

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

IN RE:)	
)	
PETITION OF TENNESSEE)	
WASTEWATER SYSTEMS, INC., TO)	DOCKET NO. 22-00134
AMEND ITS CERTIFICATE OF)	
CONVENIENCE AND NECESSITY)	

DIRECT TESTIMONY OF MATTHEW NICKS

Q1. What is your name and business address?

A. My name is Matthew Nicks, and my business address is 851 Aviation Parkway, Smyrna TN, 37167.

Q2. By whom are you employed and in what capacity?

A. I am the President of Tennessee Wastewater Systems, Inc. ("TWSI").

Q3. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to support the petition filed by TWSI to amend its CCN to include the Lake Haven subdivision in Jefferson County, Tennessee, describe the proposed development, and attest to the financial, managerial, and technical capabilities of TWSI to properly own, operate, and maintain the wastewater treatment and collection system for Lake Haven.

Q4. Please describe TWSI's service territory.

A. In 1994 the Public Service Commission (predecessor to the TPUC) granted TWSI (then called On-Site Systems, Inc.) its initial CCN. Since that time, TWSI has been granted over 100 CCNs and provides wastewater service to over 5100 customers in 23 Tennessee counties.

Q5. Does a public need exist for wastewater services in the proposed service area?

A. Yes. The property is not currently served by any wastewater provider nor does the County have any intentions of providing service to the properties. (See Exhibits 12A and 12B) Exhibit 11 is the letter from the developer to the utility requesting service.

Q6. Please describe the proposed Lake Haven project.

- A. The Lake Haven subdivision is located in Jefferson County, Tennessee. The subdivision is proposed to have 103 commercial cabins. The wastewater system for the subdivision is designed for 72,000 gpd of wastewater flow. Because this is a commercial cabin community and these types of developments typically generate flows in excess of TDEC design guidelines, the system has been designed to accommodate the larger flows typically seen in these cabin communities. This is to ensure sufficient capacity is available in the system as the community is built out. It should also be noted that while the subdivision and the homes to be served by the wastewater facility are wholly located within Jefferson County, the treatment plant will be located in Sevier County. However, no service is being provided within Sevier County.

Q7. What type of wastewater collection and treatment system is proposed for the Lake Haven subdivision?

- A. The proposed system consists of watertight effluent pressure collection system, utilizing STEP/STEG tanks and a recirculating media filter treatment system. The treated effluent will be land applied for disposal.

Q8. Does TWSI have the managerial and technical ability to own, operate, and maintain the treatment system for Lake Haven?

- A. Yes. The treatment and collection system proposed for use at Lake Haven is similar to the majority of systems already owned, operated, and maintained by TWSI. TWSI's system operators and maintenance personnel will be responsible for ensuring the system is maintained and operated in compliance with TDEC regulations.

In addition to the operations and maintenance personnel, TWSI will continually monitor the system through remote telemetry and the HAWKMS system. HAWKMS gives the operators the ability to remotely monitor and control their plants. Utilizing this technology not only allows TWSI to operate and maintain sites more efficiently, but also more economically as it cuts down on the need for additional personnel, equipment, and allows the utility to optimize energy consumption based on plant conditions. Including TWSI owned systems, there are over 300 wastewater facilities using this technology.

Q9. How will the construction of the Lake Haven Treatment Facility be managed and funded?

- A. The wastewater treatment system and facility will be constructed by the developer and conveyed to TWSI as a contribution in aid of construction. Adenus Solutions Group, LLC, an affiliate of TWSI, has been contracted to complete the work. Once construction is complete and the system is approved and accepted by the utility, TWSI will be granted all necessary easements and deeded ownership of the system and land upon which the system and drip disposal areas are constructed.

Q10. What rates and charges will be used for Lake Haven?

- A. Lake Haven is a commercial cabin community. Customers who indicate their cabin will be used as a residence and not a commercial rental property will be charged consistent with Rate Class 1 of TWSI's Residential Rate tariff. Customers who make their cabin available as a commercial rental will be charged consistent with TWSI's Commercial Cabin Tariff. (Exhibit 30 of the Petition).

Q11. Does TWSI have the financial resources to provide service to the Lake Haven subdivision?

- A. Yes. TWSI currently has in place a \$300,000 bond approved by the Commission. Further the utility has over 5000 customers in Tennessee which makes adding a new territory less of a financial burden to the company. The Company is also able to offset initial operations and maintenance costs through the monthly access fees paid to TWSI by owners of empty lots. A copy of the 5-year projection for the development has been included with the Petition as Exhibit 31.

Q12. Will TWSI abide by the orders and rules of the Commission, including the Affiliate Transaction Rule, and Rule 1220-04-13-.09(7) concerning the completion of the construction of the wastewater system within three years of TPUC's written approval of the CCN if applicable?

- A. Yes.

Q13. Does this complete your testimony?

- A. Yes.

AFFIDAVIT

My name is Matthew Nicks and I affirm that all the information contained in the petition and in the testimony of Matthew Nicks filed in this Docket are true to the best of my knowledge and belief.


Matthew Nicks

County of Rutherford)
State of Tennessee)

On this 1th day of December 2022, personally appeared before me, Susan Chaffin, a notary public, the above-named Matthew Nicks, known to me personally who was duly sworn and on oath executed the above Affidavit.


Notary

My commission expires: 01/25/26

