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VIA ELECTRONIC FILING

Hon. David Jones, 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, Williamson County, Tennessee, TPUC Docket No. 23-00036*

Dear Chairman Jones:

Attached for filing please find *Limestone Water Utility Operating Company, LLC's Second Report on the Status of Compliance*, pursuant to the Order Amending Certificate of Public Convenience and Necessity in the above-captioned matter.

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, Central States Water Resources
Vance Broemel, Consumer Advocate Division
Karen H. Stachowski, Consumer Advocate Division

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

IN RE:)	
)	
LIMESTONE WATER UTILITY)	
OPERATING COMPANY, LLC’S)	
APPLICATION TO EXPAND ITS)	DOCKET NO. 23-00036
CERTIFICATE OF CONVENIENCE)	
AND NECESSITY TO SERVE THE)	
NASH RIDGE SUBDIVISION IN)	
WILLIAMSON COUNTY, TENNESSEE)	

**LIMESTONE WATER UTILITY OPERATING COMPANY, LLC’S
SECOND REPORT ON THE STATUS OF COMPLIANCE**

On January 26, 2024, the Tennessee Public Utility Commission (“Commission”) issued its *Order Amending Certificate of Public Convenience and Necessity* (“2024 CCN Order”) in the above-captioned matter. The 2024 CCN Order required Limestone Water Utility Operating Company, LLC (“Limestone”) to make certain filings in this docket, including periodic updates on the status of the provision of wastewater service to the Nash Ridge Subdivision.¹ Limestone filed its initial report on July 25, 2024; in that report, Limestone proposed a subsequent compliance update on January 1, 2025.² This second compliance report is being filed on January 2, 2025, due to the Commission’s closure on the holiday.

I. STATUS OF WASTEWATER SERVICE

As described in Limestone’s initial report, the Grasslands wastewater treatment plant is aging and in poor condition, with many of its components at the end of their useful lives. Since Limestone has acquired the system, it has put measures into place to improve the system’s

¹ *Order Amending Certificate of Public Convenience and Necessity*, TPUC Docket No. 23-00036 (Jan. 6, 2024), pp. 7-8.

² *Limestone’s Initial Report of the Status of Compliance*, TPUC Docket No. 23-00036 (July 25, 2024), pp. 6-7.

functioning and efficacy, but Grasslands continues to be plagued by difficulties caused by its age and condition. Specifically, the facility has significant stormwater inflow and infiltration (I&I) that considerably increases the amount of flow coming into the system, above and beyond what enters the system from customers. Significant rainfall and flooding have also impacted the plant. These factors combined, and exacerbated by the system's poor condition, have led to several permit exceedances over the past few months. The exceedances are limited to ammonia, chlorine, and dissolved oxygen, and have been reported and either have been or are being addressed. Each exceedance is due to an extenuating circumstance, in large part heavy rain and flooding; for ammonia specifically, the plant has not exceeded its limit recently due to Limestone's replacement of the aeration system.

Since Limestone acquired the Grasslands system, it has been working cooperatively with the Tennessee Department of Environment and Conservation ("TDEC") to upgrade the entire plant. On February 13, 2023, Limestone entered into a Consent Order and Assessment with TDEC, in which Limestone agreed to submit a plan to "address the degraded conditions of treatment structures, laboratory conditions, and observations" outlined in the Consent Order.³ As such, Limestone submitted a proposed schedule for completion to TDEC, which was also filed with Limestone's initial report.⁴ Limestone's plan involves completely upgrading the Grasslands system to allow it to operate effectively and properly.

The Commission's 2024 CCN Order specifically amended Limestone's CCN to include the Nash Ridge Subdivision. Nash Ridge is a proposed 39-home development that has not yet been built. Given that the houses are not yet constructed, and Limestone's anticipated schedule for

³ *Limestone's Application to Expand its Certificate of Convenience and Necessity to Serve the Nash Ridge Subdivision*, TPUC Docket No. 23-00036 (May 22, 2023), Exhibit 21, Consent Order and Assessment.

⁴ *Limestone's Initial Report of the Status of Compliance*, TPUC Docket No. 23-00036 (July 25, 2024), Exhibit A.

completion of the upgrade, it is likely that the Grasslands upgrade completion will coincide with the completion of the homes' construction. Even so, and despite the challenges outlined above, it continues to be the opinion of Limestone's engineers that the 39 Nash Ridge homes could be added to the existing system. This is because the addition of flow from so few homes is insignificant when compared to the amount currently received at Grasslands and adding Nash Ridge onto the system would not make a discernible difference in its operation.

II. STATUS OF COMPLIANCE WITH SPECIFIED REQUIREMENTS IN THE 2024 CCN ORDER

The Commission's 2024 CCN Order requires Limestone to make the following filings into this docket:

- a. The deed and/or easements for all the land and ownership rights to the wastewater system within fifteen (15) days of being issued and before the first customer is connected to the wastewater system, as set for in the contract submitted by Limestone Water Utility Operating Company, LLC, with the Commission;
- b. Certification from an engineer that Limestone Water Utility Operating Company, LLC, has sufficient capacity to serve the additional customers at the Nash Ridge development prior to new customers being connected to the system;
- c. Copies of all necessary Tennessee Department of Environment and Conservation approved documents relating to the Nash Ridge Development, if any, prior to new customers being connected to the system;
- d. A copy of the as-built plans with signed certification by Limestone Water Utility Operating Company, LLC, indicating the wastewater system has been inspected and is approved to begin operation; and

- e. A copy of the signed plat once the area of development is approved by the City and/or County government within fifteen (15) days of being issued and before the first customer is connected to the wastewater system.

Most of these conditions can only be met after the upgrade has been completed, and Limestone will file all the applicable documents as required. As for an engineer's certification that the Grasslands plant has sufficient capacity to serve the additional customers at Nash Ridge, Limestone filed the affidavit of Jacob Freeman in its initial report.⁵ In his affidavit, Mr. Freeman stated that based on his observations and in his best professional judgment, he believed the Grasslands system could continue to meet the mass loading requirements of the permit even with the addition of the Nash Ridge homes. Outside of the extenuating circumstances outlined above that led to several exceedances, which have now been addressed, Mr. Freeman's opinion remains unchanged. Again, this is because the addition of only 39 homes will not have a significant impact on the operations of the plant.

Limestone is also in receipt of two recent filings in this docket by the Consumer Advocate Division of the Attorney General's Office ("CAD"). In its August 29, 2024 letter, the CAD stated that there appeared to be a conflict between Mr. Freeman's affidavit and information received by the CAD from TDEC. To the contrary, however, Limestone and counsel have communicated with TDEC regarding the Grasslands plant and the proposed Nash Ridge subdivision. TDEC will need to authorize the subdivision's collection system that will eventually connect to the plant and posed specific questions as part of that process. Understanding TDEC's specific questions, Limestone has agreed to provide whatever data is necessary to answer those questions and address any concerns. TDEC's authorization of the collection system will be needed before any Nash Ridge

⁵ *Id.*, Exhibit B, Affidavit of Jacob Freeman.

customers can be connected to Grasslands. Also, on November 21, 2024, Limestone received the CAD's letter requesting information on the compliance items outlined in the 2024 CCN Order. As outlined above, most of the items can only be filed upon completion of the plant upgrade. In its initial report, Limestone proposed filing a subsequent report on January 1, 2025, and every six months thereafter until the upgrade is complete.

III. CONCLUSION

Despite the challenges at Grasslands, many of which began prior to Limestone's acquisition of the plant, Limestone remains committed to persistently addressing these issues and completing a full upgrade of the system. Limestone appreciates the opportunity to continue to update the Commission on its compliance with the 2024 CCN Order.

Respectfully submitted,



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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:

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This the 2nd day of January 2025.



Katherine Barnes