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August 29, 2023

Electronically Filed in TPUC Docket Room
on August 29, 2023 at 3:07 p.m.

VIA ELECTRONIC FILING

Hon. Herbert H. Hilliard, Chairman
c/o Ectory Lawless, Docket Room Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243
TPUC.DocketRoom@tn.gov

RE: *Limestone Water Utility Operating Company, LLC's Application to Expand its Certificate of Convenience and Necessity to Serve the Nash Ridge Subdivision, TPUC Docket No. 23-00036*

Dear Chairman Hilliard:

Attached for filing please find responses from Limestone Water Utility Operating Company, LLC, to the Consumer Advocate's inquiries and requests regarding the minimum filing requirements in the above-referenced docket.

As required, the original plus four (4) hard copies will be mailed to your office. 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

clw

Attachment

cc: Russ Mitten, Limestone Water Utility Operating Company, LLC
Vance L. Broemel, Consumer Advocate Division
Karen H. Stachowski, Consumer Advocate Division

*The Pinnacle at Symphony Place
150 3rd Avenue South, Suite 1600
Nashville, TN 37201*

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BUTLER SNOW LLP

August 29, 2023

VIA EMAIL

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

RE: *Limestone Water Utility Operating Company, LLC's Application to Expand its Certificate of Convenience and Necessity to Serve the Nash Ridge Subdivision*
TPUC Docket No. 23-00036

Dear Mrs. Stachowski,

We received your information requests dated July 12, 2023. Please find the responses from Limestone Water Utility Operating Company, LLC ("Limestone") below. Please don't hesitate to reach out if you have any further questions.

Rule 1220-04-13-.17(2)(a) General Information

1. *Rule 1220-04-13-.17(2)(a)8. The Consumer Advocate could not locate the permit modification application for the Grasslands System to accommodate the additional wastewater load from the new development, Nash Ridge. The Consumer Advocate also searched the Dataviewer of the Tennessee Department of Environment & Conservation ("TDEC") but could not locate any such documents. As a result, the Consumer Advocate contacted TDEC about its knowledge of Limestone's filing in TPUC Docket No. 23-00036. Mr. Wade Murphy with TDEC responded to the inquiry by email. A copy of this email is attached as CAD MFR Exhibit 1. [A portion of Mr. Murphy's email was included here in the original request, but since it is also in the Exhibit, Limestone is not including it here.]*

Please provide an estimate of when Limestone will file, with TDEC, a permit modification application for the Grasslands System to accommodate the additional wastewater load from the new development, Nash Ridge. Also, what is Limestone's plan if TDEC denies the additional wastewater load from the Nash Ridge development?

RESPONSE: On February 13, 2023, Limestone entered into a Consent Order & Assessment with TDEC (Exhibit 21 to the Application) to address issues at the Grasslands facility.

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Limestone has been working with Mr. Michael Lancaster, in TDEC's Division of Water Resources Enforcement Unit, to implement the terms of the Consent Order. As such, Limestone submitted to TDEC the attached Schedule for Construction, which was approved by TDEC in the accompanying email (collectively, Attachment A). The Schedule for Construction outlines the timeline for Limestone to complete an upgrade to the Grasslands facility.

Prior to this upgrade, Limestone is implementing repair measures to increase the facility's existing capacity, including working on the replacement of a failed influent screen, inflow and infiltration ("I & I") investigations, and a sewer main/manhole lining project to reduce flow coming to the plant. These projects are expected to be completed within the next year and will improve the facility's ability to treat the wastewater feeding into it. The amount of trash and nuisance solids are hindering the plant's ability to treat to its full potential and Limestone believes that these projects will free up previously underutilized or wasted treatment capacity to treat waste from new connections from the Nash Ridge Subdivision. Limestone believes that these measures will make existing capacity available to serve the new customers of the Nash Ridge Subdivision prior to the system upgrade.

Rule 1220-04-13-.17(2)(c) Sufficient Managerial Ability

1. *Rule 1220-04-13-.17(2)(c)3. The Consumer Advocate could not locate "copies of all contracts related to any pending merger or acquisition of the applicant, corporate parent or affiliate." The Consumer Advocate notes, however, that a waiver of the rule has been sought and is under consideration by the Commission.*

RESPONSE: Limestone notes in the Application that the pending Tennessee mergers can be found in TPUC Docket No. 21-00059 (Candlewood Lakes Property Owners Association, Inc.), which was approved by the Commission, and TPUC Docket No. 23-00016 (DSH & Associates, LLC), which is pending with the Commission. Since all available contracts are included in those filings, Limestone did not duplicate them in the Application.¹

For clarification, Limestone is not seeking a waiver from the requirements of Rule 1220-04-13-.17(2)(c)3. As more fully explained in Footnote 5 in Appendix A of the Application, Limestone understands the rule to only require mergers or acquisitions pending in Tennessee, as opposed to requiring Limestone to file mergers or acquisitions potentially pending in all other states. Not only would such a requirement be unduly burdensome and inefficient, but it would be unnecessary and irrelevant to the determination of whether Limestone can provide the technical, managerial, and financial capabilities to provide wastewater service to the Nash Ridge Subdivision.

Rule 1220-04-13-.17(2)(d) Sufficient Technical Ability

1. *Rule 1220-04-13-.17(2)(d)4. In its Petition, Limestone shared a copy of the Consent Order with*

¹ For the contracts included in Docket No. 21-00059 (Candlewood Lakes Property Owners Association, Inc.) and filed on November 16, 2021, please see: [Candlewood Lakes POA & Aqua \(5.3.21\).xlsx \(tn.gov\)](#); for the contracts included in Docket No. 23-00016 (DSH & Associates, LLC) and filed on April 27, 2023, please see: [2300016g.pdf \(tn.gov\)](#).

TDEC and stated that there were “[n]o complaints or notice of violations pending with TDEC. [A portion of Mr. Murphy’s email was included here in the original request, but since it is also in the Exhibit, Limestone is not including it here.]

Mr. Murphy identified “washouts” as being a violation of the Grasslands System permit and described the effect of such washouts on the treatment system. Copies of Limestone’s three notifications to TDEC of washouts are part of CAD MFR Exhibit 1. In reviewing the TDEC Dataviewer, Limestone notified TDEC of two additional incidents regarding its Grasslands System permit: (1) April 6, 2023, email notice of a sanitary sewer overflow (“SSO”) and (2) June 20, 2023, email notice of the overflow of the sludge holding container. A copy of these two emails is attached as CAD MFR Exhibit 2.

RESPONSE: Although there does not appear to be a specific question or request included above, the Company can provide additional information. Limestone’s NPDES permit for the Grasslands facility (TN0027278) requires that Limestone report washouts, sanitary sewer overflows, and upsets to TDEC; therefore, as noted above, Limestone reported each incident to TDEC in compliance with its permit. No Notices of Violation have been issued in relation to these incidents. Limestone is implementing repair measures to increase the facility’s existing capacity, including working on the replacement of a failed influent screen, inflow and infiltration (“I & I”) investigations, and a sewer main/manhole lining project that Limestone believes will help minimize future incidents.

Rule 1220-04-13-.17(2)(e) Sufficient Financial Ability

1. *Rule 1220-04-13-.17(2)(e)6. It appears Limestone provided cost estimates for the construction of the collection system for Nash Ridge and tie-in to the Grasslands System. However, there are no cost estimates for modifications to the existing Grasslands System to accommodate the additional wastewater flow from Nash Ridge. Please provide the cost estimates to the existing Grassland System.*

RESPONSE: Limestone anticipates that the repairs to the existing system will free up enough previously underutilized or wasted treatment capacity to treat waste from new connections from the Nash Ridge Subdivision. The process to upgrade the existing system, while unnecessary for Grasslands to serve Nash Ridge, is underway with TDEC pursuant to the Consent Order & Assessment. A permit modification has not yet been submitted, but Limestone submitted to TDEC the attached Schedule for Construction, which was approved by TDEC in the accompanying email (collectively, Attachment A). The Schedule for Construction outlines the timeline for Limestone to complete an upgrade to the Grasslands facility; however, no cost estimates are available yet.

2. *Rule 1220-04-13-.17(2)(e)7. Limestone states that it will provide a detailed breakdown of the estimated Contribution in Aid of Construction (“CIAC”) once it is available. The rule doesn’t require the actual CIAC will be recorded on Limestone’s books but requires an “estimated amount of CIAC.” Please provide a date when Limestone will have an estimate of the amount of CIAC as required by the rule.*

Karen H. Stachowski
August 29, 2023
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RESPONSE: The amount of CIAC is directly related to the cost of construction provided; as such, the estimated CIAC is \$477,751.

Sincerely,

BUTLER SNOW LLP



Katherine Barnes

cc: Russ Mitten, Limestone Water Utility Operating Company, LLC
Vance L. Broemel, Consumer Advocate Division

COLLECTIVE ATTACHMENT A

From: [Michael Lancaster](#)
To: [Jake Freeman](#)
Cc: [Cody Harris](#); [Enrique Chavez, Jr.](#)
Subject: RE: Proposed timeline and extension request - WPC2-0086 Grassland STP
Date: Thursday, June 29, 2023 6:51:26 AM
Attachments: [image002.png](#)
[image003.png](#)

Good morning Jake,

The schedule you provided will fulfill the order requirement for a Corrective Action Plan. If construction occurs according to the schedule and is complete by July, 2026, this is in line with the schedule we had originally outlined in the order. If you will continue to submit quarterly reports of progress for the project, that will keep everything on track.

If you happen to run into permitting issues or other delays, please provide a written request for extension of compliance dates, with expected dates of completion and an explanation of the causes of delay. I can then submit the request and extend the order as needed.

Thank you,
-Mike



Michael Lancaster – Environmental Consultant
Division of Water Resources
312 Rosa L. Parks Ave.
Nashville, TN 37243
p. (615) 854-0483
michael.lancaster@tn.gov
tn.gov/environment

From: Jake Freeman <jfreeman@cswrgroup.com>
Sent: Tuesday, June 20, 2023 11:44 AM
To: Michael Lancaster <Michael.Lancaster@tn.gov>
Cc: Cody Harris <charris@cswrgroup.com>; Enrique Chavez, Jr. <echavez@cswrgroup.com>
Subject: [EXTERNAL] RE: Proposed timeline and extension request - WPC2-0086 Grassland STP

***** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. *****

Michael,
See the attached preliminary schedule for Grassland from our consulting engineer GMC. Let me know if you have any questions. Thanks.

Jacob O. Freeman, PE

Director, Engineering

Central States Water Resources
1630 Des Peres Rd., Suite 140
Des Peres, MO 63131
Direct: (314) 380-8598
Cell: (314) 550-1167
centralstateswaterresources.com



From: Jake Freeman
Sent: Tuesday, June 13, 2023 11:29 AM
To: Michael Lancaster <Michael.Lancaster@tn.gov>
Cc: Cody Harris <charris@cswrgroup.com>; Enrique Chavez, Jr. <echavez@cswrgroup.com>
Subject: RE: Proposed timeline and extension request - WPC2-0086 Grassland STP

Michael,
Our engineers have been working on the schedule and we are planning to review it this week so I hope to have you something this week still. Thanks for your patience.

Jacob O. Freeman, PE
Director, Engineering

Central States Water Resources
1630 Des Peres Rd., Suite 140
Des Peres, MO 63131
Direct: (314) 380-8598
Cell: (314) 550-1167
centralstateswaterresources.com



From: Michael Lancaster <Michael.Lancaster@tn.gov>
Sent: Friday, June 9, 2023 5:25 AM
To: Jake Freeman <jfreeman@cswrgroup.com>
Subject: Proposed timeline and extension request - WPC2-0086 Grassland STP

Good morning Jake,

Any developments on the proposed timeline for the "4-step process" we discussed previously

regarding the Grassland facility upgrade? Once I receive the proposed timeline, I can begin work on the extension of compliance dates for this order.

Thanks, and have a great day,

-Mike



Michael Lancaster – Environmental Consultant

Division of Water Resources

312 Rosa L. Parks Ave.

Nashville, TN 37243

p. (615) 854-0483

michael.lancaster@tn.gov

tn.gov/environment

CSWR Grassland WWTF.mpp																																																	
ID		Task Mode	Task Name	Duration	Start	Finish	Half 2, 2023				Half 1, 2024				Half 2, 2024				Half 1, 2025				Half 2, 2025				Half 1, 2026				Half 2, 2026																		
							J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
1			CSWR: Grassland WWTF	835 days	Mon 7/3/23	Fri 9/11/26																																											
2			Engineer NTP	0 days	Mon 7/3/23	Mon 7/3/23																																											
3			Design	375 days	Mon 7/3/23	Fri 12/6/24																																											
4			Request for Information (RFI)	1 wk	Mon 7/3/23	Fri 7/7/23																																											
5			Preliminary project discussion (PPD)	1 wk	Mon 7/10/23	Fri 7/14/23																																											
6			Preliminary Engineering Report (PER) including LCCAs for alternatives	12 wks	Mon 7/17/23	Fri 10/6/23																																											
7			ER (Basis of Design)	4 wks	Mon 10/9/23	Fri 11/3/23																																											
8			BOD Complete	0 days	Fri 11/3/23	Fri 11/3/23																																											
9			Preliminary Plans (ER-PP)	225 days	Mon 11/6/23	Fri 9/13/24																																											
10			30%	15 wks	Mon 11/6/23	Fri 2/16/24																																											
11			60%	15 wks	Mon 2/19/24	Fri 5/31/24																																											
12			90%	15 wks	Mon 6/3/24	Fri 9/13/24																																											
13			Construction documents/100% (CD)	8 wks	Mon 9/16/24	Fri 11/8/24																																											
14			Permitting	23 wks	Mon 6/3/24	Fri 11/8/24																																											
15			Permitting - Float	4 wks	Mon 11/11/24	Fri 12/6/24																																											
16			CDs Complete	0 days	Fri 12/6/24	Fri 12/6/24																																											
17			Bidding - Contractor Procurement	3 mons	Mon 12/9/24	Fri 2/28/25																																											
18			Construction	400 days	Fri 2/28/25	Fri 9/11/26																																											
19			Contractor NTP	0 days	Fri 2/28/25	Fri 2/28/25																																											
20			Mobilization	1 mon	Mon 3/3/25	Fri 3/28/25																																											
21			Review submittals	10 mons	Mon 3/31/25	Fri 1/2/26																																											
22			Assist 3rd party CM with questions and RFIs	15 mons	Mon 3/31/25	Fri 5/22/26																																											
23			Site visits as needed	15 mons	Mon 3/31/25	Fri 5/22/26																																											
24			Substantial Completion	0 days	Fri 5/22/26	Fri 5/22/26																																											
25			Final inspection	2 mons	Mon 5/25/26	Fri 7/17/26																																											
26			Final Completion	0 days	Fri 7/17/26	Fri 7/17/26																																											
27			Develop as-built drawings	2 mons	Mon 7/20/26	Fri 9/11/26																																											
			Critical		Split		Finish-only		Baseline Milestone		Manual Summary		Inactive Task																																				
			Critical Split		Task Progress		Duration-only		Milestone		Project Summary		Inactive Milestone																																				
			Critical Progress		Manual Task		Baseline		Summary Progress		External Tasks		Inactive Summary																																				
			Task		Start-only		Baseline Split		Summary		External Milestone		Deadline																																				
Page 1																																																	

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
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Consumer Advocate Division
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This the 29th day of August 2023.



Katherine Barnes