 2-3. Identify the number of unoccupied lots in which a Sewer Main has been installed in the utility's right-of-way next to the lot as of November 1, 2022.

Response:

As of November 1, 2022, there was only one (1) unoccupied lot in which a Sewer Main had been installed in the utility's right-of-way next to the lot.

Question:

- 2-4. Identify the number of unoccupied lots in which the dwelling has connected its Sewer Line to the Sewer Main as of November 1, 2022.

Response:

As of November 1, 2022, there were zero (0) unoccupied lots in which the dwelling had connected its Sewer Line to the Sewer Main.

Question:

- 2-5. Refer to CA Exhibit DR2-5. This Exhibit shows that homes are not built consecutively in a phase of development but, rather, are built sporadically based on sale of lots. Therefore, lots with constructed homes are interspersed with undeveloped lots and lots under construction within a phase of construction as shown in CA Exhibit DR 2-5. Confirm that the Company installed a Sewer Main along the length of Majestic Meadows Drive so that all constructed homes can access the sewer system despite the existence of undeveloped and partially constructed lots on Majestic Meadows Drive located between constructed homes.

Response:

Confirmed in part. It is actually the developer that constructs and installs the sewer main along the length of Majestic Meadows Drive so that all constructed homes can access the sewer system despite the existence of undeveloped and partially constructed lots on Majestic Meadows Drive located between constructed homes.

Question:

- 2-6. Refer to the Company's Response to the Consumer Advocate's First Informal Discovery Request Nos. 2b-c; 4d-e; 6f-g; 8b-c; and 10b-c. The Company provided a list of dates of deed transfers for each of the lots in question. However, the data request was for the date the home

connected to the wastewater system (i.e. became an active customer). Provide the date of connections for each of the lot numbers the Company provided in its responses to the Consumer Advocate.

Response:

The dates provided in the responses to these requests are the closest approximation that SWS can make as to the exact date a residence was actually connected to the wastewater system.

Question:

2-7. Admit that Superior Wastewater used and/or withdrew funds from its escrow account in 2019.

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-8. Admit that Superior Wastewater used and/or withdrew funds from its escrow account in 2020.

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-9. Admit that Superior Wastewater used and/or withdrew funds from its escrow account in 2021.

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-10. Admit that Superior Wastewater used and/or withdrew funds from its escrow account in 2022.

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-11. Admit that Superior Wastewater did not obtain authorization from the Tennessee Public Utility Commission for the withdrawal or use of escrow funds between 2019 and 2022.

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-12. Identify the use of any escrow funds by cost type and/or capital expenditure for:

- a. January 2019 through December 2019;
- b. January 2020 through December 2020;
- c. January 2021 through December 2021;
- d. January 2022 through December 2022;

Response:

Objection. This issue is currently being considered in Docket 21-00086 and as such, it is irrelevant in this Docket and not calculated to lead to discoverable information.

Question:

2-13. Confirm that the existing wastewater treatment system is available to serve all existing and future homeowners in King's Chapel.

Response:

Confirmed.

Question:

- 2-14. Provide the expected number of utility customers once the King's Chapel development is fully constructed or built out.

Response:

The total number of potential utility customers in the King's Chapel development is unknown. At this time, the exact future site plans, as well as county approval for potential site plans, are both unknown.

Question:

- 2-15. The King's Chapel development is still under construction. Provide the following:
- a. An estimated time for the completion of the development.
 - b. The number of phases/sections remaining for development within King's Chapel.

Response:

- a. SWS is unable to provide an answer for the estimated time for development completion since it depends on the market demand for new housing.
- b. The total number of phases/sections remaining for the King's Chapel development is unknown. At this time, the exact future site plans for the development, as well as county approval for potential site plans, are both unknown.

Question:

- 2-16. Explain which stakeholder group should bear the risk associated with a wastewater system during the time of construction of a residential development and before the full utility customer population is realized:
- a. Existing customers;
 - b. The utility;
 - c. The developer; or
 - d. Owners of lots (both under construction and undeveloped).

Please justify your response.

Response:

SWS has not done a study of the risk associated with a typical wastewater system during construction and is unable to provide an answer since the risk undertaken for different wastewater systems would likely be unique. However, SWS would point out that the developer of King's Chapel Subdivision contributed the entire initial cost of the wastewater treatment system to the utility and thereby removed any associated risk for cost recovery from customers, lot owners or the utility.

Question:

- 2-17. It is the Consumer Advocate's understanding that the historic church building located near the entrance to King's Chapel is used for commercial purposes, including rental as a wedding venue. Please state whether a commercial rate, or any service rate, is charged by Superior Wastewater with regard to this facility.

Response:

The historic church building referenced has no water service and as a result has no wastewater service.

Question:

- 2-18. It is the Consumer Advocate's understanding that a restaurant is regularly operated within the King's Chapel community clubhouse and that residents of the community and guests purchase meals as they would at other commercial dining establishments. It is the Consumer Advocate's understanding that the clubhouse is also frequently rented for use as a reception venue and/or for other commercial purposes, and that there are restrooms at the clubhouse within the restaurant area and outside near the pool. Please state whether a commercial rate, or any service rate, is charged by Superior Wastewater with regard to this facility.

Response:

SWS does not have a commercial rate in its tariff. Instead, SWS uses its residential rate to charge monthly for wastewater service provided to the clubhouse. In addition, SWS uses its residential rate to charge monthly for wastewater service provided to the restrooms in the pool and church area.

Question:

- 2-19. Please provide the written agreement(s) between Ashby Communities, LLC, or any affiliate thereof, and Superior Wastewater.

Response:

No written agreements exist between Superior Wastewater and any of its affiliates.

Question:


2-20. Please provide the written agreement(s), if any, between Ashby Communities, LLC, or any affiliate thereof, and all homebuilders regarding the King's Chapel development.

Response:

The Company objects on the grounds the information sought is irrelevant, unduly burdensome and not calculated to lead to discoverable information.

Dated this 9th day of December 2022.

Respectfully Submitted,

By:  _____
Charles/B. Welch, Jr.

Tyler A. Cosby
Farris Bobango, PLC
414 Union Street, Suite 1105
Nashville, TN 37219
Phone: 615-726-1200
Email: cwelch@farris-law.com
Email: tcosby@farris-law.com

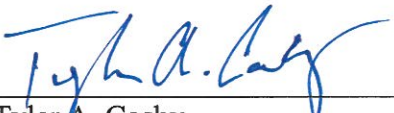
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail, with a courtesy copy provided via electronic mail, upon:

Ryan McGehee
Tennessee Public Utility Commission
502 Deaderick St.
Nashville, TN 37243
Ryan.mcGehee@tn.gov
Attorney for TPUC Staff

Mason C. Rush
Assistant Attorney General
Karen H. Stachowski
Senior Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, TN 37202
Mason.rush@ag.tn.gov
Karen.stachowski@ag.tn.gov

This the 9th day of December, 2022.



Tyler A. Cosby

