

TENNESSEE PUBLIC UTILITY COMMISSION



502 Deaderick Street, 4th Floor
Nashville, TN 37243-0001

August 10, 2023

Electronically Filed in TPUC Docket
Room on August 11, 2023 at 3:33 p.m.

DSH & Associates, LLC
c/o Melvin J. Malone, Esq.
Butler|Snow
The Pinnacle at Symphony Place
150 3rd Avenue South, Suite 1600
Nashville, TN 37201

VIA Email to Melvin.Malone@butlersnow.com

Re: Docket No. 23-00058
Emergency Request – TPUC Rule 1220-04-13-.07(7)

Dear Mr. Malone:

The Tennessee Public Utility Commission (“TPUC” or “Commission”) has received the letter on behalf of DSH & Associates, LLC (“DSH” or “Company”) detailing an emergency request to utilize escrow funds dated August 9, 2023. The letter requests emergency approval of expenditure from DSH’s Lakeside Equipment Escrow funds for a pump replacement in a Company booster station in need of immediate attention and repair. The cost of such repair/replacement is estimated at Seven Thousand Dollars (\$7,000). The proposed repair/replacement is also described in responses to data requests provided by DSH in TPUC Docket No. 23-00016.¹

A public wastewater utility must obtain Commission approval for extraordinary expenditures from reserve or escrow funds, as set forth in TPUC Rule 1220-04-13-.07(7) which states, in relevant part (emphasis added):

Reserve/escrow accounts established by a public wastewater utility shall be limited to paying for or reimbursing the utility for extraordinary expenses of the utility or for necessary capital projects, unless otherwise permitted by the Commission. Extraordinary expenses are those resulting from events which are infrequent and unusual in nature, and unrelated to the utilities’ routine service or business activities. The utility must first receive authorization from the Commission via

¹ *In re: Expedited Joint Application of Limestone Water Utility 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, *DSH & Associates, LLC’s Response to Second Set of Discovery Requests of the Consumer Advocate*, p. 5 (July 12, 2023).

approved petition *or, in emergency situations, authorization in writing from the Chairman of the Commission upon written request by a representative of the utility to use such funds.*²

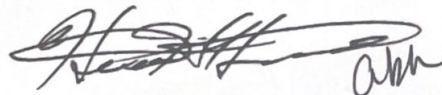
Based upon the information provided in the emergency request and the discovery responses in Docket No. 23-00016, it appears that the proposed pump repair/replacement is a necessary capital project and that it is reasonable and prudent to utilize DSH's escrow funds to make such repair. In addition, it appears that DSH has sufficient funds in its escrow accounts to fund the project without seeking additional money from customers.

If DSH utilizes an affiliate company to perform the pump repair/replacement, then DSH is directed to abide by Commission Rule 1220-04-13-.16 concerning wastewater utility transactions with affiliates, including specific requirements relative to: the recording of the affiliate transactions in the wastewater utility's accounts; the recording of certain additional information regarding each affiliate transaction; the preservation and maintenance of records of affiliate transactions; annual reporting requirements; and the provision of full access to all relevant books and records to the Commission. DSH is instructed to advise Commission staff whether an affiliate will be utilized to perform the pump repair/replacement.

In addition, DSH is instructed to submit to Commission Staff a final accounting which details the completion and final costs of the repair/replacement. Should the Company require additional escrow funds to complete the project, DSH is directed to submit an additional written request reporting the progress of the project and the reasons additional funds are necessary.

Subject to the above-described reporting requirements, the emergency request for expenditure of escrow funds is approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Hilliard', followed by a smaller, more stylized signature.

Herbert H. Hilliard
Chairman

² Tenn. Comp. R. & Regs. 1220-04-13-07(7).