

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

IN RE:)	
)	
Petition of Tennessee Water Service, Inc.)	
Along with Corix Infrastructure (US) Inc.,)	DOCKET NO. 22- <u>00114</u>
for Approval of Authority to Transfer)	
Control)	

**DIRECT TESTIMONY
OF
STEVEN M. LUBERTOZZI**

**ON BEHALF OF
TENNESSEE WATER SERVICE, INC.**

November 9, 2022

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WITNESS INTRODUCTION AND BACKGROUND

1 **Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

2 A. My name is Steven M. Lubertozzi. I am the Senior Vice President of Rates, Regulatory
3 and Legislative Affairs for Corix Infrastructure Inc (“CII”). My business address is 500
4 W. Monroe, Suite 3600, Chicago, Illinois 60661.

5 **Q. PLEASE DESCRIBE YOUR DUTIES IN YOUR CURRENT POSITION.**

6 A. As Senior Vice President, I am responsible for all aspects of CII’s Rates, Regulatory and
7 Legislative Affairs activities.

8 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**
9 **BACKGROUND.**

10 A. I graduated from Indiana University in 1990, and I am a Certified Public Accountant. I
11 earned my Master of Business Administration from Northwestern University’s Kellogg
12 School of Management. I am a member of the American Institute of Certified Public
13 Accountants, and I have been employed by an affiliate of Corix Regulated Utilities (US)
14 Inc. (“CRU US”), the parent of Tennessee Water Service, Inc. (“TWS”), since June 2001.

15 I am a past Board Member of the National Association of Water Companies, a past
16 Board Member of the Indiana Chapter of the National Association of Water Companies, a
17 past Board Member of the Illinois Chapter of the National Association of Water
18 Companies, and a past Board Member of the Financial Research Institute.

19 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE ANY PUBLIC UTILITY**
20 **COMMISSIONS?**

21 A. Yes. I have provided written and oral testimony before public utilities commissions
22 throughout the United States, on topics ranging from cost of equity, capital structure, cost
23 of debt, acquisition adjustments, divestment strategies, appropriate levels of operations and
24 maintenance expense, parent company allocations, affiliate transactions, income taxes, and
25 almost every aspect of utility operations. The other state commissions where I have
26 presented testimony include Florida, Illinois, Indiana, Kentucky, Maryland, New Jersey,
27 New Mexico, Nevada, North Carolina, Pennsylvania, and South Carolina.

28 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

29 A. My testimony describes the proposed merger of SW Merger Acquisition Corp.
30 (“SWMAC”) with and into Corix Infrastructure (US) Inc. (“Corix US”, which together
31 with SWMAC, are referred to as the “Companies”). Corix US indirectly owns CRU US,
32 the direct parent of TWS. The merger results in the combination of the water, wastewater,
33 and related businesses currently owned by CII,¹ with the water and wastewater businesses
34 currently owned by SouthWest Water Company (“SouthWest”). This merger of equals
35 joins two highly complementary businesses to create a leading water and wastewater utility
36 with the scale and financial foundation necessary to facilitate long-term investments
37 needed to serve customers.

38 My testimony explains why the combination furthers the public interest and supports the
39 request for Commission approval of the combination. My testimony describes the CII
40 business involved in the transaction (“Proposed Transaction”), the Proposed Transaction,
41 the rationale behind the proposed combination, governance of the combined companies,

¹ CII owns Corix US. CII’s related businesses include the electric, natural gas, and propane distribution, geothermal energy and municipal service operations of CII related to its U.S. and Canadian water and wastewater operations.

and other regulatory approvals required for effectuating the Proposed Transaction. My testimony also addresses CII's vision and values and explains how they are consistent with those of SouthWest. I further discuss the benefits of the proposed combination and our continuing commitment to our Tennessee customers and Tennessee to provide reliable, safe, and high-quality utility service.

Q. PLEASE IDENTIFY THE OTHER WITNESSES SUBMITTING TESTIMONY IN THIS CASE.

A. In addition to my testimony, the following witnesses provide testimony in this case:

- Brian D. Bahr, who will introduce SouthWest to this Commission, describe the strengths SouthWest brings to the proposed combination, and verify the accuracy of the documents submitted in this proceeding; and
- Tiffany Van Horn, the President of TWS, who will discuss in greater detail the operational benefits the Proposed Transaction is expected to produce, as well as TWS's commitment to our local communities.

Q. ARE YOU SPONSORING ANY APPENDICIES TO THE PETITION WHICH IS BEING FILED IN CONNECTION WITH THIS PROCEEDING (THE "PETITION")?

A. Yes, I am sponsoring the following Exhibits filed with the Petition in this proceeding:

- Exhibit A – Summary of Proposed Transaction with Simplified Pre- and Post-closing Organizational Charts
- Exhibit B – Transaction Agreement
- Exhibit C – List of Regulatory Approvals and Federal Filings

Q. WERE THESE EXHIBITS PREPARED BY YOU OR UNDER YOUR SUPERVISION?

65 A. Yes, they were, except for Exhibit B.

66 **CORIX INFRASTRUCTURE INC.**

67 **Q. PLEASE DESCRIBE CII.**

68 A. CII is the direct parent of Corix US. CII currently has its primary offices in Vancouver,
69 British Columbia, Canada, and Chicago, Illinois. The utility subsidiaries of CII provide
70 safe, reliable, and cost-effective water and wastewater services to approximately 800,000
71 people in 18 U.S. states² and two Canadian provinces³, making CII one of the largest
72 privately-owned water and wastewater utilities in the U.S. CII's subsidiaries employ
73 approximately 800 people in the water, wastewater, and related businesses. CII also owns
74 and operates several district energy businesses, which are not part of the proposed
75 combination. British Columbia Investment Management Corporation ("BCI") indirectly
76 controls CII.

77 **Q. PLEASE DESCRIBE CII'S PURPOSE, VISION, AND VALUES.**

78 A. CII's purpose is: We help people enjoy a better life and communities thrive. Our vision is:
79 We are the preferred utility delivering solutions our customers want. CII enables its
80 customers and stakeholders to enjoy a better life by improving utility infrastructure and
81 operations, while ensuring strong environmental stewardship in each community served.
82 CII's values emphasize safety, integrity, connection, and excellence. As Mr. Bahr's direct
83 testimony illustrates, the mission and values of CII and SouthWest are similar, including
84 our shared commitment to local management and decision-making, supported by broad
85 corporate-wide resources.

² Alabama, Alaska, Arizona, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Nevada, New Jersey, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas, and Virginia.

³ Alberta and British Columbia.

86 **Q. PLEASE DESCRIBE BCI.**

87 A. Founded in 1999, BCI is a statutory corporation created by the Public Sector Pension Plans
88 Act for the purpose of providing investment management services to British Columbia's
89 public sector. BCI manages approximately \$211 billion (CAD) of assets on behalf of its
90 clients, which include 11 public sector pension plans, three insurance funds and various
91 special purpose funds. Through its infrastructure and renewable resources program, BCI
92 seeks long-term, stable investments around the world in regulated utilities, transportation,
93 telecommunications, and other infrastructure-based industries.

94 **Q. PLEASE EXPLAIN THE STRENGTHS CII BRINGS TO THE PROPOSED**
95 **COMBINATION IN TERMS OF FINANCIAL RESOURCES.**

96 A. For the 12-month period ending December 31, 2021, CII had revenue of approximately
97 \$307 million and \$1.55 billion in assets. In 2021, CII supported approximately \$114
98 million in capital investments across its operating areas in North America.

99 **Q. PLEASE DESCRIBE CII'S OPERATIONAL AND TECHNICAL EXPERTISE.**

100 A. CII has experience in virtually every aspect of water and wastewater system operation. CII
101 has over 500 experienced operational employees dedicated to safely providing high-quality
102 water and wastewater services to our customers in an environmentally compliant manner.
103 Our state-certified water and wastewater technicians pump and treat millions of gallons of
104 water for hundreds of communities, assisted by our in-house operations management and
105 quality control professionals. We also have extensive construction and project management
106 experience and expertise.

107 **Q. DOES CII ALSO BRING MANAGEMENT EXPERTISE TO THE PROPOSED**
108 **COMBINATION?**

109 A. Yes. CII has a strong management team that cumulatively has decades of experience
110 owning and operating water and wastewater utilities. As described more fully in my
111 testimony, the proposed business combination will result in an executive leadership team
112 that draws from the strong existing talent pools of both CII and SouthWest. Please see
113 Exhibit SML-1 to my testimony for background information on members of the announced
114 executive leadership team to be effective upon closing of the proposed business
115 combination.

116 **Q. IN SUMMARY, DOES CII BRING FINANCIAL, OPERATIONAL/TECHNICAL,**
117 **AND MANAGERIAL STRENGTHS TO THE PROPOSED COMBINATION?**

118 A. Yes, CII's financial resources, strong leadership team, and extensive managerial expertise
119 make it an ideal owner of water and wastewater utilities.

120 **RESTRUCTURING PRIOR TO CLOSING**

121 **Q. PLEASE DESCRIBE THE CORIX PARTIES' RESTRUCTURING THAT WILL**
122 **TAKE PLACE PRIOR TO CLOSING.**

123 A. The CII and Corix US ("Corix Parties") pre-closing restructuring has two objectives. First,
124 the pre-closing restructuring separates CII's district energy business from the CII water,
125 wastewater, and related businesses. Second, the pre-closing restructuring results in the
126 inclusion of the Canadian water, wastewater, and related businesses of CII in the deal
127 perimeter, by making the Canadian companies that provide water, wastewater, and related
128 services indirect, wholly-owned subsidiaries of Corix US. Together, these steps allow the
129 parties to combine their respective water and wastewater businesses to create a platform
130 company focused almost exclusively on the delivery of water and wastewater services to
131 customers.

PROPOSED COMBINATION

Q. PLEASE SUMMARIZE THE PROPOSED BUSINESS COMBINATION OF CORIX US AND SOUTHWEST.

A. On August 26, 2022, Corix, Corix US, IIF Subway Investment LP (“IIF Subway”), SWMAC, and SouthWest entered into a Transaction Agreement (the “Transaction Agreement”). A copy of the Transaction Agreement is attached as Exhibit B. The Transaction Agreement provides a framework for combining CII’s water, wastewater, and related businesses with the water and wastewater businesses owned by SouthWest. When the transactions contemplated by the Transaction Agreement are completed, CII and an affiliate or affiliates of CII will own 50% of Corix US and SWMAC Holdco, an entity that will be formed by SWMAC’s shareholders before closing, will own the other 50% of Corix US (the “Proposed Transaction”). Corix US, in turn, will indirectly own and control all the CII water, wastewater, and related businesses and the SouthWest water and wastewater businesses. To prepare for the Proposed Transaction, the Corix Parties and IIF Subway, SWMAC, and SouthWest (the “SWMAC Parties”) will undertake pre-closing restructuring transactions.

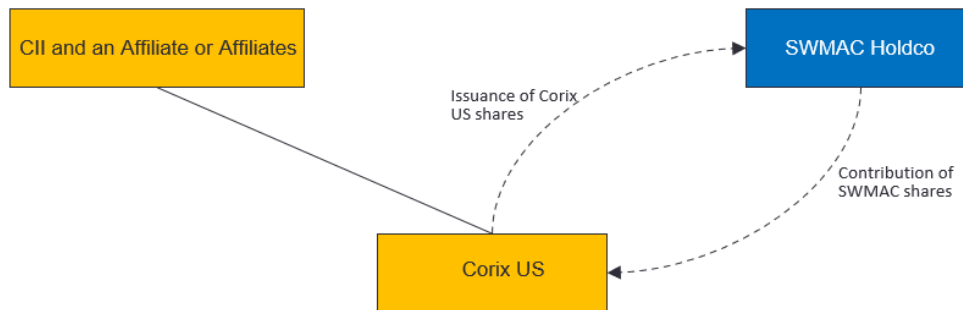
Q. HOW WILL THE BUSINESS COMBINATION BE EFFECTUATED?

A. Before the business combination occurs, CII will complete the Corix Parties’ pre-closing restructuring, which is described in the preceding Q&A. Likewise, SWMAC will complete a pre-closing restructuring, as described in Mr. Bahr’s testimony. Then, the business combination will be completed in a series of steps.

Step 1: SWMAC Holdco will contribute 100% of the outstanding stock of SWMAC to Corix US in exchange for shares of stock issued by Corix US. Step 1 will

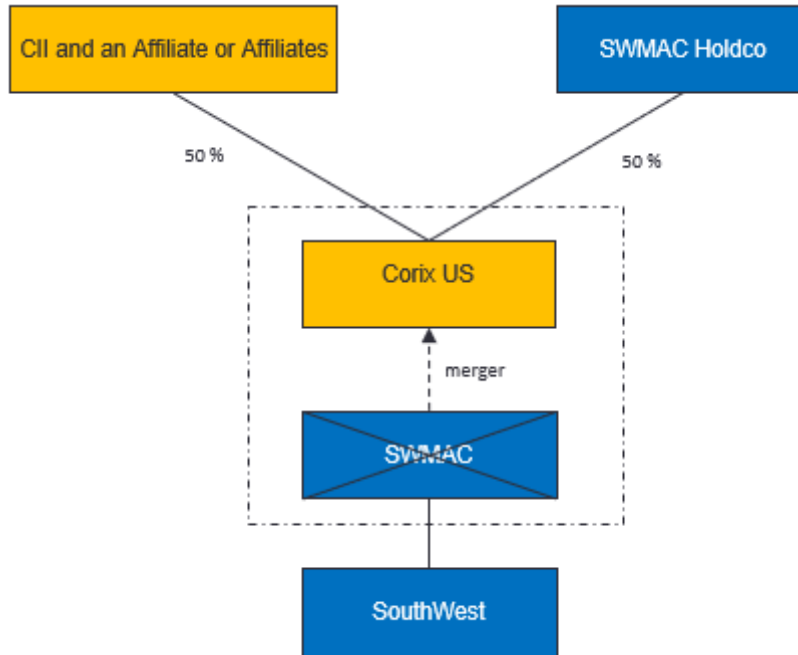
result in CII and SWMAC Holdco each holding a 50% interest in Corix US, which will hold 100% of the outstanding stock of SWMAC and also continue to hold 100% of the outstanding stock of Inland Pacific Resources Inc. (“Inland Pacific”). **Figure 1** depicts this step.

Figure 1



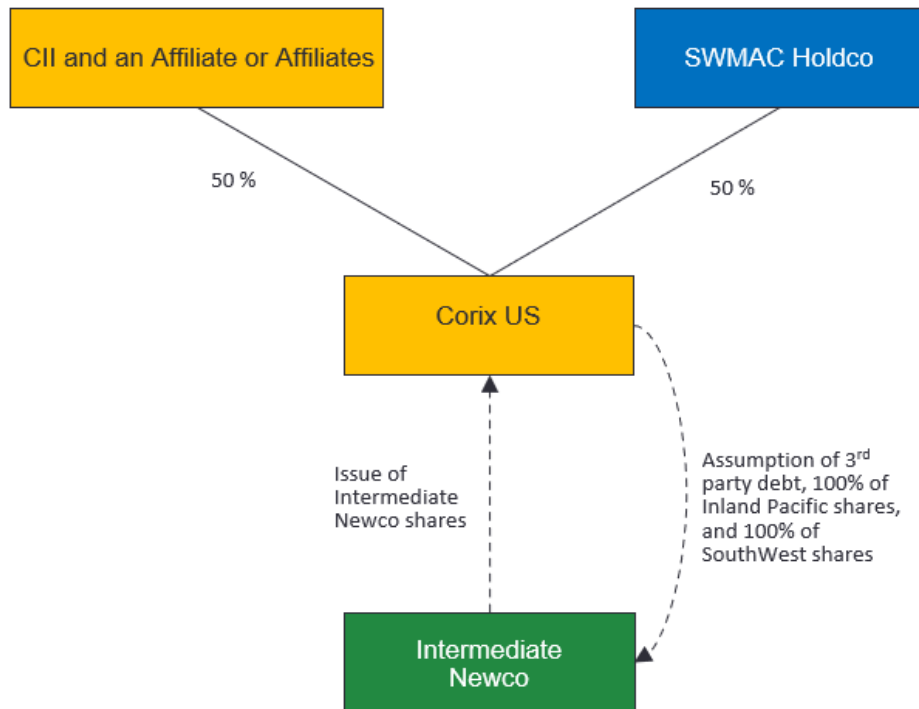
Step 2: After Step 1 is completed, SWMAC will merge with and into Corix US. Corix US will survive the merger. As a result of Step 2, Corix US will directly own all of the outstanding stock of SouthWest, and will continue to directly own the shares of Inland Pacific and its subsidiaries. Inland Pacific indirectly owns CRU US, which in turn owns TWS.

Figure 2



Step 3: After Step 2 is completed, Corix US will transfer 100% of the outstanding stock of SouthWest and Inland Pacific to Intermediate Newco. In exchange for this contribution of stock, Intermediate Newco will issue to Corix US common stock of Intermediate Newco and assume all of Corix US's third-party debt. Step 3 is the last step in the transactions contemplated by the Transaction Agreement. Figure 3 illustrates this step.

Figure 3



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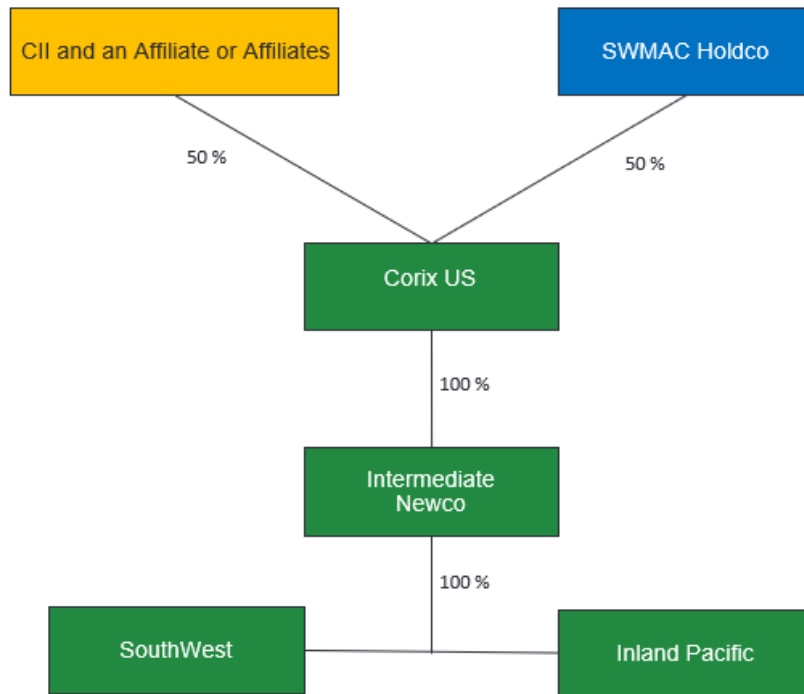
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As a result of Steps 1 through 3, CII and SWMAC Holdco will each hold 50% of the outstanding stock of Corix US, which will hold 100% of the outstanding stock of Intermediate Newco, which will hold 100% of the outstanding stock of both SouthWest and Inland Pacific. **Figure 4** illustrates the resulting structure following Steps 1 through 3.

Figure 4



181

182 **Q. HAVE THE COMPANIES PROVIDED A SUMMARY OF THE PRE- AND POST-**
 183 **CLOSING ORGANIZATION CHARTS CONSISTENT WITH THE ABOVE-**
 184 **DESCRIBED CHANGES?**

185 A. Yes, please see Exhibit A attached to the Petition, which provides a simplified view of the
 186 current, pre-closing, post-restructuring and post-closing organizational structures of CII
 187 and SWMAC’s holdings applicable to the Transaction Agreement.

188 **Q. AFTER THE TRANSACTION CLOSES, HOW WILL THE COMBINED**
 189 **COMPANIES BE GOVERNED AND MANAGED?**

190 A. The combined company will be managed by a board comprised of nine directors (the
 191 “Board”):

- 192 • The combined company’s CEO (i.e., Rob MacLean);
- 193 • Four shareholder representatives; and

- Four independent directors, one of whom will be the chair.

The management team of the combined company will be led by Rob MacLean and will consist of the following senior executives:

- Chief Operating Officer – Richard Rich
- Chief Financial Officer – Alison Zimlich
- Chief Legal Officer – Shawn EliceGUI
- Chief Enterprise Services Officer – Jim Devine
- Chief Growth Officer – Don Sudduth
- Chief Human Resources Officer – Joanne Elliott

TWS will continue to be managed locally. Please see the testimony of Tiffany Van Horn for more details on our local commitments with the Proposed Transaction.

Q. WHAT OTHER APPROVALS ARE REQUIRED IN ORDER TO CLOSE THE TRANSACTION?

A. In addition to the Commission’s approval, similar regulatory approvals are being requested from several other regulatory commissions in other jurisdictions in which the utility subsidiaries of CII and SouthWest operate across the US and Canada. The Proposed Transaction also is subject to review by federal agencies in Canada and the United States, as noted in Exhibit C to the Petition.

RATIONALE AND BENEFITS OF COMBINATION

Q. WHAT WAS THE IMPETUS FOR THIS BUSINESS COMBINATION?

A. As the testimony demonstrates, both CII and SouthWest are strong companies – financially, technically, operationally, and managerially – that share consistent missions and values. At the same time, CII and SouthWest are geographically diverse. This

217 combination will allow our approximately 1,300 employees to provide quality water and
218 wastewater services to our customers across 20 U.S. states and 2 Canadian provinces,
219 building a larger platform to facilitate needed investments in the communities served by
220 the CII and SouthWest operating companies (including TWS), while continuing to add
221 scale and grow in the future. Intermediate Newco, in short, will have the scale to enhance
222 the ability of the operating utility to make important infrastructure investments that provide
223 long-term benefits for the communities it serves in Tennessee.

224 **Q. WHAT ARE THE OVERALL BENEFITS OF THIS BUSINESS COMBINATION**
225 **TO CII, SOUTHWEST, ITS CUSTOMERS, AND THE STATE OF TENNESSEE?**

226 A. The Transaction joins two highly complementary businesses to create a leading water and
227 wastewater utility. As one company, SouthWest's and CII's water and wastewater utilities
228 will have deeper resources and capabilities to invest and operate in the water and
229 wastewater sector for the long term. The investments that the combined company can
230 make, together with the leveraging of prudent practices and operating experience of both
231 companies, will support the safe, reliable and sustainable delivery of critical resources and
232 services that will enhance the customer experience.

233 As I will discuss in greater detail in my testimony, and as shown in the testimony
234 of the other witnesses, the combination will benefit TWS and its Tennessee customers in
235 several ways. First, the combination will create greater diversity and depth of resources
236 through the combining of two large water and wastewater utilities, allowing a sharing of
237 prudent practices (both at the corporate level and regionally/locally) and an increase in
238 emergency response resources, which will benefit customers in the State. The testimony of
239 Tiffany Van Horn discusses these benefits in greater detail.

240 Second, the combination of two boards of directors into the Board and the
241 combination of two executive leadership teams into a single team is expected to reduce
242 costs. We also expect a reduction in overall audit expenses, when the separate audit costs
243 of the two companies are compared to the audit costs of the combined company. Because
244 these costs – board governance, senior executive, and audit – are subsequently allocated
245 through the corporate allocation process to individual utilities (including TWS) and
246 reflected in customer rates, customers will benefit as the net savings are allocated to
247 individual utilities and reflected in rates in future proceedings.

248 Third, the combination will increase the financial resources and flexibility of
249 Intermediate Newco and its subsidiaries, putting Intermediate Newco and TWS in a
250 favorable position to attract capital on reasonable terms to facilitate needed infrastructure
251 investments and continued growth in the water and wastewater industry. The Companies
252 anticipate their combined financial strength will allow for improved financing terms
253 compared to present day.

254 Fourth, while the Transaction is not driven by synergies, we do anticipate that the
255 business combination will improve efficiency and the integration of administrative and
256 general functions result in cost savings. Yet, the integration of CII's water, wastewater, and
257 related businesses with SouthWest's water and wastewater business will be a significant,
258 prolonged undertaking. We anticipate that integration will lead to additional efficiencies
259 and reduced operating costs in various functional areas. We expect that the costs and
260 benefits of integration will be addressed in future ratemaking proceedings and our utility
261 customers will benefit from improved operations.

Q. HAVE THE COMPANIES INCURRED, OR WILL THE COMPANIES INCUR, COSTS ASSOCIATED WITH THE COMBINATION?

A. Yes, the Companies are incurring “transaction costs” and will also incur “integration costs.” As noted in the Petition, Corix US and TWS (collectively, the “Petitioners”) will not seek to recover transaction costs from customers.

Q. HAVE THE COMPANIES IDENTIFIED SPECIFIC AREAS OF INTEGRATION?

A. As detailed above, the Companies plan to consolidate their respective Boards of Directors and senior executive team into the Board and a single executive team, effective at Proposed Transaction closing. All other areas of the Companies’ respective businesses have not identified potential integration at this time; however, the Companies anticipate integration activities to be undertaken and implemented over an extended time in the future. To the extent that any savings are generated from future integration, the Companies anticipate integration costs will be incurred to achieve those savings.

Q. HOW DO THE COMPANIES PROPOSE TO TREAT THE TRANSACTION COSTS AND INTEGRATION COSTS THAT ARE OR WILL BE INCURRED RELATED TO THIS COMBINATION?

A. The Companies state that no transaction costs treatment is requested in this Petition, and TWS will not seek recovery of transaction costs in a future proceeding. Integration costs – and any savings that follow – will accrue over a prolonged period. As such, the Companies expect that costs incurred to achieve savings will be considered in future proceedings.

Q. DOES TWS PROPOSE ANY RATE CHANGES TO CUSTOMERS AS A RESULT OF THIS COMBINATION?

A. TWS does not propose any changes to customer rates in this Petition. As noted above, to the extent any net savings are generated through integration, such savings will be reflected in customer rates in future proceedings.

SATISFACTION OF PUBLIC INTEREST

Q. DOES THE PROPOSED COMBINATION OF CORIX US AND SOUTHWEST FURTHER THE PUBLIC INTEREST?

A. Yes. The combination will not adversely impact TWS's quality of service. In fact, the combination should improve service over time due to the sharing of industry expertise and prudent practices between CII and SouthWest. In addition, the combined financial resources of CII and SouthWest will facilitate needed utility infrastructure investments and continued growth. Further, the combination will have no immediate impact on TWS's rates. Customers may realize the benefits of the Proposed Transaction over time when the combined company's cost structure is reflected in Suburban's revenue requirement in future rate proceedings.

TWS will continue to be locally managed, with local support and facilities. And TWS will continue to support the communities it serves. For all the reasons identified in my testimony and in the other witnesses' testimony, I believe this combination furthers the public interest.

Q. DOES THE PROPOSED TRANSACTION INVOLVE ANY TRANSFER OF TWS'S STOCK OR ASSETS?

A. No, it does not.

Q. DOES THE PROPOSED TRANSACTION INVOLVE ANY PLEDGE, ENCUMBRANCE, OR CROSS-COLLATERALIZATION OF TWS'S ASSETS?

A. No, it does not.

Q. WHAT CUSTOMER PROTECTIONS DO THE PETITIONERS PROPOSE?

A. Consistent with their shared mission and values, the Petitioners make the following commitments:

1. TWS will continue to provide high-quality water utility service to its customers.
2. TWS will continue to maintain a strong local presence in Tennessee in terms of facilities and community support.
3. The Petitioners have incurred and will incur transaction costs. The Petitioners, including TWS, will not seek to recover transaction costs from customers.
4. While the Proposed Transaction is not driven by net financial synergies, the Petitioners anticipate that the business combination will improve efficiency and the integration of administrative and general functions should result in cost savings. The integration of CII's water, wastewater, and related businesses with SouthWest's water and wastewater business will be a significant, prolonged undertaking. The Petitioners acknowledge that costs and benefits associated with integration will be addressed in future ratemaking proceedings.
5. Without the Commission's prior approval, TWS will not guarantee any debt or credit instrument of Intermediate Newco or any affiliate of TWS unless such debt is incurred for the specific purpose of TWS's systems or operations.
6. The proceeds of any debt incurred by TWS will only be used for purposes specific to TWS's system or operations.
7. Unless it first obtains the Commission's approval, TWS will not transfer any material asset to Intermediate Newco or an affiliate except in an arm's length transaction and in compliance with Commission rules and the laws of the State of Tennessee.

8. The combined business will be established with a target investment grade capital structure profile and operated in a way that is consistent with maintaining an investment grade profile.

9. The combined company, including TWS, will refrain from any involuntary reduction in force related to the combination for the first 12 months after the Proposed Transaction closes.

10. TWS will comply with the Commission's affiliate transaction rules and present any new affiliated interest and/or shared services agreements to the Commission for approval, if required, pursuant to the Commission's rules.

Together, the above commitments present a solid commitment on the financial operation of Intermediate Newco and should be positively viewed in the context of this Petition.

Q. DOES THE PROPOSED TRANSACTION REQUIRE A CHANGE IN, OR IS TWS PROPOSING TO CHANGE, TWS'S EXISTING AFFILIATE AGREEMENT?

A. No, as the Proposed Transaction does not have an immediate effect on TWS's cost allocation manual used to allocate corporate costs to TWS. As noted above, although the process of planning for integration has commenced, implementation cannot begin until after Proposed Transaction closing. Therefore, since affiliate activities directly involving TWS are not changing for some time, TWS has no need to change existing agreements. TWS will file any amendments or new agreements with the Commission at the appropriate time in the future.

Q. PLEASE SUMMARIZE THE REQUEST FOR RELIEF IN THE CURRENT PETITION FOR CORIX US.

353 A. The Petitioners request approval of the merger of equals, including the transfer of indirect
354 control of TWS, as contemplated in the Transaction Agreement, as it furthers the public
355 interest consistent with the standard established by Tenn. Code Ann. § 65-4-113.

356 **Q. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

357 A. Yes, it does.

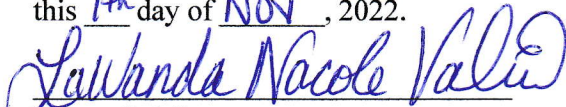
STATE OF ILLINOIS
COUNTY OF DUPAGE

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Steven M. Lubertozzi, being by me first duly sworn deposed and said that:

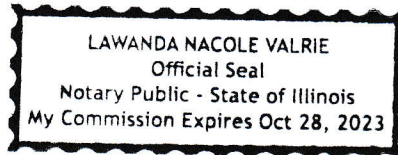
He is appearing as a witness on behalf of Tennessee Water Service, Inc. before the Tennessee Public Utility Commission, and if present before the Commission and duly sworn, his testimony would be as set forth in his pre-filed testimony in this matter.


Steven M. Lubertozzi

Sworn to and subscribed before me
this 7th day of NOV, 2022.


Notary Public

My Commission Expires: 10/28/2023



The Executive Leadership Team for Our New Company



Rob MacLean, Chief Executive Officer (CEO)

Rob MacLean has served as SouthWest Water's President and Chief Executive Officer since 2018. He is based at the company's headquarters in Sugar Land, Texas. Rob's career has spanned over 25 years in the water industry, and he has served as a volunteer leader for various regional and national organizations. During his tenure with SouthWest Water, Rob has led the company's continued expansion and growth while focusing on employee empowerment and service excellence. The Company's internal motto, "We've got this!" is emblematic of the culture at SouthWest Water, where employees are empowered to get the job done for our customers.



Jim Devine, Chief Enterprise Services Officer (CESO)

Jim currently serves as Chief Support Services Officer at Corix. Jim joined Utilities, Inc. in 2010, working in Human Resources until he was promoted to lead Shared Services shortly after the Corix acquisition in 2014, and joined the Corix Executive team in 2018. In his new role, he will oversee the combined company's shared technology platforms, Centers of Expertise and enterprise business services. Jim will continue to reside with his husband, Andrew, in Chicago, IL following close of the transaction.



Shawn Elicegui, Chief Legal Officer (CLO)

Shawn currently serves as CLO at Corix. In his role at the new company, he will maintain similar responsibilities overseeing the legal department. He will also have responsibility for the corporate Rates, Regulatory and Legislative Affairs team. Shawn, who joined Corix in 2019, will continue to reside in Reno, NV with his wife, Jennifer, following the close of the transaction.



Joanne Elliott, Chief Human Resources Officer (CHRO)

Joanne currently serves as CHRO at SouthWest Water. At the newly combined company, she will be responsible for all aspects of people and culture. Joanne joined SouthWest Water in 2019, and she will continue to reside in Los Angeles County, CA with her husband Hal.



Richard Rich, Chief Operating Officer (COO)

Richard is currently the COO of SouthWest Water. As COO of the combined company, he will continue to oversee the operations for all business units. Rich began his career at SouthWest Water as a meter reader 20 years ago, and has served in various roles across several states, including in Operations; Customer Care; Regulatory; Financial Planning and Analysis; and as President of the California business. Rich and his wife Kellie, along with their two children, Jaxon (17) and Ella (11), will continue to be based in the Sugar Land, TX area.



Don Sudduth, Chief Growth Officer (CGO)

Don currently serves as CGO at Corix. At the combined company, he will continue to be responsible for leading and growing the new company's business. Don has been with Corix for 16 years, first with Corix-acquired Utilities, Inc. and then with Corix. He has served as VP Corporate Development; VP Meter To Cash Operations; President of the South Region; and COO of Energy & Contract Utilities. Don will continue to be based in Florida, where he resides with his wife, Kandi, near their two adult sons, Masen and Jacksen.



Alison Zimlich, Chief Financial Officer (CFO)

Alison currently serves as CFO of SouthWest Water and will continue in that same role with the new company. Alison has been with SouthWest Water since May 2021. She and her husband, Josh, live in the Houston area and are recent empty-nesters. They are looking forward to lots of golf and travel in their new free time. Their daughter, Bonnie, is a junior at Texas State University, and their son, Caden, is a freshman at University of Arkansas.