

# BUTLER | SNOW

March 1, 2023

## **VIA ELECTRONIC FILING**

Hon. Herbert H. Hilliard, Chairman  
c/o Ectory Lawless, Docket Room Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243  
[TPUC.DocketRoom@tn.gov](mailto:TPUC.DocketRoom@tn.gov)

Electronically Filed in TPUC Docket  
Room on March 1, 2023 at 11:52 a.m.

**RE: *In Re: Expedited Joint Application of Limestone Water Utility Operating Company, LLC, and DSH & Associates, LLC, for Approval of the Acquisition of and to Operate the Wastewater System of DSH & Associates, LLC, and to Transfer or Issue a Certificate of Public Convenience and Necessity, TPUC Docket No. 23-00016***

Dear Chairman Hilliard:

Attached for filing please find the *Expedited Joint Application of Limestone Water Utility Operating Company, LLC, and DSH & Associates, LLC, for Approval of the Acquisition of and to Operate the Wastewater System of DSH & Associates, LLC, and to Transfer or Issue a Certificate of Public Convenience and Necessity*, including exhibits and pre-filed testimony<sup>1</sup>.

As required, the original plus four (4) hard copies of the Application and supporting documentation will follow. We have also enclosed a check in the amount of \$25.00 for the required filing fee. Please note that Exhibits 7, 10, 10a, 11 and 23 to the Application are being submitted **UNDER SEAL** as **CONFIDENTIAL and PROPRIETARY**. Both a public version and a nonpublic, **CONFIDENTIAL** version of Exhibits 7, 10, 10a, 11 and 23 are attached.

For the reasons set forth within the Application, the parties are requesting that this matter be considered on an expedited basis. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Sincerely,

BUTLER SNOW LLP



Katherine Barnes

## Attachments

cc: Vance Broemel, Consumer Advocate Division  
Karen H. Stachowski, Consumer Advocate Division

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<sup>1</sup> For administrative convenience, two USB drives of the *Application*, and supporting documentation, are enclosed.

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**IN RE: )  
)  
EXPEDITED JOINT APPLICATION OF )  
LIMESTONE WATER UTILITY )  
OPERATING COMPANY, LLC, AND )  
DSH & ASSOCIATES, LLC, FOR )  
APPROVAL OF THE ACQUISITION OF )  
AND TO OPERATE THE )  
WASTEWATER SYSTEM OF DSH & )  
ASSOCIATES, LLC, AND TO TRANSFER )  
OR ISSUE A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY )**

**DOCKET NO. 23- 00016**

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**EXPEDITED JOINT APPLICATION OF LIMESTONE WATER UTILITY  
OPERATING COMPANY, LLC, AND DSH & ASSOCIATES, LLC, FOR APPROVAL  
OF THE ACQUISITION OF AND TO OPERATE THE WASTEWATER SYSTEM OF  
DSH & ASSOCIATES, LLC, AND TO TRANSFER OR ISSUE A CERTIFICATE OF  
PUBLIC CONVENIENCE AND NECESSITY**

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Pursuant to Tenn. Code Ann. §§ 65-4-104, 65-4-201, and 65-4-113, and all applicable rules of the Tennessee Public Utility Commission (“TPUC” or “Commission”), Limestone Water Utility Operating Company, LLC (“Limestone”), and DSH & Associates, LLC (“DSH”), respectfully submit this Joint Petition requesting the Commission to approve Limestone’s acquisition (the “Transaction”) of the title to all assets, property, and real estate currently owned by DSH and used to provide regulated wastewater service to customers in LaFollette, Campbell County, Tennessee (the “System”). Limestone and DSH (the “Applicants”) further request the Commission to authorize the transfer of DSH's Certificate of Public Convenience and Necessity (“CCN”) to Limestone, pursuant to Tenn. Code Ann. § 65-4-113, with its accompanying privilege and franchise. Alternatively, the Applicants request that the Commission grant Limestone a CCN, with its accompanying privilege and franchise, pursuant to Tenn. Code Ann. §§ 65-4-201 and 65-4-107.

Under terms of the *Agreement for Sale of Utility System*,<sup>1</sup> all authorizations and approvals requested in the preceding paragraph, and related accounting, ratemaking, and regulatory approvals, are conditions precedent to closing the Transaction. Therefore, and as approving the Transaction and granting Limestone's request for a CCN serve the public interest and are necessary for public convenience, the Applicants respectfully request that the Commission consider this Joint Application on an **expedited basis**.

In support of the Joint Application, the Applicants submit the following:

**I. Introduction**

1. The full names, addresses, and contact information for the Applicants are as follows:

Limestone Water Utility Operating Company, LLC  
c/o Josiah Cox  
1630 Des Peres Rd., Suite 140  
St. Louis, MO 63131  
(314) 380-8544  
[regulatory@cswrgroup.com](mailto:regulatory@cswrgroup.com)

Doug Hodge, President  
DSH & Associates, LLC  
2099 Thunderhead Road, Suite 204  
Knoxville, Tennessee 37922  
(865) 755-8066  
[dhodge@dshassociates.com](mailto:dhodge@dshassociates.com)

2. All correspondence, notices, inquiries, questions, and other communications regarding the Application should be directed to the person or entity identified in the preceding paragraph, with copies to the following counsel:

Melvin Malone  
Katherine Barnes  
Butler Snow LLP  
The Pinnacle at Symphony Place  
150 Third Avenue South, Suite 1600  
Nashville, Tennessee 37201

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<sup>1</sup> The *Agreement for Sale of Utility System* is attached hereto **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibit 7**.

Office: (615) 651-6700  
[Melvin.Malone@butlersnow.com](mailto:Melvin.Malone@butlersnow.com)  
[Katherine.Barnes@butlersnow.com](mailto:Katherine.Barnes@butlersnow.com)

3. In support of the Joint Application, the following appendix and exhibits are attached hereto:

**Appendix A** - Minimum Filing Requirements for CCN and Acquisition Applications;  
**Exhibit 1** - Description and Area Map of the System;  
**Exhibit 2** - Limestone Articles of Organization;  
**Exhibit 3** - Limestone Operating Agreement;  
**Exhibit 4** - Limestone Certificate of Existence;  
**Exhibit 5** - CSWR Organization Chart;  
**Exhibit 6** - Chart of Limestone's Affiliates and Number of Customers Served;  
**Exhibit 7** - **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - *Agreement for Sale of Utility System*;  
**Exhibit 8** - Assignment of Rights Agreement;  
**Exhibit 9** - Pre-filed Direct Testimony of Josiah Cox;  
**Exhibit 10** - **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - CSWR Consolidated Financial Statements;  
**Exhibit 10A** - **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - CSWR Consolidated Financial Statements;  
**Exhibit 11** - **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - Limestone Pro Forma Financial Statements;  
**Exhibit 12** - Resumes of Key CSWR Personnel;  
**Exhibit 13** - Customer Notification Letter Draft;  
**Exhibit 14** - Surety Bond;  
**Exhibit 15** - Officer/Key Employee Organization Chart;  
**Exhibit 16** - DSH State Operating Permit;  
**Exhibit 17** - DSH State Operator's Certificate;  
**Exhibit 18** - Proposed Chart of Accounts;  
**Exhibit 19** - List of Plant-In-Service Accounts;  
**Exhibit 20** - Limestone's 2021 Annual Report;  
**Exhibit 21** - DSH Tariff;  
**Exhibit 22** - DSH Customers by Class;  
**Exhibit 23** - **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - Pro Forma Income Statement for the System;  
**Exhibit 24** - Anticipated Capital Budgets for the System;  
**Exhibit 25** - Regulatory, Transaction and Closing Costs;  
**Exhibit 26** - Valuation Methodology;  
**Exhibit 27** - Valuation Schedule and Workpapers;  
**Exhibit 28** - Proposed Acquisition Adjustment Computation;<sup>2</sup>

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<sup>2</sup> In keeping with the naming convention of the USOA for Account 114 Utility Plant Acquisition Adjustment, this exhibit is styled "Proposed Acquisition Adjustment Computation." Nonetheless, to avoid confusion, we note, as set forth herein, that Limestone is not seeking an acquisition adjustment from the Commission pursuant to Commission Rule 1220-04-14-.04 in this Joint Application, though it reserves the ability to request the same in a future rate case.



**Exhibit 29** - DSH Contributed Assets;  
**Exhibit 30** - Pro Forma Accounting Entries;  
**Exhibit 31** - Limestone's Proposed Tariff.

## **II. Description of the Applicants**

### **4. General Information**

#### **A. DSH**

DSH is a Tennessee limited liability company. Its principal office and place of business is at 2099 Thunderhead Road, Suite 204, Knoxville, Tennessee 37922. DSH is authorized to provide wastewater service pursuant to a CCN issued by the Commission in TPUC Docket No. 11-00020 (April 24, 2018) and currently provides wastewater service to customers in LaFollette, Campbell County, Tennessee. As required by TPUC Rule 1220-04-13-.17(2)(a)7, a description of DSH's service area and service area map of the System are attached to the Joint Application as **Exhibit 1** and are incorporated by reference.

#### **B. Limestone**

Limestone is a Tennessee limited liability company. Its principal office and place of business is at 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131. Limestone currently provides water and wastewater services to approximately 455 water connections and 1,900 wastewater connections in Hardin County and Williamson County, Tennessee.<sup>3</sup> A certified copy of Limestone's articles of organization, operating agreement, and certificate of existence, as filed

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<sup>3</sup> The Commission previously granted Limestone CCNs to provide services in Tennessee. *See Order Approving Sale of Assets, Property, and Real Estate and Certificate of Public Convenience of Aqua Utilities Company, LLC Subject to Conditions and Requirements of the Tennessee Public Utility Commission*, TPUC Docket No. 19-00062 (Dec. 7, 2020); *Order Approving Settlement Agreement and Transfer of Systems, and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00053 (Jan. 24, 2022) (acquisition of wastewater system previously owned by Cartwright Creek, LLC); *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00055 (Dec. 2, 2022) (acquisition of water and wastewater system previously owned by Shiloh Falls Utilities, Inc.); and *Order Approving Settlement Agreement and Transfer of System and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00060 (Dec. 2, 2022) (acquisition of wastewater system previously owned by Chapel Woods Home Owners Association).

with or issued by the Tennessee Secretary of State's office, are attached to the Joint Application as **Exhibits 2, 3, and 4**, respectively, and are incorporated by reference. Limestone's sole member is Limestone Water Utility Holding Company, LLC ("LWUHC"), a Tennessee limited liability company, whose sole officer is its President, Josiah Cox.

Limestone and LWUHC are part of a group of affiliated companies that directly or indirectly own and operate water or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas, and provide services to approximately 133,300 connections. Each company within the group is an "affiliate" of each other company, as defined by TPUC Rule 1220-04-13-.16(2)(a). An organization chart showing all affiliate relationships within the group is attached to the Joint Application as **Exhibit 5**. Each affiliate that directly owns and operates a water or wastewater system and the number of customers it serves is identified in **Exhibit 6**. Those exhibits are incorporated by reference.

One of Limestone's affiliates, CSWR, LLC ("CSWR"), provides financial, technical, and managerial expertise and services to each of the group's utility operating affiliates and will manage Limestone and the System if the Commission approves the Transaction. CSWR is the only company within the group that has employees and is the only affiliate that would provide services to Limestone. The technical, managerial, and financial services CSWR would provide Limestone are described later in the Application. CSWR is a Missouri limited liability company, and its principal office is located at 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131. It currently does not conduct business in Tennessee and does not intend to do so in the future; therefore, CSWR is not required to have a business license or any other authorization from the Tennessee Secretary of State.

### **III. Description of the Transaction**

DSH has determined it is in the best interests of both the company and its customers to sell the System to a qualified operator. In furtherance of that objective, DSH and Central States Water Resources, Inc., ("Central States")<sup>4</sup> entered into a binding *Agreement for Sale of Utility System* dated January 2, 2019 (the "Agreement"). A copy of the Agreement is attached, **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibit 7** and incorporated by reference. The Agreement specifies terms for DSH to sell and Central States or its affiliate to purchase all assets DSH uses to provide wastewater services through the System in Campbell County, including, but not limited to, wastewater service facilities and equipment, intangibles, franchises, inventory, contracts and contract rights, and real estate. Assets are to be transferred free of all liens, judgments, mortgages, and similar encumbrances, in accordance with TPUC Rule 1220-04-13-.10(1). No closing date is specified because closing is expressly contingent on satisfaction of various conditions precedent, including obtaining all required regulatory approvals. However, the closing date will be at least 90 days after the filing of this Joint Application, in accordance with TPUC Rule 1220-04-13-.10(2).<sup>5</sup>

Section 18 of the Agreement authorizes Central States to assign its rights to an affiliated entity. In accordance with that provision, Central States has executed an *Assignment of Rights* that, at closing, would transfer to Limestone all rights, title, and interests to DSH's assets. A copy of that assignment is attached to this Joint Application as **Exhibit 8** and incorporated by reference.

The sale of assets under terms specified in the Agreement promotes the interests of the public generally and of DSH's customers more specifically. Limestone and CSWR are willing and

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<sup>4</sup> Central States is an affiliate of Limestone, as that term is defined in TPUC Rule 1220-04-13-.16(2)(a).

<sup>5</sup> Pursuant to Rule 1220-04-13-.10(3)(c), the Applicants note here their intent to proceed to closing promptly subsequent to Commission approval. Hence, the effective date of the Transaction is tied to the date of Commission approval.

able to invest capital necessary to keep the System in compliance with applicable law. The affiliate group, of which Limestone and CSWR are part, has access to capital adequate to make necessary upgrades and improvements to the System and to continue to operate that System in a manner that is in the public interest and complies with applicable statutes, rules, and regulations. If the Commission grants the relief requested in the Joint Application, Limestone intends to adopt rates currently in effect for DSH's customers served by the System.

The reasons Limestone wants to purchase the System and Limestone's plans for the System are set forth in the written Pre-filed Direct Testimony of Limestone Witness Josiah Cox, which is attached to this Joint Application as **Exhibit 9** and incorporated by reference. Mr. Cox's testimony also includes information required by TPUC rules or a commitment to comply with all Commission rules, including, among others, TPUC Rules 1220-04-13-.12 and 1220-04-13-.17(2)(f), and confirms Limestone's intent to fully comply with all applicable statutes, rules, and regulations.

#### **IV. Limestone Possesses the Technical, Managerial, and Financial Expertise Necessary to Provide Utility Services**

Through its affiliation with CSWR, Limestone possesses the requisite technical, managerial, and financial capabilities to operate as a utility services provider.<sup>6</sup> These capabilities are further explained in detail below and in Mr. Cox's Pre-filed Direct Testimony. As previously noted, in addition to the water and wastewater services Limestone already provides in Tennessee, CSWR-affiliated companies currently operate water or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas. For each of the systems an affiliate currently owns or operates, CSWR provides the

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<sup>6</sup> As noted in footnote 3, the Commission has previously reviewed and approved Limestone's technical, managerial and financial capabilities, and Applicant Limestone incorporates such Commission orders by reference.

technical, managerial, and financial resources necessary to acquire and operate those systems. CSWR would continue to provide similar support for the System that Limestone proposes to acquire in this case.

**A. Technical Qualifications**

CSWR's technical resources and expertise have greatly improved the quality of service its utility-operating affiliates are able to provide their respective customers in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas. CSWR has staff engineers and other similarly qualified personnel with experience in the design and operation of water and wastewater systems and 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 allows Limestone to achieve economies of scale and efficiencies not generally available to water and wastewater utilities with operations and facilities similar in size to the System. If the Commission grants the regulatory approvals sought in this Application, CSWR would bring the same benefits it currently provides to its Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas customers to the DSH customers Limestone proposes to serve. In his Pre-filed Direct Testimony, Mr. Cox further describes and discusses the technical qualifications of Limestone and its affiliates to own and operate the System.

**B. Financial Qualifications**

Through CSWR, Limestone has access to investment capital necessary to acquire small, oftentimes distressed, water and sewer systems and make investments necessary to upgrade, improve, and maintain those systems so they can provide safe and reliable water and wastewater service to customers. Equity capital used to acquire DSH's assets, to fund initial capital upgrades

and improvements, and providing necessary working capital will be provided by CSWR. After the acquisition is completed, Limestone will determine if future improvements of the System will be funded by equity, debt, or a combination of both, with future debt capital to be obtained from commercial sources, if available, at reasonable interest rates. Limestone and its affiliates thus have the financial capability necessary to acquire, own, and operate the System. CSWR's consolidated balance sheet and income statement for the last three (3) years are attached to the Application **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibits 10 and 10A**. Limestone began operations as of March 18, 2021. A pro-forma income statement and balance sheet for Limestone for the first three years of its proposed operation of the System is attached **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibit 11**. Each of those exhibits is incorporated by reference. Further, attached as **Exhibit 20** is Limestone's 2021 Annual Report, which includes an income statement and balance sheet. Limestone will provide its 2022 financial statements as soon as they are available.

### **C. Managerial Qualifications**

Resumes of key CSWR personnel who are closely involved with Limestone's operations are attached to this Joint Application as **Exhibit 12** and are incorporated by reference. Information presented in those resumes demonstrates the considerable managerial and technical expertise and experience available to Limestone through its affiliation with CSWR. Where additional or supplemental expertise is required (e.g., personnel holding licenses or certifications required by Tennessee law), Limestone or CSWR will efficiently engage qualified independent contractors to satisfy those needs.

**V. Acquisition Adjustment and Transaction Costs**

Although Limestone is not affirmatively seeking a proposed acquisition adjustment pursuant to TPUC Rule 1220-04-14 in conjunction with and pursuant to this Joint Application, Limestone is, consistent with past requests from either the Consumer Advocate Unit or the Commission in other Limestone acquisitions, providing information related to accounting and rate base treatment for the Commission, as well as for Limestone's initial rate case.

Therefore, Limestone proposes that its beginning value of the acquired assets for ratemaking purposes be the value recorded in DHS's books and records at the closing date. Limestone will not book an above-the-line regulatory asset for ratemaking purposes for any portion of the amount by which the purchase price exceeds the value of the acquired assets as reflected in DHS's books and records at the date of closing. In any future rate case proceeding, Limestone should be permitted to present evidence and argument concerning the value of assets used and useful for provisioning public utility services, and the Consumer Advocate Unit and other interested parties may oppose such values or present their own evidence and argument concerning the value of such assets, including the appropriateness of an acquisition premium.

Limestone commits that a determination of recoverable regulatory and transaction costs related to this acquisition will be deferred to Limestone's initial rate case involving such costs. Limestone commits that it will not seek to recover in rates any amount exceeding 50% of the legal expenses paid to local counsel for the representation of Limestone or DHS related to this regulatory proceeding. The Consumer Advocate Unit and other interested parties may present evidence and argument concerning the proper amounts to be recovered in rates. Limestone will file within 30 days of closing the amount of legal costs.

## **VI. Rates Design and Other Proposals and Commitments**

As noted in the Pre-filed Direct Testimony of Limestone Witness Josiah Cox, and as set forth in **Exhibit 31** to the Joint Application, Limestone proposes to adopt the tariffs, rules, and rates currently in effect for the System. If the revenue requirement for the System increases in the future, however, Limestone may petition the Commission to increase rates or change certain operating regulations. Limestone may also seek authority to consolidate rates of the systems it proposes to acquire in this case with those of the other wastewater systems it operates in Tennessee.

In its initial base-rate case including the System, Limestone proposes that it be permitted to present evidence to establish and include in rate base the net book value of assets it acquires from DSH up to an amount not to exceed the purchase price paid for those assets. The Consumer Advocate Unit or other interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the proper calculation of rate base. Further, in its initial base-rate case including the System, Limestone proposes that it be permitted to present evidence seeking to establish and include in rate base amounts incurred for legal and other transaction-related fees and services. Again, the Consumer Advocate Unit or other interested parties may oppose such values or present their own evidence and argument concerning the proper amounts of these expenses to be recovered in rates.

Limestone commits to not make any corrections or modifications to accounting records received from DHS at closing. If Limestone believes accounting entries should be corrected or changed, it shall seek approval from the Commission to make the necessary accounting corrections at least 180 days prior to its initial request to increase base rates. The Consumer Advocate Unit or other interested parties may oppose such requests.



Limestone commits to maintain separate asset and operating-costs records for the System's well, water treatment and distribution. Limestone further commits to maintain its books and records in compliance with the Uniform System of Accounts as set forth in Commission Rule 1220-04-01-11.

Within 30 days after closing, Limestone commits to file a balance sheet and supporting general ledger in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-11, showing DHS' ending balances of the assets acquired by Limestone as of the closing date. Limestone will also file a balance sheet and supporting general ledger in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-11, showing Limestone's beginning balances of the assets acquired from DHS as of the closing date.

Limestone commits to transfer to Limestone complete copies of DHS's accounting records, to the extent they exist, for the two calendar years immediately preceding the date of closing, as well as the complete year-to-date accounting records for the calendar year in which the closing occurs. At a minimum, Limestone will maintain these records through the completion of its initial rate proceeding before the Commission.

Limestone commits to file within 30 days of execution copies of contracts or pricing agreements between Limestone and any affiliate and between Limestone and contractors that provide ongoing operations and maintenance or billing services to the System or customers served by the System. Further, Limestone commits to file copies of recorded deed(s) for land where DHS facilities are located and copies of recorded easements in Limestone's name for all the land and ownership right for any and all access to the acquired System within 30 days after the date of recording. Limestone will file a copy of the Agreement that has been fully executed by Limestone

and DHS and acknowledged by the Title Company with the recorded effective date and with all exhibits attached, complete with documentation, within 30 days after the closing. Limestone will file a copy of the State Operating Permit “Request for Transfer” for current permits within 30 days of issuance. And finally, Limestone will file copies of required maps and engineering designs for the System within 30 days of availability.

**VII. Approval of the Joint Application is in the Public Interest**

Granting this Joint Application is consistent with the public interest. In that regard, the Joint Applicants make the following representations to the Commission:

- a. As outlined above, and as previously recognized by the Commission (*see* footnotes 3 and 6), Limestone possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Limestone's services will meet the service standards required by the Commission and comply with state law, including all applicable Commission rules and regulations;
- c. The provision of services by Limestone will not adversely impact the availability of affordable utility service;
- d. The provision of utility services by Limestone will not adversely impact the public interest;
- e. As noted earlier herein, specifically in footnotes 3 and 6, Limestone and its affiliates have already demonstrated their ability to provide safe and reliable water and wastewater service in Tennessee; and
- f. DHS has determined that it is in the best interest of DHS and its customers to sell the System.

To minimize any adverse effects on customers, Limestone proposes to adopt DSH's currently approved rates and tariffs, and any future changes in those rates or tariffs would be subject to the Commission's review and approval.

## **VIII. Conclusion**

As set forth herein, and as evidenced in the Pre-filed Direct Testimony and supporting documentation in support of this Application, both DSH and Limestone believe it is in the best interests of the System's customers for Limestone to acquire the System with the result that Limestone will be the exclusive provider of wastewater within the service area of the System. In properly maintaining and supporting a wastewater system, successful operators will inevitably be confronted with, among other things, increasing costs and mounting capital expenditures. Aging infrastructure and technological advances must be consistently and appropriately studied and addressed. Limestone has the capability and resources to ensure that the System is appropriately maintained and upgraded as future conditions warrant. In fact, the representations and warranties described in the Agreement reflect the determination by the parties involved that going forward Limestone, rather than DSH, is best suited to provide service to customers of the System, including making future capital improvements necessary to maintain the efficiency and quality of the System and to ensure the sustainable provision of safe and reliable services.

The Agreement and the requested regulatory treatment and approvals are necessary and proper for the public convenience and to properly conserve, promote, and protect the public interest. A copy of the customer notification letter required by TPUC Rule 1220-04-13-.10(3)(f) is attached as **Exhibit 13** and is incorporated by reference.<sup>7</sup> Limestone has reviewed and is familiar with the requirements of TPUC Rules 1220-04-13-.07, 1220-04-13-.08, and 1220-04-13-.17(2)(e)

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<sup>7</sup> The Applicants will further comply with TPUC rules regarding notice after the Commission establishes a hearing date for consideration of this Joint Application.

regarding the need for wastewater utilities to demonstrate acceptable financial security. To comply with those Rules, Limestone has secured a corporate surety bond, in the form prescribed in TPUC Rule 1220-04-13-.08, in the amount of \$300,000. A copy of that surety bond is attached to the Application as **Exhibit 14** and incorporated by reference.

Limestone specifically addresses the requirements of TUPC Rules 1220-04-13-.17 (Minimum Requirements for New and Amendments to Certificate of Convenience and Necessity) and 1220-04-14-.08 (Application for Acquisition and Filing Requirements) in **Appendix A**.

This Joint Application demonstrates that Limestone possesses the technical, financial, and managerial resources to provide wastewater services. Therefore, the issuance of a CCN to Limestone serves the public interest.

**WHEREFORE**, for the reasons previously stated, DSH and Limestone request the Commission issue an order:

- a. Approving the Transaction as necessary and proper for the public convenience and properly conserving, promoting and protecting the public interest;
- b. Authorizing DSH to sell and transfer to Limestone all assets used to provide wastewater utility services to customers currently served by DSH in Campbell County, Tennessee;
- c. Authorizing the transfer of DSH's existing CCN to Limestone, with its accompanying privilege and franchise, or, in the alternative, granting Limestone a CCN, with its accompanying privilege and franchise, to provide wastewater utility services in areas currently served by DSH;
- d. Authorizing appropriate accounting and rate base treatment; and

e. Providing such other relief as the Commission believes is necessary and appropriate under the circumstances on an expedited basis.

Dated: March 1, 2023

Respectfully submitted,



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***Attorneys for Applicant Limestone Water  
Utility Operating Company, LLC***

## **APPENDIX A**

### **I. Definitions**

The term "Not Applicable" contained herein is used as a response to the Minimum Filing Requirements that pertain to the construction of a new system and not the purchase of an existing system.

### **II. TPUC Rule 1220-04-13-.17 Minimum Requirements for New and Amendments to Certificate of Convenience and Necessity.**

(1) Please see accompanying Joint Application and Pre-filed Direct Testimony of Limestone Witness Josiah Cox (**Exhibit 9**).

(2)

(a) (1) The legal corporate names and addresses of the Applicants are shown in Section I, paragraph 1 of the Joint Application.

(2) An organization chart showing each officer and other key personnel of Applicant Limestone is attached as **Exhibit 15**.

(3) Limestone's sole member is Limestone Water Utility Holding Company, LLC, a Missouri limited liability company. Its sole officer is its president Josiah Cox, whose office address is 1630 Des Peres Road, Suite 140, St. Louis, MO 63131. The company's telephone number is (314) 380-8544.

(4) An organization chart showing Limestone's affiliated companies is attached to the Application as **Exhibit 5**. One of Limestone's affiliates, CSWR, LLC, will provide technical and financial support and will assume responsibility for overseeing day-to-day operations of Limestone's systems.

(5) Copies of Limestone's Articles of Organization and Operating Agreement are attached to the Joint Application as **Exhibits 2 and 3**, respectively.

(6) A copy of Limestone's license to engage in business in the state of Tennessee, as registered with the Secretary of State, is attached to the Joint Application as **Exhibit 4**.

(7) Limestone, as assigned by Central States Water Resources, Inc. pursuant to the *Agreement for Sale of Utility System*, proposes to acquire all assets used by DSH to provide wastewater services to customers in Campbell County, Tennessee. The TDEC permit associated with the wastewater system is as follows: State Operating Permit No. SOP-07073 and is attached to the Joint Application as **Exhibit 16**. Maps depicting the area served by DSH are on file with the Commission in TPUC Docket No. 11-00020 (order granting CCN to DSH), and those maps are incorporated into the Joint Application by reference.

(8) Not applicable.

(9) Not applicable.

(10) Not applicable.

(11) Not applicable.

(12) The Applicants will respond completely to information requests from the Commission Staff.

(b) (1) Not applicable. *See Order Approving Petition for Certificate of Public Convenience and Necessity*, TPUC Docket No. 11-00020 (Sept. 22, 2011) (order granting CCN to DSH).

(2) The system Limestone proposes to acquire is not located in an area that requires a municipal or county franchise.

(3) Not applicable.

(c) (1) Biographies of officers and/or key water and wastewater utility staff that demonstrate their managerial ability and relevant certifications and professional licenses, are attached to the Joint Application as **Exhibit 12**.

(2) Limestone's affiliates have purchased and currently are operating public drinking water and/or wastewater serves in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Tennessee, and Texas that provide safe, and reliable service to approximately 133,300 connections. Limestone-affiliated companies currently have additional acquisition applications pending in Arizona, California, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Florida, Tennessee, and Texas.

(3) Not applicable.

(4) Not applicable.

(d) (1) Limestone has not filed or applied for a State Operating Permit with TDEC for the DSH System. If the Commission grants Limestone the authority to acquire the System currently owned and operated by DSH, Limestone will obtain from TDEC all permits and other operating authorizations required by law. Limestone holds State Operating Permit Nos. SOP-92082, SOP-04018, SOP-17002, and SOP-07090, as well as discharge permit TN0027278, for wastewater, and TN0000948 for water, as to its current systems in Tennessee.

(2) A copy of DSH's State Operator Certificate for the wastewater system operator of record is attached to the Joint Application as **Exhibit 17**.

(3) Josiah Cox is the person responsible for and knowledgeable about Limestone's proposed operations in Tennessee. Mr. Cox's address and telephone number are provided in the Joint Application and in this Appendix in Section 2(a)(3).



(4) DSH has had one (1) notice of compliance from an inspection related to signage on the drip field area, but has no written record of this notice. As noted in the Pre-filed Direct Testimony of Limestone Witness Josiah Cox, there were two (2) previous exceedances of permitted limits for nitrates, but the facility's renewed permit removed nitrate limited indicating no need for improved nitrate treatment despite the earlier exceedances. Limestone currently has no complaints or notices of violation, but did enter into a Consent Order with TDEC on February 13, 2023, resolving issues at the Grasslands sewage treatment plant related to permit exceedances and facility operation and maintenance.

(5) Not applicable.

(e) (1) Financial statements for CSWR, LLC. for the last three (3) years are attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibits 10 and 10A**. Limestone began operations as of March 18, 2021. Attached to the Joint Application as **Exhibit 20** is Limestone's 2021 Annual Report. Limestone will provide its 2022 financial statements as soon as they are available.

(2) Proforma income statements showing the first three (3) years of Limestone's operation of the wastewater system it proposes to acquire are attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibit 11**.

(3) A proposed chart of accounts, which follows the NARUC Uniform System of Accounts for water and wastewater utilities, is attached to the Joint Application as **Exhibit 18**.

(4) A list of plant-in-service account numbers and names, along with estimated account balances, is attached to the Joint Application as **Exhibit 19**.

(5) For the system it proposes to acquire, Limestone proposes to use depreciation rates most recently approved by the Commission for DSH.

(6) Not applicable.

(7) If the Commission approves the Joint Application, Limestone will be the owner of all assets acquired from DSH.

(8) If the Commission approves the Joint Application, Limestone proposes to adopt the tariff, including approved rates, currently in effect and on file with the Commission for DSH. DSH's tariff is attached to the Joint Application as **Exhibit 21**, and Limestone's Proposed Tariff is attached to the Joint Application as **Exhibit 31**, both of which are incorporated here by reference.

(9) Limestone is not currently projecting any customer growth during the first five years of operations for the DSH System.

(10) Not applicable.

(11) Not applicable.

(12) Limestone, as assigned by Central States Water Resources, Inc. pursuant to the *Agreement for Sale of Utility System*, plans to make the acquisitions proposed in the Joint Application through an infusion of equity capital from CSWR, LLC.

(13) Information demonstrating compliance with the financial security requirements of Rule 1220-04-13-.07 is attached to the Joint Application as **Exhibit 14**.

(f) (1) The sworn Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. Further, and to the extent applicable, the public need for wastewater service was established in TPUC Docket No. 11-00029, in which DSH was granted a CCN by the Commission.

(2) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony includes a description of the

wastewater system Central States Water Resources, Inc. or its affiliate proposes to acquire from DSH.

(3) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony includes a statement that Limestone is aware of and will abide by all applicable Tennessee statutes and Commission rules.

(4) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony describes and discusses the technical, managerial, and financial capabilities of Limestone and its affiliates and their ability to acquire and operate the wastewater system at issue in the Application. *See also* footnote 3 of the Joint Application.

(5) Not applicable.

(6) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Application as **Exhibit 9**. That testimony includes a verification that all information submitted in the Application and in Mr. Cox's written testimony is true and correct to the best of the witness' knowledge and belief. An additional verification accompanies the Joint Application.

### **III. TPUC Rule 1220-04-14-.08 Application for Acquisition and Filing Requirements.**

(2)

(a) A fully executed acquisition agreement, including all attachments, reflecting the terms and provisions of the acquisition transaction is attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibit 7**;

(b) Financial statements for CSWR, LLC, for the last three (3) years are attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibits 10 and 10A**. Limestone began operations as of March 18, 2021. Attached as **Exhibit 20** is Limestone's

2021 Annual Report. Limestone will provide its 2022 financial statements as soon as they are available;

(c) Attached as **Exhibit 21** is DSH's tariffs detailing the rates, charges and terms of service in effect for DSH;

(d) Attached as **Exhibit 22** is a schedule detailing the number of customers by customer class served by DSH;

(e) Attached as **Exhibit 1** is a description and map that describes the service area of DSH;

(f) Attached **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibit 23** is a forecasted income statement detailing the projected operating revenues, expenses, taxes and net income attributable to the DSH operations for the twelve-month period following the estimated closing date of the acquisition transaction;

(g) Attached to the Joint Application as **Exhibit 24** is a schedule identifying anticipated capital budgets based on due diligence detailing by project all projected post-acquisition capital investments in property, plant and equipment attributable to the DSH system or service area for the three-year period following the estimated closing date of the acquisition transaction;

(h) Attached to the Joint Application as **Exhibit 25** is a schedule detailing the computation of regulatory, transaction and closing costs related to the proposed acquisition and the amount of such costs requested for recovery from Limestone's customers;

(i) Attached to the Joint Application as **Exhibit 26** is a statement fully explaining the proposed methodology for valuing the acquired assets to be incorporated into the acquired rate base under Rule 1220-04-14-.03;

(j) Attached to the Joint Application as **Exhibit 27** is a schedule and supporting workpapers detailing the computation of the value of the acquired assets requested for inclusion in the acquired rate base under Rule 1220-04-14-.03;

(k) Attached to the Joint Application as **Exhibit 28** is a schedule and supporting workpapers detailing the computation of any proposed acquisition adjustment requested for inclusion in the acquired rate base under Rule 1220-04-14-.04;

(l) A statement discussing the factor(s) supporting any proposed acquisition adjustment to be incorporated in the acquired rate base under Rule 1220-04-14-.04, including the particular benefits, costs, or service changes, if any, that affect acquired customers and/or existing customers is contained in the Joint Application;

(m) Attached as **Exhibit 29** is a schedule identifying any assets that were contributed or donated to DSH that are included in the acquisition transaction;

(n) A statement discussing the proposed methodology and rate design for recovery from customers of any requested (i) acquisition adjustment; (ii) costs of post-acquisition capital investments; or (iii) regulatory, transaction and closing costs is contained in the Joint Application;

(o) Attached as **Exhibit 30** is a schedule detailing the pro-forma accounting entries for recording the proposed acquisition transaction in accordance with the Uniform System of Accounts;

(p) A schedule detailing the computation of post-acquisition rates and charges proposed for acquired customers by customer class;

(q) A schedule comparing the pre-acquisition and proposed post-acquisition rates and charges for acquired customers by customer class;

(r) A schedule detailing the computation of post-acquisition rates and charges proposed for existing customers by customer class;

(s) A schedule comparing the pre-acquisition and proposed post-acquisition rates and charges for existing customers by customer class;

(t) A statement describing in detail how the proposed public utility acquisition furthers the public interest is contained in the Joint Application; and

(u) See the attached Pre-filed Direct Testimony of Josiah Cox (**Exhibit 9**), which supports the Joint Application for acquisition.

(3) Limestone has requested a Certificate of Public Convenience and Necessity (CCN) and demonstrated herein its eligibility for a CCN to operate the DSH system in accordance with applicable statutory law and Commission rules and regulations.

(4) Attached to the Joint Application as **Exhibit 31** is Limestone's proposed tariff incorporating the acquired customers into the Limestone's rates, charges and terms of provisioning public utilities services.

(5) Attached to the Joint Application as **Exhibit 13** is a copy of the public notice of the proposed acquisition provided by Limestone in accordance with applicable statutory law and Commission rules and regulations.

(6) Limestone agrees to furnish any other pertinent information as determined and requested by the Commission or in accordance with the discovery phase of the acquisition proceeding.

# **EXHIBIT 1**

## **Description and Area Map of the System**

## Exhibit 1 - Description and area maps of the Systems

Currently, DSH & Associates, LLC provides wastewater services to customers in the following service areas in Campbell County, Tennessee:

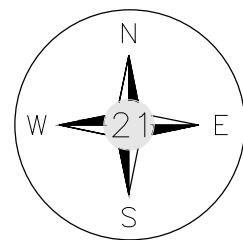
- Campbell County

The maps provide a complete description of the geographic territory served by DSH & Associates, LLC, including the names of surrounding streets and roads. The maps also include the locations of the system components.

The following are maps of the referenced service areas currently served by DSH & Associates, LLC:



ROUGH SERVICE AREA MAP  
DSH  
(WASTEWATER)  
CAMPBELL, TN



Service Area Description

The service area shown hereon are depicted based on the service area description provided by the system manager. 21 Design Group, Inc performed no field verification of the layout and are unable to determine the exact location at this time. The location represents approximate location only and should not be construed as being 100% accurate. It is shown to provide general service area of the system to assist with ordering title work and preparation of scope for a License Land Surveyor. This sketch should not be used to interpret encroachments.

DATE:	04/23/2021
PROJECT NO:	0512-18
DRAWN BY:	B.J.K.
SCALE:	
SHEET NAME:	
SERVICE AREA MAP	

**21**  
**DESIGN**  
**GROUP INC.**

1351 Jefferson, Suite 301  
Washington, MO 63090

mail@21designgroup.net  
P: 636-432-5029



# **EXHIBIT 2**

## **Limestone Articles of Organization**



000997814

**ARTICLES OF ORGANIZATION  
LIMITED LIABILITY COMPANY**

SS-4270

**Tre Hargett**  
Secretary of State**Division of Business Services****Department of State**State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286Filing Fee: \$50.00 per member  
(minimum fee = \$300.00, maximum fee = \$3,000.00)*For Office Use Only***-FILED-**

Control # 000997814

**The Articles of Organization presented herein are adopted in accordance with the provisions of the Tennessee Revised Limited Liability Company Act.****1. The name of the Limited Liability Company is:** Limestone Water Utility Operating Company, LLC

(Note: Pursuant to the provisions of T.C.A. §48-249-106, each Limited Liability Company name must contain the words "Limited Liability Company" or the abbreviation "LLC" or "L.L.C.")

**2. Name Consent: (Written Consent for Use of Indistinguishable Name)**☐ This entity name already exists in Tennessee and has received name consent from the existing entity.**3. This company has the additional designation of:** None**4. The name and complete address of the Limited Liability Company's initial registered agent and office located in the state of Tennessee is:**C T CORPORATION SYSTEM  
300 MONTVUE RD  
KNOXVILLE, TN 37919-5546  
KNOX COUNTY**5. Fiscal Year Close Month:** December**6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:**

(none) (Not to exceed 90 days)

**7. The Limited Liability Company will be:**☐ Member Managed ☒ Manager Managed ☐ Director Managed**8. Number of Members at the date of filing:** 1**9. Period of Duration:** Perpetual**10. The complete address of the Limited Liability Company's principal executive office is:**300 MONTVUE RD  
KNOXVILLE, TN 37919-5546  
KNOX COUNTY



# ARTICLES OF ORGANIZATION LIMITED LIABILITY COMPANY

SS-4270



**Tre Hargett**  
Secretary of State

**Division of Business Services**  
**Department of State**  
State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286

Filing Fee: \$50.00 per member  
(minimum fee = \$300.00, maximum fee = \$3,000.00)

*For Office Use Only*

**-FILED-**

Control # 000997814

**The name of the Limited Liability Company is:** Limestone Water Utility Operating Company, LLC

**11. The complete mailing address of the entity (if different from the principal office) is:**

STE 500  
500 NORTHWEST PLAZA DR  
SAINT ANN, MO 63074-2220

**12. Non-Profit LLC (required only if the Additional Designation of "Non-Profit LLC" is entered in section 3.)**

- ☐ I certify that this entity is a Non-Profit LLC whose sole member is a nonprofit corporation, foreign or domestic, incorporated under or subject to the provisions of the Tennessee Nonprofit Corporation Act and who is exempt from franchise and excise tax as not-for-profit as defined in T.C.A. §67-4-2004. The business is disregarded as an entity for federal income tax purposes.

**13. Professional LLC (required only if the Additional Designation of "Professional LLC" is entered in section 3.)**

- ☐ I certify that this PLLC has one or more qualified persons as members and no disqualified persons as members or holders.

**Licensed Profession:**

**14. Series LLC (optional)**

- ☐ I certify that this entity meets the requirements of T.C.A. §48-249-309(a) & (b)

**15. Obligated Member Entity (list of obligated members and signatures must be attached)**

- ☐ This entity will be registered as an Obligated Member Entity (OME) Effective Date: (none)  
☐ I understand that by statute: THE EXECUTION AND FILING OF THIS DOCUMENT WILL CAUSE THE MEMBER(S) TO BE PERSONALLY LIABLE FOR THE DEBTS, OBLIGATIONS AND LIABILITIES OF THE LIMITED LIABILITY COMPANY TO THE SAME EXTENT AS A GENERAL PARTNER OF A GENERAL PARTNERSHIP. CONSULT YOUR ATTORNEY.

**16. This entity is prohibited from doing business in Tennessee:**

- ☐ This entity, while being formed under Tennessee law, is prohibited from engaging in business in Tennessee.

**17. Other Provisions:**

Electronic

Signature

Caroline M. Johnson as authorized representative for Limestone Water

Printed Name

Attorney

Title/Signer's Capacity

Dec 4, 2018 10:37AM

Date

# **EXHIBIT 3**

## **Limestone Operating Agreement**

## **OPERATING AGREEMENT OF LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**

THIS OPERATING AGREEMENT (this "Agreement") is signed as of the 1<sup>st</sup> day of January, 2019 (the "Effective Date"), by Limestone Water Utility Holding Company, LLC, a Tennessee limited liability company as the sole Member of LIMESTONE WATER UTILITY OPERATING COMPANY, LLC, a Tennessee limited liability company (the "Company").

### **RECITALS**

WHEREAS, on December 4, 2018, the Company was organized a limited liability company under the laws of Tennessee pursuant to the Tennessee Revised Limited Liability Company Act, Title 48, Chapter 249 (the "Act") for the purpose of, among other things, of investing in and operating water and waste water utilities;

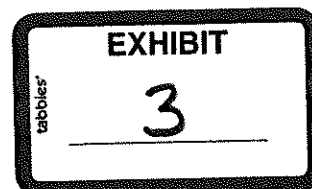
WHEREAS, the aforementioned Member desires to adopt this Operating Agreement setting forth the Member's desire for the management and operation of such limited liability company.

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Member hereby states as follows:

### **ARTICLE I. ORGANIZATION**

1.1. Certain Definitions. As used herein, the following terms have the following meanings:

- (a) "Act" is defined in Section 1.2 hereof.
- (b) "Agreement" means this Operating Agreement, as the same may be amended from time to time.
- (c) "Business Property" means all properties, assets and interests (whether real or personal, tangible or intangible) now or hereafter owned or held by the Company.
- (d) "Capital Account" means the Capital Account maintained by the Company for each Member in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv), as amended from time to time.
- (e) "Capital Contributions" means with respect to the Member, the total amount of money and the fair market value of the other property, if any, to be contributed to the Company by the Member in accordance with Article II hereof. The Member's "Paid-In Capital Contribution" means the amount of the Member's Capital Contribution actually paid in cash or other property actually contributed to or on behalf of the Company. With respect to the Company, such terms shall mean the aggregate



Capital Contributions and aggregate Paid-In Capital Contributions, respectively, of the Member.

(f) "Capital Transaction" means any of the following items or transactions: a sale, transfer or other disposition of all or substantially all of the assets of the Company, condemnation actions, net insurance recoveries (other than for temporary loss of use), the refinancing of the mortgage or other indebtedness of the Company. The payment of Capital Contributions by the Member shall not be included within the meaning of the term "Capital Transaction."

(g) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.

(h) "Company" means this limited liability company and any successors hereto.

(i) "Depreciation" means for each fiscal year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such fiscal year. In the event the book value of an asset differs from its adjusted tax basis at the beginning of such year, then the Depreciation shall be an amount which bears the same ratio to the fair market value (as may be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f) and (g)) as the Depreciation determined for federal income tax purposes bears to the beginning adjusted tax basis.

(j) "Dissolution Proceeds" is defined in Section 10.2 hereof.

(k) "Net Profits" or "Net Losses" for the applicable period means the gross income of the Company minus (a) all net cash outlays of any kind, whether capital in nature or not, to the extent the same are not depreciable or amortizable for federal income tax purposes (or, as the context may require, to the extent the same are not depreciated or amortized for federal income tax purposes), including, without limiting the generality of the foregoing, all operating expenses payable by the Company, salaries, life insurance premiums on policies owned by the Company, and interest on any Company indebtedness; and (b) all Depreciation allowable for federal income tax purposes. In the event that such sum is a positive number, it shall be considered "Net Profits" and if the sum is a negative number, it shall be considered "Net Losses."

(l) "Person" is defined in Section 1.9 hereof.

(m) "Treasury Regulation(s)" means the Income Tax Regulations promulgated under the Code, as such Treasury Regulations may be amended or supplemented from time to time.

1.2. Formation. The Member has formed the Company under and pursuant to the provisions of the Act, for the limited purposes and scope set forth in this Agreement. The Member has filed in the appropriate governmental office(s) Articles of Organization which conform to the requirements of the Act in order to constitute the

Company as a valid limited liability company under the Act. The costs and expenses associated with such filing shall be borne by the Company.

1.3. Name. The business and affairs of the Company shall be conducted solely under the name of "**LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**", and such name shall be used at all times in connection with the business and affairs of the Company; provided that the Member may operate the Company under any other name necessary or convenient to qualify it to do business in any state or jurisdiction.

1.4. Term. The Company shall continue in existence perpetually, or until dissolved by the Member under the terms of this Agreement.

1.5. Business of the Company. The business of the Company is to: (i) invest in and operate water and waste water utilities; (ii) own, finance, hold, manage, manufacture, sell, exchange or otherwise deal with and dispose of all or any part of the Business Property; and (iii) transact any and all lawful business for which a limited liability company may be organized under the Act and exercise all rights and engage in all activities related thereto (the "Business").

1.6. Principal Office. The principal office of the Company shall be at 500 Northwest Plaza Drive, Suite 500, St. Ann, MO 63074, or such other location as may be hereafter determined by the Manager.

1.7. Registered Office and Registered Agent. The name of the Company's registered agent for service of process in Tennessee and the address of the Company's registered office in Tennessee shall be as provided in the Articles of Organization. The Manager may in his sole discretion and from time to time change the address of the registered office and the registered agent by filing the documents required by law.

1.8. Articles of Organization and Other Instruments. The Member has executed or has authorized the execution of the Articles of Organization in accordance with the Act, and shall execute such other documents and instruments and take all such other actions as may be deemed by the Manager to be necessary or appropriate to effectuate and permit the continuation of the Company under the laws of the State of Tennessee or the laws of any other state in any other state which the Member deems necessary or appropriate. The Manager shall, from time to time, take appropriate action, including the preparation and filing of such other amendments to the Articles of Organization and other certificates as may be required under the laws of the State of Tennessee or any other state, to enable the Company to do business in the State of Tennessee or any other state.

1.9. Additional Definitions. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine and neuter forms. The term "Person" includes individuals, partnerships, corporations, limited liability companies, trusts, and other associations and entities. The words "include," "includes," and "including" shall be deemed to be followed by the phrase



"without limitation." The words "herein," "hereof," "hereunder," and similar terms shall refer to this Agreement, unless the context otherwise requires.

## **ARTICLE II. CAPITAL CONTRIBUTIONS**

2.1. Initial Capital Contributions. The Member shall make the Capital Contribution to the Company as reflected on Exhibit A attached hereto and incorporated herein by reference.

## **ARTICLE III. DISTRIBUTIONS**

3.1. Distributions. Except as otherwise requested by the Member or required by law, cash distributions shall be made to the Member on the following bases at such time (but at least annually) and in such amounts as the Manager in his sole discretion shall determine:

(a) Distributions, other than from a Capital Contribution, shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To the Member, in an amount equal to the unpaid balance of principal and accrued interest of any loan by the Member to the Company;

(iii) The balance, if any, shall be distributed to the Member.

(b) The proceeds of any Capital Transaction and the distribution upon liquidation under Section 10.2 shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To establish such reserves as the Manager in his discretion determines to be reasonably necessary for any contingent or foreseeable liability or obligation of the Company; provided, however, that the balance of any such reserve remaining at such time as the Manager shall reasonably determine shall be distributed in accordance with subparagraphs (iii) through (v) of this Section 3.1(b);

(iii) To the payment to the Member of an amount equal to the unpaid balance of principal and accrued interest of any Loan by the Member;

(iv) To the Member, an amount equal to its Capital Contributions reduced (but not below zero) by the amount of all prior distributions to it under this Section 3.1;

(v) The balance, if any, shall be distributed to the Member.

3.2. Distributions to Be Made In Cash. Unless otherwise determined by the Member, all distributions to the Member shall be made in cash.

#### **ARTICLE IV. ALLOCATION OF NET PROFITS AND NET LOSSES**

4.1. Profits and Losses. Net Profits and Net Losses incurred and/or accrued shall be allocated to the Member.

#### **ARTICLE V. ACCOUNTING; RECORDS**

5.1. Accounting Methods. The Company books and records shall be prepared in accordance with generally accepted accounting principles, consistently applied. All Federal, state and local tax returns of the Company shall be prepared by the Company's certified public accountants, under the direction of the Manager.

5.2. Fiscal Year. The fiscal year of the Company shall be the twelve calendar month period ending December 31.

5.3. Tax Status. The Member shall elect such tax status that it deems appropriate for each tax year by notifying the Manager of such election.

#### **ARTICLE VI. POWERS, RIGHTS AND DUTIES OF THE MEMBER AND MANAGER**

6.1. Restriction of the Member's Rights to Participate in Management. Except as otherwise expressly provided herein, the Member shall have no voice in, take any part in, nor interfere with, the conduct, control, or management of the business of the Company in its capacity as the Member, nor shall the Member have any authority or power to act for, or on behalf of, the Company, or to bind the Company in any respect whatsoever.

6.2. Member Consent. (a) The affirmative vote, approval or consent of the Member shall be required to: (i) alter the primary purposes of the Company as set forth in Section 1.5; (ii) do any act in contravention of this Agreement or cause the Company to engage in any business not authorized by the Articles of Organization or the terms of this Agreement; (iii) do any act which would make it impossible to carry on the usual course of business of the Company; (iv) change or reorganize the Company into any other legal form; (v) amend this Agreement; (vi) issue an Interest in the Company to any Person and admit such Person as a Member; (vii) approve a merger or consolidation with another Person, (viii) change the status of the Company from one in which management is vested in the one or more Managers to one in which management is vested in the Member, or vice versa; (ix) possess any Company property or assign the rights of the Company in specific Company property for other than a Company purpose; (x) perform any act (other than an act required by this Agreement or any act taken in good faith reliance upon counsel's opinion) which would, at the time such act occurred, subject the Member to liability as a general

partner in any jurisdiction; (xi) operate the Company in such a manner as to have the Company classified as an "investment company" for purposes of the Investment Company Act of 1940; (xii) have an order for relief entered against the Company under applicable federal bankruptcy law; OR (xiii) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceeding.

(b) The Member shall have the right to replace a Manager of the Company and name its successor at any time by providing written notice to the Manager being replaced of such decision in which the successor Manager is also set forth.

### 6.3. Manager.

(a) The Manager shall have the power to do all things necessary or convenient to carry out the business affairs of the Company. The initial Manager shall be Central States Water Resources, Inc., a Missouri corporation.

(b) The Manager shall not have any contractual right to such position and shall serve until the earliest of (i) the withdrawal of the Manager, or (ii) the removal of the Manager. The Manager may be removed and replaced in accordance with the provisions of Section 6.2(b).

(c) Except to the extent provided herein, the Member hereby agrees that only the Manager and agents of the Company authorized by the Manager shall have the authority to bind the Company. The Member shall not take any action to bind the Company without notifying the Manager of such action. If the Member takes any action to bind the Company, it shall indemnify and hold harmless the Manager against any claim, loss, expense or liability (including, without limitation, attorneys' fees and expenses, whether or not litigation is commenced) incurred by the Manager as a result of the unauthorized action of such Member.

(d) The Manager's duty of care in the discharge of the duties of the Manager to the Company and the Member is limited to discharging his duties pursuant to this Agreement in good faith, with the care a corporate officer of like position would exercise under similar circumstances, in the manner he reasonably believes to be in the best interests of the Company. In discharging his duties, the Manager shall not be liable to the Company or to the Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred by this Agreement or by separate written instrument executed by the Member.

(e) The Manager's compensation shall be established by the Member, and the Manager shall be entitled to reimbursement of any general overhead expenses incurred in the regular course of his duties.

#### 6.4. Indemnification

(a) The Company, except as provided in Section 6.4(b), shall indemnify any Person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether criminal, civil, administrative or investigative, including without limitation any action by or in the right of the Company, by reason of the fact that he/it was or is a Member or Manager of the Company or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise; against expenses, including attorneys' fees, judgments, fines, taxes and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding if such Person's conduct is not finally adjudged to be knowingly fraudulent, deliberately dishonest or willful misconduct. The right to indemnification conferred in this paragraph shall be a contract right and shall include the right to be paid by the Company expenses incurred in defending any actual or threatened civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding. Such right will be conditioned upon receipt of an undertaking by or on behalf of the Member or manager to repay such amount if it shall ultimately be determined that he/it is not entitled to be indemnified by the Company as authorized in this Article. Such right shall survive any amendment or repeal of this Article with respect to expenses incurred in connection with claims, regardless of when such claims are brought, arising out of acts or omissions occurring prior to such amendment or repeal. The Company may, by action of the Member, provide indemnification to employees and agents of the Company with the same scope and effect as the foregoing indemnification of Member and Manager.

(b) If a claim under Section 6.4(a) is not paid in full by the Company within thirty (30) days after a written claim has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense, including reasonable attorneys' fees and costs, of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Company) that the claimant has not met the standards of conduct which make it permissible under the limited liability company law of Tennessee for the Company to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Company. Neither the failure of the Company (including the Member or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he/it has met the applicable standard of conduct set forth in the limited liability company law of Tennessee, nor an actual determination by the Company (including its Member or independent legal counsel) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) The indemnification provided by this Section 6.4 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, consent of the Member or otherwise, both as to action in his/its official capacity and as to action in another capacity while holding such office, and shall continue as to a Person who has ceased to be a Member, Manager, employee, partner, trustee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

(d) The Company may purchase and maintain insurance on behalf of any Person who is or was a Member, Manager, employee or agent of the Company, or is or was serving at the request of the Company as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his/its status as such, whether or not the Company would have the power to indemnify him against such liability under the provisions of this Section 6.4.

(e) For the purposes of this Section 6.4, references to the Company includes the resulting or surviving entity in any merger or consolidation so that any Person who is or was a Member, Manager, employee or agent of such a constituent entity or is or was serving at the request of such constituent entity as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Section 6.4 with respect to the resulting or surviving entity as he/it would if he/it had served the resulting or surviving entity in the same capacity.

(f) For purposes of this Section 6.4, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a Person with respect to any employee benefit plan; and the term "serving at the request of the Company" shall include any service as a member, manager, director, officer, employee, partner, trustee or agent of, or at the request of, the Company which imposes duties on, or involves services by, such member, manager, director, officer, employee, partner, trustee or agent with respect to an employee benefit plan, its participants, or beneficiaries.

(g) In the event any provision of this Section 6.4 shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision of this Section 6.4 and any other provisions of this Section 6.4 shall be construed as if such invalid provision had not been contained in this Section 6.4. In any event, the Company shall indemnify any Person who is or was a Member or Manager of the Company, or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, to the full extent permitted under Tennessee law, as from time to time in effect.

6.5. Liability of the Member. The Member shall not be liable as such for the liabilities of the Company. The failure of the Company to observe any formalities or

requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Member or a Manager for liabilities of the Company.

#### **ARTICLE VII. DETERMINATIONS BY THE MEMBER**

7.1. Actions by the Member. The Member shall have the right to take any action set forth herein in accordance with the terms of the Agreement. In addition, if the Member determines that it wants to take an action that is not expressly granted to it within this Agreement, it shall take such action only after notifying the Manager in writing of the intended action.

#### **ARTICLE VIII. ACTIONS OF THE MANAGER**

8.1. Actions by the Manager. The Manager shall decide any question related to the operations of the Company, unless the question is one upon which, by express provision of the Act, the Articles of Organization or this Agreement, the Member is required to consent, in which case such express provision shall govern and control the decision on such question.

#### **ARTICLE IX. TRANSFER OF MEMBER'S INTEREST**

9.1. Transfer of Member's Interest. The Member shall have the right to transfer all or part of its Interest to another Person upon such terms that the Member deems acceptable. Prior to the effective date of the transfer of all or part of the Interest, the Member must notify the Manager of the transfer in writing.

9.2. Effect of Assignment; Documents. All Interests in the Company transferred pursuant to the provisions of this Article shall be subject to the restrictions and obligations set forth in this Agreement. As a condition to any Person being admitted as an additional Member or a substituted Member, such Person must execute this Agreement and agree to be bound by all of its terms and provisions as a substituted Member or additional Member.

#### **ARTICLE X. DISSOLUTION OF THE COMPANY**

##### **10.1. Dissolution Acts.**

(a) No act, thing, occurrence, event or circumstance shall cause or result in the dissolution of the Company except that the happening of any one of the following events shall work as an immediate dissolution and termination of the Company:

(i) A determination by Member to dissolve and terminate the Company; and

(ii) The event of the death of the Member.

(b) Without limiting the other provisions hereof, the transfer of all or any part of a Member's Interest, in accordance with the provisions of this Agreement or the admission of a new Member, shall not work the dissolution of the Company.

10.2. Distribution of Proceeds on Dissolution; Reserves. Upon the dissolution and termination of the Company, a the Member or such other Person designated by the Member (the "Winding-Up Member") shall file a Notice of Winding Up pursuant to the Act and shall proceed with the liquidation and termination of the Company as promptly as possible, but in an orderly and businesslike manner so as not to involve undue sacrifice, and the proceeds therefrom and any other funds and assets of the Company (the "Dissolution Proceeds"), shall be applied and distributed pursuant to the provisions of Section 3.1.b.

## **ARTICLE XI. GENERAL**

11.1. Notices. Any notice, request, approval, consent, demand or other communication required or permitted hereunder shall be given in writing by (1) personal delivery, (2) expedited delivery service with proof of delivery, (3) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (4) email or facsimile (provided that such email or facsimile is confirmed as received), and shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the last known address, or in the case of email or facsimile, upon receipt.

11.2. Amendments. This Agreement may be amended by a written agreement of amendment executed by the Member.

11.3. Miscellaneous. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns. Captions contained in this Agreement in no way define, limit, or extend the scope or intent of this Agreement. If any provision of this Agreement or the application of such provision to any Person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to any other Persons or circumstances, shall not be affected thereby.

11.4. Remedies. If the Company or any party to this Agreement obtains a judgment against any other party by reason of breach of this Agreement or failure to comply with the provisions hereof, reasonable attorneys' fees as fixed by the court shall be included in such judgment. No remedy conferred upon the Company or the Member in this Agreement is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No waiver by the Member or the Company of any breach of this Agreement shall be deemed to be a waiver of any other breach of any kind or nature and no acceptance of payment or performance by a Member or the Company after any such

breach shall be deemed to be a waiver of any breach of this Agreement, whether or not such Member or the Company knows of such breach at the time it accepts such payment or performance. If the Member has the right herein to approve or consent to any matter or transaction, such approval or consent may be withheld in the sole discretion of the Member for any reason or no reason. No failure or delay on the part of the Member or the Company to exercise any right it may have shall prevent the exercise thereof by the Member or the Company at any time such other may continue to be so in default, and no such failure or delay shall operate as a waiver of any default.

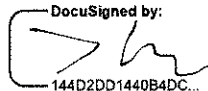
11.5. Compliance with Securities Laws. Notwithstanding anything herein contained to the contrary, no transfer or disposition of Interests in the Company pursuant to the terms hereof shall be made unless such transfer or disposition complies in all respects with the provisions of the Securities Act of 1933 and the securities laws of any and all states with jurisdiction over such transfer or disposition, and the rules and regulations promulgated thereunder.

11.6. Binding Effect. This Agreement and any amendment hereto made as provided herein shall be binding upon and inure to the benefit of the Company and its successors and assigns, and the Member, its heirs, executors, administrators, and legal or personal representatives.

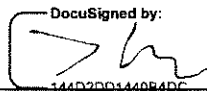
11.7. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first above written.

**Limestone Water Utility  
Holding Company, LLC**

By:    
144D2DD1440B4DC...  
Josiah M. Cox, President of  
Central States Water Resources, Inc.,  
Manager

Agreed and Accepted by:

   
144D2DD1440B4DC...  
Josiah M. Cox, President of  
Central States Water Resources, Inc.,  
Manager



**EXHIBIT A**  
**INITIAL CAPITAL CONTRIBUTIONS**

<u>Member's Name and Address</u>	<u>Member's Interest</u>	<u>Capital Contribution</u>
Limestone Water Utility Holding Company, LLC	100%	Kept by Company Accountant

# **EXHIBIT 4**

## **Limestone Certificate of Existence**



**Tre Hargett**  
Secretary of State

**Division of Business Services**  
**Department of State**  
State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102

LIMESTONE WATER UTILITY OPERATING COMPANY, LLC  
KRIS WHITTEN  
SUITE 303  
1650 DES PERES ROAD  
DES PERES, MO 63131

May 3, 2021

Request Type: Certificate of Existence/Authorization  
Request #: 0415492

Issuance Date: 05/03/2021  
Copies Requested: 1

Document Receipt

Receipt #: 006338914

Filing Fee: \$20.00

Payment-Credit Card - State Payment Center - CC #: 3806073067

\$20.00

Regarding: Limestone Water Utility Operating Company, LLC

Filing Type: Limited Liability Company - Domestic

Formation/Qualification Date: 12/04/2018

Status: Active

Duration Term: Perpetual

Business County: KNOX COUNTY

Control #: 997814

Date Formed: 12/04/2018

Formation Locale: TENNESSEE

Inactive Date:

**CERTIFICATE OF EXISTENCE**

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

Limestone Water Utility Operating Company, LLC

\* is a Limited Liability Company duly formed under the law of this State with a date of incorporation and duration as given above;

\* has paid all fees, interest, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;

\* has filed the most recent annual report required with this office;

\* has appointed a registered agent and registered office in this State;

\* has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett  
Secretary of State

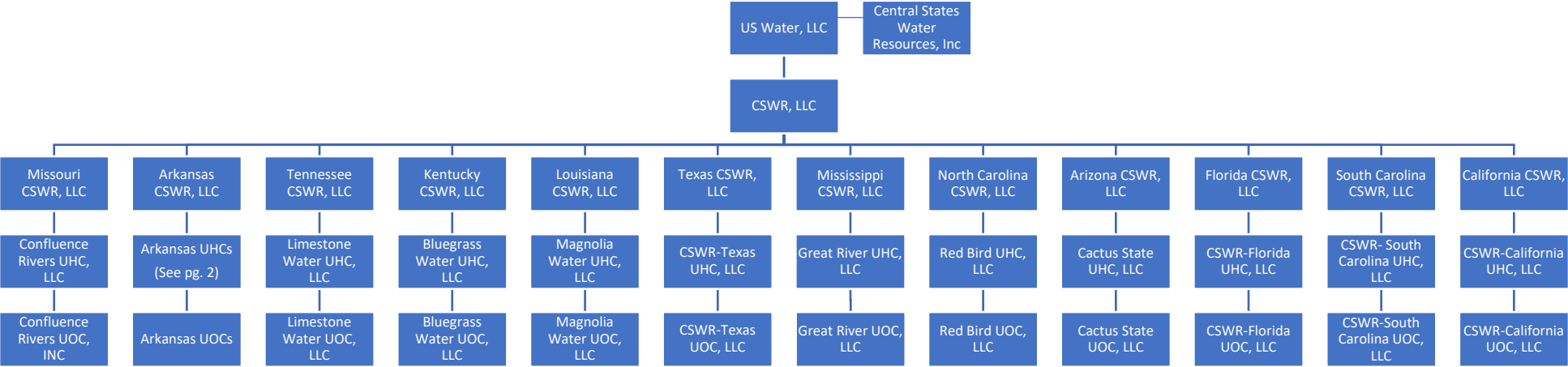
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Verification #: 046029631

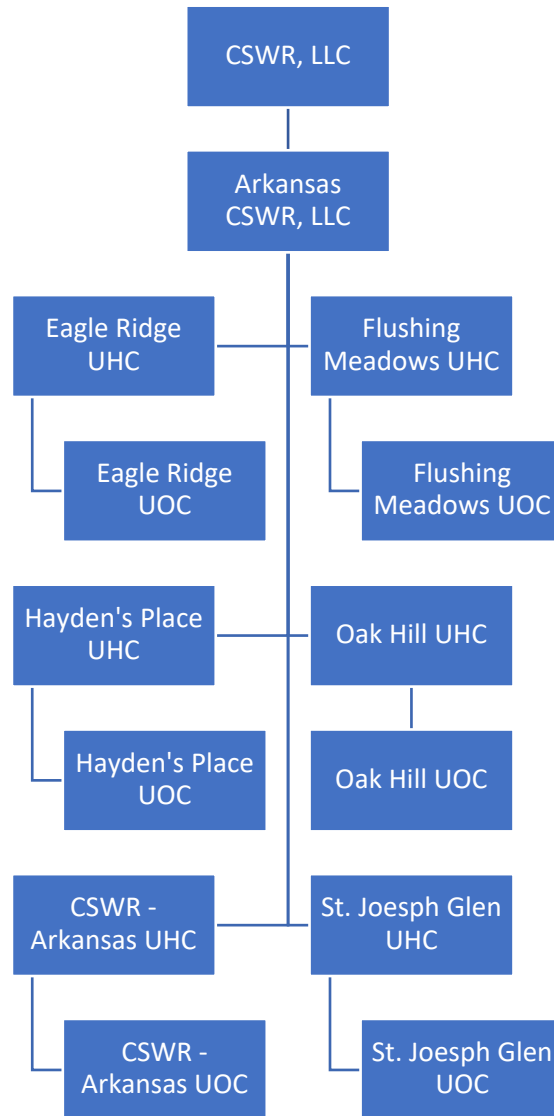
# **EXHIBIT 5**

**CSWR Organization chart**

**Central States Water Resources Corporate Entity Organizational Chart**



## Arkansas CSWR Organizational Chart Detail



# **EXHIBIT 6**

**Chart of Limestone's Affiliates and Number of Customers Served**

CSWR provides water and wastewater services to 15 utility operating companies in Missouri and Arkansas serving approximately 133,000 connections total. Below is a list of utilities served:

#### Missouri

Utility Operating Company	Service Provided	Connections (Total Services)
Confluence Rivers	Water & Wastewater	9,561

#### Arkansas

Utility Operating Company	Service Provided	Connections (Total Services)
Hayden's Place	Wastewater	121
St. Joesph's Glen	Wastewater	496
Sebastian Lake	Water & Wastewater	228
Oak Hill	Wastewater	198
Eagle Ridge	Wastewater	429
Flushing Meadows	Wastewater	294

#### Kentucky

Utility Operating Company	Service Provided	Connections (Total Services)
Bluegrass Water	Wastewater & Wastewater	3,573

#### Louisiana

Utility Operating Company	Service Provided	Connections (Total Services)
Magnolia Water	Wastewater & Wastewater	69,652

#### Texas

Utility Operating Company	Service Provided	Connections (Total Services)
CSWR-Texas	Wastewater & Wastewater	9,660

#### Tennessee

Utility Operating Company	Service Provided	Connections (Total Services)
Limestone Water	Wastewater & Wastewater	2,013

#### Arizona

Utility Operating Company	Service Provided	Connections (Total Services)
Cactus State	Wastewater & Wastewater	3,213

#### North Carolina

Utility Operating Company	Service Provided	Connections (Total Services)
Red Bird	Wastewater	176



**Florida**

Utility Operating Company	Service Provided	Connections (Total Services)
CSWR-Florida	Wastewater & Wastewater	17,912

**Mississippi**

Utility Operating Company	Service Provided	Connections (Total Services)
Great River	Wastewater & Wastewater	15,632

# **PUBLIC VERSION**

## **EXHIBIT 7**

**AGREEMENT FOR SALE OF UTILITY SYSTEM**

# **EXHIBIT 8**

## **Assignment of Rights Agreement**

### **ASSIGNMENT OF CONTRACT RIGHTS**

This Assignment of Contract Rights ("Assignment") is executed as of the 6<sup>th</sup> day of January, 2023, by CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation ("Assignor"), in favor of LIMESTONE WATER UTILITY OPERATING COMPANY, LLC, a Tennessee limited liability company ("Assignee").

**WHEREAS**, on January 2, 2019, Assignor entered into that certain Agreement for Sale of Utility System ("Purchase Agreement") with DSH & ASSOCIATES, LLC, a Tennessee limited liability company ("Seller");

**WHEREAS**, Section 18 of the Purchase Agreement provides that Assignor may assign its rights to the Purchase Agreement to an entity affiliated with Assignor and controlled by Assignor upon notice to Seller, but without the need for Seller's consent;

**WHEREAS**, Assignee is an entity affiliated with Assignor that Assignor controls;

**NOW, THEREFORE**, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Assignor and Assignee hereby agree:

As of the date of this Assignment, Assignor hereby assigns, conveys, transfers and sets over unto Assignee all of Assignor's right, title and interest in and to the Purchase Agreement, and any amendments or addendums thereto.

**IN WITNESS WHEREOF**, the parties have executed this Assignment as of the date first set forth above.

#### **ASSIGNOR:**

CENTRAL STATES WATER RESOURCES,  
INC., a Missouri corporation

By: \_\_\_\_\_  
Josiah M. Cox, President

#### **ASSIGNEE:**

LIMESTONE WATER UTILITY OPERATING  
COMPANY, LLC, a Tennessee limited liability  
company

By: CENTRAL STATES WATER RESOURCES,  
INC., its manager

By: \_\_\_\_\_  
Josiah M. Cox, President

# **EXHIBIT 9**

**Pre-Filed Direct Testimony of Josiah Cox**

**DIRECT TESTIMONY**

**OF JOSIAH COX**

**LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**

**WITNESS INTRODUCTION**

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Josiah Cox. My business address is 1630 Des Peres Road, Suite 140, St. Louis Missouri, 63131.

**Q. WHAT IS YOUR POSITION WITH LIMESTONE WATER UTILITY OPERATING COMPANY, LLC (“LIMESTONE” OR “COMPANY”)?**

A. I am President of Limestone. I also am President of CSWR, LLC (“CSWR”), a Limestone affiliate. Later in my testimony I will describe CSWR's relationship to Limestone and discuss the role CSWR would play in Limestone's future operations if the Tennessee Public Utility Commission (the “Commission” or “TPUC”) approves the application at issue in this case.

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE.**

A. I received a Bachelor of Science with a major in Environmental Science from the University of Kansas. Professionally I have worked at the Kansas state biological survey, where I performed a wildlife habitat study. I then worked at a civil engineering firm where I was involved in various facets of the land development process including permitting, entitlement, civil design, project management, and construction management. I focused mainly on the water and wastewater side of the civil engineering business and participated in every part of that business from waste-load allocation studies (now known as the anti-degradation processes), design, permitting, project management, and construction management. I also ran the firm's environmental consulting division and was the second private consultant to submit a water quality impact study in the state

of Missouri in 2003. I joined the engineering firm's executive leadership team and helped run all the firm's operations.

Beginning in 2005, I raised money from a group of investors and formed a full-service civil engineering, environmental consulting, general contracting, and construction management firm. I served as the Chief Operating Officer, and finally Chief Executive Officer. I obtained extensive experience with rural communities in every facet of the water and wastewater compliance process, including environmental assessment, permitting, design, construction, operation, and community administration of the actual water and wastewater (sewerage) systems. The firm performed stream sampling and built waste-load allocation models to determine receiving water-body protective permit-able effluent pollutant loads. We have done full engineering design of multiple whole community wastewater and water infrastructure systems including wells, water distribution, water treatment, water storage, wastewater conveyance, and wastewater treatment plants and taken these designs through federal and state administered permitting processes in Missouri. The firm also administered the construction of these water and wastewater systems from green field site selection all the way through system startup and final engineering sign-off.

During this time, I began the Master of Business Administration (MBA) program at Washington University in St. Louis, from which I graduated in 2007. In addition, starting in 2008, I took over the operations of an existing rural sewer district, and I still operate a system managing the functioning, testing, and maintenance of the system. I also act as the administrator for this municipal system performing all the billing, emergency response, accounts payable/accounts receivable, collections, budgeting, customer service, and public town meetings required to service the community.

In late 2010, after working on several small, failing water and wastewater systems, I created a business plan to acquire failing systems and to recapitalize and operate those systems as investor-owned regulated water and wastewater utility companies. In early 2011, I went to the capital markets to raise money to implement my plan. Over a period of approximately three years, I met with over fifty-two infrastructure investment groups trying to raise necessary financing. In February 2014, I achieved my goal, and I used the debt and equity capital I was able to raise to start CSWR. In 2018, I was able to attract an additional large institutional private equity investor, which allowed me to expand the scope of my business plan. This new investor is allowing CSWR to form companies for the purpose of acquiring water and wastewater systems in additional states. Since its formation, CSWR's affiliates have acquired, and currently are operating, approximately 800 water or wastewater systems in Missouri, Kentucky, Louisiana, Texas, Tennessee, Mississippi, North Carolina, South Carolina, Florida, Arizona, and Arkansas. In Missouri, those systems are regulated by the Missouri Public Service Commission; in Kentucky they are regulated by the Kentucky Public Service Commission; in Louisiana they are regulated by the Louisiana Public Service Commission; in Texas they are regulated by the Public Utility Commission of Texas; in Tennessee they are regulated by the Tennessee Public Utility Commission; in Mississippi they are regulated by the Mississippi Public Service Commission; in North Carolina they are regulated by the North Carolina Utilities Commission; in South Carolina they are regulated by the South Carolina Public Service Commission; in Arizona they are regulated by the Arizona Corporation Commission; in Florida they are regulated by the Florida Public Utilities Commission; and in Arkansas, the systems are outside the Arkansas Public Service Commission's jurisdiction due to the fact each system falls below annual revenue thresholds that trigger regulation in that state.



**Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS CASE?**

A. The purpose of my testimony is to support the application (“Joint Application”) submitted in this matter by both Limestone and DSH & Associates, LLC (“DHS” or, collectively, “Joint Applicants”), which seeks Commission authority for Limestone to acquire all assets currently used by DSH to provide wastewater utility service to customers in Campbell County, Tennessee. My testimony describes the proposed transaction and explains why both Limestone and DSH believe authorizing consummation of the transaction is in the public interest. I also describe Limestone's relationship to CSWR, the role CSWR would play in Limestone's operation of the wastewater systems at issue in this case, and the benefits Limestone's relationship with CSWR would bring to customers served by those systems. Finally, I provide the Commission information required by Commission rules applicable to the Joint Application. In this testimony, I also verify that all information included in the Joint Application is true and correct to the best of my information and belief.

**BACKGROUND INFORMATION REGARDING  
LIMESTONE AND ITS AFFILIATES**

**Q. PLEASE PROVIDE SOME BACKGROUND INFORMATION ABOUT LIMESTONE AND CSWR.**

A. Limestone is a limited liability company formed to acquire water and wastewater assets in Tennessee and to operate those assets as a regulated public utility. In its Docket No. 19-00062, the Commission authorized Limestone to acquire and operate water and wastewater systems previously owned by Aqua Utilities Company, Inc. Currently, Limestone serves approximately 400 water customers and 350 wastewater customers via the water and wastewater systems

previously owned by Aqua Utilities Company, Inc.<sup>1</sup> Likewise, the Commission granted Limestone the authority to acquire and operate other systems, as well, including those of Cartwright Creek, LLC, Shiloh Falls Utilities, Inc., and Chapel Woods Home Owners Association.<sup>2</sup> If the Commission grants the requests the Joint Applicants have made in this case, Limestone would acquire, own, and operate the wastewater system currently owned by DSH (the “System”).

Limestone is an affiliate of CSWR, a Missouri limited liability company formed to provide managerial, technical, and financial support to its utility operating affiliates. A corporate organization chart illustrating that relationship is attached as **Exhibit 5** to the Joint Application.

To date, CSWR-affiliated utility operating companies, such as Limestone in Tennessee, have acquired and are operating water or wastewater systems in Missouri, Kentucky, Louisiana, Texas, Tennessee, Mississippi, North Carolina, South Carolina, Florida, Arizona, and Arkansas. Our affiliated group has additional applications pending in many of those states and California to acquire even more such systems.

**Q. WHAT IS CSWR'S BUSINESS PLAN WITH REGARD TO THE ACQUISITION AND OPERATION OF SMALL AND DISTRESSED WATER AND WASTEWATER SYSTEMS?**

A. CSWR's business plan is to pursue the purchase and recapitalization of small water and wastewater systems and to operate those systems as investor-owned regulated utilities. Many of

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<sup>1</sup> See *Order Approving Sale of Assets, Property, and Real Estate and Certificate of Public Convenience of Aqua Utilities Company, LLC Subject to Conditions and Requirements of the Tennessee Public Utility Commission*, TPUC Docket No. 19-00062 (Dec. 7, 2020).

<sup>2</sup> See *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00053 (Jan. 24, 2022) (acquisition of wastewater system previously owned by Cartwright Creek, LLC); *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00055 (Dec. 2, 2022) (acquisition of water and wastewater system previously owned by Shiloh Falls Utilities, Inc.). and *Order Approving Settlement Agreement and Transfer of System and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00060 (Dec. 2, 2022) (acquisition of wastewater system previously owned by Chapel Woods).

those systems are not currently regulated. Of those that are regulated, many, if not most, are out of compliance with utility commission rules and with federal or state pollution and safety laws and regulations. Indeed, many systems we acquire do not even have federal or state permits required to lawfully operate those systems. We also have found that many regulated systems we acquire have not increased their rates for a decade or more and, as a result, lack the financial resources necessary to build, maintain, and replace assets used to provide safe and reliable service or bring their operations into compliance with rapidly changing environmental and water quality regulations. Some systems we acquire are in receivership and, therefore, lack the ability to raise capital necessary to improve their systems. However, because it has found investors willing to make investments and take risks necessary to bring small water and wastewater systems into compliance with current statutes, rules, and regulations, CSWR, through its affiliates, has been able to acquire distressed systems, invest capital necessary to upgrade or repair physical facilities, and operate those systems in a way that serves the public interest and satisfies customers, regulators, and investors alike.

CSWR's business plan and the expertise its personnel provide to affiliates have convinced regulators in Missouri, Arkansas, Kentucky, Louisiana, Texas, Mississippi, North Carolina, South Carolina, Florida, and Arizona to permit Limestone to acquire and operate numerous small water and wastewater systems in those states, and we expect to be authorized to acquire additional systems in those and other states in the future. If the Commission authorizes Limestone to acquire DSH's assets, they would be added to the portfolio of systems the Company currently operates in Tennessee. We hope the Commission will give us the same opportunity in this case it gave us in the previous Aqua Utilities, Cartwright Creek, Shiloh Falls Utilities, and Chapel Woods

acquisition cases so we can continue in Tennessee the record of success our affiliated group has achieved elsewhere.

**Q. PLEASE DESCRIBE YOUR AFFILIATES' EXPERIENCE WITH WATER AND WASTEWATER SYSTEMS.**

A. Limestone and its affiliates have the financial, technical, and managerial ability to acquire, own, and operate DSH's wastewater systems in a manner that fully complies with applicable health, safety, and environmental protection laws and regulations and provides reliable, safe, and adequate service to customers. Limestone demonstrated this to the Commission in TPUC Docket Nos. 19-00062, 21-00053, 21-00055 and 21-00060. Limestone is part of an affiliated group that currently owns and operates wastewater systems serving more than 200,000 customers and drinking water systems serving more than 127,000 customers in Missouri, Arkansas, Kentucky, Louisiana, Texas, Mississippi, North Carolina, South Carolina, Florida, Arizona, and Tennessee.

The overall business plan of our affiliate group is to purchase and recapitalize small water and wastewater systems and operate those systems as public utilities. We currently rank as one of the five (5) largest owner/operators of small water and wastewater systems in the United States, and as of the end of 2022, the CSWR-affiliated group of utilities became the single largest owner/operator of individual wastewater treatment plants in the United States. In addition to the systems our affiliate group currently owns and operates, we have additional acquisition applications pending in Missouri, Texas, Kentucky, Louisiana, North Carolina, Arizona, Mississippi, Florida, and California. For our affiliate group, water and wastewater utility service providers are not legacy businesses we want to abandon. Rather, they represent the current and future businesses we want to pursue and expand.

Because we are one of the largest individual water and wastewater systems owners in the United States committed to providing safe and reliable service that complies with all applicable regulations, we have on staff, or can efficiently engage skilled professionals who have the most recent, up-to-date knowledge and experience necessary to operate our water and wastewater systems. Our in-house workforce also has the most relevant recent experience refurbishing small, distressed utilities in the country, and we routinely supplement those in-house resources with qualified, third-party contractors with whom we work on a regular basis. Having sufficient qualified personnel to operate the System we propose to acquire will not be a problem for Limestone or CSWR.

On the wastewater side of the business, our affiliate group has purchased wastewater treatment plants with associated sewer pumping stations, gravity force mains, and gravity conveyance lines. With the approval of state wastewater regulatory authorities, since March 2015, CSWR-affiliated companies have designed, permitted, and completed construction of numerous sanitary sewer system improvements. These improvements include wastewater line repairs to remove infiltration and inflow, building sewer main extensions, the repair of multiple lift stations, the construction of lift stations, the closure of an existing regulatory impaired wastewater system, building two fully activated sludge plants, constructing moving bed bio-reactor plants (“MBBR”), converting multiple failing wastewater systems into sludge storage/flow equalization and treatment basins, converting failed mechanical systems to I-Fast systems, and constructing various other wastewater supporting improvements.

On the water side of the business, since March 2015, affiliates have designed, permitted, and completed construction – with the approval of state regulatory authorities – of upgrades and improvements to numerous drinking water systems. Those upgrades and improvements include

constructing ground water storage tanks and drinking water pressurization pump assemblies, drilling water wells, erecting or rehabilitating well houses, closing failed wells, blasting/coating water storage tanks, replacing meter pits with new meters, replacing or repairing numerous water distribution lines, installing numerous isolation valve systems, installing multiple flush hydrants, repairing hundreds of leaking lines, and constructing or rehabilitating various other improvements to existing drinking water systems.

**Q. DOES CSWR HAVE PERSONNEL QUALIFIED TO PERFORM THE SERVICES YOU IDENTIFIED IN YOUR PRECEDING ANSWER?**

A. Yes, it does, as evidenced by the fact CSWR already is providing those and other similar services for water and wastewater systems in Missouri, Arkansas, Kentucky, Louisiana, Texas, Mississippi, North Carolina, South Carolina, Florida, Arizona, and Tennessee. I already described my background and experience in the water and wastewater utility industry. Additionally, as outlined in the Joint Application, the resumes of the other key members of CSWR's senior team who would be involved in Limestone's operations show that we are all well-qualified to meet the demands of Limestone and its customers and to satisfy the rules, regulations, and requirements of this Commission and other regulators charged with overseeing Limestone's operations. The types and quality of services CSWR provides Limestone are not usually available to small systems like DSH. However, CSWR's business model was developed to provide that expertise and experience to affiliates and to do so while achieving economies of scale attributable to CSWR's centralized management structure. Not only would CSWR and Limestone provide current DSH customers expertise and professional depth not generally available to small water and wastewater systems, our affiliate group can realize economies of scale that would not be possible if Limestone had to acquire or provide such expertise and support on a company- or system-specific basis. The unique

availability of these efficiencies and resources will result in the customers served by the System obtaining the benefit of the very best in technological advances, national experience and industry exposure.

**Q. HAS YOUR GROUP OF AFFILIATED COMPANIES TAKEN STEPS TO IMPROVE SERVICES AT THE SYSTEMS IT NOW OPERATES?**

A. Yes. In addition to the capital improvements made on systems our affiliate group has acquired, we have built from scratch customer service systems that meet or exceed regulatory commission rules and provide numerous benefits to the customers.

If the Joint Application is approved, Limestone would implement operational changes to improve and enhance service to DSH's current customers. For example, those customers would have access to a 24-hour phone line to report any utility service issues. Those calls would then be transferred into the computerized maintenance management system and converted into work orders, which creates a historical record of all reported service issues. The work order also will ensure contracted customer service personnel can commence work required to deal quickly and efficiently with any customer service issues. Second, Limestone would ensure customers have access to customer service representatives during normal business hours to talk about any customer concerns and would establish a utility-specific webpage and dedicated email address to keep customers informed about their utility service. Information available on the website would include dissemination of state-mandated information, up-to-date website bulletins about service issues, and procedures for service initiation or discontinuance. Mirroring relevant utility homepage information, Limestone would provide a dedicated social media page to offer another avenue of communication with customers about utility matters. The social media account is manned by

customer service representatives that can answer customer questions. Finally, Limestone offers online bill paying options to customers, including e-checks, debit card, and credit cards.

**Q. WHAT EVIDENCE CAN YOU PROVIDE TO SUPPORT YOUR CLAIMS ABOUT THE ABILITY OF LIMESTONE'S AFFILIATES TO PROVIDE THESE SERVICES OUTSIDE TENNESSEE?**

A. 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. In each acquisition case filed by one of Limestone's utility operating affiliates the regulatory commission considering the application expressly found the state affiliate and the CSWR-affiliated group has the financial, technical, and managerial ability necessary to provide reasonable service to the public.

**Q. DO LIMESTONE AND CSWR HAVE THE FINANCIAL CAPACITY TO ACQUIRE, OWN, AND OPERATE THE SYSTEMS YOU PROPOSE TO PURCHASE FROM DSH?**

A. Yes, as was demonstrated to the Commission by Limestone in TPUC Docket Nos. 19-00062, 21-00053, 21-00055 and 21-00060. Limestone and CSWR have the financial capacity to finance, own, and operate the System we propose to acquire from DSH. The affiliated group of which Limestone is a member has been able to secure an ongoing commitment from a Wall Street private equity firm to provide capital necessary to purchase small, oftentimes distressed, water and wastewater systems and then make investments necessary to bring those systems into compliance with applicable health, safety, and environmental protection laws and regulations. This investment commitment also includes working capital necessary to operate until an application for compensatory rates, where and when appropriate, can be formally requested and approved. To



date, CSWR, through its affiliates, has invested almost \$400 million to purchase, upgrade, and operate water and wastewater systems. Although those investments have been almost exclusively in the form of equity, Limestone plans to pursue debt financing from non-affiliated commercial sources that would allow the company to balance its capital structure. Ultimately, Limestone's objective is a capital structure consisting of 50%-60% equity and 40%-50% debt.

**Q. IF THE AUTHORIZATIONS REQUESTED IN THE JOINT APPLICATION ARE GRANTED, WOULD LIMESTONE HIRE CURRENT EMPLOYEES TO PROVIDE SERVICE IN THE AREAS SERVED BY DSH?**

A. No, Limestone does not plan to hire DSH's current employees to perform any services after closing.

**Q. AFTER CLOSING THE PENDING ACQUISITION TRANSITION, HOW DOES LIMESTONE PROPOSE TO PROVIDE SERVICE TO CUSTOMERS OF THOSE SYSTEMS?**

A. If the Joint Application is approved, Limestone intends to hire a local, non-affiliated third-party Operations and Maintenance ("O&M") firm that has knowledgeable and experienced personnel, carries required state licenses, and has insurance coverage necessary to manage daily wastewater operations at the systems at issue in this case. This is what Limestone has efficiently and successfully done at the former Aqua Utilities, Cartwright Creek, Chapel Woods, and Shiloh Falls systems. It also is the approach that Limestone's affiliated utility operating companies have successfully employed at the water and wastewater systems they operate outside Tennessee.

In addition to its service obligations during normal business hours, the O&M firm would be required to have a 24-hour emergency service line to deal with customers experiencing service disruptions. However, notice of all service disruption calls would be forwarded to me, as CSWR's

manager and the executive ultimately responsible for service in the areas served by each of CSWR's utility affiliates. CSWR has developed a centralized computerized maintenance management system (CCMS) that monitors the performance of our drinking water and wastewater systems and allows us to track the ongoing maintenance and testing work performed by the O&M contractors we employ at each of our facilities. In addition, CSWR uses geographic information system ("GIS") survey information to accurately map all infrastructure assets, which allows the Company to specifically target ongoing infrastructure re-investment as part of the overall managerial and technical support CSWR provides each of its utility operating affiliates.

Limestone also would use a non-affiliated third-party billing and customer service firm to send out bills and handle service-related billing questions. The billing firm, which is used by all CSWR's utility affiliates, has in place an online billing system to receive credit cards and e-checks from customers. The billing firm also would establish a Limestone-specific customer service email account to field ongoing customer interactions. Customer service representatives employed by the billing firm would be available during normal business hours, would take messages twenty-four hours a day, and all customer correspondence would be recorded and logged to consumers' accounts to ensure the highest level of service.

While day-to-day operational, billing, and customer service functions would be provided by non-employee contractors, all management, financial reporting, underground utility safety and location services, Commission regulatory reporting, environmental regulatory reporting and management, operations oversight, utility asset planning, engineering planning, ongoing utility maintenance, utility record keeping, and final customer dispute management would be performed by personnel at CSWR's corporate office, with a proportional share of costs for those services passed down to Limestone. CSWR personnel also would monitor the activities of the non-

employee contractors to make sure the systems are being operated and maintained properly and customers' needs are being met. The resumes of CSWR personnel who, in addition to me, would be responsible for providing services or oversight to Limestone's operation, are attached to the Joint Application as **Exhibit 12**.

### **DESCRIPTION OF THE PROPOSED TRANSACTION**

#### **Q. PLEASE DESCRIBE THE WATER AND WASTEWATER SYSTEMS LIMESTONE PROPOSES TO ACQUIRE FROM DSH.**

A. The DSH wastewater system serves the Lakeside Estates Community. The system consists of a gravity collection system which conveys water to an influent lift station which pumps to a package Orenco plant with Advantex AX-100 textile media recirculating filters, advanced anoxic nitrogen removal, UV disinfection, and an effluent lift station which discharges water to a drip irrigation drainage field. The plant is approximately 15 years old and is in fair condition. A review of the compliance history shows two exceedances of permitted limits for nitrates; however, in the facility's renewed permit, nitrate limits were removed, indicating no need for improved nitrate treatment despite the exceedances. Some portions of the utility site and drain field exhibit significant vegetation overgrowth, which could be an obstacle to regular operation activities or cause damage to equipment and should be removed. Some areas also exhibited poor fencing (consisting of posts with rope strung between posts) which serve as little more than a visual barrier. These should be replaced with proper fencing. Various components of the system have electrical systems that do not have any means to connect backup power or any proper warning signage on electrical and control boxes. Manual transfer switches and quick connects also should be installed to allow the facility to be operated in the event of a power interruption, and proper warning signage should be installed to meet safety requirements. In

addition, the system has no remote monitoring equipment installed at this time. Adding remote monitoring would allow operations staff to receive immediate notification of any abnormal operating conditions. This also would allow operators to respond to issues before they can result in service outages, backups into customers' homes, unpermitted releases of untreated wastewater in overflows, equipment damage, or interruptions to proper treatment. Over time, this reduces costs associated with emergency responses and prevents environmental noncompliance.

Limestone proposes to acquire from DSH all of the assets it currently owns and uses to provide service to customers located in Campbell County. Maps and aerial photographs showing the location of the System are attached as **Exhibit 1** to the Joint Application. The System currently serves approximately 54 customers.

Terms of the proposed asset sale are governed by the January 2, 2019, *Agreement for the Sale of Utility System* ("Agreement") between DSH and Central States Water Resources, Inc. ("Central States"). A copy of the Agreement is attached as **Exhibit 7** to the Joint Application.

No closing date for the transaction has been set, but the Agreement identifies various conditions precedent, including obtaining all required regulatory approvals, that must be satisfied before the transaction can close. Section 18 of the Agreement also authorizes Central States to assign all its rights to the acquired assets to an affiliated entity. In accordance with that section, at closing Central States will transfer to Limestone all sewer system assets acquired from DSH. A copy of the document assigning Central States' interests in DSH's assets to Limestone is attached as **Exhibit 8** to the Joint Application.

**Q. IF THE COMMISSION APPROVES THE JOINT APPLICATION, IS LIMESTONE WILLING AND ABLE TO MAKE ANY IMPROVEMENTS NECESSARY TO BRING DSH'S WASTEWATER SYSTEMS UP TO STANDARD AND INTO COMPLIANCE WITH APPLICABLE REGULATIONS?**

A. Yes. If the Commission grants Limestone the authority it seeks in the Joint Application, Limestone and CSWR are willing and able to invest capital necessary to bring the System up to standard and into compliance with applicable law. As I described previously, the affiliate group of which Limestone and CSWR are part has access to capital adequate to make necessary upgrades and improvements to the System and to continue to operate that system in a manner that is in the public interest and complies with applicable statutes, rules, and regulations.

**Q. WHAT RATES, RULES, AND REGULATIONS WOULD BE IN EFFECT FOR THE DSH SYSTEMS AT ISSUE IN THIS CASE?**

A. Initially, Limestone proposes to adopt the tariffs, rules, and rates currently in effect for the System. However, if the revenue requirement for the System increases in the future Limestone may petition the Commission to increase rates or change certain operating regulations. 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.

**Q. ARE LIMESTONE AND CSWR FAMILIAR WITH THE COMMISSION'S RULES AND REGULATIONS GOVERNING WASTEWATER UTILITIES AND DO THOSE COMPANIES PLEDGE TO OPERATE THE FOUR SYSTEMS AT ISSUE IN THIS CASE IN A MANNER THAT COMPLIES WITH THOSE RULES AND REGULATIONS?**

A Yes, CSWR and Limestone are familiar with the Commission's rules and regulations and pledge to operate the four systems in a manner that complies with all Commission requirements and all applicable state statutes and regulations.

**Q. HOW DOES LIMESTONE PROPOSE TO SATISFY THE FINANCIAL SECURITY REQUIREMENTS IMPOSED BY TPUC RULES 1220-04-13-.07 AND 1220-04-13-.08?**

A. To demonstrate financial security as required by the Commission's rules, Limestone has secured a corporate surety bond in the amount of \$300,000 in a form that complies with TPUC Rule 1220-04-13-.08. A copy of that surety bond is attached to the Joint Application as **Exhibit 14**.

**Q. DO YOU BELIEVE THE PROPOSED TRANSACTION IS IN THE PUBLIC INTEREST?**

A Yes. While that support need not be repeated here, I have outlined above the many reasons that this acquisition will best serve DHS's current customers and the public interest. Consistent with my testimony and the Joint Application, I believe Limestone's proposed acquisition of the wastewater system currently owned and operated by DSH would be consistent with and would promote the public interest. Limestone and CSWR are fully qualified, in all respects, to own and operate that system and to otherwise provide safe, reliable, and adequate service. Our industry experience, professionalism and successful track record across the county evidence our unique capability to ensure that efficiencies benefiting the customers are captured and that the resources required to upgrade infrastructure and satisfy regulatory and environmental requirements are available and invested.

**Q. DO YOU HAVE ANYTHING TO ADD WITH RESPECT TO THE JOINT APPLICATION?**

A. Yes. I verify that the Joint Application and the supporting documentation submitted with it are true and correct to the best of my information and belief. Furthermore, Limestone is aware of and will abide by all applicable Tennessee statutes, rules and regulations, including TPUC Rules.

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

A. Yes, it does.

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**IN RE:**

**EXPEDITED JOINT APPLICATION OF )  
LIMESTONE WATER UTILITY )  
OPERATING COMPANY, LLC, AND )  
DSH & ASSOCIATES, LLC, FOR )  
APPROVAL OF THE ACQUISITION OF )  
AND TO OPERATE THE )  
WASTEWATER SYSTEM OF DSH & )  
ASSOCIATES, LLC, AND TO TRANSFER )  
OR ISSUE A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY )**

**DOCKET NO. \_\_\_\_\_**

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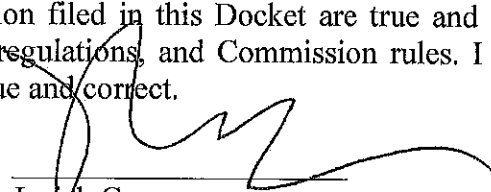
**VERIFICATION**

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STATE OF MISSISSIPPI )

COUNTY OF HINDS )

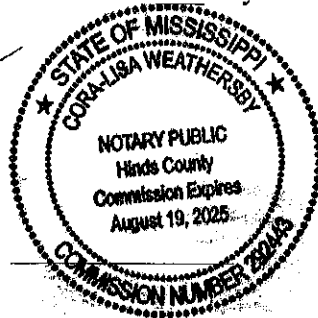
I, Josiah Cox, being first duly sworn, am authorized to represent and warrant, on behalf of Limestone Water Utility Operating Company, LLC, in the above-referenced docket. To the best of my knowledge, the statements in the Application filed in this Docket are true and correct. Limestone will comply with all applicable laws, regulations, and Commission rules. I declare under the penalty of perjury that the foregoing is true and correct.

  
\_\_\_\_\_  
Josiah Cox

Sworn and subscribed before me this 25th day of February, 2023.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_





# **PUBLIC VERSION**

## **EXHIBIT 10**

**CSWR 2021 AUDITED FINANCIALS**

# **PUBLIC VERSION**

## **EXHIBIT 10a**

**CSWR 2020 AUDITED FINANCIALS**

# **PUBLIC VERSION**

## **EXHIBIT 11**

**DSH and Limestone Pro Forms**

# **EXHIBIT 12**

## **Resumes of Key CSWR Personnel**

## **Exhibit 12**

### **Josiah Cox – President**

Mr. Cox is President of Red Bird Utility Operating Company, LLC, Red Bird Utility Holding Company, LLC, and also of CSWR, LLC, (“CSWR”). Both companies are part of an affiliated group that provides water and/or wastewater utility services to more than 200,000 customers in nine states.

Mr. Cox received a Bachelor of Science degree with a major in Environmental Science from the University of Kansas. Professionally he has worked at the Kansas state biological survey, where he performed a wildlife habitat study. He then worked at a civil engineering firm where he was involved in various facets of the land development process including permitting, entitlement, civil design, project management, and construction management. He focused mainly on the water and wastewater side of the civil engineering business and participated in every aspect of that business from waste-load allocation studies (now known as the anti-degradation processes), to design, permitting, project management, and construction management. He also ran the firm's environmental consulting division and was the second private consultant to submit a Water Quality Impact Assessment in the state of Missouri in 2003. He later joined the engineering firm's executive leadership team and helped run all the firm's operations.

Beginning in 2005, he formed a full-service civil engineering, environmental consulting, general contracting, and construction management firm. He gained extensive experience with rural communities in every facet of the water and wastewater compliance process, including environmental assessment, permitting, design, construction, operation and community administration of the actual water and wastewater (sewerage) systems. The firm performed stream sampling and built waste-load allocation models to determine receiving water-body protective permit-able effluent pollutant loads. They did full engineering design of multiple whole community water and wastewater infrastructure systems including wells, water distribution, water treatment, water storage, wastewater conveyance, and wastewater treatment plants and delivered these designs through federal and state administered permitting processes in Missouri. The engineering firm also administered the construction of these water and wastewater systems from green field site selection all the way through system startup and final engineering sign-off. During this time, Mr. Cox also began the Master of Business Administration (MBA) program at Washington University in St. Louis, from which he graduated in 2007.

In addition, starting in 2008, Mr. Cox took over the operations of an existing rural sewer district and to date he still operates a system managing the functioning, testing, and maintenance of this system. He also acts as the administrator for this municipal system, performing all the billing, emergency response, accounts payable/accounts receivable, collections, budgeting, customer service, and public town meetings required to service the community.

In late 2010, after working on several small, failing water and wastewater systems, Mr. Cox created a business plan to acquire and recapitalize failing systems as investor-owned, regulated water and wastewater utility companies. In early 2011, he went to the capital markets to raise money to implement his plan, and over a period of approximately three years met with more than fifty- two infrastructure investment groups in an attempt to raise necessary financing. In February 2014, he was able to raise sufficient debt and equity capital to start CSWR. In 2018, he attracted an additional large institutional private equity investor, which allowed CSWR to expand the scope of its business plan. Since its formation, CSWR has acquired, and currently is operating more than 481 water and/or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, Tennessee, and Texas.

### **Marty Moore – Chief Financial Officer**

Marty Moore is the Chief Financial Officer of CSWR, LLC, and has held this position since April 2020. As CFO, Mr. Moore provides leadership, direction, and management to the finance and accounting teams, manages the process for financial forecasting, budgeting, and reporting in addition to overseeing the human resources and risk management functions.

After receiving a Bachelor of Business Administration in Accounting from Abilene Christian University, Mr. Moore gained a wide range of financial management experience. Moore's extensive senior-level finance and operational expertise includes serving as CFO of international automation equipment manufacturer Baldwin Technology Co., a company he helped Barry-Wehmiller/Forsyth Capital take private in 2012. Prior to that, Mr. Moore held senior leadership positions with Summit Marketing, Consolidated Terminals, Barnhill's Buffet Inc., and Global Materials Services. He began his career at Arthur Andersen. Moore most recently led finance and corporate services as CFO of Gardner Capital, a national affordable housing and renewable energy developer, investor, and tax credit syndicator. He has an extensive background in mergers and acquisitions and works alongside Mr. Cox in accelerating the company's already rapid growth trajectory.

### **Todd Thomas – Vice President**

Todd Thomas holds the office of Senior Vice President of CSWR. Mr. Thomas received his Bachelor of Science in Civil Engineering from The Missouri University of Science and Technology, and a Master of Business Administration from Washington University in St. Louis.

Before joining CSWR, Mr. Thomas was President of Brotcke Well and Pump, Vice President of Operations and Business Development of the Midwest for American Water Contract Operations, and General Manager of Midwest Operations for Environmental Management Corporation. Mr. Thomas currently serves on the Technical Advisory Team for the Public Water Supply District 2 of St. Charles County, MO.

Mr. Thomas's past positions in related industries has provided him with extensive experience in water and sewer utilities. He has in depth, firsthand knowledge about the amount of damage that can be done by lack of maintenance on a well system, and he understands how much money and effort are required to restore a well system after neglect.

In his position as Senior Vice President at CSWR, Mr. Thomas's primary responsibilities include utility operations along with the acquisition, development, and rate stabilization of CSWR- affiliated utilities. Those duties include operations, maintenance, capital planning, and regulatory compliance for all affiliate-owned facilities. He is responsible for the management of all operations and maintenance service providers, customer service and billing service providers, and engineering firms.

### **Mike Duncan – Vice President**

Mike Duncan is the Vice President of CSWR and was promoted to that position in October 2020. As Vice President, he has played an integral role in researching, preparing, filing, and processing acquisition applications in Missouri, Kentucky, Tennessee, Louisiana, Texas, North Carolina, and Mississippi. He also has taken a leading role in preparing and filing rate cases in Missouri, Kentucky, and Louisiana.

After receiving his Bachelor of Arts degree from Washington University in St. Louis, the first eleven years of his career were spent as an administrator and later director at a non-profit organization in St. Louis, Missouri. As Executive Director, Mr. Duncan oversaw accounting, finance, human resources, IT, and communications for the organization. During his employment he earned his Master of Business Administration from the Olin School of Business at Washington University. Prior to joining CSWR, he spent two years as Director of Operations with NAPA Auto Tire & Parts, a partner-owned chain of auto parts stores, overseeing projects related to distribution, logistics, IT, and general management.

### **Jake Freeman – Director of Engineering**

Jake Freeman is the Director of Engineering of CSWR and has held this position since January 2019. As Director of Engineering, he oversees the engineering, surveying, and facility construction upgrades for all newly acquired CSWR water and sewer utilities including those in Arizona, Arkansas, Florida, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, Tennessee, and Texas. He also oversees ongoing capital upgrade projects on all CSWR affiliated and operated facilities.

After receiving a Bachelor of Science degree in Mechanical Engineering from the University of Missouri – Columbia, Mr. Freeman spent the first two years of his career working for Corrigan Mechanical, a design-build mechanical contractor in St. Louis designing, estimating, and managing plumbing, HVAC and process piping construction projects in Missouri and southern Illinois. He then spent eleven years performing similar tasks for Brotcke Well & Pump, a well and pump service contractor servicing water wells and water treatment equipment throughout Missouri, Illinois, Kentucky, and Kansas. Prior to his employment with CSWR, he held the position of Vice President of Brotcke Well & Pump and Principal for their engineering services and managed their newly opened office in Kansas City.

### **Jo Anna McMahon - Director, Environmental Health and Safety**

Jo Anna McMahon holds the office of Environmental Health and Safety Director of CSWR. Ms. McMahon holds several top water and wastewater certifications throughout the country. She received her Bachelor of Business Administration degree from the University of Arkansas at Little Rock, and is currently pursuing an Executive Master of Business Administration at Washington University in St. Louis, Missouri.

Before joining CSWR, Ms. McMahon worked for both public and private utilities, respectively serving a municipality and military installations. Ms. McMahon has extensive experience as both an Operations Coordinator and as a Specification Specialist.

Ms. McMahon's responsibilities included managing daily operations of wastewater and water treatment facilities of various sizes ranging from 3,600 gallons per day (gpd) to 64,000,000 gpd. Throughout that time, Ms. McMahon led teams of operators in creating and executing infrastructure improvement plans, managing and developing employees, and providing a standard of excellence in customer service while keeping facilities and operations within regulatory compliance.

Ms. McMahon's previous employment equipped her with invaluable experience in water and sewer utilities. She has a wide range of firsthand experience in managing water and wastewater treatment facilities safely and in a financially and operationally sound manner.

In her position as Environmental Health and Safety Director at CSWR, Ms. McMahon's main responsibilities include overseeing the development of safety and regulatory compliance programs, budgeting/financial accountability, planning and executing capital improvement projects, and database management for operations and regulatory activity for all 300+ CSWR-affiliated facilities, as well as managing third party Operations and Maintenance contractors of CSWR facilities.

### **Chelsie Carter - Director of Customer Experience**

Chelsie Carter is the Director of Customer Experience at CSWR. Ms. Carter joined CSWR in 2021 as Customer Experience Manager and was promoted to Director level within seven months, leading an overhaul of the CSWR's customer service functions during a period of dramatic growth.

Ms. Carter first earned a Bachelor of Science degree followed by her Master of Business Administration from Lindenwood University. She has a strong background in training and management as well as extensive experience with utility providers. Prior to joining CSWR, she led the Accounts Receivable division at the St. Louis Metropolitan Sewer District, where she also served as the point of contact for dozens of major accounts. Areas of oversight included billing \$34M per month in customer invoices, customer service for 430k customers, processing and average of \$1M in payment remittance per day and collecting more than \$92M in delinquent accounts. Ms. Carter also spent 16 years with American Water, starting as the supervisor for the Customer Call Center and working her way up to Business Services Specialist. In this role she was the point of contact for the Public Service Commission on customer-related issues and resolutions. She has provided direction and support



for several rate cases, acquisitions, and software implementations.

Since joining CSWR, Ms. Carter continues to oversee the entire customer life cycle, focusing on improving the customer experience in the areas of self-service, software systems and processes.

# **EXHIBIT 13**

**Customer Notification Letter Draft**

**Customer Notification Letter Draft**

January xx, 2023

Dear Current Customer of DSH & Associates, LLC,

Limestone Water Utility Operating Company, LLC. (Limestone Water) and DSH & Associates, LLC (DSH) have filed a joint application with the Tennessee Public Utility Commission (TPUC) seeking Commission authorization for DSH to sell to Limestone Water its sewer system assets. DSH is currently serving approximately 46 connections in Campbell County.

If the proposal is approved by the TPUC, Limestone Water be subject to the jurisdiction of the TPUC in the following service areas:

- DSH

Limestone Water proposes to adopt the existing rate structure for all customers.

After completing the proposed acquisition of these service areas, Limestone Water plans to construct numerous improvements to the systems to address degradation due to age and environmental compliance issues.

Those wishing to comment should contact the TN Public Utility Commission at:

502 Deaderick Street  
4th Floor  
Nashville, TN 37243  
(800) 342-8359  
675-747-2904  
contact.tpuc@tn.gov

Refer to TPUC Docket Number \_\_\_\_\_ in all correspondence.

If you have questions, please contact Limestone Water at 314-736-4672 or the above public office of the Tennessee Public Utility Commission.

Sincerely,

Josiah Cox

Limestone Utility Operating Company, LLC

# **EXHIBIT 14**

**Surety Bond**

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PUBLIC UTILITY SERVICE PROVIDER'S SURETY BOND**  
**Limestone Utility Operating Company, LLC**

Bond #: RCB0036021

**WHEREAS**, Limestone Utility Operating Company, LLC ("Principal"), holds a Certificate of Public Convenience and Necessity ("CCN") with amendments to operate public wastewater utilities in each extended territory approved by the Tennessee Public Utility Commission, subject to the laws of the State of Tennessee and rules and regulations of the Tennessee Public Utility Commission ("Commission") relating to the operation of a public wastewater utility; and

**WHEREAS**, under the provisions of Title 65, Chapter 4, Section 201 (e) of the Tennessee Code Annotated, a public utility providing wastewater service is required to post a bond in order to maintain such authority and to ensure the proper operation and maintenance of the public utility, conditioned as prescribed in Tenn. Comp. R. & Regs. Chapter 1220-4-13; and

**WHEREAS** RLI Insurance Company ("Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 201 of the Tennessee Code Annotated and Tenn. Comp. R. & Regs. Chapter 1220-4-13.

**NOW THEREFORE, BE IT KNOWN**, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 201 and Tenn. Comp. R. & Regs. Chapter 1220-4-13 in the full amount of Three Hundred Thousand and 00/100 (\$300,000.00) lawful money of the United States of America to be used to enable the continued operation of the public wastewater utility for the full and prompt payment of any monetary obligation imposed against the Principal, its representatives, successors or assigns, in any contested case proceeding brought under Title 65 of Tennessee Code Annotated or by Tenn. Comp. R. & Regs. Chapter 1220-4-13 on behalf of the TPUC, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 19<sup>th</sup> of January, 2022, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Three Hundred Thousand and 00/100 (\$300,000.00). The Surety may cancel this bond by giving sixty (60) days written notice of such cancellation to the Commission and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

**PRINCIPAL**

Limestone Utility Operating Company, LLC  
Name of Company authorized by the TPUC

1650 Des Peres Rd., Suite 303, St. Louis, MO 63131  
Address of Principal

SIGNATURE OF PRINCIPAL

Name:  
Title:

**SURETY**

RLI Insurance Company  
Name of Surety

9025 N. Lindbergh Drive, Peoria, IL 61615  
Address of Surety

SIGNATURE OF SURETY AGENT

Name: Trudy Whitrock  
Title: Attorney-in-Fact

Address of Surety Agent:  
Charles L. Crane Agency  
100 N. Broadway, Suite 900  
St. Louis, MO 63102

**THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 201, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AND TENN. COMP. R. & REGS. CHAPTER 1220-4-13. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)**

# ACKNOWLEDGMENT OF PRINCIPAL

STATE OF ~~TENNESSEE~~ Missouri  
COUNTY OF St. Louis

Before me, a Notary Public of the State and County aforesaid, personally appeared Josiah Cox  
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed  
the foregoing bond on behalf of Limestone Utility Operating Co, and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 20th day of January, 2022.

My Commission Expires:

May 4th, 2024

Daniel Ryan Janowiak  
Notary Public



# ACKNOWLEDGMENT OF SURETY

STATE OF MISSOURI  
COUNTY OF St. Louis

Before me, a Notary Public of the State and County aforesaid, personally appeared Trudy Whitrock with whom I am  
personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on  
behalf of RLI Insurance Company, the within named Surety, a corporation licensed to do business in the State of Tennessee  
and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title  
56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the  
foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 19th day of January, 2022.

My Commission Expires:

April 9th, 2022

David Christopher James  
Notary Public



# APPROVAL AND ENDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the  
sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Public Utility  
Commission, State of Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name:

Title:

# POWER OF ATTORNEY

## RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615  
Phone: 800-645-2402

### Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, each an Illinois corporation, (separately and together, the "Company") do hereby make, constitute and appoint:

Theresa A. Hunziker, Gregory L. Stanley, Michael T. Reedy, Linda McCarthy, Gerald M. Rogers, Harold F. James, Stephen J. Alabach,  
Joel Karsten, Karen Speckhals, Cindy Rohr, Terri Hunziker, Christopher J. O Hagan, Brandi L. Bullock, Don K. Ardolino, Kimberly  
Ann Connell, Trudy Whitrock, Michelle Wilson, jointly or severally

in the City of Saint Louis, State of Missouri its true and lawful Agent(s) and Attorney(s) in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Twenty Five Million Dollars (\$25,000,000.00) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

**RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and is now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 19th day of February, 2021.



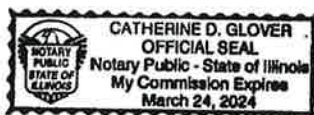
**RLI Insurance Company**  
**Contractors Bonding and Insurance Company**

By: Barton W. Davis  
Barton W. Davis Vice President

State of Illinois }  
County of Peoria } SS

On this 19th day of February, 2021, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Catherine D. Glover  
Catherine D. Glover Notary Public



### CERTIFICATE

I, the undersigned officer of **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** this 19th day of January, 2022.

**RLI Insurance Company**  
**Contractors Bonding and Insurance Company**

By: Jeffrey D. Fick  
Jeffrey D. Fick Corporate Secretary

# **EXHIBIT 15**

## **Officer – Key Employee Organization Chart**



**Legend**

- Prior to 2022 Hires
- 2022 Hires

**Organizational Chart:**

- Josiah Cox, President**
  - Cheryl Waites, Chief of Staff**
    - Mandy Keubler, Office Administrator**
  - Marty Moore, CFO**
    - Spencer Hoppes, Director, FP&A**
      - Patrick O'Neill, Senior Financial Analyst**
      - Dan Janowiak, Accountant Fin. Operations**
      - Bridget Pennington, B & C Supervisor**
      - Kristy Johnson, Billing & Collections Spc.**
      - Katie Thomas, Billing Spc.**
      - Krista Obernuefemann, A/P Manager**
        - Yvette Sanders, A/P Specialist**
        - Rebecca Halker, A/P Specialist**
        - Heather Tulk, A/P Specialist**
    - Mike Duncan, Vice President**
      - Jake Freeman, Director, Engineering**
        - Jon Meany, Eng Regulatory Manager**
        - Enrique Chavez, Prgm. & Compl. Manager**
        - Chris Graman, Utility Engineer**
        - Cody Harris, Utility Engineer**
      - Aaron Silas, Director of Reg. Operations**
        - Ben Lucas, Construction Manager**
          - Whitney Anderson, Eng. Proj. Coordinator**
        - Helen Morse, Regulatory Coordinator**
        - Reece Gilmore, Regulatory Coordinator**
        - Eric Rocchio, Regulatory Coordinator**
    - Russ Mitten, General Counsel**
      - Dave Woodsmall, Associate Counsel**

**Other Staff:**

- Stephanie Litinger, Human Resource Director**
- Brent Thies, P, Controller**
- Brittany Ross, Manager of Fin. Operations**
- Katie Davis, Accounts Receivable Anlst.**
- Clare Donovan, Accountant - Special Projects**
- Tom Wilson, Senior Accounting Mgr.**
- Caitlin O'Reilly, Senior Accountant**
- Tony Le, Staff Accountant**
- Greg Rodgers, Senior Accountant**
- Joe Welch, Senior Accountant**



# **EXHIBIT 16**

**DSH State Operating Permit**



STATE OF TENNESSEE  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**  
**DIVISION OF WATER RESOURCES**

William R. Snodgrass - Tennessee Tower  
312 Rosa L. Parks Avenue, 11<sup>th</sup> Floor  
Nashville, Tennessee 37243-1102

April 23, 2018

Mr. Douglas S. Hodge, PhD, PMP Manager  
DSH & Associates, LLC  
e-copy: Hodge.dsh@gmail.com  
232 Spring Water Ln.  
Knoxville, TN 37934

**Re: State Operating Permit No. SOP-07073**  
**DSH & Associates, LLC - Lakeside Estates WWTP**  
**LaFollette, Campbell County, Tennessee**

Dear Mr. Hodge:

In accordance with the provisions of the Tennessee Water Quality Control Act, Tennessee Code Annotated (T.C.A.), Sections 69-3-101 through 69-3-120, the Division of Water Resources hereby issues the enclosed State Operating Permit. The continuance and/or reissuance of this Permit is contingent upon your meeting the conditions and requirements as stated therein.

Please be advised that a petition for permit appeal may be filed, pursuant to T.C.A. Section 69-3-105, subsection (i), by the permit applicant or by any aggrieved person who participated in the public comment period or gave testimony at a formal public hearing whose appeal is based upon any of the issues that were provided to the commissioner in writing during the public comment period or in testimony at a formal public hearing on the permit application. Additionally, for those permits for which the department gives public notice of a draft permit, any permit applicant or aggrieved person may base a permit appeal on any material change to conditions in the final permit from those in the draft, unless the material change has been subject to additional opportunity for public comment. Any petition for permit appeal under this subsection (i) shall be filed with the technical secretary of the Water Resources Board within thirty (30) days after public notice of the commissioner's decision to issue or deny the permit. A copy of the filing should also be sent to TDEC's Office of General Counsel.

If you have questions, please contact the Knoxville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Hari Akunuri at (615) 532-0650 or by E-mail at [Hari.Akunuri@tn.gov](mailto:Hari.Akunuri@tn.gov).

Sincerely,

Brad C. Harris, P.E.  
Manager, Land-based Systems

Enclosure

cc/ec: Water-based Systems File  
Knoxville Environmental Field Office  
Ms. Patsy Fulton, Utility Rate Specialist, Tennessee Regulatory Authority, [Patsy.Fulton@tn.gov](mailto:Patsy.Fulton@tn.gov)  
Ms. Michelle Ramsey, Utilities Division, Tennessee Regulatory Authority, [michelle.ramsey@tn.gov](mailto:michelle.ramsey@tn.gov)

STATE OF TENNESSEE  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**  
**DIVISION OF WATER RESOURCES**  
William R. Snodgrass - Tennessee Tower  
312 Rosa L. Parks Avenue, 11th Floor  
Nashville, Tennessee 37243-1102

**Permit No. SOP-07073**

**PERMIT**

**For the operation of Wastewater Treatment Facilities**

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In accordance with the provision of Tennessee Code Annotated section 69-3-108 and Regulations promulgated pursuant thereto:

**PERMISSION IS HEREBY GRANTED TO**

DSH & Associates, LLC - Lakeside Estates WWTP  
LaFollette, Campbell County, Tennessee

**FOR THE OPERATION OF**

Septic tanks, effluent collection system, advantex AX-100 textile-media recirculating filters, advanced anoxic nitrogen removal system, UV disinfection and 17.2 acre drip irrigation area system located at latitude 36.371428 and longitude -84.054111 in Campbell County, Tennessee to serve approximately 187 homes in the Lakeside Estates. The design capacity of the system is .074 MGD.

This permit is issued as a result of the application filed on March 12, 2018, in the office of the Tennessee Division of Water Resources and in conformity with approved plans, specifications and other data submitted to the Department in support of the above application, all of which are filed with and considered as a part of this permit, together with the following named conditions and requirements.

**This permit shall become effective on: June 1, 2018**

**This permit shall expire on: May 31, 2023**

**Issuance date: May 1, 2018**



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for Tisha Calabrese Benton  
Director

## A. GENERAL REQUIREMENTS

The treatment system shall be monitored by the permittee as specified below:

<u>Parameter</u>	<u>Sample Type</u>	<u>Daily Maximum</u>	<u>Monthly Average</u>	<u>Measurement Frequency</u>
Flow *	Totalizer			Daily
BOD <sub>5</sub>	Grab	45 mg/l	N/A	Once/Year
Ammonia as N	Grab	Report	N/A	Once /Quarter
<i>E. Coli</i>	Grab	941 colonies/100 ml	N/A	Once /Quarter

\* Report average daily flow for each calendar month.

Sampling requirements in the table above apply to effluent being discharged to the drip irrigation plots.

This permit allows the operation of a wastewater collection, treatment, and storage system with disposal of treated wastewater through approved land application areas. There shall be no discharge of wastewater to any surface waters or to any location where it is likely to enter surface waters. There shall be no discharge of wastewater to any open throat sinkhole. In addition, the drip irrigation system shall be operated in a manner preventing the creation of a health hazard or a nuisance.

The land application component shall be operated and maintained to ensure complete hydraulic infiltration within the soil profile, transmission of the effluent away from the point of application, and full utilization of the soil profile as a portion of the treatment system.

Instances of surface saturation, ponding or pooling within the land application area as a result of system operation are prohibited. Instances of surface saturation, ponding or pooling shall be promptly investigated and noted on the Monthly Operations Report. The report shall include details regarding location(s), determined cause(s), the actions taken to eliminate the issue, and the date the corrective actions were made. Any instances of surface saturation, ponding or pooling not associated with a major precipitation event not corrected within three days of discovery shall be reported to the local Environmental Field Office at that time for investigation. Surface saturation, ponding or pooling resulting in the discharge of treated wastewater into Waters of the State or to locations where it is likely to move to Waters of the State shall be immediately reported to the local Environmental Field Office, unless the discharge is separately authorized by a NPDES permit.”

The permittee must disinfect the wastewater in order to meet the above *E. Coli* limit.

The site shall be inspected by the certified operator or his/her designee, at a minimum, once per fourteen days (default) OR in accordance with an operating and maintenance inspection schedule in the permit administrative file record. The default inspection frequency will apply if an operating and maintenance inspection schedule is not submitted to be a part of the permit administrative file record. The operating and maintenance inspection schedule shall at a minimum evaluate the following via onsite visits or telemetry monitoring or a combination of the two:

- the condition of the treatment facility security controls (doors, fencing, gates, etc.),
- the condition of the drip area security controls (doors, fencing, gates, etc.),
- the condition of the site signage,
- the operational status of the mechanical parts of the treatment system (pumps, filters, telemetry equipment, etc.)
- the condition of the UV bulbs (if applicable)
- the condition of the land application area including the location of any ponding
- the name of the inspector
- the description of any corrective actions

Submission of the schedule, or revisions to the schedule, may be submitted to the division electronically. The schedule shall be submitted on or before the effective date of the permit. The permittee is responsible for maintaining evidence that the schedule, or revisions, have been submitted to the division.

## **B. MONITORING PROCEDURES**

### **1. Representative Sampling**

Samples and measurements taken in compliance with the monitoring requirements specified above shall be representative of the volume and nature of the monitored discharge, and shall be taken at the following location(s):

Effluent to drip irrigation plots.

### **2. Test Procedures**

Unless otherwise noted in the permit, all pollutant parameters shall be determined according to methods prescribed in Title 40, CFR, Part 136.

## **C. DEFINITIONS**

The "daily maximum concentration" is a limitation on the average concentration, in milligrams per liter, of the discharge during any calendar day.

The "**monthly average concentration**", other than for *E. coli* bacteria, is the arithmetic mean of all the composite or grab samples collected in a one-calendar month period.

A "grab sample" is a single influent or effluent sample collected at a particular time.

For the purpose of this permit, "*continuous monitoring*" means collection of samples using a probe and a recorder with at least one data point per dosing cycle.

A "quarter" is defined as any one of the following three-month periods: January 1 through March 31, April 1 through June 30, July 1 through September 30, and/or October 1 through December 31.

"Wastewater" for the purpose of this permit means "sewage" as defined in TCA 69-3-103

## **D. REPORTING**

### **1. Monitoring Results**

Monitoring results shall be recorded consistent with the general requirements imposed in Part A above OR in accordance with the operating and maintenance inspection schedule in the permit administrative file record and submitted quarterly.

Submittals shall be postmarked no later than 15 days after the completion of the reporting period. A copy should be retained for the permittee's files. Monitoring results shall be reported in a format approved by the division. Operation reports and any communication regarding compliance with the conditions of this permit must be sent to:

Division of Water Resources  
Knoxville Environmental Field Office  
3711 Middlebrook Pike  
Knoxville, TN 37921

The first operation report is due on the 15<sup>th</sup> of the month following the quarter containing the permit effective date.

### **2. Additional Monitoring by Permittee**

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit, using approved analytical methods as specified in Rule 0400-40-05-.07(2)(h)2, the results of such monitoring shall be included in the calculation and reporting of the values required in the Quarterly Operation Report. Such increased frequency shall also be indicated.

### 3. Falsifying Reports

Knowingly making any false statement on any report required by this permit may result in the imposition of criminal penalties as provided for in Section 69-3-115 of the Tennessee Water Quality Control Act.

### 4. Signatory Requirement

All reports or information submitted to the commissioner shall be signed and certified by the persons identified in Rules 0400-40-05-.05(6)(a-c).

## **PART II**

### **A. GENERAL PROVISIONS**

#### 1. Duty to Reapply

The permittee is not authorized to discharge after the expiration date of this permit. In order to receive authorization to discharge beyond the expiration date, the permittee shall submit such information and forms as are required to the Director of Water Resources (the "Director") no later than 180 days prior to the expiration date.

#### 2. Right of Entry

The permittee shall allow the Director, or authorized representatives, upon the notification of permittee and presentation of credentials:

a. To enter upon the permittee's premises where an effluent source is located or where records are required to be kept under the terms and conditions of this permit, and at reasonable times to copy these records;

b. To inspect at reasonable times any monitoring equipment or method or any collection, treatment, pollution management, or discharge facilities required under this permit; and

c. To sample at reasonable times any discharge of pollutants.

#### 3. Availability of Reports

All reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Division of Water Resources.



#### 4. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems (and related appurtenances) for collection and treatment which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit. Proper operation and maintenance also includes adequate laboratory and process controls and appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. Backup continuous pH and flow monitoring equipment are not required.

The monitoring frequency stated in this permit shall not be construed as specifying a minimum level of operator attention to the facility. It is anticipated that visits to the treatment facility by the operator will occur at intervals frequent enough to assure proper operation and maintenance, but in no case less than one visit every fourteen days OR in accordance with an operating and maintenance inspection schedule in the permit administrative file record. If monitoring reports, division's inspection reports, or other information indicates a problem with the facility, the permittee may be subject to enforcement action and/or the permit may be modified to include increased parameter monitoring, increased monitoring frequency or other requirements as deemed necessary by the division to correct the problem. The permittee shall ensure that the certified operator is in charge of the facility and observes the operation of the system frequently enough to ensure its proper operation and maintenance regardless of the monitoring frequency stated in the permit

Dilution water shall not be added to comply with effluent requirements.

#### 5. Property Rights

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State, or local laws or regulations.

#### 6. Severability

The provisions of this permit are severable. If any provision of this permit due to any circumstance, is held invalid, then the application of such provision to other circumstances and to the remainder of this permit shall not be affected thereby.

#### 7. Other Information

If the permittee becomes aware that he failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, then he shall promptly submit such facts or information.

**B. CHANGES AFFECTING THE PERMIT****1. Planned Changes**

The permittee shall give notice to the Director as soon as possible of any planned physical alterations or additions to the permitted facility.

**2. Permit Modification, Revocation, or Termination**

a. This permit may be modified, revoked and reissued, or terminated for cause as described in Section 69-3-108 (h) of the Tennessee Water Quality Control Act as amended.

b. The permittee shall furnish to the Director, within a reasonable time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

**3. Change of Ownership**

This permit may be transferred to another person by the permittee if:

a. The permittee notifies the Director of the proposed transfer at least 30 days in advance of the proposed transfer date;

b. The notice includes a written agreement between the existing and new permittees containing a specified date for transfer of permit responsibility, coverage, and liability between them; and

c. The Director, within 30 days, does not notify the current permittee and the new permittee of his intent to modify, revoke or reissue, or terminate the permit and to require that a new application be filed rather than agreeing to the transfer of the permit.

**4. Change of Mailing Address**

The permittee shall promptly provide to the Director written notice of any change of mailing address. In the absence of such notice the original address of the permittee will be assumed to be correct.

**C. NONCOMPLIANCE****1. Effect of Noncompliance**

Any permit noncompliance constitutes a violation of applicable State laws and is grounds for enforcement action, permit termination, permit modification, or denial of permit reissuance.

## 2. Reporting of Noncompliance

### a. 24-Hour Reporting

In the case of any noncompliance which could cause a threat to public drinking supplies, or any other discharge which could constitute a threat to human health or the environment, the required notice of non-compliance shall be provided to the appropriate Division environmental field office within 24 hours from the time the permittee becomes aware of the circumstances. (The environmental field office should be contacted for names and phone numbers of emergency response personnel.)

A written submission must be provided within five days of the time the permittee becomes aware of the circumstances unless this requirement is waived by the Director on a case-by-case basis. The permittee shall provide the Director with the following information:

- i. A description of the discharge and cause of noncompliance;
- ii. The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and
- iii. The steps being taken to reduce, eliminate, and prevent recurrence of the non complying discharge.

### b. Scheduled Reporting

For instances of noncompliance which are not reported under subparagraph 2.a. above, the permittee shall report the noncompliance on the Quarterly Operation Report. The report shall contain all information concerning the steps taken, or planned, to reduce, eliminate, and prevent recurrence of the violation and the anticipated time the violation is expected to continue.

## 3. Overflow

a. "**Overflow**" means the discharge of wastewater from any portion of the collection, transmission, or treatment system other than through permitted outfalls.

b. Overflows are prohibited.

c. The permittee shall operate the collection system so as to avoid overflows.

d. No new or additional flows shall be added upstream of any point in the collection system, which experiences chronic overflows (greater than 5 events per year) or would otherwise overload any portion of the system. Unless there is specific enforcement action to the contrary, the permittee is relieved of this requirement after: 1) an authorized representative of the

Commissioner of the Department of Environment and Conservation has approved an engineering report and construction plans and specifications prepared in accordance with accepted engineering practices for correction of the problem; 2) the correction work is underway; and 3) the cumulative, peak-design, flows potentially added from new connections and line extensions upstream of any chronic overflow point are less than or proportional to the amount of inflow and infiltration removal documented upstream of that point. The inflow and infiltration reduction must be measured by the permittee using practices that are customary in the environmental engineering field and reported in an attachment to a Monthly Operating Report submitted to the local TDEC Environmental Field Office on a quarterly basis. The data measurement period shall be sufficient to account for seasonal rainfall patterns and seasonal groundwater table elevations.

e. In the event that more than 5 overflows have occurred from a single point in the collection system for reasons that may not warrant the self-imposed moratorium or completion of the actions identified in this paragraph, the permittee may request a meeting with the Division of Water Resources EFO staff to petition for a waiver based on mitigating evidence.

#### 4. Upset

a. "**Upset**" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.

b. An upset shall constitute an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the permittee demonstrates, through properly signed, contemporaneous operating logs, or other relevant evidence that:

- i. An upset occurred and that the permittee can identify the cause(s) of the upset;
- ii. The permitted facility was at the time being operated in a prudent and workman-like manner and in compliance with proper operation and maintenance procedures;
- iii. The permittee submitted information required under "Reporting of Noncompliance" within 24-hours of becoming aware of the upset (if this information is provided orally, a written submission must be provided within five days); and
- iv. The permittee complied with any remedial measures required under "Adverse Impact."

#### 5. Adverse Impact

The permittee shall take all reasonable steps to minimize any adverse impact to the waters of Tennessee resulting from noncompliance with this permit, including such accelerated or

additional monitoring as necessary to determine the nature and impact of the noncomplying discharge. It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

## 6. Bypass

- a. **"Bypass"** is the intentional diversion of wastewater away from any portion of a treatment facility.
- b. Bypasses are prohibited, unless:
  - i. The bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
  - ii. There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and
  - iii. For anticipated bypass, the permittee submits prior notice, if possible at least ten days before the date of the bypass; or
  - iv. For unanticipated bypass, the permittee submits notice of an unanticipated bypass within 24 hours from the time that the permittee becomes aware of the bypass.
- c. A bypass that does not cause effluent limitations to be exceeded may be allowed only if the bypass is necessary for essential maintenance to assure efficient operation.
- d. "Severe property damage" when used to consider the allowance of a bypass means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

## D. LIABILITIES

### 1. Civil and Criminal Liability

Nothing in this permit shall be construed to relieve the permittee from civil or criminal penalties for noncompliance. Notwithstanding this permit, the permittee shall remain liable for any damages sustained by the State of Tennessee, including but not limited to fish kills and losses of aquatic life and/or wildlife, as a result of the discharge of wastewater to any surface or subsurface waters. Additionally, notwithstanding this Permit, it shall be the responsibility of the

permittee to conduct its wastewater treatment and/or discharge activities in a manner such that public or private nuisances or health hazards will not be created.

## 2. Liability Under State Law

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law.

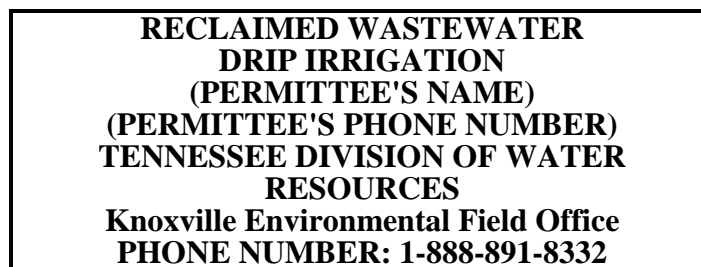
### **PART III OTHER REQUIREMENTS**

#### **A. CERTIFIED OPERATOR**

The waste treatment facilities shall be operated under the supervision of a Biological Natural System certified wastewater treatment operator and collection system shall be operated under the supervision of a the grade I certified collection system operator in accordance with the Water Environmental Health Act of 1984.

#### **B. PLACEMENT OF SIGNS**

The permittee shall place a sign at the entrance to the land application area if fenced or all reasonable approaches to the land application area. The sign should be clearly visible to the public. The minimum sign size should be two feet by two feet (2' x 2') with one inch (1") letters. The sign should be made of durable material



#### **C. ADDITION OF WASTE LOADS**

The permittee may not add wasteloads to the existing treatment system without the knowledge and approval of the division.

#### **D. SEPTIC (STEP) TANK OPERATION**

The proper operation of this treatment system depends, largely, on the efficient use of the septic tank. The solids that accumulate in the tank shall be removed at a frequency that is sufficient to insure that the treatment plant will comply with the discharge requirements of this permit.

## **E. SEPTAGE MANAGEMENT PRACTICES**

The permittee must comply with the provisions of Rule 0400-48-01-.22. If the septage is transported to another POTW for disposal, the permittee shall note the amount of septage wasted in gallons and name of the facility the hauler intends to use for disposal of the septage on the monthly operation report. Sludge or any other material removed by any treatment works must be disposed of in a manner which prevents its entrance into or pollution of any surface or subsurface waters. Additionally, the disposal of such sludge or other material must be in compliance with the Tennessee Solid Waste Disposal Act, TCA 68-31-101 et seq. and Tennessee Hazardous Waste Management Act, TCA 68-46-101 et seq.

## **F. OWNERSHIP OF THE TREATMENT FACILITIES**

a. The permittee shall own the treatment facilities (and the land upon which they are constructed) including the land to be utilized for drip or spray irrigation. A perpetual easement (properly recorded) may be accepted in lieu of ownership. Evidence of ownership of the treatment facility land application site(s) and/or a copy of the perpetual easement(s) must be furnished to the division for approval prior to construction of the wastewater collection and treatment system. Signed agreements stating the intent of the existing landowner to transfer ownership may be provided to support permit issuance. Final SOP's will not be issued without establishing ownership/access rights.

b. Where the treatment facility serves private homes, condominiums, apartments, retirement homes, nursing homes, trailer parks, or any other place where the individuals being served have property ownership, rental agreements, or other agreements that would prevent their being displaced in the event of abandonment or noncompliance of the sewerage system, ownership of the treatment facilities must be by a municipality, a public utility, a wastewater authority, or a privately owned public utility (having a Certificate of Convenience and Necessity from the Tennessee Regulatory Authority), or another public agency.

Attachment 1



**RATIONALE**

**DSH & Associates, LLC - Lakeside Estates WWTP**  
**STATE OPERATION PERMIT NO. SOP-07073**  
**LaFollette, Campbell County, Tennessee**

**Permit Writer: Mr. Hari Akunuri**

**FACILITY CONTACT INFORMATION:**

Mr. Douglas Hodge  
Manager  
Phone: (865) 755-8066  
Hodge.dsh@gmail.com  
Waterfront Trails  
Knoxville, TN 37934

**Activity Description:** Treatment of domestic wastewater via a decentralized waste water system to support construction of

**Facility location:** Latitude 36.371428 and Longitude -84.054111

**Name of the nearest stream:** No direct discharge allowed from this system. The treatment system located near Norris Lake.

**Treatment system:** Septic tanks, effluent collection system, advantex AX-100 textile-media recirculating filters, advanced anoxic nitrogen removal system, UV disinfection and 17.2 acre drip irrigation area

**Permit period:** This permit will be issued for a five year period effective from the issuance date on the title page.

**Terms & Conditions:** BOD<sub>5</sub> is a standard measure of sewage strength. The 45 mg/L daily maximum limit is the required treatment standard for domestic waste water in Tennessee. Ammonia and BOD<sub>5</sub> reporting serve to demonstrate the treatment system is meeting minimum treatment standards. Land application, versus stream discharge, enables reduced monitoring frequency for these parameters. Narrative conditions for drip disposal and septage management are proposed in support of proper system operation to prevent runoff to streams and avoidance of nuisance conditions. E.coli limits apply when the diposal area is not fenced.

<b>Financial Security:</b>	Privately-owned public utilities provide financial security to the Public Utility Commission to comply with TCA 69-3-122.
<b>Annual Maintenance Fee:</b>	An annual maintenance fee for the permit will apply after permit issue and upon receipt of an invoice. The fee is currently \$350.00 for non-discharging facilities with influent flow less than 0.075 MGD.
<b>Items Requisite for Issue:</b>	This draft permit proposes terms and conditions for planning purposes and public comment opportunity.

SOP-SOP-07073

# **EXHIBIT 17**

**DSH State Operator's Certificate**

**WATER AND WASTEWATER  
OPERATOR CERTIFICATION BOARD**

NAME AND MAILING ADDRESS

**Robert C. Young  
145 Pointe Summit Drive  
Greenback Tennessee 37742**

STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

LD. NO.  
**1842**

EXPIRATION DATE  
**12/31/2023**

THIS IS TO CERTIFY THAT:

**Robert C. Young**

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS  
LISTED:

**CS1, SWS, WW4**

WHEN CORRESPONDING ALWAYS REFER TO YOUR LD. NUMBER  
AND SEND NOTIFICATION OF ADDRESS CHANGE

**WATER AND WASTEWATER  
OPERATOR CERTIFICATION BOARD**

NAME AND MAILING ADDRESS

**Robin G. Hetzel-Young  
145 Pointe Summit Drive  
Greenback Tennessee 37742**

STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

LD. NO.  
**1075**

EXPIRATION DATE  
**12/31/2023**

THIS IS TO CERTIFY THAT:

**Robin G. Hetzel-Young**

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS  
LISTED:

**WW4**

WHEN CORRESPONDING ALWAYS REFER TO YOUR LD. NUMBER  
AND SEND NOTIFICATION OF ADDRESS CHANGE

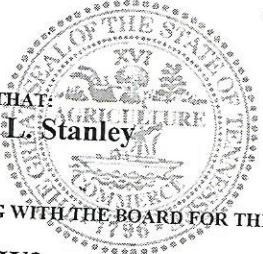
STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

I.D. NO.  
**1978**

EXPIRATION DATE  
**12/31/2023**

THIS IS TO CERTIFY THAT:  
**Michael L. Stanley**

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS  
LISTED:  
**SWS, WW3**



# **EXHIBIT 18**

## **Proposed Chart of Accounts**

## **CSWR, LLC - Limestone UOC**

### **Chart of Accounts**

#### **Account Name**

106.000-05-013 - Utility Plant Purchased/Sold (TN, Limestone)  
107.001-05-013 - CIP (Plant) (TN, Limestone)  
107.002-05-013 - CIP (Engineering) (TN, Limestone)  
107.003-05-013 - CIP (Legal) (TN, Limestone)  
107.004-05-013 - CIP (Startup) (TN, Limestone)  
107.005-05-013 - CIP (Debt Carry) (TN, Limestone)  
108.000-05-013 - AccumDepre Plant in Service (TN, Limestone)  
108.100-05-013 - Accum Deprec Salvage Reserve (TN, Limestone)  
108.300-05-013 - Accum Amort Plant in Service (TN, Limestone)  
114.000-05-013 - Utility Plant Acq Adj (TN, Limestone)  
123.000-05-013 - Investment in Associated Companies (TN, Limestone)  
131.100-05-013 - Cash Operating (TN, Limestone)  
131.200-05-013 - Cash Receipts (TN, Limestone)  
141.000-05-013 - Customer AR (TN, Limestone)  
143.000-05-013 - AR Other (TN, Limestone)  
144.000-05-013 - Accum Prov for Uncoll Accts (TN, Limestone)  
145.000-05-013 - N/R from Assoc Companies (TN, Limestone)  
146.000-05-013 - A/R from Assoc Companies (TN, Limestone)  
166.000-05-013 - Prepayments (TN, Limestone)  
181.000-05-013 - Unamortized Debt Disc/Exp (TN, Limestone)  
183.000-05-013 - Preliminary Survey and Investigation Charges (TN, Limestone)  
183.001-05-013 - PSI - Engineering (TN, Limestone)  
183.002-05-013 - PSI - Legal (TN, Limestone)  
186.000-05-013 - Misc Deferred Debits (TN, Limestone)  
201.000-05-013 - Common Stock Issued (TN, Limestone)  
204.000-05-013 - Preferred Stock Issued (TN, Limestone)  
211.000-05-013 - APIC (TN, Limestone)  
215.000-05-013 - Retained Earnings (TN, Limestone)  
216.000-05-013 - Unappropriated Retained Earnings (TN, Limestone)  
218.000-05-013 - Capital (TN, Limestone)  
221.000-05-013 - Bonds (TN, Limestone)  
224.000-05-013 - LT Debt (Other) (TN, Limestone)  
231.000-05-013 - Notes Payable (TN, Limestone)  
232.000-05-013 - Accounts Payable (TN, Limestone)  
233.000-05-013 - Notes Payable Associated Companies (TN, Limestone)  
235.000-05-013 - Customer Deposits (TN, Limestone)  
236.000-05-013 - Taxes Payable (TN, Limestone)  
242.000-05-013 - Misc Current & Accrued Liab (TN, Limestone)  
242.001-05-013 - LT Debt (Current Portion) (TN, Limestone)  
265.000-05-013 - Misc Operating Reserves (TN, Limestone)  
271.000-05-013 - CIAC (TN, Limestone)  
272.000-05-013 - CIAC Accum Amort (TN, Limestone)  
283.000-05-013 - Accumulated Deferred Income Taxes (TN, Limestone)

304.000-05-013 - Structures & Improvements (TN, Limestone)  
305.000-05-013 - Collecting & Impound Reservoirs (TN, Limestone)  
306.000-05-013 - Lake, River & Other Intakes (TN, Limestone)  
307.000-05-013 - Wells and Springs (TN, Limestone)  
308.000-05-013 - Infiltration Galleries & Tunnels (TN, Limestone)  
309.000-05-013 - Supply Mains (TN, Limestone)  
310.000-05-013 - Power Generating Equipment (TN, Limestone)  
311.000-05-013 - Pumping Equipment (TN, Limestone)  
320.000-05-013 - Water Treatment Equipment (TN, Limestone)  
330.000-05-013 - Distb'n Reservoirs & Standpipes (TN, Limestone)  
331.000-05-013 - Transmission & Distbution Mains (TN, Limestone)  
333.000-05-013 - Services (TN, Limestone)  
334.000-05-013 - Meter & Meter Installations (TN, Limestone)  
335.000-05-013 - Hydrants (TN, Limestone)  
339.000-05-013 - Other Plant & Misc. Equipment (TN, Limestone)  
340.000-05-013 - Office Furniture & Equipment (TN, Limestone)  
341.000-05-013 - Transportation Equipment (TN, Limestone)  
342.000-05-013 - Stores Equipment (TN, Limestone)  
343.000-05-013 - Tools, Shop & Garage Equipment (TN, Limestone)  
344.000-05-013 - Laboratory Equipment (TN, Limestone)  
345.000-05-013 - Power Operated Equipment (TN, Limestone)  
346.000-05-013 - Communication Equipment (TN, Limestone)  
347.000-05-013 - Miscellaneous Equipment (TN, Limestone)  
348.000-05-013 - Other Tangible Plant (TN, Limestone)  
351.000-05-013 -Organization (TN, Limestone)  
352.000-05-013 - Franchises (TN, Limestone)  
353.000-05-013 - Land & Land Rights (TN, Limestone)  
354.000-05-013 - Structures & Improvements (TN, Limestone)  
360.000-05-013 - Collection Sewers-Force (TN, Limestone)  
361.000-05-013 -Collection Sewers-Gravity (TN, Limestone)  
362.000-05-013 -Special Collection Structures (TN, Limestone)  
363.000-05-013 -Services to Customers (TN, Limestone)  
364.000-05-013 - Flow Measuring Devices (TN, Limestone)  
365.000-05-013 - Flow Measuring Installations (TN, Limestone)  
370.000-05-013 - Receiving Wells (TN, Limestone)  
371.000-05-013 - Puming Equipment (TN, Limestone)  
380.000-05-013 - Treatment & Disposal Equipment (TN, Limestone)  
381.000-05-013 - Plant Sewers (TN, Limestone)  
382.000-05-013 - Outfall Sewer Lines (TN, Limestone)  
389.000-05-013 - Other Plant & Miscellaneous Equipment (TN, Limestone)  
390.000-05-013 -Office Furniture & Equipment (TN, Limestone)  
391.000-05-013 - Transportation Equipment (TN, Limestone)  
392.000-05-013 - Stores Equipment (TN, Limestone)  
393.000-05-013 - Tools, Shop & Garage Equipment (TN, Limestone)  
394.000-05-013 - Laboratory Equipment (TN, Limestone)  
395.000-05-013 - Power Operated Equipment (TN, Limestone)  
396.000-05-013 - Communication Equipment (TN, Limestone)



397.000-05-013 - Miscellaneous Equipment (TN, Limestone)  
398.000-05-013 - Other Tangible Plant (TN, Limestone)  
403.000-05-013 - Depreciation Expense (TN, Limestone)  
403.100-05-013 - Depreciation Expense CIAC (TN, Limestone)  
403.200-05-013 - Depreciation Expense Salvage Reserve (TN, Limestone)  
405.000-05-013 - Amortization Expense (TN, Limestone)  
408.100-05-013 - Taxes (Other) (TN, Limestone)  
408.120-05-013 - Taxes SS & Med (TN, Limestone)  
408.140-05-013 - Taxes Unemployment (TN, Limestone)  
408.160-05-013 - Taxes Property (TN, Limestone)  
409.000-05-013 - Taxes Income (TN, Limestone)  
410.000-05-013 - Provision for Deferred Income Tax (TN, Limestone)  
414.000-05-013 - Gains(Losses) on Disposal of Utility Property (TN, Limestone)  
420.000-05-013 - AFUDC (TN, Limestone)  
426.000-05-013 - Miscellaneous Income Deductions (TN, Limestone)  
427.000-05-013 - Interest Long (TN, Limestone)  
428.000-05-013 - Amortization of Debt Discount & Expense (TN, Limestone)  
433.000-05-013 - Extraordinary Income (TN, Limestone)  
434.000-05-013 - Extraordinary Expense (TN, Limestone)  
461.100-05-013 - Water Revenue Residential (TN, Limestone)  
461.200-05-013 - Water Revenue Commercial (TN, Limestone)  
461.300-05-013 - Water Revenue Industrial (TN, Limestone)  
461.400-05-013 - Water Revenue Multi-Family (TN, Limestone)  
470.000-05-013 - Late Fees Water (TN, Limestone)  
471.000-05-013 - Miscellaneous Service Revenues (TN, Limestone)  
471.100-05-013 - Tap Fees (TN, Limestone)  
521.100-05-013 - Sewer Revenue Residential (TN, Limestone)  
521.200-05-013 - Sewer Revenue Commercial (TN, Limestone)  
521.300-05-013 - Sewer Revenue Industrial (TN, Limestone)  
521.400-05-013 - Sewer Revenue Multi-Family (TN, Limestone)  
532.000-05-013 - Late Fees Sewer (TN, Limestone)  
536.000-05-013 - Miscellaneous Service Revenues (TN, Limestone)  
536.100-05-013 - Tap Fees (TN, Limestone)  
600.000-05-013 - Operation Supervision and Engineering (TN, Limestone)  
601.000-05-013 - Salaries & Wagers - Employees (TN, Limestone)  
603.000-05-013 - Miscellaneous (TN, Limestone)  
603.000-05-013 - Salaries & Wagers - Officers, Directors & Stockholders (TN, Limestone)  
604.000-05-013 - Employee Pension & Benefits (TN, Limestone)  
610.000-05-013 - Purchased Water (TN, Limestone)  
611.000-05-013 - Maintenance S&I (TN, Limestone)  
612.000-05-013 - Maintenance Collecting and Impounding Reservoirs (TN, Limestone)  
613.000-05-013 - Maintenance Lake, River and Other Intakes (TN, Limestone)  
614.000-05-013 - Maintenance Wells and Springs (TN, Limestone)  
615.000-05-013 - Purchased Power (TN, Limestone)  
616.000-05-013 - Fuel for Power PRoduction (TN, Limestone)  
618.000-05-013 - Chemicals (TN, Limestone)  
620.000-05-013 - Materials & Supplies (TN, Limestone)

621.000-05-013 - Fuel for Power Production (TN, Limestone)  
622.000-05-013 - Power Production Labor and Expense (TN, Limestone)  
623.000-05-013 - Fuel/Power Purchased for Pump (TN, Limestone)  
624.000-05-013 - Pumping Labor and Expense (TN, Limestone)  
626.000-05-013 - Miscellaneous Expenses Water Pumping (TN, Limestone)  
630.000-05-013 - Contractual Services (TN, Limestone)  
631.000-05-013 - Maintenance S&I (TN, Limestone)  
632.000-05-013 - Maintenance Power Production Equipment (TN, Limestone)  
633.000-05-013 - Maintenance Pumping Equipment (TN, Limestone)  
640.000-05-013 - Rents (TN, Limestone)  
641.000-05-013 - Chemicals (TN, Limestone)  
642.000-05-013 - Operation Labor and Expense (TN, Limestone)  
643.000-05-013 - Miscellaneous Expenses Wtr Trtm (TN, Limestone)  
650.000-05-013 - Transportation Expense (TN, Limestone)  
652.000-05-013 - Maintenance Equipment (TN, Limestone)  
655.000-05-013 - Insurance Expense (TN, Limestone)  
660.000-05-013 - Operation Supervision and Engineering (TN, Limestone)  
661.000-05-013 - Storage Facilities Expense (TN, Limestone)  
662.000-05-013 - Transm and Distr Lines Expenses (TN, Limestone)  
663.000-05-013 - Meter Expenses (TN, Limestone)  
664.000-05-013 - Customer Installations Expenses (TN, Limestone)  
665.000-05-013 - Regulatory Commission Expense (TN, Limestone)  
670.000-05-013 - Bad Debt Expense (TN, Limestone)  
671.000-05-013 - Maintenance Structures and Improvements (TN, Limestone)  
672.000-05-013 - Miscellaneous Expense (TN, Limestone)  
673.000-05-013 - Maintenance Transmission & Distribution Mains (TN, Limestone)  
674.000-05-013 - Maintenance Fire Mains (TN, Limestone)  
675.000-05-013 - Maintenance Services (TN, Limestone)  
676.000-05-013 - Maintenance Meters (TN, Limestone)  
677.000-05-013 - Maintenance Hydrants (TN, Limestone)  
678.000-05-013 - Maintenance Miscellaneous Plant (TN, Limestone)  
700.000-05-013 - Collection Supervision and Engineering (TN, Limestone)  
701.000-05-013 - Salaries & Wages - Employees (TN, Limestone)  
702.000-05-013 - Services to Customers (TN, Limestone)  
703.000-05-013 - Salaries & Wages - Officers, Directors & Stockholders (TN, Limestone)  
704.000-05-013 - Employee Pensions & Benefits (TN, Limestone)  
710.000-05-013 - Sludge Removal Expense (TN, Limestone)  
711.000-05-013 - Maintenance Collection Structures and Improvements (TN, Limestone)  
712.000-05-013 - Maintenance Collection Sewers (TN, Limestone)  
713.000-05-013 - Maintenance Services to Cust (TN, Limestone)  
714.000-05-013 - Maintenance Flow Measuring Devices (TN, Limestone)  
715.000-05-013 - Purchased Power (TN, Limestone)  
716.000-05-013 - Fuel for Power Production (TN, Limestone)  
720.000-05-013 - Materials & Supplies (TN, Limestone)  
721.000-05-013 - Fuel and Power Purchased for Pumping (TN, Limestone)  
722.000-05-013 - Pumping Labor & Expenses (TN, Limestone)  
724.000-05-013 - Miscellaneous Expenses (TN, Limestone)

730.000-05-013 - Contractual Services (TN, Limestone)  
731.000-05-013 - Maintenance Pumping Structures and Improvements (TN, Limestone)  
732.000-05-013 - Maintenance Sewer Pump Equip (TN, Limestone)  
740.000-05-013 - Rents (TN, Limestone)  
741.000-05-013 - Sewer Treatment Chemicals (TN, Limestone)  
742.000-05-013 - Treatment Labor & Expense (TN, Limestone)  
743.000-05-013 - Fuel & Power Sewage T&P (TN, Limestone)  
744.000-05-013 - Miscellaneous Expense (TN, Limestone)  
750.000-05-013 - Transportation Expense (TN, Limestone)  
751.000-05-013 - Maintenance T&D Structures & Improvements (TN, Limestone)  
752.000-05-013 - Maintenance T&D Plant (TN, Limestone)  
753.000-05-013 - Maintenance T&D Other (TN, Limestone)  
755.000-05-013 - Insurance Expense (TN, Limestone)  
765.000-05-013 - Regulatory Commission Expense (TN, Limestone)  
770.000-05-013 - Bad Debt Expense (TN, Limestone)  
775.000-05-013 - Miscellaneous Expense (TN, Limestone)  
903.100-05-013 - Cust Record Collect (Billing) (TN, Limestone)  
903.200-05-013 - Cust Record Collect (Postage) (TN, Limestone)  
903.280-05-013 - Cust Record Collect (Bank Fees) (TN, Limestone)  
904.000-05-013 - Uncollectible Accounts (TN, Limestone)  
905.000-05-013 - Miscellaneous Customer Accounts Expense (TN, Limestone)  
907.000-05-013 - Cust Service & Inform Ex (TN, Limestone)  
920.000-05-013 - Salaries Admin & General (TN, Limestone)  
921.000-05-013 - Office Supp Exp (TN, Limestone)  
921.110-05-013 - Office Supp Exp (Meals, Travel) (TN, Limestone)  
921.500-05-013 - Office Supp Exp (Communication) (TN, Limestone)  
921.800-05-013 - Office Supplies Expense (TN, Limestone)  
922.000-05-013 - Administrative Expenses Transferred (TN, Limestone)  
923.100-05-013 - Outside Services (Bank Fees) (TN, Limestone)  
923.300-05-013 - OutsideService (Eng Consult) (TN, Limestone)  
923.400-05-013 - OutsideService (Legal Fees) (TN, Limestone)  
923.500-05-013 - OutsideService (Audit/Accounting) (TN, Limestone)  
923.600-05-013 - OutsideService (Manage Consult) (TN, Limestone)  
923.800-05-013 - Outside Services (Payroll Fees) (TN, Limestone)  
923.900-05-013 - Outside Services (IT) (TN, Limestone)  
924.000-05-013 - Property Insurance (TN, Limestone)  
924.200-05-013 - Property Insurance Environmental (TN, Limestone)  
924.300-05-013 - Property Insurance Worker's Comp (TN, Limestone)  
924.400-05-013 - Property Insurance Commercial (TN, Limestone)  
926.100-05-013 - EE Benefits Keyman (TN, Limestone)  
926.200-05-013 - EE Benefits Healthcare (TN, Limestone)  
926.300-05-013 - EE Benefits Retirement (TN, Limestone)  
926.400-05-013 - EE Benefits Life/STD/LTD/ADD (TN, Limestone)  
928.100-05-013 - Regulatory Expense DNR (TN, Limestone)  
928.200-05-013 - Regulatory Expense PSC (TN, Limestone)  
928.400-05-013 - Regulatory Expense Business License (TN, Limestone)  
930.200-05-013 - Misc General Expense (TN, Limestone)

931.000-05-013 - Rents Admin & General (TN, Limestone)

# **EXHIBIT 19**

## **List of Plant-in-Service Accounts**

**Limestone Water Utility Operating Company**  
**DSH & Associates, LLC**

GL Account	Account Name	Balance
351	Organization	\$ -
352	Franchises	\$ -
353	Land & Land Rights	\$ 363,269.00
354	Structures & Improvements	\$ 535,925.00
360	Collection Sewers - Force	\$ 343,443.00
361	Collection Sewers - Gravity	\$ 853,905.00
362	Special Collecting Structures	\$ -
363	Services to Customers	\$ -
364	Flow Measuring Devices	\$ 16,538.00
365	Flow Measuring Installations	\$ 12,236.00
370	Receiving Wells	\$ 217,903.00
371	Pumping Equipment	\$ 562,802.00
380	Treatment and Disposal Equipment	\$1,717,821.00
381	Plant Sewers	\$ 11,158.00
382	Outfall Sewer Lines	\$ 21,758.00
389	Other Plant & Miscellaneous Equipment	\$ 36,908.00
390	Office Furniture & Equipment	\$ 3,155.00
391	Transportation Equipment	\$ 74,098.00
392	Stores Equipment	\$ -
393	Tools, Shop, & Garage Equipment	\$ 15,541.00
394	Laboratory Equipment	\$ -
395	Power Operated Equipment	\$ -
396	Communication Equipment	\$ -
397	Miscellaneous Equipment	\$ -
398	Other Tangible Plant	\$ 636,406.00

# **EXHIBIT 20**


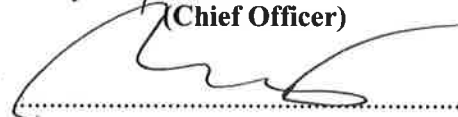
**2021 Limestone Annual Report**

# STATE OF Missouri

## COUNTY OF St Louis

We the undersigned     Marty Moore, CFO  
and                             Brent Thies, Corporate Controller  
of                                Limestone Water Utility Operating Company

on our oath do severally say that the foregoing return has been prepared,  
under our direction, from the original books, papers and records of said  
utility; that we have carefully examined the same, and declare the same to be  
a correct statement of the business and affairs of said utility for the period  
covered by the return in respect to each and every matter and thing therein  
set forth, to the best of our knowledge, information and belief.

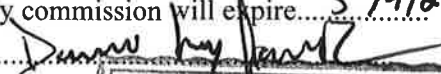
  
.....  
(Chief Officer)  
  
.....  
(Officer in charge of accounts)

Subscribed and sworn to before me this 31st  
day of March....., 2022

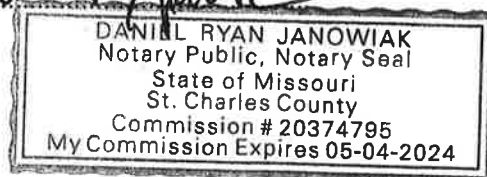
Daniel Ryan Janowiak

Notary Public, St Louis County, MO

My commission will expire 5/14/24



(Seal)





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[illegible]

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Co		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
<b>INCOME STATEMENT</b>					
Account Name (a)	Ref Page (b)	Water (c)	Sewer (d)	Other (e)	Total (f)
<b>Gross Revenue:</b>					
Residential		112,600	87,740	-	200,340
Commercial		1,415	1,970	-	3,385
Industrial		-	-	-	-
Multi-Family		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Gross Revenue</b>		<b>114,015</b>	<b>89,710</b>	<b>-</b>	<b>203,724</b>
Operation & Maint. Expense	W3/S3	157,963	91,997	-	249,959
Depreciation Expense	F-5	21,384	40,889	-	62,273
Amortization Expense				-	-
Other Expense (Gen & Admin Expense)		31,587	81,340	-	112,927
Other Expense (Insurance)		4,316	5,915	-	10,231
Taxes Other Than Income	F-7	137	460	-	597
Income Taxes	F-7			-	-
<b>Total Operating Expenses</b>		<b>215,386</b>	<b>220,601</b>	<b>-</b>	<b>435,987</b>
<b>Net Operating Income</b>		<b>(101,372)</b>	<b>(130,891)</b>	<b>-</b>	<b>(232,263)</b>
<b>Other Income:</b>					
Nonutility Income		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Deductions:</b>					
Misc. Nonutility Expenses		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Deductions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income</b>		<b>(101,372)</b>	<b>(130,891)</b>	<b>-</b>	<b>(232,263)</b>

Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	3/29/2022	2021

## COMPARATIVE BALANCE SHEET

Account Name (a)	Ref Page (b)	Current Year (c)	Previous Year (d)
<b>ASSETS</b>			
Utility Plant in Service (101-105)	F5/W1/S1	10,967,489	0
Accum. Depreciation and Amortization (108)	F5/W2/S2	2,429,425	0
<b>Net Utility Plant</b>		<b>8,538,064</b>	<b>0</b>
Cash		654,776	0
Customer Accounts Receivable (141)		37,527	0
Other Assets (Special Deposits)		9,100	0
Other Assets (Prepayments)		5,197	0
Other Assets (Other Current Assets)		153,067	0
Other Assets (Deferred Debits)		10,430	0
<b>Total Assets</b>		<b>9,408,161</b>	<b>0</b>
<b>LIABILITIES AND CAPITAL</b>			
Common Stock Issued (201)	F-6	3,823,524	0
Preferred Stock Issued (204)	F-6	0	0
Other Paid-In Capital (211)		0	0
Retained Earnings (215)	F-6	(232,262)	0
Capital (Proprietary & Partnership-218)	F-6	0	0
<b>Total Capital</b>		<b>3,591,262</b>	<b>0</b>
Long-Term Debt (224)	F-6	0	0
Accounts Payable (231)		69,628	0
Notes Payable (232)		449,947	0
Customer Deposits (235)		0	0
Accrued Taxes (236)		0	0
Other Liabilities (Misc Liabilities)		22,175	0
Other Liabilities (Capital Improvement Reserve)		110,754	0
Other Liabilities (Sales Tax Payable)		810	0
Other Liabilities (Please Specify)		0	0
Other Liabilities (Please Specify)		0	0
Advances for Construction		0	0
Contributions In Aid Of Const.-Net (271-2)	F-8	5,163,584	0
<b>Total Liabilities</b>		<b>5,816,899</b>	<b>0</b>
<b>Total Liabilities &amp; Capital</b>		<b>9,408,161</b>	<b>0</b>

<b>Name of Respondent</b> Limestone Water Utility Operating C	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>NET UTILITY PLANT</b>			
<b>Plant Accounts (101-107) Inclusive</b> <b>(a)</b>	<b>Water</b> <b>(c)</b>	<b>Sewer</b> <b>(d)</b>	<b>Other</b> <b>(e)</b>
	<b>Total</b> <b>(f)</b>		
Utility Plant in Service (101)	1,670,735	7,608,428	0
Construction Work in Progress (105)	37,595	410,453	0
Other (Utility Plant Acq Adj)	0	1,240,278	0
Other (Please Specify)	0	0	0
Other (Please Specify)	0	0	0
Other (Please Specify)	0	0	0
Other (Please Specify)	0	0	0
Other (Please Specify)	0	0	0
Other (Please Specify)	0	0	0
<b>Total Utility Plant</b>	<b>1,708,330</b>	<b>9,259,159</b>	<b>0</b>
<b>ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT</b>			
<b>Account 108</b> <b>(a)</b>	<b>Water</b> <b>(c)</b>	<b>Sewer</b> <b>(d)</b>	<b>Other</b> <b>(e)</b>
	<b>Total</b> <b>(f)</b>		
<b>Balance First of Year</b>	0	0	0
<b>Credits During Year:</b>			
Accruals charged to Depreciation Account	579,073	1,850,352	0
Salvage	0	0	0
Other Credits (Please Specify):	0	0	0
Other Credits (Please Specify):	0	0	0
Other Credits (Please Specify):	0	0	0
Other Credits (Please Specify):	0	0	0
<b>Total Credits</b>	<b>579,073</b>	<b>1,850,352</b>	<b>0</b>
<b>Debits During Year:</b>			
Book/Historical Cost of Plant Retired	0	0	0
Cost of Removal	0	0	0
Other Debits (Please Specify):	0	0	0
Other Debits (Please Specify):	0	0	0
Other Debits (Please Specify):	0	0	0
Other Debits (Please Specify):	0	0	0
<b>Total Debits</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance End of Year</b>	<b>579,073</b>	<b>1,850,352</b>	<b>0</b>



<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CAPITAL STOCK (201 - 204)</b>			
<b>(a)</b>	<b>Common Stock (b)</b>	<b>Preferred Stock (c)</b>	
Par or stated value per share	3,823,524	-	
Shares Authorized	1	-	
Shares issued and outstanding	1	-	
Total par value of stock issued	3,823,524	-	
Dividends declared per share for year	0	0	
<b>RETAINED EARNINGS (215)</b>			
<b>(a)</b>	<b>Appropriated (b)</b>	<b>Unappropriated (c)</b>	
Balance first of year	-	-	
Changes during year NET INCOME/(NET LOSS)	(232,263)	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	(232,263)	0	
<b>PROPRIETARY CAPITAL (218)</b>			
<b>(a)</b>	<b>Proprietor (b)</b>	<b>Partner (c)</b>	
Balance first of year	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	0	0	
<b>LONG-TERM DEBT (224)</b>			
<b>Obligation including Issue &amp; Maturity Dates (a)</b>	<b>Interest Rate (b)</b>	<b>Year End Balance (c)</b>	
Debt #1	0.00%	-	
Debt #2	0.00%	-	
Debt #3	0.00%	-	
Debt #4	0.00%	-	
Debt #5	0.00%	-	
Debt #6	0.00%	-	
Debt #7	0.00%	-	
Debt #8	0.00%	-	
Debt #9	0.00%	-	
Debt #10	0.00%	-	
Debt #11	0.00%	-	
Debt #12	0.00%	-	
<b>Total Long-Term Debt</b>		<b>0</b>	

Description (a)	Water (b)	Sewer (c)	Other (d)	Total (e)
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<b>Balance First of year</b>	-	-	-	0
<b>Accruals Charged:</b>				
Federal Income Tax	-	-	-	0
Local Property tax	132	444	-	576
State ad valorem tax	-	-	-	0
TN State Sales Tax	-	-	-	0
Regulatory Assessment Fee	-	-	-	0
Payroll Tax	-	-	-	0
Other Taxes (Business Registration)	5	16	-	20
Other Taxes (Please Specify)			-	0
<b>Total Taxes Accrued</b>	<b>137</b>	<b>460</b>	<b>0</b>	<b>597</b>
<b>Taxes Paid</b>				
Federal Income Tax	-	-	-	0
Local Property tax	132	444	-	576
State ad valorem tax	-	-	-	0
TN State Sales Tax	-	-	-	0
Regulatory assessment fee	-	-	-	0
Payroll Tax	-	-	-	0
Other Taxes (Business Registration)	5	16	-	20
Other Taxes (Please Specify)	-	-	-	0
<b>Total Taxes Paid</b>	<b>137</b>	<b>460</b>	<b>0</b>	<b>597</b>
<b>Balance End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Report all info concerning rate, management, construction, advertising, labor relations, or other professional services rendered to the Utility for which total payments during the year to any Corp, Ptnshp, indiv, or organization of any kind, amounted to \$500 or more.

[illegible]

<b>Name of Respondent</b> Limestone Water Utility Operating Company	<b>This Report is:</b> (1) <u>X</u> An Original (2) A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Total (d)</b>
<b>Balance First of Year</b>	-	-	-
Add Credits During Year	237,431	5,177,951	5,415,382
Less Charges During Year		-	-
<b>Balance End of Year</b>	<b>0</b>	<b>5,177,951</b>	<b>5,415,382</b>
Less Accumulated Amortization	113,811	137,987	251,798
<b>Net Contributions in Aid of Construction</b>	<b>(113,811)</b>	<b>5,039,964</b>	<b>5,163,584</b>
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year (a)</b>	<b>Indicate "Cash" or "Property" (b)</b>	<b>Water (c)</b>	<b>Sewer (d)</b>
Customer Tap On	Cash	2,850	-
Customer Tap On	Cash		2,850
Customer Tap On	Cash	713	-
Customer Tap On	Cash		713
Purchase Aqua	Property	234,253	-
Purchase Aqua	Property	-	270,011
Purchase Cartwright Creek	Property	-	4,903,993
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		<b>237,816</b>	<b>5,177,567</b>



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<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description</b> (a)	<b>Water</b> (b)	<b>Sewer</b> (c)	<b>Total</b> (d)
<b>Balance First of Year</b>	-	-	-
Add Credits During Year	237,431	5,177,951	5,415,382
Less Charges During Year	-	-	-
<b>Balance End of Year</b>	<b>237,431</b>	<b>5,177,951</b>	<b>5,415,382</b>
Less Accumulated Amortization	113,811	137,987	251,798
<b>Net Contributions in Aid of Construction</b>	<b>123,620</b>	<b>5,039,964</b>	<b>5,163,584</b>
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year</b> (a)	<b>Indicate "Cash" or "Property"</b> (b)	<b>Water</b> (c)	<b>Sewer</b> (d)
Customer Tap On	Cash	2,850	-
Customer Tap On	Cash		2,850
Customer Tap On	Cash	713	-
Customer Tap On	Cash		713
Purchase Aqua	Property	234,253	-
Purchase Aqua	Property	-	270,011
Purchase Cartwright Creek	Property	-	4,903,993
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		<b>237,816</b>	<b>5,177,567</b>

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Company		(1) <u>  X  </u> An Original	(2) <u>      </u> A Resubmission	(Mo, Da, Yr) 3/29/2022	3/29/2022
SEWER UTILITY PLANT ACCOUNTS					
Acct No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	-	-	-	-
352	Franchises	-	-	-	-
353	Land & Land Rights	-	598,377	-	598,377
354	Structures & Improvements	-	1,987,317	-	1,987,317
360	Collection Sewers - Force	-	343,443	-	343,443
361	Collection Sewers - Gravity	-	1,109,839	-	1,109,839
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices	-	16,538	-	16,538
365	Flow Measuring Installations	-	12,236	-	12,236
370	Receiving Wells	-	217,903	-	217,903
371	Pumping Equipment	-	801,702	-	801,702
380	Treatment & Disposal Equipment	-	1,722,049	-	1,722,049
381	Plant Sewers	-	11,158	-	11,158
382	Outfall Sewer Lines	-	21,758	-	21,758
389	Other Plant & Miscellaneous Equipment	-	36,908	-	36,908
390	Office Furniture & Equipment	-	3,155	-	3,155
391	Transportation Equipment	-	74,098	-	74,098
392	Stores Equipment	-	-	-	-
393	Tools, Shop & Garage Equipment	-	15,541	-	15,541
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	636,406	-	636,406
	<b>Total Sewer Plant</b>	<b>-</b>	<b>7,608,428</b>	<b>-</b>	<b>7,608,428</b>

Name of Respondent		This Report is:				Date of Report		Year of Report			
Limestone Water Utility Operating Company		(1) X_ An Original				(Mo, Da, Yr)		3/29/2022		2021	
		(2) A Resubmission									
ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - SEWER											
Account Number (a)	Account (b)	Average Service Life in Years (c)	Average Salvage Value in Percent (d)	Depreciation Rate Applied* (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accumulated Depreciation Balance End of Year (i)			
354	Structures & Improvements	40	0.00%	2.50%	-	-	858,940	858,940			
360	Collection Sewers - Force	50	0.00%	2.00%	-	-	-	-			
361	Collection Sewers - Gravity	50	0.00%	2.00%	-	-	194,258	194,258			
362	Special Collecting Structures	-	0.00%	0.00%	-	-	-	-			
363	Services to Customers	-	0.00%	0.00%	-	-	-	-			
364	Flow Measuring Devices	10	0.00%	10.00%	-	-	13,500	13,500			
365	Flow Measuring Installations	30	0.00%	3.33%	-	-	-	-			
370	Receiving Wells	25	0.00%	4.00%	-	-	105,383	105,383			
371	Pumping Equipment	10	0.00%	10.00%	-	-	191,178	191,178			
380	Treatment & Disposal Equipment	20	0.00%	5.00%	-	-	423,664	423,664			
381	Plant Sewers	40	0.00%	2.50%	-	-	10,973	10,973			
382	Outfall Sewer Lines	50	0.00%	2.00%	-	-	21,395	21,395			
389	Other Plant & Miscellaneous Equipment	20	0.00%	5.00%	-	-	28,889	28,889			
390	Office Furniture & Equipment	20	0.00%	5.00%	-	-	-	-			
391	Transportation Equipment	10	0.00%	10.00%	-	-	-	-			
392	Stores Equipment	-	0.00%	0.00%	-	-	-	-			
393	Tools, Shop & Garage Equipment	20	0.00%	5.00%	-	-	-	-			
394	Laboratory Equipment	-	0.00%	0.00%	-	-	-	-			
395	Power Operated Equipment	-	0.00%	0.00%	-	-	-	-			
396	Communication Equipment	-	0.00%	0.00%	-	-	-	-			
397	Miscellaneous Equipment	-	0.00%	0.00%	-	-	-	-			
398	Other Tangible Plant	10	0.00%	10.00%	-	-	2,171	2,171			
Totals					0	0	1,850,352	1,850,352			
*State basis used for percentages used in schedule.											

\*State basis used for percentages used in schedule.

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Com		(1) <u>X</u> An Original (2) A Resubmission		(Mo, Da, Yr) 3/29/2022	2021
SEWER OPERATION & MAINTENANCE EXPENSE					N/A
Acct No.	Description				Amount
	(a)				(b)
701	Salaries & Wages - Employees				-
703	Salaries & Wages - Officers, Directors & Stockholders				-
704	Employee Pensions & Benefits				-
710	Purchased Sewage Treatment				-
711	Sludge Removal Expense				775
715	Purchased Power				20,378
716	Fuel for Power Production				-
718	Chemicals				-
720	Materials & Supplies				209
730	Contractual Services				70,557
740	Rents				-
750	Transportation Expense				-
755	Insurance Expense				-
765	Regulatory Commission Expense				-
770	Bad Debt Expense				-
775	Miscellaneous Expenses				78
	Total Sewer Operation & Maintenance Expense				91,997
SEWER CUSTOMERS					
Description		Customers	Additions	Disconnections	Customers
(a)		First of Year	(c)	(d)	End of Year
		(b)			(e)
Metered Customers:					
5/8 Inch		-	-	-	-
3/4 Inch		-	-	-	-
1.0 Inch		-	-	-	-
1.5 Inch		-	-	-	-
2.0 Inch		-	-	-	-
2.5 Inch		-	-	-	-
3.0 Inch		-	-	-	-
4.0 Inch		-	-	-	-
6.0 Inch		-	-	-	-
8.0 Inch		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Unmetered Customers		-	1,558	-	1,558
Total Customers		0	1,558	0	1,558

<b>Name of Respondent</b> Limestone Water Utility Operating Com		<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>PUMPING EQUIPMENT</b>					
<b>Description***</b> (a)	<b>Lift Station #1</b> (b)	<b>Lift Station #2</b> (c)	<b>Lift Station #3</b> (d)	<b>Lift Station #4</b> (e)	
Make, Model, or Type of Pump	Hydromatic Submer	Hydromatic Submer	E-One DH071 (2	Sta-Rite 2000 (2	
Year Installed	1998	1998	2010-2020	2020	
Rated Capacity (GPM)	45gpm	115pgm	11gpm	10gpm	
Size (HP)	5 HP	5 HP	1 HP	1/2 HP	
Power (Electric/Mechanical)	Electric	Electric	Electric	Electric	
Make, Model or Type of Motor	Unknown	Unknown	E/One Extreme	Sta-Rite	
<b>SERVICE CONNECTIONS</b>					
<b>Description***</b> (a)	<b>Service Connection #1</b> (b)	<b>Service Connection #2</b> (c)	<b>Service Connection #3</b> (d)	<b>Service Connection #4</b> (e)	
Size (Inches)	Varies	1.5	2	1.5	
Type (PVC, VCP, etc)	PVC/Clay	PVC	PVC	PVC	
Average Length (Feet)	Varies	50	50	50	
Connections-Beginning of Year	-	-	-	-	
Connections-Added during Year	-	-	-	-	
Connection-Retired during Year	-	-	-	-	
<b>Connections-End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Number of Inactive Connections	-	-	-	-	
<b>COLLECTING MAINS, FORCE MAINS, &amp; MANHOLES</b>					
<b>Description</b> (a)	<b>Collecting Mains</b> (b)	<b>Force Mains</b> (c)	<b>Manholes</b> (d)		
Size (Inches)	6 to 18"		n/a		
Type	PVC/DI/Clay	PVC	n/a		
Length/Number-Beginning of Year	40,000	53,595	150		
Length/Number-Added During Year	-	2,500	-		
Length/Number-Retired During Year	-	-	-		
Length/Number-End of Year	<b>40000</b>	<b>56095</b>	<b>150</b>		

\*\*\*If more space is needed to list equipment please attach additional sheets as necessary.

<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
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**TREATMENT PLANT**

<b>Description*** (a)</b>	<b>Treatment Facility #1 (b)</b>	<b>Treatment Facility #2 (c)</b>	<b>Treatment Facility #3 (d)</b>	<b>Treatment Facility #4 (e)</b>
Manufacturer	Clow Aeroflow	Sheaffer System	Sheaffer System	Recirc Sand
Type	Extend Aeration	Deep Cell	Deep Cell	Fixed Film
Steel or Concrete	Steel	Lined Earthen	Lined Earthen	Lined Earthen
Total Capacity	.250 MGD	75,000 gpd	60,000 gpd	336,000 gpd
Average Daily Flow				
Effluent Disposal				
Total Gallons of Sewage Treated				

**MASTER LIFT STATION PUMPS**

<b>Description*** (a)</b>	<b>Master Pump #1 (b)</b>	<b>Master Pump #2 (c)</b>	<b>Master Pump #3 (d)</b>	<b>Master Pump #4 (e)</b>
Manufacturer	Clow Aeroflow	Clow Aeroflow		
Capacity (GPM)	400	400		
Size (HP)	20	20		
Power (Electric/Mechanical)	Electric	Electric		
Make, Model, or Type of Motor	Unknown	Unknown		

**OTHER SEWER SYSTEM INFORMATION**

Present Number of Equivalent Residential Customer's * being served	
Maximum Number of Equivalent Residential Customer's * that the system can efficiently serve	
Estimated Annual Increase in Equivalent Residential Customers *	
* Equivalent Residential Customers = (Total Gallons Treated / 365 Days) / 275 Gallons Per Day. Total Gallons Treated includes both sewage treated and purchased sewage treatment.	

State any plans and estimated completion dates for any enlargements of this system:

\_\_\_\_\_

\_\_\_\_\_

If the present systems do not meet environmental requirements, please submit the following:

A. An evaluation of the present plant or plants in regard to meeting the requirements.

B. Plans for funding and construction of the required upgrading.

C. The date construction will begin.

What is the percent of the certificated area that have service connections installed?

\_\_\_\_\_

\_\_\_\_\_



Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Company		(1) <u>X</u> An Original	(2) A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
<b>WATER UTILITY PLANT ACCOUNTS</b>					
Acct No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	-	-	-	0
302	Franchises	-	-	-	0
303	Land & Land Rights	-	221,530	-	221,530
304	Structures & Improvements	-	1,237,397	-	1,237,397
305	Collecting & Impounding Reservoirs	-	-	-	0
306	Lake, River & Other Intakes	-	-	-	0
307	Wells & Springs	-	-	-	0
308	Infiltration Galleries & Tunnels	-	-	-	0
309	Supply Mains	-	-	-	0
310	Power Generation Equipment	-	-	-	0
311	Pumping Equipment	-	-	-	0
320	Water Treatment Equipment	-	-	-	0
330	Distribution Reservoirs & Standpipes	-	-	-	0
331	Transmission & Distribution Mains	-	205,842	-	205,842
333	Services	-	-	-	0
334	Meters & Meter Installations	-	-	-	0
335	Hydrants	-	-	-	0
339	Other Plant & Miscellaneous Equipment	-	-	-	0
340	Office Furniture & Equipment	-	-	-	0
341	Transportation Equipment	-	-	-	0
342	Stores Equipment	-	-	-	0
343	Tools, Shop & Garage Equipment	-	-	-	0
344	Laboratory Equipment	-	-	-	0
345	Power Operated Equipment	-	-	-	0
346	Communication Equipment	-	-	-	0
347	Miscellaneous Equipment	-	5,966	-	5,966
348	Other Tangible Plant	-	-	-	0
<b>Total Water Plant</b>		<b>0</b>	<b>1,670,735</b>	<b>0</b>	<b>1,670,735</b>

Name of Respondent						This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Company						(1) <u>X</u> An Original	(2) <u>  </u> A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER									
Account Number	Account (b)	Average Service Life in Years (c)	Average Salvage Value in Percent (d)	Depreciation Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accumulated Depreciation Balance End of Year (i)	
304	Structures & Improvements	40	0.00%	2.50%	-	-	576,320	576,320	
305	Collecting & Impounding Reservoirs	-	0.00%	0.00%	-	-	-	-	
306	Lake, River & Other Intakes	-	0.00%	0.00%	-	-	-	-	
307	Wells & Springs	-	0.00%	0.00%	-	-	-	-	
308	Infiltration Galleries & Tunnels	-	0.00%	0.00%	-	-	-	-	
309	Supply Mains	-	0.00%	0.00%	-	-	-	-	
310	Power Generating Equipment	-	0.00%	0.00%	-	-	-	-	
311	Pumping Equipment	-	0.00%	0.00%	-	-	-	-	
320	Water Treatment Equipment	-	0.00%	0.00%	-	-	-	-	
330	Distribution Reservoirs & Standpipes	-	0.00%	0.00%	-	-	-	-	
331	Transmission & Distribution Mains	50	0.00%	2.00%	-	-	2,519	2,519	
333	Services	-	0.00%	0.00%	-	-	-	-	
334	Meter & Meter Installations	-	0.00%	0.00%	-	-	-	-	
335	Hydrants	-	0.00%	0.00%	-	-	-	-	
339	Other Plant & Miscellaneous Equipment	-	0.00%	0.00%	-	-	-	-	
340	Office Furniture & Equipment	-	0.00%	0.00%	-	-	-	-	
341	Transportation Equipment	-	0.00%	0.00%	-	-	-	-	
342	Stores Equipment	-	0.00%	0.00%	-	-	-	-	
343	Tools, Shop & Garage Equipment	-	0.00%	0.00%	-	-	-	-	
344	Laboratory Equipment	-	0.00%	0.00%	-	-	-	-	
345	Power Operated Equipment	-	0.00%	0.00%	-	-	-	-	
346	Communication Equipment	-	0.00%	0.00%	-	-	-	-	
347	Miscellaneous Equipment	50	0.00%	2.00%	-	-	234	234	
348	Other Tangible Plant	-	0.00%	0.00%	-	-	-	-	
<b>Totals</b>					-	-	579,073	579,073	
*State basis used for percentages used in schedule.									



Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Company	(1) <u>X</u> An Original	(Mo, Da, Yr)	
	(2) A Resubmission	3/29/2022	2021

### WATER OPERATION & MAINTENANCE EXPENSE

Acct No.	Description (a)	Amount (b)
601	Salaries & Wages - Employees	-
603	Salaries & Wages - Officers, Directors & Stockholders	-
604	Employee Pensions & Benefits	-
610	Purchased Water	101,270
615	Purchased Power	-
616	Fuel for Power Production	-
618	Chemicals	-
620	Materials & Supplies	150
630	Contractual Services	55,573
640	Rents	-
650	Transportation Expense	-
655	Insurance Expense	-
665	Regulatory Commission Expense	-
670	Bad Debt Expense	-
672	Miscellaneous Expenses	970
	<b>Total Water Operation &amp; Maintenance Expense</b>	<b>157,963</b>

### WATER CUSTOMERS

Description (a)	Customers First of Year (b)	Additions (c)	Disconnections (d)	Customers End of Year (e)
Metered Customers:				
5/8 Inch	-	415	-	415
3/4 Inch	-	-	-	-
1.0 Inch	-	-	-	-
1.5 Inch	-	1	-	1
2.0 Inch	-	2	-	2
2.5 Inch	-	-	-	-
3.0 Inch	-	-	-	-
4.0 Inch	-	-	-	-
6.0 Inch	-	-	-	-
8.0 Inch	-	-	-	-
Other (Please Specify)	-	-	-	-
Other (Please Specify)	-	-	-	-
Other (Please Specify)	-	-	-	-
Unmetered Customers	-	37	-	37
<b>Total Customers</b>	<b>0</b>	<b>455</b>	<b>0</b>	<b>455</b>

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4		<b>Water</b>	<b>Water</b>	<b>Total Water</b>	<b>Water Sold</b>
5		<b>Purchased for</b>	<b>Pumped from</b>	<b>Pumped and</b>	<b>To</b>
6	<b>Description (1)</b>	<b>Resale</b>	<b>Wells</b>	<b>Purchased</b>	<b>Customers</b>
7	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
8		<b>in thousands</b>	<b>in thousands</b>	<b>in millions</b>	
9	January	-	-	-	-
10	February	-	-	-	-
11	March	-	-	-	-
12	April	1,503,900	-	-	699,379
13	May	1,732,100	-	-	786,224
14	June	2,633,900	-	-	1,547,470
15	July	2,925,000	-	-	1,502,932
16	August	3,139,300	-	-	1,435,011
17	September	2,669,500	-	-	1,346,619
18	October	2,212,100	-	-	1,183,724
19	November	2,582,900	-	-	799,408
20	December	1,510,300	-	-	470,340
21	<b>Total for the Year</b>	<b>20,909,000</b>	<b>-</b>	<b>-</b>	<b>9,771,107</b>

<b>Name of Respondent</b>	<b>This Report is:</b>	<b>Date of Report</b>	<b>Year of Report</b>
Limestone Water Utility Operating Company	(1) <u>  X  </u> An Original	(Mo, Da, Yr)	
	(2) <u>      </u> A Resubmission	3/29/2022	2021

**WELLS AND WELL PUMPS**

<b>Description***</b> (a)	<b>Well #1</b> (b)	<b>Well #2</b> (c)	<b>Well #3</b> (d)	<b>Well #4</b> (e)
Year Constructed				
Type of Well Construction				
Type of Well Casing				
Depth of Well (Feet)				
Diameter of Well (Feet)				
Pumping Capacity (GPM)				
Motor Size (HP)				
Yields of Well (GPD)				
Auxiliary Power				

**RESERVOIRS**

<b>Description***</b> (a)	<b>Reservoir #1</b> (b)	<b>Reservoir #2</b> (c)	<b>Reservoir #3</b> (d)	<b>Reservoir #4</b> (e)
Construction (Steel, Concrete, Pneumatic)				
Capacity (Gallons)				
Ground or Elevated				

**HIGH SERVICE PUMPING**

<b>Motor Description***</b> (a)	<b>Motor #1</b> (b)	<b>Motor #2</b> (c)	<b>Motor #3</b> (d)	<b>Motor #4</b> (e)
Manufacturer				
Type				
Rated Horsepower				
<b>Pump Description***</b> (a)	<b>Pump #1</b> (b)	<b>Pump #2</b> (c)	<b>Pump #3</b> (d)	<b>Pump #4</b> (e)
Manufacturer				
Type				
Capacity in Gallons per Minute				
Average Number of Hours Operated Per Day				
Auxiliary Power				

\*\*\*If more space is needed to list equipment please attach additional sheets as necessary.

<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <u>X</u> An Original (2) A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
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<b>SOURCE OF SUPPLY</b>				
List for each source of supply:				
Description	Source #1	Source #2	Source #3	Source #4
Gallons per day of source				
Type of Source				

<b>WATER TREATMENT FACILITIES</b>				
List for each water treatment facility:				
Description	Facility #1	Facility #2	Facility #3	Facility #4
Type				
Make				
Gallons per day capacity				
Method of Measurement				

<b>OTHER WATER SYSTEM INFORMATION</b>	
Furnish information below for each system not physically connected with another facility.	
Present Equivalent Residential Customer's * now being served	76
Maximum Equivalent Residential Customer's * that the system can efficiently serve	
Estimated annual increase in Equivalent Residential Customers *	
* Equivalent Residential Customer= (Total Gallons Sold / 365 days) / 350 Gallons Per Day	
List fire fighting facilities and capacities:	
_____	
_____	
List percent of certificated area where service connections are installed	
_____	
_____	
What are the current needs and plans for system upgrading and/or expansion	
_____	
_____	
State the name and address of any engineers that plans for system upgrading and/or expansion have been discussed with	
_____	
_____	

Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Com	(1) <u>X</u> An Original (2) A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
<b>SUPPLEMENTAL FINANCIAL DATA TO THE ANNUAL REPORT</b>			
<b>Rate Base</b>			
Additions:			
Plant In Service			
Construction Work in Progress			
Property Held For Future Use			
Materials & Supplies			
Working Capital Allowance			
Other Additions - Common Plant Alloc from Parent Company			
Other Additions (Please Specify)			
<b>Total Additions to Rate Base</b>		<b>0</b>	
Deductions:			
Accumulated Depreciation			
Accumulated Deferred Income Taxes			
Pre 1971 Unamortized Investment Tax Credit			
Customer Deposits			
Contributions in Aid of Construction			
Other Deductions (Please Specify)			
Other Deductions (Please Specify)			
<b>Total Deductions to Rate Base</b>		<b>0</b>	
<b>Rate Base</b>		<b>0</b>	
<b>Adjusted Net Operating Income</b>			
Operating Revenues:			
Residential			
Commercial			
Industrial			
Public Authorities			
Multiple Family			
Fire Protection			
All Other			
<b>Total Operating Revenues</b>		<b>0</b>	
Operating Expenses:			
Operation			
Depreciation			
Amortization			
Taxes Other Than Income Taxes			
Income Taxes			
<b>Total Operating Expense</b>		<b>0</b>	
<b>Net Operating Income</b>		<b>0</b>	
Other (Please Specify)			
Other (Please Specify)			
<b>Adjusted Net Operating Income</b>		<b>0</b>	
<b>Rate of Return (Line 49 / Line 25)</b>		<b>0.00%</b>	
All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this Company.			

Company Name:	Westone Water Utility Operating Company
Report Period:	7/14/1909
Report Date:	3/29/2022

BALANCE SHEET:

	Amount for 1st Reference	Amount for 2nd Reference	Difference
1. Line 10 on F4, col. "C" agrees w/line 16 on F5, col. "F".	10,967,489	10,967,489	(0)
2. Line 10 on F4, col. "C" agrees w/lines 34, W1, col. "F" & 32, S1, col. "F".	10,967,489	9,279,163	1,688,326
3. Line 11 on F4, col. "C" agrees w/line 52 on F5, col. "F".	2,429,425	2,429,425	0
4. Line 11 on F4, col. "C" agrees w/lines 32, W2, col. I & 30, S2, col. I	2,429,425	2,429,425	0
5. Line 27 on F4, col. "C" agrees w/line 10 on F6, col. "B".	3,823,524	3,823,524	0
6. Line 28 on F4, col. "C" agrees w/line 10 on F6, col. "C".	-	-	0
7. Line 30 on F4, col. "C" agrees w/line 24 on F6, cols. "B" & "C".	(232,262)	(232,263)	1
8. Line 31 on F4, col. "C" agrees w/line 37 on F6, cols. "B" & "C".	-	-	0
9. Line 37 on F4, col. "C" agrees w/line 55 on F6, col. "C".	-	-	0
10. Line 41 on F4, col. "C" agrees w/line 32 on F7, col. "E".	-	-	0
11. Line 48 on F4, col. "C" agrees w/line 13 on F8, col. "D".	5,163,584	5,163,584	0
12. Line 8 on F8, col. "D" agrees w/line 55 on F8, cols. "C & D".	5,415,382	5,415,382	0

**Limestone Utility Operating Company**  
**2021 Tap Escrow & Capital Recovery Detail**

	<b>Balance 12/31/2021</b>
<b>Tap Escrow Bank Account</b>	509,730.01
<b>Capital Recovery Surcharge</b>	110,754.31
<b>Total</b>	<b>620,484.32</b>



# **EXHIBIT 21**

**Tariff - DSH**

## TITLE PAGE

### REGULATION AND SCHEDULE OF CHARGES GOVERNING THE PROVISION OF WASTEWATER UTILITY SERVICE TO RESIDENCES AND BUSINESSES WITHIN THE STATE OF TENNESSEE

This tariff contains the descriptions, regulation and rates applicable to the furnishing of wastewater utility service provided by DSH & Associates, LLC within the State of Tennessee. This tariff is on file with the Tennessee Regulatory Authority. Copies may be inspected during normal business hours at the Company's principal place of business at **4028 Taliluna Avenue, Knoxville, TN 37919**.



IT'S A WASTEWATER  
TARIFF. GIVE TO PATSY  
OR TIFFANY.

Sponsored by Tennessee Regulatory Authority

### CHECK SHEET

Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as the date on the bottom of this sheet.

SECTION	SHEET	REVISION	SECTION	SHEET	REVISION
1	1	Original			
1	2	1 <sup>st</sup> Revised			
1	3	Original			
1	4	Original			
1	5	Original			
1	6	Original			
2	1	Original			
2	2	1 <sup>st</sup> Revised			
2	3	Original			
2	4	Original			
3	1	Original			
3	2	1 <sup>st</sup> Revised			
4	1	Original			
4	2	1 <sup>st</sup> Revised			
4	3	Original			

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Section 4:	Commercial Sewer Service Territories	1
	Commercial Rates/Explanation	2

## SYMBOLS

The following symbols are used for the purposes indicated below:

C	Changed regulations or rate structure
D	Discontinued material
I	An increased rate
M	A move in the location of text
N	A new rate or regulation
R	A reduced rate
S	Reissued material
T	Change in text but no change in rate or regulation

## TARIFF FORMAT

**A. Sheet numbering** -Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 12 and 13 would be 12.1.

**B. Sheet Revision Numbers** -Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the TRA. For example, the 4<sup>th</sup> revised Sheet 12 cancels the 3<sup>rd</sup> revised Sheet 12. Because of various suspension periods, deferrals, etc., that the TRA follows in its tariff approval process, the most current sheet number on file with the TRA is not always the sheet in effect. Consult the Check Sheet for the sheet currently in effect.

**C. Paragraph Numbering Sequence** There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level:

2.  
2.1  
2.1.1  
2.1.1.A  
2.1.1.A.1  
2.1.1.A.1.(a)  
2.1.1.A.1.(a).1  
2.1.1.A.1.(a).1.(i)  
2.1.1.A.1.(a).1.(i).(1)

**D. Check Sheets** -When a tariff filing is made with the TRA, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross-reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be now other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the TRA.

## DEFINITIONS

Certain terms used generally throughout this tariff for the Utility Service of this Company are defined below:

1. Company — DSH & Associates, LLC
2. Engineer—the consulting engineer of DSH & Associates, LLC
3. Customer — any person, firm, corporation, association or government unit furnished sewage by the Company.
4. Residential Property — property that is an established residence for a single family that is intended solely for the family's use.
5. Commercial Property — property that is used for commercial, overnight rental or institutional purposes.
6. Facilities — all equipment owned and operated by the Company.
7. TRA — the Tennessee Regulatory Authority.
8. Septic Pump Tank — the tank located near a customer's building which accepts waste and contains a pump vault.
9. Septic Gravity Tank — the septic tank located near a customer's building which accepts waste and contains an effluent filter.
10. Service Line — the line from the Septic Pump/Septic Gravity Tank to a Collector Line.
11. Collector Line —the line from the Service Line to the Main Line.
12. Main Line —the line from the Collector Line to the treatment facility.
13. Building Outfall Line — the customer owned line that carries waste from the building to the Septic Pump Tanks/Septic Gravity Tank.
14. Pumping Station — a tank that contains pumps and receives effluent from Septic Gravity Tanks and/or Collector Lines.
15. Premises — shall mean customer's private property.
16. Service Connection — the point at which the service line to the wastewater system components at the customer's building is connected to the main wastewater collection system.

## **SECTION 2 RULES AND REGULATIONS**

### **Governing the sewage collection and treatment systems of DSH & Associates (DSH)**

#### **Statement of Purpose**

The general purpose of these rules and regulations is:

1. To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
2. To provide standards and procedures for:
3. Acceptable sewage characteristics
4. Protection of the integrity of the water tight system
5. Engineering design standards
6. Construction standards and inspection requirements
7. Quality of materials

#### **Authorization of Rules and Regulations**

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) July 1, 2011, under Docket No. 11-00020 and subsequent certificates issued by the PSC and the TRA.

#### **Effect of Rules and Regulations**

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

#### **Utility Facilities on Private Property**

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer's Building and Plumbing outfall line shall be maintained by the Customer.

#### **Discontinuance of Service**

Service under any application may be dis-continued for the following reason:

1. Non-payment of bill as hereinafter set forth below
2. For misrepresentation of application
3. For adding to the property without notice of the Company
4. For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
5. For violation of any rules of the Company.
6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

#### **Non-Payment Penalties**

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

The non-payment penalty will be \$25 per billing cycle. If payment is not received within fifteen days after the due date, a 2<sup>nd</sup>



notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 14) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$40. The reconnection fee is \$50 plus all back payments.

#### **Returned Checks**

A check returned by the bank will incur a fee of \$25.

#### **Changes in Ownership, Tenancy of Service**

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made and approved.

#### **Sewer System Access Fee**

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of \$120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

#### **Engineering, Material and Construction Standards**

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by developers.

1. The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the design engineer and must be approved by the Company Engineer.
2. Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive shall govern.
3. All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Service Lines and Main Lines.
4. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
5. Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
6. STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
7. All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
8. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

#### **Special Pretreatment Sewage Requirements**

For all sewage connections the Company reserves the right to require any non-residential user to provide special pre-treatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

**Damages**

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

**Inspection**

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

**In Event of Emergency**

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-622-2452.

**Service Area**

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

**Extension Plan**

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing to bear the expense of designing and building the sewer system.

**Contributions in Aid of Construction**

Sewer system facilities furnished by developers and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from developers will be treated in like manner.

**Contracts for Service**

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

**Customer Billing Forms**

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

**Individual Septic Tank and Pump Tank Requirements**

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

**Public Contact**

Doug Hodge  
4028 Taliluna Ave  
Knoxville, TN 37919  
865-622-2452

**Tennessee Regulatory Authority Regulations**

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

## SEWER SERVICE CONTRACT

**DATE:** \_\_\_\_\_.

**PRINTED NAME:** \_\_\_\_\_.

**ADDRESS OF PROPERTY:** \_\_\_\_\_.

**MAILING ADDRESS:** \_\_\_\_\_.

**TELEPHONE NUMBER:** \_\_\_\_\_.

**EMAIL ADDRESS:** \_\_\_\_\_.

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

1. I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by DSH. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of DSH. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of DSH.
2. I acknowledge DSH, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
3. For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
5. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to DSH at least thirty (30) days in advance of my vacating the property.
7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

**SUBSCRIBERS SIGNATURE:** \_\_\_\_\_

## SECTION 3

### RESIDENTIAL SEWER SERVICE TERRITORIES

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket #</u>	<u>Rate Class</u>
Lakeside Estates on Norris Lake	Campbell	11-00020	Rate Class 1

## RESIDENTIAL RATE SHEET/EXPLANATION

The monthly sewer charge per customer is \$ 43.37

<u>FEES:</u>	<u>TOTAL</u>
Non-Payment	5%
STEP System Installation	\$6,000
Tap Fee	3,750/lot
Disconnection	\$ 40.00
Reconnection	\$ 50.00
Returned Check	\$ 25.00
Access Fee	\$120/yr

\*Escrow amount is included in total \$10.24

\*\* Tap fee is for homes with 3 bedrooms or less

### Explanation

FFR.D:	Rate Class I: Standard Base RSF/Fixed Film Reactor Treatment Rate	\$ 30.73
E1:	RSF Escrow Rate	\$ 10.24
B1:	Standard bonding charge of	\$ 2.40
	<b>Total</b>	<b>\$ 43.37</b>

### Estimate Tap Fees

Tap Fees for each new unit will be derived based on the number of Bedrooms as listed in the table below:

Daily Flowrate	Number of Bedrooms	Estimated Tap Fee
300	3	\$ 3,750
400	4	\$ 5,000
500	5	\$ 6,250
600	6	\$ 7,500
700	7	\$ 8,750
800	8	\$ 10,000
900	9	\$ 11,250
1000	10	\$ 12,500

### STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for

DSH & Associates, LLC  
Issue Date: 6/24/11  
Issued By: Doug Hodge, President

Effective Date: July 11, 2011

T.R.A. No. 1  
Section 4  
Orig. Page 1

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## **SECTION 4**

### **COMMERCIAL SEWER SERVICE TERRITORIES**

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket #</u>
Lakeside Estates on Norris Lake	Campbell	11-00020

## COMMERCIAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$68.37 per month will be charged for up to the first 300 gallons per day of average daily flow. (I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of \$156.79 per 1,000 gallons of average daily flow will apply.

COMMERCIAL W/O FOOD	FLOWRATE BETWEEN		TOTAL**	ESCROW***
	(GPD)		(8/1/13)	
Tier 1	0	300	\$ 68.37	\$ 15.95
Tier 2.1	301	400	\$ 83.37	\$ 19.49
Tier 2.2	401	500	\$ 98.37	\$ 23.02
Tier 2.3	501	600	\$ 113.37	\$ 26.56
Tier 2.4	601	700	\$ 128.37	\$ 30.10
Tier 2.5	701	800	\$ 143.37	\$ 33.63
Tier 2.6	801	900	\$ 158.37	\$ 37.17
Tier 2.7	901	1000	\$ 173.37	\$ 40.71
Tier 3.1	1001	2000	\$ 331.32	\$ 77.95
Tier 3.2	2001	3000	\$ 489.27	\$ 115.19
Tier 3.3	3001	4000	\$ 647.22	\$ 152.43
Each additional tier			\$ 156.79	\$ 37.24

Each customer will be billed the minimum monthly charge unless DSH determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, DSH will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which DSH does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days DSH will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer. For purposes of this section,

cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

- \*\* Bonding amount of \$2.40 included  
\*\*\* Escrow amount is included

STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for \$6,000. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

Estimate Tap Fees:

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00



# **EXHIBIT 22**

## **Customer List**

# **PUBLIC VERSION**

## **EXHIBIT 23**

**Pro Forma - DSH**

# **EXHIBIT 24**

## **Anticipated Capital Budget**

**PRELIMINARY OPINION OF PROBABLE COST**  
**Central States Water Resources, Inc.**  
**DSH - Lakeview Estates Wastewater System**  
**Campbell County, TN**  
**November 2022**

ITEM	DESCRIPTION	QUAN.	UNIT	UNIT PRICE	TOTAL
1	Install High Tide SCADA System at STP	1	LS	\$10,000	\$10,000
2	Install High Tide SCADA System at Lift Stations	2	EA	\$10,000	\$20,000
3	Arc Flash Study & Equipment Labeling at STP	1	LS	\$7,500	\$7,500
4	Arc Flash Study & Equipment Labeling at Lift Stations	2	EA	\$7,500	\$15,000
5	Install Manual Transfer Switch & Portable Generator Connection at STP	1	LS	\$20,000	\$20,000
6	Install Manual Transfer Switch & Portable Generator Connection at Lift Stations	2	EA	\$20,000	\$40,000
7	Site Cleanup & Vegetation Removal	1	LS	\$10,000	\$10,000
8	Installation of Overhead Lighting at Lift Station #2	1	LS	\$4,000	\$4,000
<b>CONSTRUCTION SUBTOTAL</b>					<b>\$126,500</b>

# **EXHIBIT 25**

## **Regulatory, Transaction and Closing Costs**

**DSH**

Purchase/Acquisition Assets

Purchase Price \$ 82,000.00  
Date of Annual Report Used 12/31/2020  
In-Service Date 6/30/2023  
estimated closing cost \$ 20,000.00

System: **DSH**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2020</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Treatment & Disposal Equipment	380.000	137,557.00	5.0%			0.00	137,557.00
<b>Total</b>		<b>137,557.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,557.00</b>

<b>CIAC-Sewer</b>	271.000	137,557.00		0.00	-	0.00	137,557.00
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**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		102,000.00	Total closing consideration
Land & Land Rights	353.000	20,000.00		Transaction costs at closing (estimated)
Treatment & Disposal Equipment	380.000	137,557.00		Forward from 2021 Annual Report
CIAC-Sewer	271.000		137,557.00	Forward from 2021 Annual Report
Utility Plant Acq Adj	114.000	82,000.00		Utility Plant Acq Adj
		<b>239,557.00</b>	<b>239,557.00</b>	

Net Book Value	102,000.00
Legal Regulatory Cost	9,847.24
<b>Acquisition Date Rate Base</b>	<b>111,847.24</b>

# **EXHIBIT 26**

## **Valuation Methodology**

### 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.



# **EXHIBIT 27**

## **Valuation Schedule and Workpapers**

**DSH**

Purchase/Acquisition Assets

Purchase Price \$ 82,000.00  
 Date of Annual Report Used 12/31/2020  
 In-Service Date 6/30/2023  
 estimated closing cost \$ 20,000.00

System: **DSH**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2020</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Treatment & Disposal Equipment	380.000	137,557.00	5.0%			0.00	137,557.00
<b>Total</b>		<b>137,557.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,557.00</b>

<b>CIAC-Sewer</b>	271.000	137,557.00		0.00	-	0.00	137,557.00
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**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		102,000.00	Total closing consideration
Land & Land Rights	353.000	20,000.00		Transaction costs at closing (estimated)
Treatment & Disposal Equipment	380.000	137,557.00		Forward from 2021 Annual Report
CIAC-Sewer	271.000		137,557.00	Forward from 2021 Annual Report
Utility Plant Acq Adj	114.000	82,000.00		Utility Plant Acq Adj
		<b>239,557.00</b>	<b>239,557.00</b>	

Net Book Value	102,000.00
Legal Regulatory Cost	9,847.24
<b>Acquisition Date Rate Base</b>	<b>111,847.24</b>

# **EXHIBIT 28**

## **Proposed Acquisition Adjustment Computation**

**DSH**

Purchase/Acquisition Assets

Purchase Price \$ 82,000.00  
Date of Annual Report Used 12/31/2020  
In-Service Date 6/30/2023  
estimated closing cost \$ 20,000.00

System: **DSH**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2020</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Treatment & Disposal Equipment	380.000	137,557.00	5.0%			0.00	137,557.00
<b>Total</b>		<b>137,557.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,557.00</b>

<b>CIAC-Sewer</b>	271.000	137,557.00		0.00	-	0.00	137,557.00
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**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		102,000.00	Total closing consideration
Land & Land Rights	353.000	20,000.00		Transaction costs at closing (estimated)
Treatment & Disposal Equipment	380.000	137,557.00		Forward from 2021 Annual Report
CIAC-Sewer	271.000		137,557.00	Forward from 2021 Annual Report
Utility Plant Acq Adj	114.000	82,000.00		Utility Plant Acq Adj
		<b>239,557.00</b>	<b>239,557.00</b>	

Net Book Value	102,000.00
Legal Regulatory Cost	9,847.24
<b>Acquisition Date Rate Base</b>	<b>111,847.24</b>

# **EXHIBIT 29**

## **Contributed Assets - DSH**

F-8

<b>Name of Respondent</b> DSH & Associates, LLC	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/25/22	<b>Year of Report</b> 2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description</b> (a)	<b>Water</b> (b)	<b>Sewer</b> (c)	<b>Total</b> (d)
<b>Balance First of Year</b>	-	-	-
Add Credits During Year	-	137,557	137,557
Less Charges During Year	-	-	-
<b>Balance End of Year</b>	0	137,557	137,557
Less Accumulated Amortization	-	-	-
<b>Net Contributions in Aid of Construction</b>	0	137,557	137,557
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year</b> (a)	<b>Indicate "Cash" or "Property"</b> (b)	<b>Water</b> (c)	<b>Sewer</b> (d)
Contractor or Developer #1		-	-
Contractor or Developer #2		-	-
Contractor or Developer #3		-	-
Contractor or Developer #4		-	-
Contractor or Developer #5		-	-
Contractor or Developer #6		-	-
Contractor or Developer #7		-	-
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		0	0

# **EXHIBIT 30**

## **Pro Forma Accounting Entries**

**DSH**

Purchase/Acquisition Assets

Purchase Price \$ 82,000.00  
Date of Annual Report Used 12/31/2020  
In-Service Date 6/30/2023  
estimated closing cost \$ 20,000.00

System: **DSH**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2020</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Treatment & Disposal Equipment	380.000	137,557.00	5.0%			0.00	137,557.00
<b>Total</b>		<b>137,557.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,557.00</b>

<b>CIAC-Sewer</b>	271.000	137,557.00		0.00	-	0.00	137,557.00
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**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		102,000.00	Total closing consideration
Land & Land Rights	353.000	20,000.00		Transaction costs at closing (estimated)
Treatment & Disposal Equipment	380.000	137,557.00		Forward from 2021 Annual Report
CIAC-Sewer	271.000		137,557.00	Forward from 2021 Annual Report
Utility Plant Acq Adj	114.000	82,000.00		Utility Plant Acq Adj
		<b>239,557.00</b>	<b>239,557.00</b>	

Net Book Value	102,000.00
Legal Regulatory Cost	9,847.24
<b>Acquisition Date Rate Base</b>	<b>111,847.24</b>



# **EXHIBIT 31**

**Limestone's Proposed Tariff**

	Aqua Utilities Service Area	Chapel Woods HOA Service Area	Cartwright Creek Grassland Service Area	Limestone Water UOC Cartwright Creek Arrington Service Area	Cartwright Creek Hideaway Service Area	DSH & Associates, LLC Service Area
<b>Monthly Recurring Charge - Pre Acquisition</b>						
Minimum Charge - Water	\$19.65	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	\$19.65	\$29	\$42.00	\$55.25	\$55.25	\$43.37
Usage Rate - Sewer	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A
Monthly Capital Recover Surcharge	N/A	N/A	\$7.50	\$7.50	\$7.50	N/A
<b>Monthly Recurring Charge - Post Acquisition</b>						
Minimum Charge - Water	\$19.65	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	\$19.65	\$29	\$42.00	\$55.25	\$55.25	\$43.37
Usage Rate - Sewer	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A
Monthly Capital Recover Surcharge	N/A	N/A	\$7.50	\$7.50	\$7.50	N/A
<b>Non-Recurring Charges - Pre Acquisition</b>						
Service Connection Charge	\$1,425	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	5%
Reconnect Charge - Seasonal	\$120	N/A	\$15	\$15	\$15	\$40
Reconnect Charge - Nonpayment	\$15	N/A	\$15	\$15	\$15	\$40
Reconnect Charge - Before 8am & after 5PM, Saturdays/Sundays, or less than 24 hours in advance	N/A	N/A	N/A	N/A	N/A	N/A
Returned Check Charge	\$20	N/A	\$25	\$25	\$25	\$25
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	\$40
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	\$6,000
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	\$3,750/lot
Access Fee	N/A	N/A	N/A	N/A	N/A	\$120/yr
<b>Non-Recurring Charges - Post Acquisition</b>						
Service Connection Charge	\$1,425	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	5%
Reconnect Charge - Seasonal	\$120	N/A	\$15	\$15	\$15	\$40
Reconnect Charge - Nonpayment	\$15	N/A	\$15	\$15	\$15	\$40
Reconnect Charge - Before 8am & after 5PM, Saturdays/Sundays, or less than 24 hours in advance	N/A	N/A	N/A	N/A	N/A	N/A
Returned Check Charge	\$20	N/A	\$25	\$25	\$25	\$25
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	\$40
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	\$6,000
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	\$3,750/lot
Access Fee	N/A	N/A	N/A	N/A	N/A	\$120/yr
<b>Monthly Recurring Charge - Pre Acquisition Commercial</b>						
Minimum Charge - Water	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	N/A	N/A	\$37.00	\$37.00	\$37.00	\$68.37
Usage Rate - Sewer	N/A	N/A	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$15 per 100 gallons
Usage Rate - Sewer (Tier 2)	N/A	N/A	N/A	N/A	N/A	\$156.79 per 1,000 gal over 1,000 gal
<b>Monthly Recurring Charge - Post Acquisition Commercial</b>						
Minimum Charge - Water	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	N/A	N/A	\$37.00	\$37.00	\$37.00	\$68.37
Usage Rate - Sewer	N/A	N/A	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$15 per 100 gallons
Usage Rate - Sewer (Tier 2)	N/A	N/A	N/A	N/A	N/A	\$156.79 per 1,000 gal over 1,000 gal
<b>Non-Recurring Charges - Pre Acquisition Commercial</b>						
Service Connection Charge	N/A	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	N/A
Reconnect Charge - Seasonal	N/A	N/A	\$15	\$15	\$15	N/A
Reconnect Charge - Nonpayment	N/A	N/A	\$15	\$15	\$15	N/A
Returned Check Charge	N/A	N/A	\$25	\$25	\$25	N/A
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	N/A
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	Calculated on an Individual Cost
<b>Non-Recurring Charges - Post Acquisition Commercial</b>						
Service Connection Charge	N/A	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	N/A
Reconnect Charge - Seasonal	N/A	N/A	\$15	\$15	\$15	N/A
Reconnect Charge - Nonpayment	N/A	N/A	\$15	\$15	\$15	N/A
Returned Check Charge	N/A	N/A	\$25	\$25	\$25	N/A
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	N/A
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	Calculated on an Individual Cost

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**IN RE:**

**EXPEDITED JOINT APPLICATION OF )  
LIMESTONE WATER UTILITY )  
OPERATING COMPANY, LLC, AND )  
DSH & ASSOCIATES, LLC, FOR )  
APPROVAL OF THE ACQUISITION OF )  
AND TO OPERATE THE )  
WASTEWATER SYSTEM OF DSH & )  
ASSOCIATES, LLC, AND TO TRANSFER )  
OR ISSUE A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY )**

**DOCKET NO. \_\_\_\_\_**

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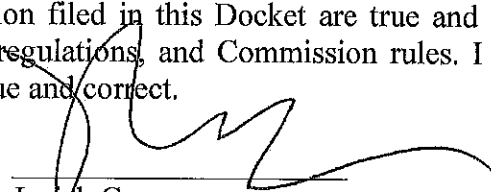
**VERIFICATION**

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STATE OF MISSISSIPPI )

COUNTY OF HINDS )

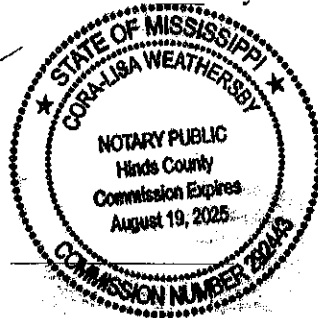
I, Josiah Cox, being first duly sworn, am authorized to represent and warrant, on behalf of Limestone Water Utility Operating Company, LLC, in the above-referenced docket. To the best of my knowledge, the statements in the Application filed in this Docket are true and correct. Limestone will comply with all applicable laws, regulations, and Commission rules. I declare under the penalty of perjury that the foregoing is true and correct.

  
\_\_\_\_\_  
Josiah Cox

Sworn and subscribed before me this 25<sup>th</sup> day of February, 2023.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_



## CERTIFICATE OF SERVICE

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

Vance L. Broemel, Esq.  
Senior Assistant Attorney General  
Office of the Tennessee Attorney General  
Consumer Advocate Division  
P.O. Box 20207  
Nashville, TN 37202-0207  
[Vance.Broemel@ag.tn.gov](mailto:Vance.Broemel@ag.tn.gov)

Karen H. Stachowski, Esq.  
Senior Assistant Attorney General  
Office of the Tennessee Attorney General  
Consumer Advocate Division  
P.O. Box 20207  
Nashville, TN 37202-0207  
[Karen.Stachowski@ag.tn.gov](mailto:Karen.Stachowski@ag.tn.gov)

This the 1<sup>st</sup> day of March 2023.



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Melvin J. Malone  
Katherine Barnes