

From: [REDACTED]
To: [Contact TPUC](#)
Subject: [EXTERNAL] Docket # 24-00044
Date: Monday, February 17, 2025 4:53:56 PM
Attachments: [Collierville Water Bill.pdf](#)

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Dear Commission,

Limestone Water has applied for a dramatic increase in their water rates for many of the municipalities they service. They have purchased numerous companies over the last few years and state in their petition they are loosing money.

Responsible Witness: M [REDACTED] D [REDACTED]

Question 079

COST OF CAPITAL

Provide copies of Limestone Water's projected annual equity ratio for the next five (5) fiscal years.

Response:

Limestone Water purchased and currently operates the water and wastewater systems it has acquired using equity provided by CSWR, LLC. The revenue has not been sufficient to cover operating costs, resulting in a net loss and negative cash flow. This scenario severely limits the utility's ability to obtain debt financing.

Commercial lenders require positive cash that is at least minimally sufficient to cover interest and principal payments before they will issue loans. Limestone Water believes that its request in this case will allow for cash flows necessary to obtain some level of commercial debt.

Furthermore, Limestone Water believes an appropriately balanced capital structure would consist of approximately 40% debt and will attempt to reach this ratio over the next five (5) years.

There are probably only 2 explanations for this, both have created this negative cash flow which is not the customers fault.

Proper due diligence was not performed prior to purchasing all the entities in order to "cash flow" their debt incurred with the acquisitions.

It must have been evident the rates these companies were charging was "cash flowing" or they would have closed their doors at some time previously.

I have attached my personal water bills in Collierville, TN from the Christmas time period.

Irrigation Meter:

- There is a minimum monthly charge of \$8.77 and no sewage fee. Limestone currently charges \$18.41. More than double what Collierville charges. Both of these

bills are the base rate with "0" usage in the month. A rate increase of any amount should not be granted for - irrigation systems.

Household Meter:

- Please note there is Sanitation and Storm Water charges on the Collierville bill. This charge is for 4,700 Gal. for water and sewer totaling \$47.92. My most recent Limestone bill was \$38.84 for Zero Usage.

Please do not buy into there hardship request which was created by their over aggressive desires to control or monopolize the water services in the region.

A modest 2-5% increase over current rates should be sufficient.

Thank you for your consideration. **Woody Reid**





TOWN OF COLLIERVILLE
UTILITY BILLING DEPARTMENT
500 Poplar View Parkway
Collierville, TN 38017
(901) 457-2240

FORWARDING SERVICE REQUESTED



Account Number	[REDACTED]
Beginning Acct Balance	\$0.00
Current Billing	\$82.73
Total Due	\$82.73
Past Due	\$0.00
Due Date	02/14/2025
Total After Due Date	\$90.91
Amount Paid	

BANK DRAFT - DO NOT PAY



Town of Collierville Utility Billing
500 Poplar View Parkway
Collierville, TN 38017-3440

WOODY REID



Please indicate address or phone # changes on the back.

PLEASE RETURN TOP PORTION WITH YOUR PAYMENT.

TOWN OF COLLIERVILLE UTILITY BILLING DEPARTMENT

500 Poplar View Parkway • Collierville, TN • (901) 457-2240 • <https://nwesuite.colliervilletn.gov/eSuite.Utilities>

Account Number	[REDACTED]
Customer Name	WOODY REID
Service Address	[REDACTED]
Meter Reading Date	12/23/2024 - 01/23/2025
Days Billed	31

• Pay By Phone: 833-285-3463

• Pay Online: <https://nwesuite.colliervilletn.gov/eSuite.Utilities>

• Bank Draft Available

• For forms and more information please visit our town website at <https://www.colliervilletn.gov/>

• Questions about your bill? Email us at utilities@colliervilletn.gov



Scan This
QR Code With
Your Smart Device
To Pay Your
Utility Bill Online

RECONNECT CHARGE:

\$50.00 Weekdays from 8:00am to 3:30pm
\$100.00 After 3:30pm

OTHER FEES:

\$25.00 Service Charge on Return Checks

CODE	SERVICE/DESCRIPTION	METER #	PRESENT READING	PREVIOUS READING	AMOUNT USED (Gallons x 100)	NET AMOUNT
	Water	04378064	14,980	14,933	47	18.08
	Sewer					29.84
	Sanitation					27.00
	Stormwater					6.90
	Tax					0.91

PAST DUE: A 10% penalty will be added to current charges after due date.

FAILURE TO RECEIVE BILL DOES NOT RELIEVE CUSTOMER OF PAYMENT AND PENALTY.

AMOUNT DUE



Charges are due by due date. Past due amount is subject to disconnection of service.	TOTAL DUE NOW	\$82.73
	DUE DATE	02/14/2025
	AFTER DUE DATE PAY	\$90.91

**BILL IS DELINQUENT
AFTER DUE DATE**

Our Annual Water Quality Report containing important information about the source and quality of your drinking water can be viewed online at colliervilletn.gov/waterqualityreport.

For a paper copy of the report call 901-457-2800.