

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

IN RE:)	
)	
JOINT APPLICATION OF LIMESTONE)	
WATER UTILITY OPERATING)	
COMPANY, LLC, AND CUMBERLAND)	
BASIN WASTEWATER SYSTEMS, LLC)	
FOR APPROVAL OF THE)	DOCKET NO. 23-00077
ACQUISITION OF AND TO OPERATE)	
THE WASTEWATER SYSTEM OF)	
CUMBERLAND BASIN WASTEWATER)	
SYSTEMS, LLC, AND TO ISSUE A)	
CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY)	
)	

**CONSUMER ADVOCATE’S FIRST SET OF DISCOVERY REQUESTS
TO LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**

Pursuant to Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-01-02-.11, the Consumer Advocate Division of the Office of the Tennessee Attorney (the “Consumer Advocate”), by and through counsel, propounds the following First Set of Discovery Requests to Limestone Water Utility Operating Company, LLC (“Limestone” or the “Company”) and its parent company, Central States Water Resources, Inc. (“CSWR”).

The Company shall serve full and complete responses in accordance with the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Advocate Division, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Shilina B. Brown, on or before 2:00 p.m. (CDT), February 29, 2024.

PRELIMINARY MATTERS AND DEFINITIONS

1. **Continuing Request.** These discovery requests are to be considered continuing in nature and are to be supplemented from time to time as information is received by the Company and any of its affiliates which would make a prior response inaccurate, incomplete, or incorrect.

2. **Clear References.** To the extent that the data or information requested is incorporated or contained in a document, identify the document including page/line number if applicable.

3. **Format of Responses.** Provide all responses in the format in which they were created or maintained, for example, Microsoft Word or Microsoft Excel format with all cells and formulas intact and in working order. If a document (including without limitation a financial or other spreadsheet or work paper) is not created or maintained in Microsoft Excel format, convert the document to Microsoft Excel format or provide the document in a format that enables or permits functionality like or similar to Microsoft Excel (including without limitation the functionality of working cells and formulas), or provide the software program(s) that will enable the Consumer Advocate to audit and analyze the data and information in the same manner as would be enabled or permitted if the document were provided in Microsoft Excel format.

4. **Objections.** If any objections to this discovery are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege or immunity asserted. If you claim a document is privileged, identify the document and state the basis for the privilege or immunity asserted. If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

5. **Singular/Plural.** The singular shall include the plural, and vice versa, where appropriate.

6. **Definitions.** As used in this Request:

(a) "You," "Your," "Company," "Buyer," or "Limestone," shall mean Limestone Water Utility Operating Company, LLC and all employees, agents, attorneys, representatives, or any other person acting or purporting to act on its behalf.

(b) "Central States Water" or "CSWR" shall mean Central States Water Resources, Inc. and all employees, agents, attorneys, representatives, or any other person acting or purporting to act on its behalf.

(c) "Cumberland Basin" or "Seller" shall mean Cumberland Basin Wastewater Systems, LLC, and all employees, agents, attorneys, representatives, or any other person acting or purporting to act on its behalf.

(d) "Affiliate" shall mean any entity who, directly or indirectly, is in control of, is controlled by, or is under common control with the Company. For greater clarification, "control" is the ownership of 20% or more of the shares of stock entitled to vote for the election of directors in the case of a corporation, or 20% or more of the equity interest in the case of any other type of entity, or status as a director or officer of a corporation or limited liability company, or status as a partner of a partnership, or status as an owner of a sole proprietorship, or any other arrangement whereby a person has the power to choose, direct, or manage the board of directors or equivalent governing body, officers, managers, employees, proxies, or agents of another person. In addition, the term "Affiliate" shall mean any entity that directly or indirectly provides management or operational services to the Company or any affiliate (as defined in the preceding sentence) of the Company, or to which the Company provides management or operational services. Further, the payment of money to the Company or receipt by the Company of money from an entity with which the Company has any relationship, other than such payment or receipt, shall include the payor or recipient of such money as an "Affiliate."

(e) "Communication" shall mean any transmission of information by oral, graphic, written, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, meetings and personal conversations, or otherwise.

(f) "Document" shall have the broadest possible meaning under applicable law. "Document" shall mean any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not limited to any writing, drawing, graph, chart, form, letter, note, report, electronic mail, memorandum (including memoranda, electronic mail, report, or note of a meeting or communication), work paper, spreadsheet, photograph, videotape, audio tape, computer disk or record, or any other data compilation in

any form without limitation, which is in your possession, custody or control. If any such document was, but no longer is, in your possession, custody or control, state what disposition was made of the document and when it was made.

(g) "Person" shall mean any natural person, corporation, firm, company, proprietorship, partnership, business, unincorporated association, or other business or legal entity of any sort whatsoever.

(h) "Identify" with respect to:

- i. Any natural person, means to state the full name, telephone number, email address and the current or last known business address of the person (if no business address or email address is available provide any address known to you) and that person's relationship, whether business, commercial, professional, or personal with you;
- ii. Any legal person, business entity or association, means to state the full name, the name of your contact person with the entity, all trade name(s), doing business as name(s), telephone number(s), email address(es), and current or last known business address of such person or entity (if no business address is available provide any address known to you);
- iii. Any document, means to state the type of document (e.g., letter), the title, identify the author, the subject matter, the date the document bears and the date it was written; and
- iv. Any oral communication, means to state the date when and the place where it was made, identify the person who made it, identify the person or persons who were present or who heard it, and the substance of it.

(i) "And" and "or" shall be construed conjunctively or disjunctively as necessary to make the discovery request inclusive rather than exclusive.

(j) "Including" shall be construed to mean including but not limited to.

FIRST SET OF DISCOVERY REQUESTS

- 1-1.** Refer to the Petition, Exhibit 7, Sales Agreement, p. 3, ¶ 4. Provide a narrative explanation on how the purchase price of \$100,000 for the assets of Cumberland Basin were negotiated

and determined. Include with the response all analytical support/workpapers for the purchase price.

RESPONSE:

- 1-2. Refer to the Petition, Exhibit 7, Sales Agreement, p. 3, ¶ 6.D. Provide an estimate of the surveyor and easement expenses. Additionally, state whether Limestone intends to recover these expenses from ratepayers in the future.

RESPONSE:

- 1-3. Refer to the Petition, Exhibit 7, Sales Agreement, p. 8, ¶ 26. Since it appears that the law firm of Butler Snow is representing both parties in this matter, will legal costs and expenses be billed separately for Limestone and Cumberland Basin? Provide a statement detailing how legal costs and expenses are being recorded for each party and the legal costs and expenses incurred to date for each party. This is a continuing request and should be supplemented accordingly.

RESPONSE:

- 1-4. Explain the extent to which Limestone, including all of its affiliates, reviewed the accounting practices and records of Cumberland Basin as part of the due diligence performed prior to entering into the purchase agreement. Explain whether Limestone agrees with the accuracy of such historic accounting practices and records.

RESPONSE:

- 1-5. Did CSWR and/or Limestone determine that Cumberland Basin's historic accounting practices and records provide sufficient information from which a determination was made

as to the prudence of acquiring the systems? If so, provide how CSWR and/or Limestone made such determination.

RESPONSE:

1-6. In its due diligence, did CSWR and/or Limestone identify any accounting errors or deficiencies of Cumberland Basin? If so, identify and provide a full description of such deficiencies.

RESPONSE:

1-7. As in previous acquisition dockets, Limestone has committed to keeping separate accounting records for its systems. Confirm that Limestone intends to maintain separate accounting records for the Genesis Village and The Bluffs at Cumberland such that the assets, liabilities, revenues, and expenses incurred in operating the system will be separately identifiable from the financial results of other Limestone operating systems.

RESPONSE:

1-8. Refer to the Direct Testimony of Josiah Cox, p. 14, lines 19-23 and Exhibit 1. Mr. Cox referenced a system, however the Exhibit 1 maps reference two systems. Identify the system(s) referenced by Mr. Cox.

RESPONSE:

1-9. Refer to the Petition, Exhibit 21, Proposed Sheet #1-7 and Exhibit 31, Pre-Post Acq Rates. Limestone's Proposed Sheet #1-7 for The Bluffs at Cumberland Cove contains a line for an escrow account charge; however, Exhibit 31 does not contain the escrow charge. Cumberland Basin's Tariff for The Bluffs at Cumberland Cove states that "\$7.03 of the residential rate will be placed in the Company's escrow account." Does Limestone intend

to continue placing \$7.03 of the residential rate into a separate escrow account, as laid out in IRM's tariff, after closing?

RESPONSE:

- 1-10.** Refer to the Petition, Exhibit 21, Proposed Sheet #1-7 and Exhibit 31, Pre-Post Acq Rates. Limestone's Proposed Sheet #1-7 for Genesis Village Estates contains a line item for an escrow account charge; however, Exhibit 31 does not contain the escrow charge. Cumberland Basin's Tariff for Genesis Village Estates states that "\$14.94 of the residential rate will be placed in the Company's escrow account." Does Limestone intend to continue placing \$14.94 of the residential rate into a separate escrow account, as laid out in IRM's tariff, after closing?

RESPONSE:

- 1-11.** Refer to the Petition, Exhibit 9, Direct Testimony of Josiah Cox, p. 13. Specifically, refer to his discussion about the use of third-party contractors to provide Operating and Maintenance ("O&M") services on behalf of Limestone and provide the following:
- (a) Identify the entity(ies) providing third-party O&M services to Limestone's existing systems;
 - (b) Provide the annualized cost of such services based upon the current contract in effect; and
 - (c) Provide the estimated annual incremental O&M cost accruing to Limestone as a result of this acquisition.

RESPONSE:

- 1-12.** Provide an analysis estimating the incremental impact to CSWR overhead costs allocated to Limestone from this acquisition.

RESPONSE:

1-13. Refer to Petition, Exhibit 30, Pro Forma Entries. Provide an update to this exhibit identifying the proposed journal entries by system (The Bluffs at Cumberland Cove and Genesis Village Estates).

RESPONSE:

1-14. Refer to Exhibit CA-1, a TDEC Site Inspection of the Bluffs at Cumberland Cove conducted in 2017 and Exhibit CA-2, the State Operating Permit permit for the Bluffs at Cumberland Cove. The report does not indicate a lack of compliance with the permit because there is no fencing. Also, the State Operating Permit does not include a provision for fencing within the general requirements. Provide an explanation of the Company's basis that the system requires fencing around the drip field.

RESPONSE:

1-15. Refer to Petition, Exhibit 24, Anticipated Capital Budget. Specifically, refer to the Company's \$100,000 budget for fencing for the Bluffs at Cumberland Cove and provide responses to the following:

- (a) How did the Company arrive at a \$100,000 budget for this project?
- (b) Does the Company intend to externally bid this project?
- (c) If the Company has already received bids for this project, provide copies of the bids.

RESPONSE:

1-16. Refer to Exhibit 9, Direct Testimony of Josiah Cox, p. 14, lines 19-23, and Exhibit 22, Customer by Class. Mr. Cox states that Cumberland Basin's two systems serve approximately 95 customers. However, Exhibit 22 only lists 38 customers (7 for

The Bluffs at Cumberland Cove and 31 for Genesis Village Estates). Reconcile the difference in customer counts between these two exhibits.

RESPONSE:

1-17. Provide an estimate of the cost of service for the customers located in The Bluffs at Cumberland Cove on a standalone basis.

RESPONSE:

1-18. Provide an estimate of the cost of service for the customers located in Genesis Village Estates on a standalone basis.

RESPONSE:

1-19. Refer to the Direct Testimony of Josiah Cox. Specifically, refer to p. 14, lines 12-18. On November 28, 2007, the Commission approved the Certificate of Convenience and Necessity ("CCN") for the Cumberland Basin Wastewater System to provide service to a proposed "175 single family home and one commercial establishment" in a development called the Bluffs at Cumberland Cove.¹ To date, this development provides service to only 7 customers.² In discovery responses in 2016, Cumberland Basin explained that the original developer of the Bluffs at Cumberland Cove defaulted resulting in a sale "on the Court House Steps."³ Provide support for the Company's assertion that the Bluffs

¹ *Order Approving Application for a Certificate of Public Convenience and Necessity and Tariff*, pp. 2-4, TRA Docket No. 07-00079 (November 28, 2007).

² *Petition*, Exhibit 22.

³ Cumberland Basin Wastewater Systems, LLC Response to Staff's Data Request, DR #1, TRA Docket No. 16-00069 (September 16, 2016).

In re: Limestone / Cumberland Basin

TPUC Docket No. 23-00077

Consumer Advocate's First Set of Discovery Requests to Limestone/CSWR

is a "growing" community. Provide the growth that has occurred at the Bluffs at

Cumberland Cove since the granting of a CCN in 2007.

RESPONSE:

RESPECTFULLY SUBMITTED,



SHILINA B. BROWN (BPR No. 020689)

Assistant Attorney General

VICTORIA B. GLOVER (BPR No. 037954)

Assistant Attorney General

Office of the Tennessee Attorney General

Consumer Advocate Division

P.O. Box 20207

Nashville, Tennessee 37202-0207

Telephone: (615) 741-2357

Email: shilina.brown@ag.tn.gov

Email: victoria.glover@ag.tn.gov

In re: Limestone / Cumberland Basin

TPUC Docket No. 23-00077

Consumer Advocate's First Set of Discovery Requests to Limestone/CSWR

CERTIFICATE OF SERVICE

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

Melvin Malone
Katherine Barnes
Butler Snow LLP
The Pinnacle at Symphony Place
150 Third Avenue South, Suite 1600
Nashville, TN 37201
Phone: (615) 651-6700
Email: Melvin.Malone@butlersnow.com
Email: Katherine.Barnes@butlersnow.com

Cumberland Basin Wastewater Systems, LLC
c/o Tim Huddleston
150 Construction Drive
Livingston, TN 38570
Phone: (931) 403-1000
Email: thuddleston@wocc.com

On this the 8th day of February, 2024.



SHILINA B. BROWN
Assistant Attorney General



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

Land Based Systems Inspection Report

Facility: The Bluffs at Cumberland Cove

Address: Cumberland Cove – Putnam County, TN

County: Putnam

City: Monterey

UIC Authorization # PUT 0000034

SOP/NPDES: SOP-07008

Purpose of Visit: Permit Renewal Inspection

Responsible Management Entity: Cumberland Basin Wastewater Systems

Type of System

	Latitude	Longitude
Conventional-Septic Tank		
Oxidation(Deep Cell) Lagoon		
Wisconsin Mound		
Low Pressure Pipe System (LPP)		
Recirculating Sand Filter		
Bio-Clear		
Quantics/Advantex Bio-Media Filter	36.0575	-85.302778
Recirculating Biological Contactor (RBC)		
Other-		

Dispersal Application

	Latitude	Longitude
Conventional-Dispersal		
LPP-Laterals		
Drip Spacing	36.05778	-85.300556
Spray		

Waste Stream Characterization Domestic ☒ Commercial/Industrial _____

Disinfection UV ☒ Chlorination _____ Other _____ None _____

Photos Taken Yes _____ No _____ Number _____

Fencing Yes _____ No ☒ _____

Signs Yes ☒ No _____ Locations _____

Inhibited Access Yes _____ No _____

Contour Yes _____ No _____

Lagoon Discharging Yes _____ No ☒ _____

Water Level Monitor Yes _____ No _____

Design Capacity .04375 MGD **Current Flow** +/- 30 GPD

SOP# 07008**Site Conditions**

		Latitude	Longitude
Ponding			
Overflow			
Broken-Exposed Pipes/ Stuck Solenoids/Valves	X	36.0575	-85.302778
Water Source: Public	X		
Springs			
Private Water Wells			
Community Wells			
Non-Community Wells			
Sinkhole/closed depression			

Comments

Site inspection for the issuance of the UIC/SOP Authorization

I met Darrian Dykes on site to do the inspection of the treatment unit and drip field. The treatment unit is only receiving minimal flow at this time with there only being three homes in the development. Mr. Dykes said that only one pod in the treatment system is online due to the limited flow.

We did observe one area where the drip tubing had been exposed and broken by a skid steer and mulching attachment. Mr. Dykes said he would contact Cumberland Basin Wastewater Systems and get the line repaired.

No other problems were noted at the time of this visit.

I spoke with Mr. Dykes on May 3, 2017 and he informed me that the drip line had been repaired and measures were being taken to ensure this did not happen again.

Inspected By: Brian Houston

Date: April 25, 2017

Signature: Brian Houston



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

May 15, 2023

Mr. Tim Huddleston, President
Cumberland Basin Wastewater Systems, Inc.
e-copy: thuddleston@wocc.com
150 Construction Drive
Livingston, TN 38570

Re: State Operating Permit No. SOP-07008
Cumberland Basin Wastewater System
The Bluffs at Cumberland Cove
Cumberland Cove, Putnam County, Tennessee

Dear Mr. Huddleston:

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.

TDEC has activated a new email address to accept appeals electronically. If you wish to file an appeal, you may do so by emailing the appeal and any attachments to TDEC.Appeals@tn.gov. If you

file an appeal electronically, you do not have to send a paper copy. If you have questions about your electronic filing, you can call 615-532-0131. Electronic filing is encouraged, but not required.

If you have questions, please contact the Cookeville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. John Newberry at (615) 532-7743 or by E-mail at John.Newberry@tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Harris", with a stylized flourish at the end.

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

Enclosure

cc/ec: Land-based Systems File
Cookeville Environmental Field Office

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-07008

PERMIT

For the operation of Wastewater Treatment Facilities

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

PERMISSION IS HEREBY GRANTED TO

Cumberland Basin Wastewater System
The Bluffs at Cumberland Cove
Cumberland Cove, Putnam County, Tennessee

FOR THE OPERATION OF

Septic tanks, effluent collection system, recirculating media filter, UV disinfection and 6.0 acre drip irrigation system located at latitude 36.05778 and longitude -85.300556 in Putnam County, Tennessee to serve approximately 175 homes in the Cumberland Cove subdivision. The design capacity of the system is 0.04375 MGD.

This permit is issued as a result of the application filed on July 11, 2022, 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, 2023

This permit shall expire on: May 31, 2028

Issuance date: May 15, 2023



for Jennifer Dodd
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 ₅	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

No E. Coli monitoring if fields are fenced

* 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.

All drip lines shall be buried and maintained 6 to 10 inches below the ground surface.

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
Cookeville Environmental Field Office
1221 South Willow Avenue
Cookeville, TN 38506

Sampling results may be submitted electronically to: DWRWW.Report@tn.gov.

The first operation report is due on the 15th 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.

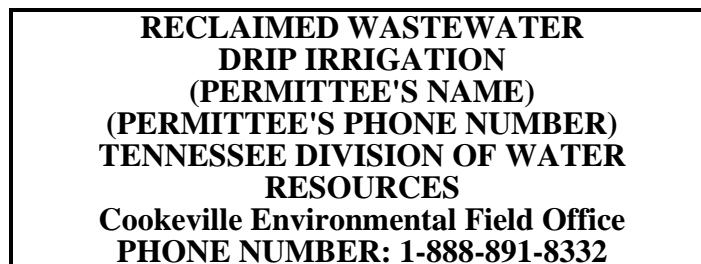
PART III OTHER REQUIREMENTS

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 wastewater dispersal. 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 dispersal system. Signed agreements stating the intent of the existing landowner to transfer ownership may be provided to support permit issuance. Evidence of such ownership or access rights must be provided to, and approved by, the Commissioner prior to commencement of operation.

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 Public Utility Commission) or another public agency.

Attachment 1
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

Underground Injection Control Authorization No. PUT 0000034

In accordance with Tennessee Code Annotated section 69-3-108 and Rule Chapter 0400-45-06, the following entity is authorized to construct and operate a Class V injection well at the identified property:

Cumberland Basin Wastewater System – Bluffs at Cumberland Cove
Cliff Park Road
(36.0578°, -85.3028°)
Putnam County, TN

This injection well is a subsurface fluid distribution system and is authorized by rule. Fluids authorized for underground injection through this well are limited to sanitary waste. Construction, operation, and abandonment of the injection well must comply with all provisions identified in Rule 0400-45-06-.14 located at <http://publications.tnsosfiles.com/rules/0400/0400-45/0400-45-06.20140505.pdf>. A paper copy of this rule will be provided upon request.

This authorization is issued as a result of the application received on July 11, 2022, by the Tennessee Department of Environment and Conservation, Division of Water Resources, and in conformity with plans, specifications, and other data submitted in support of the application. Activities associated with the construction, operation and abandonment of the injection well must not present a hazard to groundwater that is currently used or has the potential to be used as an underground source of drinking water.

The owner/operator of a Class V injection well is responsible for notifying the Division of: change in the owner or operator of the well; change in nature of injected fluids; or, intent to abandon the well when it is no longer used or is usable for its intended purpose.

If the owner/operator wishes to continue the activity regulated by this authorization after the expiration date of this authorization, the applicant must apply for and obtain a new authorization prior to the expiration of this authorization.

This authorization shall become effective on: April 28, 2023

This authorization shall expire on: April 27, 2028

John Newberry
Division of Water Resources

RATIONALE

Cumberland Basin Wastewater System
STATE OPERATION PERMIT NO. SOP-07008
Cumberland Cove, Putnam County, Tennessee

Permit Writer: Mr. John Newberry

FACILITY CONTACT INFORMATION:

Mr. Tim Huddleston President Phone: (931) 403-5311 thuddleston@wocc.com Cliff Park Road Livingston, TN 38570

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

Facility location: Latitude 36.05778 and Longitude -85.300556

Name of the nearest stream: No discharge allowed.

Treatment system: Septic tanks, effluent collection system, recirculating media filter, UV disinfection and 6.0 acre drip irrigation

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

Terms & Conditions: BOD₅ 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 BOD₅ 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 disposal area is not fenced.

Financial Security: Municipalities and Utility Districts are government entities exempt from the financial security requirement in TCA 69-3-122. (or) Privately-owned public utilities provide financial security to the Public Utility Commission to comply with TCA 69-3-122.

Annual Maintenance Fee: 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.

Items Requisite for Operation:

This draft permit proposes terms and conditions for planning purposes and to seek public comment on the potential water quality impacts of the proposed activity. Actual operation of the sewerage system is contingent on the following items (items may occur in any order):

- Approval of sewerage system construction plans and specifications per TCA 69-3-108(i),
- Final construction inspection and submission of O & M manual per Rule 0400-40-02-.09,
- Utility ownership of sewerage system assets consistent with Rule 0400-40-16-.02(8). Sewerage system assets broadly consist of those units integral to the collection, treatment and disposal of both the solid and liquid component of sewage (i.e. septic tanks and pumps, collection lines, treatment system and drip irrigation area and related appurtenances), and
- Final issue of the permit.