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October 31, 2024

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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: ***Petition of Limestone Water Utility Operating Company, LLC to Increase Charges, Fees and Rates and for Approval of a General Rate Increase and Consolidated Rates,*** **TPUC Docket No. 24-00044**

Dear Chairman Jones:

Attached for filing please find *Limestone Water Utility Operating Company, LLC's Responses to First Set of Discovery Requests of the Consumer Advocate* in the above-captioned matter.

Please note that some response attachments contain **CONFIDENTIAL INFORMATION** and are being submitted **UNDER SEAL** as **CONFIDENTIAL and PROPRIETARY**. Both a public version and a nonpublic, **CONFIDENTIAL** version of these response attachments are attached.

As required, the original plus four (4) hard copies will follow. 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

Katherine Barnes

clw
Attachments
cc: Russ Mitten, Limestone Water Utility Operating Company, LLC
Victoria B. Glover, Consumer Advocate Division
Shilina B. Brown, Consumer Advocate Division

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BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

PETITION OF LIMESTONE WATER UTILITY OPERATING COMPANY, LLC TO INCREASE CHARGES, FEES AND RATES AND FOR APPROVAL OF A GENERAL RATE INCREASE AND CONSOLIDATED RATES	))))))	**DOCKET NO. 24-00044**

LIMESTONE WATER UTILITY OPERATING COMPANY, LLC'S RESPONSES TO FIRST SET OF DISCOVERY REQUESTS OF THE CONSUMER ADVOCATE

Limestone Water Utility Operating Company, LLC ("Limestone"), by and through counsel, hereby submits its Responses to the First Set of Discovery Requests propounded by the Consumer Advocate Division of the Attorney General's Office ("Consumer Advocate" or "CAD").

GENERAL OBJECTIONS

1. Limestone objects to all requests that seek information protected by the attorney-client privilege, the work-product doctrine and/or any other applicable privilege or restriction on disclosure.

2. Limestone objects to the definitions and instructions accompanying the requests to the extent the definitions and instructions contradict, are inconsistent with, or impose any obligations beyond those required by applicable provisions of the Tennessee Rules of Civil Procedure or the rules, regulations, or orders of the Tennessee Public Utility Commission ("TPUC").

3. The specific responses set forth below are based on information now available to Limestone, and Limestone reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information produced.

4. Limestone objects to each request to the extent that it is unreasonably cumulative or duplicative, speculative, unduly burdensome, irrelevant or seeks information obtainable from some other source that is more convenient, less burdensome or less expensive.

5. Limestone objects to each request to the extent it seeks information outside Limestone's custody or control.

6. Limestone's decision, now or in the future, to provide information or documents notwithstanding the objectionable nature of any of the definitions or instructions, or the requests themselves, should not be construed as: (a) a stipulation that the material is relevant or admissible, (b) a waiver of Limestone's General Objections or the objections asserted in response to specific discovery requests, or (c) an agreement that requests for similar information will be treated in a similar manner.

7. Limestone objects to those requests that seek the identification of "any" or "all" documents or witnesses (or similar language) related to a particular subject matter on the grounds that they are overbroad and unduly burdensome and exceed the scope of permissible discovery.

8. Limestone objects to those requests that constitute a "fishing expedition," seeking information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence and is not limited to this matter.

9. Limestone does not waive any previously submitted objections to the Consumer Advocate's discovery requests.

RESPONSES TO FIRST SET OF DISCOVERY REQUESTS

1-1. Revenues. Provide a copy of the Company's current tariff for the Cartwright Creek Service Territory.

RESPONSE: **Please see the attachment labeled "DR 1 - Limestone Water UOC - Cartwright Creek & Chapel Woods - Sewer Tariff."**

1-2. Revenues. Provide the following information related to the Grassland Area of the Company's Cartwright Creek Service Territory:

a. Provide the monthly number of residential bills by bedrooms from January 2020 through June 2024;

b. Provide the monthly number of commercial bills and commercial monthly usage (actual or assumed flow) from January 2020 through June 2024;

c. Provide the monthly number of Returned Check Charges, Disconnection Charges, and Reconnection Charges from January 2020 through June 2024;

d. Provide the Monthly Late Payment Revenues from January 2020 through June 2024;

e. Provide the monthly number of residential tap fees, and the associated amount of revenue collected from January 2020 through June 2024;

f. Provide the monthly number of commercial tap fees, and the associated amount of revenue collected from January 2020 through June 2024;

g. Provide the monthly number of Construction Inspection Fees, and the associated amount of revenue collected from January 2020 through June 2024;

h. Provide the monthly number of Construction Reinspection Fees, and the associated amount of revenue collected from January 2020 through June 2024; and

i. Provide the monthly number of Capital Recovery Surcharges (along with any other Commission approved surcharges) and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service

for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested.

b. Please see the Company's response to subpart a above. No such usage data exists.

c. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested.

d. Please see the "Late Payment Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so the requested historical data beyond that does not exist.

e. Please see the Company's response to subpart c above.

f. Please see the Company's response to subpart c above.

g. Please see the Company's response to subpart c above.

h. Please see the Company's response to subpart c above.

i. Please see the Company's response to subpart a above.

1-3. Revenues. Provide the following information related to the Arrington Retreat Area of the Company's Cartwright Creek Service Territory:

a. Provide the monthly number of residential bills from January 2020 through June 2024;

b. Provide the monthly number of commercial bills and commercial monthly usage (actual or assumed flow) from January 2020 through June 2024;

c. Provide the monthly number of Returned Check Charges, Disconnection Charges, and Reconnection Charges from January 2020 through June 2024;

d. Provide the Monthly Late Payment Revenues from January 2020 through June 2024;

e. Provide the monthly number of residential tap fees and the associated amount of revenue collected from January 2020 through June 2024;

f. Provide the monthly number of commercial tap fees and the associated amount of revenue collected from January 2020 through June 2024;

g. Provide the monthly number of Construction Inspection Fees and the associated amount of revenue collected from January 2020 through June 2024;

h. Provide the monthly number of Construction Reinspection Fees and the associated amount of revenue collected from January 2020 through June 2024; and

i. Provide the monthly number of Capital Recovery Surcharges (along with any other Commission approved surcharges) and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the Company's response to subpart a above. No such usage data exists.

c. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company

has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

d. Please see the "Late Payment Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so the requested historical data beyond that does not exist.

e. Please see the Company's response to subpart c above.

f. Please see the Company's response to subpart c above.

g. Please see the Company's response to subpart c above.

h. Please see the Company's response to subpart c above.

i. Please see the Company's response to subpart a above.

1-4. Revenues. Provide the following information related to the Hideaway Area of the Company's Cartwright Creek Service Territory:

a. Provide the monthly number of residential bills from January 2020 through June 2024;

b. Provide the monthly number of commercial bills and commercial monthly usage (actual or assumed flow) from January 2020 through June 2024;

c. Provide the monthly number of Returned Check Charges, Disconnection Charges, and Reconnection Charges from January 2020 through June 2024;

d. Provide the Monthly Late Payment Revenues from January 2020 through June 2024;

e. Provide the monthly number of residential tap fees and the associated amount of revenue collected from January 2020 through June 2024;

f. Provide the monthly number of commercial tap fees and the associated amount of revenue collected from January 2020 through June 2024;

g. Provide the monthly number of Construction Inspection Fees and the associated amount of revenue collected from January 2020 through June 2024;

h. Provide the monthly number of Construction Reinspection Fees and the associated amount of revenue collected from January 2020 through June 2024; and

i. Provide the monthly number of Capital Recovery Surcharges (along with any other Commission approved surcharges) and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the Company's response to subpart a above. No such usage data exists.

c. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-

Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

d. Please see the "Late Payment Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so the requested historical data beyond that does not exist.

e. Please see the Company's response to subpart c above.

f. Please see the Company's response to subpart c above.

g. Please see the Company's response to subpart c above.

h. Please see the Company's response to subpart c above.

i. Please see the Company's response to subpart a above.

1-5. Revenues. Provide the following information related to the Hardeman Springs Area of the Company's Cartwright Creek Service Territory:

a. Provide the monthly number of residential bills from January 2020 through June 2024;

b. Provide the monthly number of commercial bills and commercial monthly usage (actual or assumed flow) from January 2020 through June 2024;

c. Provide the monthly number of Returned Check Charges, Disconnection Charges, and Reconnection Charges from January 2020 through June 2024;

d. Provide the Monthly Late Payment Revenues from January 2020 through June 2024;

e. Provide the monthly number of residential tap fees and the associated amount of revenue collected from January 2020 through June 2024;

f. Provide the monthly number of commercial tap fees and the associated amount of revenue collected from January 2020 through June 2024;

g. Provide the monthly number of Construction Inspection Fees and the associated amount of revenue collected from January 2020 through June 2024;

h. Provide the monthly number of Construction Reinspection Fees and the associated amount of revenue collected from January 2020 through June 2024; and

i. Provide the monthly number of Capital Recovery Surcharges (along with any other Commission approved surcharges) and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the Company's response to subpart a above. No such usage data exists.

c. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

d. Please see the "Late Payment Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees

and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so the requested historical data beyond that does not exist.

e. Please see the Company's response to subpart c above.

f. Please see the Company's response to subpart c above.

g. Please see the Company's response to subpart c above.

h. Please see the Company's response to subpart c above.

i. Please see the Company's response to subpart a above.

1-6. Revenues. Provide a copy of the Company's current tariff for the Aqua Utilities Service Territory.

RESPONSE: Please see the attachment labeled "DR 6 - Limestone Water UOC- Aqua Utilities - Water & Sewer Tariff."

1-7. Revenues. Provide the following information related to the Company's Aqua Utilities Service Territory:

a. Provide the monthly number of water bills from January 2020 through June 2024;

b. Provide the monthly water usage split between the first 1,000 gallons/month and usage in excess of 1,000 gallons/month from January 2020 through June 2024;

c. Provide the monthly number of wastewater bills from January 2020 through June 2024;

d. Provide the monthly wastewater usage split between the first 1,000 gallons/month and usage in excess of 1,000 gallons/month from January 2020 through June 2024;

e. Provide the monthly number of Service Connections and the associated revenue split between water and wastewater from January 2020 through June 2024;

f. Provide the monthly number of Seasonal Disconnections and the associated revenue split between water and wastewater from January 2020 through June 2024;

g. Provide the monthly number of Reconnections due to Non-Payment and the associated revenue split between water and wastewater from January 2020 through June 2024;

h. Provide the monthly number of Returned Check Charges and the associated revenue from January 2020 through June 2024; and

i. Provide the monthly Late Payment Revenues from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the "Usage" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear.

c. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-

Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

d. Please see the Company's response to subpart b above.

e. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

f. Please see the Company's response to subpart e above.

g. Please see the Company's response to subpart e above.

h. Please see the Company's response to subpart e above.

i. Please see the "Late Payment Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so the requested historical data beyond that does not exist.

1-8. Revenues. Provide a copy of the Company's current tariff for the Shiloh Falls Service Territory.

RESPONSE: Please see the attachment labeled "DR 8 - Limestone Water UOC - Shiloh Falls - Sewer Tariff."

1-9. Revenues. Provide the following information related to the Company's Shiloh Falls Service Territory:

a. Provide the monthly number of residential wastewater bills from January 2020 through June 2024;

b. Provide the monthly residential wastewater usage split into 1,000 gallons blocks per month from January 2020 through June 2024;

c. Provide the monthly number of nonresidential wastewater bills from January 2020 through June 2024;

d. Provide the monthly nonresidential wastewater usage split into 1,000 gallons blocks per month from January 2020 through June 2024;

e. Provide the monthly number of residential sewer connection fees and the associated revenue from January 2020 through June 2024;

f. Provide the monthly number of nonresidential sewer connection fees and the associated revenue from January 2020 through June 2024; and

g. Provide the monthly number of returned check charges and the associated revenue from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the "Usage" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." For Shiloh Falls, columns K – S break usage out into 1,000-gallon blocks. All usage over 10,000 gallons

has been added into Column S. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear.

c. Please see the Company's response to subpart a.

d. Please see the Company's response to subpart b.

e. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

f. Please see the Company's response to subpart e above.

g. Please see the Company's response to subpart e above.

1-10. Revenues. Provide a copy of the Company's current tariff for the Chapel Woods Service Territory.

RESPONSE: Please see the attachment labeled "DR 1 - Limestone Water UOC - Cartwright Creek & Chapel Woods - Sewer Tariff."

1-11. Revenues. Provide the following information related to the Company's Chapel Woods Service Territory:

a. Provide the monthly number of residential wastewater bills from January 2020 through June 2024;

b. Provide the monthly number of tap fees and the associated amount of revenue collected from January 2020 through June 2024;

c. Provide the monthly number of Service Connections and the associated revenue split between water and wastewater from January 2020 through June 2024; and

d. Provide the monthly number of Construction Inspection Fees and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

c. Please see the Company's response to subpart b above.

d. Please see the Company's response to subpart b above.

1-12. Revenues. Provide a copy of the Company's current tariff for the Candlewood Lakes Service Territory.

RESPONSE: Please see the attachment labeled "DR 12 - Limestone Water UOC - Candlewood Lakes - Water Tariff."

1-13. Revenues. Provide the following information related to the Company's Candlewood Lakes Service Territory:

a. Provide the monthly number of residential water bills from January 2020 through June 2024;

b. Provide the monthly number of New Service Connections and the associated revenue from January 2020 through June 2024;

c. Provide the monthly number of Service Connection Inspections and the associated revenue from January 2020 through June 2024;

d. Provide the monthly number of Water Service Line Inspections and the associated revenue from January 2020 through June 2024;

e. Provide the monthly number of regular hour Turn-On/Turn-Offs that are requested by the customer and the associated revenues from January 2020 through June 2024;

f. Provide the monthly number of after hour Turn-On/Turn-Offs that are requested by the customer and the associated revenues from January 2020 through June 2024;

g. Provide the monthly number of regular hour Turn-On/Turn-Offs associated with Non-Payment and the associated revenues from January 2020 through June 2024;

h. Provide the monthly number of On-Site Collection Charges and the associated revenues from January 2020 through June 2024;

i. Provide the monthly number of Meter Test Fees and the associated revenues from January 2020 through June 2024;

j. Provide the monthly number of returned check charges and the associated revenue from January 2020 through June 2024; and

k. Provide the monthly Late Payment Revenues from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the Customer Type, Year/Month, and then Service

for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

c. Please see the Company's response to subpart b above.

d. Please see the Company's response to subpart b above.

e. Please see the Company's response to subpart b above.

f. Please see the Company's response to subpart b above.

g. Please see the Company's response to subpart b above.

h. Please see the Company's response to subpart b above.

i. Please see the Company's response to subpart b above.

j. Please see the Company's response to subpart b above.

k. Please see the Company's response to subpart b above.

1-14. Revenues. Provide a copy of the Company's current tariff for the Lakeside Estates Service Territory.

RESPONSE: Please see the attachment labeled "DR 14 - Limestone Water UOC - Lakeside Estates - Sewer Tariff."

1-15. Revenues. Provide the following information related to the Company's Lakeside Estates Service Territory:

a. Provide the monthly number of residential water bills from January 2020 through June 2024;

b. Provide the monthly number of residential tap fees by bedroom/flow rates and the associated amount of revenue collected from January 2020 through June 2024;

c. Provide the monthly Late Payment Revenues from January 2020 through June 2024;

d. Provide the monthly number of STEP System Installations and the associated revenue from January 2020 through June 2024;

e. Provide the monthly number of disconnections and the associated revenue from January 2020 through June 2024;

f. Provide the monthly number of reconnections and the associated revenue from January 2020 through June 2024;

g. Provide the monthly number of returned check charges and the associated revenue from January 2020 through June 2024;

h. Provide the monthly number of Access Fees and the associated revenue from January 2020 through June 2024;

i. Provide the monthly number of commercial water bills by Tier/Flowrate from January 2020 through June 2024; and

j. Provide the monthly number of commercial tap fees by bedroom/flow rates and the associated amount of revenue collected from January 2020 through June 2024.

RESPONSE:

a. Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists the

Customer Type, Year/Month, and then Service for the number of bills. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

b. **Please see the "Bills_Service Charges" tab in the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." The Company has created a pivot table that lists details both the number of various fees and the sum of the charges associated with those fees. Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.**

c. **Please see the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL," for the revenues associated with all billed charges.**

d. **Limestone Water did not have any STEP System Installations from January 2020 through June 2024, which resulted in the Company not having any associated revenues from STEP System Installations. Additionally, the Company did have grinder station installs from January 2020 through June 2024 that were not STEP Systems. Any tap fees associated with the grinder stations would be recorded as CIAC not associated revenues.**

e. Please see the CONFIDENTIAL attachment "DR 15e - Lakeside Estates Disconnections and Reconnections – CONFIDENTIAL."

f. Please see the Company's response to subpart e above.

g. Please see the Company's response to subpart b above.

h. Please see the Company's response to subpart b above.

i. Please see the Company's response to subpart a above.

j. Please see the Company's response to subpart b above.

1-16. Revenues. Refer to the File <Revenue K&M Adjustment.xlsx> included with the Company's Response to Consumer Advocate Informal Request No. 4 on August 27, 2024.

Provide the following information:

a. Refer to the Tab "System Flat Rates" included on this spreadsheet. Provide the source and support for the individual "Current Customer Count" amounts in Column D;

b. Refer to the Tab "System Flat Rates" included on this spreadsheet. Provide the source and support for the individual "Flat Rate" amounts in Column E; and

c. Refer to the Tab "Revenue Adjustment" included on this spreadsheet. Specifically refer to Rows 30 to 52 of this spreadsheet which supposedly contain the actual monthly test period revenues for each of the Company's wastewater systems. Provide the source and support for these monthly amounts which appear as unreferenced hard-coded numbers.

RESPONSE:

a. The current customer count reference in Column D reflects the actual number of customers billed as of 4/30/24.

b. The flat rates referenced in Column E reflect the flat rate of each system as pulled directly from the most current tariff.

c. Please see the CONFIDENTIAL attachment "DR 16b – Revenue GL Detail - CONFIDENTIAL," which was pulled from MFG 008 for the details of revenue accounts 460000 and 521000. Additionally, refer to exhibits BT-3.1 for

account 521.000 and BT-3.2 for account 460.000, reflecting the test year revenue total of 1.03 million in the test period.

1-17. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx> included with the Company's Response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Provide this same information (transactions and usage) for each month of calendar years 2020, 2021, 2022 and 2023.

RESPONSE: Please see the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL." Please note that the Company converted Billing Software in June 2022 so historical data beyond that does not appear at the level of granularity requested, and is not available. All information prior to July 2022 is shown as "TN-Conversion Service" and does not distinguish between water, sewer, miscellaneous charges, etc.

1-18. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx>, Tab "Transactions", included with the Company's Response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Define the contents for the fields labeled "Adjustments", "Penalties", "Adjusted Receipts", and "Receipts" listed in Columns I through L of this spreadsheet.

RESPONSE: Please see below for descriptions of the various labels:

- **Adjustments: Adjustments may be applied as either debits or credits to account for services and miscellaneous charges. These adjustments ensure that account balances accurately reflect the services rendered or any necessary corrections.**

- **Penalties: Penalties refer to late fees assessed on accounts for payments not received by the established due date. These fees are applied to encourage timely payment and maintain account status.**
- **Adjusted Receipts: Adjusted receipts represent corrections made to previously recorded payments. This may include reapplying a payment to ensure it aligns with the correct service period or account.**
- **Receipts: Receipts consist of payments or credits applied to an account, reflecting customer payments for services rendered or adjustments that reduce the outstanding balance.**
- **Unapplied Credit: Unapplied credits occur when there is an overpayment on an account. These credits remain unassigned until they are applied to future charges or refunded to the customer, depending on their preference or the company's policies.**

1-19. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx>, Tab "Transactions", included with the Company's response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Specifically refer to the "TN-Connect Fee" charges within the "Service" field of this spreadsheet that appear to total to $214,425 during the test period and provide the following information:

a. Identify the tariff charge that produces this amount; and
b. State and justify how the Company records the receipts from these charges in its books – as revenues or an offset to plant in service.

RESPONSE:

a. Please see the tariffs the Company previously provided. Depending on the tariffed area, the "Connection Fee," "Tap Fee," or "Service Connection Charge" represents the amount for new service connections.

b. The Company records the receipts from these charges as CIAC because these fees represent payments from customers to Limestone that help cover the cost of expanding the infrastructure.

1-20. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx>, Tab "Transactions", included with the Company's Response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Specifically refer to the "TN-Local Tax" charges within the "Service" field of this spreadsheet that appear to total to $3,137 during the test period and provide the following information:

a. Identify the tariff charge that produces this amount; and
b. State and justify how the Company records the receipts from these charges in its books – as revenues or a liability.

RESPONSE:

a. The charge that produces the $3,137 is the Tennessee Sales Tax at a rate of 9.75%, applied to the customers within the Aqua Water service area. Based on information available to Limestone, this tax applies to all customers except the Hardin Co. Fire Department. Additionally, sewer charges do not have the tax applied as they are not applicable for this tax. Limestone believes that the obligation to charge, collect, and remit, and the obligation to pay is prescribed by Tennessee state law and cannot be impacted by tariff language.

b. The Company records the receipts from these charges as a credit to the liability for sales tax payable, in NARUC account 241.

1-21. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx>, Tab "Transactions", included with the Company's Response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Specifically refer to the "TN-Unapplied Credit" charges within the "Service" field of this spreadsheet that appear to total to $4,686 during the test period and provide the following information:

a. Identify the tariff charge that produces this amount; and
b. State and justify how the Company records the receipts from these charges in its books – as revenues or a liability.

RESPONSE:

a. Unapplied credits occur when there is an overpayment on an account. These credits remain unassigned until they are applied to future charges or refunded to the customer, depending on their preference or the company's policies (See also the Company's response to DR 18 for an explanation of "Unapplied Credit"). These credits occur when there is an overpayment on an account.

b. The Company records all customer receipts initially as credits to accounts receivable, in NARUC account 142. Any material unapplied credits are then reclassified as a liability.

1-22. Revenues. Refer to the File <Confidential Transaction Detail Report 24.04.30.xlsx>, Tab "Transactions", included with the Company's Response to Consumer Advocate Informal Request No. 1-2-11 on August 27, 2024. Specifically refer to the "TN-State Tax" charges within the "Service" field of this spreadsheet that appear to total to $19 during the test period and provide the following information:

a. Identify the tariff charge that produces this amount; and
b. State and justify how the Company records the receipts from these charges in its books – as revenues or a liability.

RESPONSE:

a. **The charge is the Tennessee Sales Tax at a rate of 9.75%, applied to the customers within the Aqua Water service area. Based on information available to Limestone, this tax applies to all customers except the Hardin Co. Fire Department. Additionally, sewer charges do not have the tax applied as they are not applicable for this tax. Limestone believes that the obligation to charge, collect, and remit, and the obligation to pay is prescribed by Tennessee state law and cannot be impacted by tariff language. sales tax is prescribed by statute and/or regulations and does not need to be included in the tariff. At the time of the Company's transition to new billing software in 2022, Limestone changed the naming convention of this service to "TN-Local Tax." (See also DR 20.) As such, "TN-State Tax" does not appear after 2022 except for reversing or writing off the charges as appropriate.**

b. **The Company records the receipts from these charges as a credit to the liability for sales tax payable, in NARUC account 241.**

1-23. Revenues. Provide a copy of an actual residential and commercial bill rendered during the test period for each of the Company's operating areas and for each service provided.

RESPONSE: Please see CONFIDENTIAL attachment "DR 23 - Sample Bills - CONFIDENTIAL," for copies of Limestones residential and commercial bills rendered during the test period for each of the Company's operating areas.

1-24. Revenues. Provide a copy of all revenue workpapers not included in the Company's filing or the Minimum Filing Guidelines.

RESPONSE: The Company has no additional workpapers to provide.

1-25. Refer to the Company's MFG 41. Confirm that all costs assigned to Limestone from CSWR are done in compliance with the CSWR Cost Allocation Manual ("CAM") provided in response to MFG 41. If this is not confirmed, identify all costs allocated or assigned to CSWR that do not comply with the CAM, by month, by account accompanied by an explanation supporting how such costs were assigned to Limestone.

RESPONSE: All costs allocated or assigned to Limestone from CSWR are in compliance with the Cost Allocation Manual.

1-26. Regarding the balance of CIAC, provide the following:

a. The level of CIAC amortization for the twelve-month period ending April 2024 by system, that ties to the test year amortization credit of $189,623 as reflected on Schedule BT-3.1;

b. Identify the amortization rate used for each systems' CIAC and provide the authority relied upon in the application of the CIAC amortization rate; and

c. The CIAC balance of Aqua as of 2018 was $295,490 per its annual report submitted to the Commission. Supporting information provided to BT 12.1 and 12.2 indicates a total accumulated amortization of the Aqua CIAC balance of $130,978. Provide an explanation and a reconciliation of the Aqua CIAC balance from the date of acquisition to the net CIAC balance as of April 30, 2024.

RESPONSE:

a. Please see CONFIDENTIAL attachment "DR 26A - CIAC Amortization - CONFIDENTIAL."

b. Limestone uses a 30-year amortization period for CIAC to approximate the average depreciation rate of all assets.

c. Please refer to the supporting information provided to BT 12.1 and 12.2, in response to the Informal Discovery Request from the Consumer Advocate on August 27, 2024. Specifically, please see the Contributions in Aid of Construction – Sewer schedule detail, which contains the remaining amortization for Aqua.

1-27. Refer to the Company's MFG 41, CAM. Respond to the following:

a. Provide the monthly CSWR charges assigned to Limestone by account, further split into the six service categories listed on page 4; and

b. For each service category, provide the monthly amounts split between: (i) Direct Charges; (ii) Jointly Billed Charges; and (iii) Indirect Charges.

RESPONSE:

a. Please see the CONFIDENTIAL attachment, 'DR 27 CSWR Allocated Costs - CONFIDENTIAL,' for the overhead allocation calculation. All costs assigned to Limestone from CSWR are recorded under NARUC Account 922 in Limestone's books. The tab 'CSWR Costs' provides the categorization of costs included in the overhead allocation, while the tab 'CSWR Expense Detail' shows the accounts mapped to the CAM Service Categories.

b. All CSWR charges that are assigned to Limestone through the overhead allocation are indirect costs. Please refer to the Company's response to DR 29 for the jointly billed costs recorded on Limestone's books. All other expenses on Limestone's general ledger are direct expenses.

1-28. Refer to the Company's MFG 41, CAM. Provide the source data used to develop the Three Factor Method for Cost Allocations for the quarterly periods impacting charges from January 2023 through December 2024. This response should include the totals for CSWR and Limestone.

RESPONSE: Please see the CONFIDENTIAL attachments included in the folder entitled "DR 28 OHA Workbooks - CONFIDENTIAL."

1-29. Refer to the Company's MFG 41, CAM. For each type of jointly billed cost, provide the following:

a. Identify the total CSWR costs subject to joint allocation by month, by account for the period January 2022 – the most recent data available;

b. Identify the monthly joint costs assigned or allocated to Limestone, by account for the period January 2022 – the most recent data available; and

c. Provide the underlying documentation and an explanation for the allocation ratios used to assign jointly billed costs to Limestone for the period January 2022 – the most recent data available.

RESPONSE:

a. All CSWR costs allocated to its subsidiaries are indirect charges, not jointly billed costs. No CSWR costs are subject to joint allocation. Jointly allocated costs are charged to each subsidiary and are never recorded on the books of CSWR.

b. Please see attachment "DR 29 - Jointly Billed Costs."

c. Please see Limestone MFG 041 – Cost Allocation Manual for the explanations for the allocation ratios used to assign jointly billed costs to Limestone. Additionally, insurance costs are allocated based on the proportion of total insured value outline in the Company's Schedule of Values ("SOV") provided in MFG 035. All other jointly billed costs are allocated based on customer count. All jointly billed costs are recorded directly to the books of the subsidiary.

1-30. Refer to the Company's MFG 45, which contains 2021 state Franchise and Excise tax returns. Provide a copy of the 2022 Franchise, Excise, and Ad Valorem tax returns. Provide a copy of the 2023 returns when they become available.

RESPONSE: Please see CONFIDENTIAL attachments "DR 30 - Other Tax Returns - CONFIDENTIAL."

1-31. Provide the two most recent Limestone Form 1120's submitted to the IRS and all attachments associated with this filing.

RESPONSE: Please see CONFIDENTIAL attachments "DR 31 – Limestone Tax Return 2022 - CONFIDENTIAL" and "DR 31 – Limestone Tax Return 2023 - CONFIDENTIAL," which contain the two most recent Form 1120's submitted to the IRS.

1-32. Refer to the Direct Testimony of Brent Theis at 29:3-17. Provide a comprehensive explanation describing the Company's accounting for Cartwright Creeks' CIAC balance since the date of the system acquisition. Has the Company amortized the Cartwright Creek CIAC balance since that date? If so, provide the annual amortization credit recorded since the date of the acquisition.

RESPONSE: Limestone removed CIAC amortization from its balance sheet and income statement as a known and measurable. Therefore, there is no CIAC amortization for Cartwright Creek on Limestone's books during the test period.

1-33. Provide the underlying support for the 5% CIAC amortization rate proposal for Cartwright Creek CIAC balance.

RESPONSE: Based on Limestone's research, Cartwright Creek's CIAC balance hadn't changed since its last rate case prior to closing, which was concluded in 2017. Limestone determined that, based on its knowledge of and experience in the industry, in its best professional judgment, 5% was an appropriate amount to amortize CIAC on Cartwrights books.

1-34. Refer to the Direct Testimony of Clare Donovan at p. 8. Regarding the Regional Manager responsible for oversight over the third-party contractor providing service to Limestone provide the following:

a. The total costs of this employee for the twelve-month period ended April 30, 2024, including compensation, employee taxes, and benefits;
b. The state operations over which the Regional Manager is responsible; and
c. If the regional manager is responsible for operations in multiple states, identify how the Regional Managers' costs are allocated among differing state operations.

RESPONSE:

a. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

b. The Regional Manager assigned to Tennessee was responsible for the state of Tennessee and had responsibilities for CSWR, LLC's asset management systems which serviced the operations of all affiliates.

c. The Regional Manager kept timesheets so that costs are directly allocated based on recorded hours.

1-35. Provide a copy of all supporting documentation relied upon and/or developed that supports the adjustments to Operating Expenses.

RESPONSE: Please see CONFIDENTIAL attachment "DR 35 – Limestone Rate Case K&M - CONFIDENTIAL."

1-36. Provide a copy of the current and prior third-party contract entered into for operation of the Limestone systems. Provide an overview of how the terms of the new agreement differed from the prior agreement.

RESPONSE: Please see CONFIDENTIAL attachment "DR 36 - Tennessee O&M Contract – CONFIDENTIAL," for a copy of the current third-party O&M contract with Clearwater Solutions. Please note that the current O&M contract includes services for Riverstone Estates (a/k/a IRM Utility, Inc.). It is not uncommon for Limestone Water to contract with an O&M provider in advance of closing on a system acquisition. That said, however, the O&M provider does not begin providing services, or billing Limestone Water for such services, until Limestone has received Commission approval and actually closed on asset acquisition.

Limestone Water has not undertaken a comparison of the terms of the prior and new agreements. Please see CONFIDENTIAL attachment "DR 36 – Attachment Old Contract - CONFIDENTIAL." The new agreement used the format of the old agreement, so it should be very similar to the terms of the old agreement.

The old contract was executed on February 15, 2023, between Limestone Water and Midwest Water Operations. It was subsequently assigned by Midwest Water Operations and assumed by Clearwater Solutions on April 1, 2023. See attachment "DR 36 - Old Contract Assignment." The assumed contract was then amended on January 1, 2024, to add the Riverstone Estates and Lakeside Estates systems. See CONFIDENTIAL attachment "DR 36 - Old Contract Amendment - CONFIDENTIAL." Finally, following the issuance of an RFP, as described in responses to DR 64 and DR 65, Limestone Water and Clearwater Solutions executed the current agreement.

1-37. Refer to the Direct Testimony of Clare Donovan at p.11. Provide a copy of the property, general liability and environmental insurance coverage provided by the single policy held by CSWR as discussed in Ms. Donovan's testimony.

RESPONSE: Please see CONFIDENTIAL folder "DR 37 Insurance Policies – CONFIDENTIAL," for the requested insurance policy documents. Additionally, please refer to the response to MFG 035, which summarizes the total amount jointly billed to CSWR and further allocated via the Schedule of Values, also included in MFG 035.

1-38. Refer to the Direct Testimony of Clare Donovan at p. 11. Regarding corporate insurance discussed by Ms. Donovan, respond to the following:

a. Identify the deductibles applicable to the corporate insurance policies;

b. Provide a comprehensive explanation of how Limestone customers benefit from the corporate insurance coverage allocated to Limestone given the existing deductibles identified in part (a) above; and

c. Differentiate the general liability coverage required of third-party contractors operating the Limestone system with the general liability coverage acquired by CSWR whose costs are allocated to Limestone as described by Ms. Donovan.

RESPONSE:

a. Please refer to CONFIDENTIAL attachment "DR 38 – Deductibles – CONFIDENTIAL."

b. CSWR's jointly billed insurance policies provide insurance coverage for Limestone and the assets with which it provides safe and adequate service. This coverage obtained with the scale of CSWR provides a level of service and availability greater than that Limestone would be able to find on its own.

c. Third-party contractors are required to carry General Liability coverage as part of their respective contracts to perform services to Limestone. These contractor policies are separate and apart from the General Liability insurance policies carried by CSWR.

1-39. Identify currently pending acquisition dockets of Limestone affiliates, by state, as of September 30, 2024.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Limestone further objects to this Request to the extent that it seeks

information that is equally obtainable by the CAD from public or other sources or through some other means of discovery that is more convenient, less burdensome, or less expensive. Subject to and without waiving the foregoing objections, Limestone states as follows: Please see attachment "DR 39 – Pending Acquisition Dockets."

1-40. Provide a comprehensive explanation of how the rate designs vary by location in each of the ten areas?

RESPONSE: Upon acquisition of the various service areas in this docket, Limestone Water adopted the rates that were currently being charged. As such, Limestone Water does not have knowledge of the rationale behind the rate designs currently in effect at these various service areas. Additionally, specific numbers can be found in the tariffs provided above. Subject to the above, see the below explanations of the rate designs and how they vary at each service area:

- **Aqua Utilities: This service area is currently being charged a minimum bill that includes the first 1,000 gallons of usage and then a metered usage rate per 1,000 gallons after. Limestone Water is proposing to charge a minimum bill with no usage included, a metered usage rate per 1,000 gallons, and a pass-through charge specific to the charges incurred through their purchased water expense per 1,000 gallons. Please see Exhibit AJS – 5.1, AJS – 5.3, and AJS – 6.1 for specific charges.**
- **Candlewood Lakes: This service area is currently being charged a flat monthly rate. Limestone Water is proposing to charge this community with a flat monthly rate. Please see Exhibit AJS – 5.1 and AJS – 6.1 for specific charges.**
- **Grassland – This service area is currently charging a flat residential rate by number of bedrooms. For commercial customers, the rate is based on actual or estimated flow**

per 1,000 gallons but has a minimum monthly charge regardless of flow. Additionally, there is currently a monthly flat capital recovery surcharge component. The rates are very similar to the Arrington/Hideaway/Hardeman rates. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.

- **Arrington - This service area is currently charging a flat residential rate. For commercial customers, the rate is based on actual or estimated flow per 1,000 gallons but has a minimum monthly charge regardless of flow. Additionally, there is currently a monthly flat capital recovery surcharge component. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**
- **Hideaway - This service area is currently charging a flat residential rate. For commercial customers, the rate is based on actual or estimated flow per 1,000 gallons but has a minimum monthly charge regardless of flow. Additionally, there is currently a monthly flat capital recovery surcharge component. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**
- **Hardeman - This service area is currently charging a flat residential rate. For commercial customers, the rate is based on actual or estimated flow per 1,000 gallons but has a minimum monthly charge regardless of flow. Additionally, there is currently a monthly flat capital recovery surcharge component. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**

- **Chapel Woods – This service area is currently being charged a flat residential rate. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**
- **Shiloh Falls - For all customer types, the rate is based on actual or estimated flow per 1,000 gallons but has a minimum monthly charge regardless of flow. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**
- **DSH/Lakeside Estates - This service area is currently charging a flat residential rate. There is a monthly component of that flat residential rate that is attributable to an escrow charge. Limestone Water is proposing to charge this community with a flat monthly consolidated rate. Please see Exhibit AJS – 5.2 and AJS – 6.2 for specific charges.**

1-41. Refer to the Direct Testimony of Clare Donovan at p. 7 and to the Company's CAM provided in MFG 41. The methodologies used to assign direct charges, jointly billed charges and indirect charges to Limestone Water are the same as those used to assign charges to all other CSWR affiliates and are part of CSWR's written accounting policy as outlined in the CAM and discussed by Ms. Donovan's. Respond to the following:

a. In relation to total volumes and number of customers, how have each of these costs changed over the last 5 years; and
b. How have they changed as a percent of total revenues?

RESPONSE:

a. As the number of customers across CSWR's footprint has increased, the allocation percentage assigned to Limestone has decreased over the last three years. Please see

attachment "DR 41 - Allocation Percentage," which demonstrates yearly average decrease to the allocation percentage.

b. Over the last three years, in addition to continuing to acquire systems CSWR has completed rate increases in a number of jurisdictions. These have resulted in a decrease of allocated costs to Limestone as a percentage of total revenues.

1-42. What record(s) does Limestone keep regarding the costs associated with the addition of new customers and capital improvement projects?

a. Does such record(s) include soil information and line length; and
b. Provide all copies of these records containing such information.

RESPONSE: Limestone retains all invoices related to the addition of new customers. Limestone also maintains a Purchase Order log for all capital improvement projects, including the associated Purchase Orders for each project.

a. Limestone has not made any capital improvements regarding line extensions; therefore, no soil information or line length information can be provided.

b. Limestone Water currently tracks the costs associated with adding new customers and implementing capital improvement projects through invoice records. These invoices contain itemized details of expenses incurred including labor, materials, and equipment. As of the date of this filing, Limestone Water has pulled and will provide a majority of the invoices related to both new customers and capital improvement projects. Due to the extensive nature of these records, not all invoices are being produced with this filing and Limestone will supplement the remainder of the relevant invoices by the week of 11/4/2024. Please refer to the Company's response to DR 53 for the total of Capital investment by Service Area.

1-43. Refer to the Direct Testimony of Clare Donovan at p. 10. Respond to the following:

a. Have the stated contract negotiations with the third-party representatives been completed;

b. Provide a list of all third-party contractors; and

c. If so, what were the outcomes of those negotiations?

RESPONSE: The Company is actively engaged in contract negotiations in order to secure optimal cost savings. These discussions are ongoing, and no conclusions have been reached.

1-44. Refer to the Direct Testimony of Clare Donovan at pp. 10-11. Respond to the following:

a. Provide a list of the agreement's that CSWR has resulting in economies of scale and administrative efficiencies that are passed on to subsidiaries; and

b. Provide an estimate of the savings passed on to Limestone.

RESPONSE:

a. Please see attachment "DR 44 – CSWR Agreements," for a list of contracts that outline services utilized by CSWR, whose costs are allocated to and within Limestone based on the overhead allocation shown in response to DR 27. As noted in a previous response, economies of scale are achieved when the unit cost of a good or service is reduced because a larger entity is able to procure goods or services in larger, more economical quantities or is able to provide goods or services more efficiently. Additionally, based on the Company's response to DR 41, in 2024 Limestone receives an average of 2.18% of the total overheard costs of CSWR as a whole. CSWR believes that contracting on a large scale enables cost savings, as it allows for leveraging volume discounts and efficiencies. By passing only 2.18% of these overhead costs to its Tennessee subsidiary, CSWR effectively minimizes the financial impact on

Limestone, demonstrating a strategic approach to cost-sharing that benefits Limestone and its customers.

b. No such estimate exists.

1-45. Refer to the Direct Testimony of Clare Donovan at p. 13 and to the Company's CAM provided in MFG 41. What is the total amount of indirect charges that CSWR does not allocate to its subsidiaries?

RESPONSE: Please see CONFIDENTIAL attachment "DR 27 - CSWR Allocated Costs – CONFIDENTIAL," specifically tab "CSWR Costs," Line No. 2, labeled "Line Item Exclusions," for the total amount of indirect charges that are not allocated to subsidiaries of CSWR.

1-46. Provide a comprehensive explanation of how consolidating rates is consistent with, inconsistent with, or otherwise relates to the following rate setting principles:

a. Practical attributes of simplicity, understandability, public acceptability, and feasibility of application;
b. Freedom from controversies as to proper interpretation;
c. Effectiveness of yielding total revenue requirements under the fair return standard;
d. Revenue stability from year to year;
e. Stability of rates themselves, minimal unexpected changes seriously adverse to existing customers;
f. Fairness of the specific rates in the apportionment of total costs of service among different consumers;
g. Avoidance of "undue discrimination" in rate relations; and
h. Efficiency in discouraging wasteful use while promoting justified types and amounts of use:
    i. In control of total amounts of service; and
    ii. In the control of relative uses of alternative types of service.

RESPONSE:

a. **The Company believes that consolidating rates is consistent with the practical attributes of simplicity, understandability, public acceptability, and feasibility of application. Consolidating rates simplifies the rate structure across multiple systems, making it easier for customers to understand their charges. Additionally, as described in the Direct Testimony of Mike Duncan, consolidating rates mitigates more significant increases that smaller systems would face in an unconsolidated rate design, making the rate increase more acceptable to the public by spreading costs across a larger base. This approach can help minimize rate shock to customers of these smaller systems.**

b. **The Company believes consolidating rates and implementing a single, statewide tariff are consistent with the principle of "Freedom from controversies as to proper interpretation." Consolidating rates and tariff provisions across systems reduces the likelihood of disputes about rate calculations and confusion regarding terms of service. With a uniform rate structure and statewide tariff, there is less room for interpretation errors or misunderstandings, as all customers are billed under the same system-wide rate and served under the same terms of service. Limestone Water believes that its proposed rates and tariff are simple and easily interpreted.**

c. **The Company believes that rate consolidation is consistent with the "Effectiveness of Yielding Total Revenue Requirements" principle. Limestone Water believes that a consolidated rate structure designed to meet the total revenue requirement approved by the Commission in this**

case will achieve the objective of yielding the allowed revenue requirement while spreading costs over a larger customer base.

d. Limestone Water believes that rate consolidation is consistent with the principle of "Revenue Stability from Year to Year." By consolidating rates, the Company believes that the fluctuations that may occur due to various move-in/move-outs, potential bad debt, and other revenue fluctuations in specific systems will be mitigated the effects on any system-specific rate by consistently spreading the total cost of service over the entire, statewide customer base.

e. Limestone Water believes that, in the long-term, rate consolidation is consistent with the principle of stability of rates. Distributing service costs across the entire customer base can make any unexpected expenses affecting a particular system more easily mitigated than on a stand-alone basis. While a rate increase is necessary in this case for rates to reflect the actual cost of service, rate consolidation will ensure on a going-forward basis that any unexpected expenses or necessary treatment improvements on these smaller systems will be less impactful to their rate structures.

f. As described in the testimony of Mike Duncan, while there may be different technologies utilized at different systems, all Limestone Water systems share many of the same costs of service, generally use the same third-party operations firm, and are managed to the same service quality standards. Longer term, all systems also share the same needs for capital improvements, repairs, replacements, and upgrades. Additionally, as

described in the direct testimony of Aaron Silas, Limestone Water proposes utilizing a methodology in which each commercial connection is reviewed and assigned a commercial "type" per TDEC's Design Criteria for Review of Sewage Works Construction Plans and Documents. While many commercial customers, such as office suites or small businesses, will receive 1 ERU comparable to a residential customer, assigning higher ERUs based on higher flows will fairly distribute the recovery of the cost of service to the appropriate connections.

g. Please see the Company's response to subpart f above. The Company believes that because all customers are receiving substantially similar services as well as a similar high quality of service, rate consolidation is consistent with the principle of "undue discrimination."

h. As described in the testimony of Aaron Silas, sewer service is inelastic, and there is little to no variance in the cost of service at the residential level due to higher demands placed on the system due to varying water usage. Additionally, the Company's only metered water system is the former Aqua Utilities system. The Company has proposed that the Aqua service area have its own usage charge due to the pass-through charge from the water supplier, Savannah Utility Department. As such, the principles related to discouraging wasteful use are largely not applicable in this case.

1-47. Provide a comprehensive explanation of how an acquisition adjustment is consistent with the basic principle of original cost recovery.

RESPONSE: Although original cost valuation (i.e., the value of assets at the time they're originally placed into utility service) is the approach regulators traditionally follow when calculating rate base, other rate base valuation methods also exist. For example, the "fair value" approach attempts to value assets in a manner that recognizes increases and decreases in the value of money since a utility asset was first devoted to the public service. Allowing an "acquisition premium" – i.e., the difference between purchase price and the net book value of assets acquired in a utility sale transaction – represents something of a hybrid approach between the original cost and fair value approaches because it includes in rate base both the depreciated original cost of acquired assets as well as an additional increment representing the current market value of those assets.

Limestone Water has primarily acquired small, dilapidated systems where record-keeping has been inadequate or incomplete, and accurate asset records were often unavailable. In many cases, provided records were found to lack proper depreciation and omit essential plant additions, making it challenging or even impossible to determine the original cost accurately.

Commission Rule 1220-04-14-.04 expressly allows the Commission to deviate from strict original cost valuation by authorizing inclusion in rate base of an acquisition adjustment "if the Commission determines such an adjustment is warranted . . . and will not result in unjust or unreasonable rates and charges." Among the factors the Commission must consider in allowing an acquisition adjustment are cost savings resulting from consolidation of the acquired system, service improvements offered by the acquiring entity, remediation of existing and potential public health and safety concerns, and any other measurable benefits the acquiring entity is able to provide. The rule also recognizes allowing an acquisition

premium provides an incentive for the acquisition of financially or operationally troubled systems. Each of these factors represents positive benefits to both customers of the acquired system and to the public in general. Limestone believes that these benefits justify an adjustment to rate base to a level above the net original cost value of the acquired assets.

1-48. Refer to the Direct Testimony of Mike Duncan at pp. 27-39 regarding Acquisition Recovery Adjustments. What incentives (other than an acquisition premium adjustments) has Limestone offered owners to sell their water or wastewater systems?

RESPONSE: It would be impossible for Limestone to offer Acquisition Recovery Adjustments to owners of the systems it purchases because such adjustments are only available to a new owner in a post-closing rate case. In addition, Limestone Water has not offered prior owners any other incentives to sell their facilities. When evaluating a system for possible acquisition, Limestone routinely consults publicly available documents (such as information available from health and environmental regulators) and conducts site visits to gauge for itself the plant configuration and the condition of equipment. However, a final purchase price is determined based on arms-length negotiations between the parties, with Limestone's objective being to pay the least amount a utility/seller will accept. The entirety of the compensation provided by Limestone for the acquisition of the systems is reflected in the Purchase Agreements submitted in the context of the various acquisition dockets.

1-49. Refer to the Direct Testimony of Aaron Silas at pp. 10-13 regarding contracted customer service provisions. Provide the cost analysis demonstrating that the use of third parties for customer service functions is the most cost effective as opposed to CSWR having its own service center.

RESPONSE: No such formal cost analysis exists.

1-50. How do Limestone's proposed rates compare to the statewide average?

RESPONSE: We are unable to accurately compare our proposed rates to any identified/defined statewide average due to significant differences between the large municipal systems included in such averages and our own. Large municipal systems benefit from their extensive customer base, allowing them to spread costs across a much larger population, which typically results in lower rates. In contrast, our systems are all classified as 'extremely small'. This smaller customer base inherently leads to higher per-customer costs, as we must ensure compliance with all regulatory standards while maintaining infrastructure and operations with fewer resources. Therefore, a direct comparison is difficult. The link below represents the most recently available information the Company could find regarding TN average utility bills.

https://www.wkrn.com/news/tennessee-news/tennessee-among-most-expensive-states-for-monthly-utility-bills/

1-51. Refer to the Direct Testimony of Aaron Silas at p. 25. Provide the tariffs from other water companies or territories that Limestone reviewed while developing its proposed tariff.

RESPONSE: Please see the attached tariffs labeled as "DR 51" that were reviewed while developing the proposed tariffs.

1-52. Provide a breakdown in the number of customers for each of the 10 service areas.

RESPONSE: Please see below for the number of connections or Equivalent Residential Connections (ERUs) in each service area:

- **Water**
    - **Aqua – 452 Connections**

- **Candlewood – 121 Connections**

- **Sewer**
  - **Aqua – 406 ERUs**
  - **Arrington – 221 ERUs**
  - **Chapel Woods – 145 ERUs**
  - **DSH – 148 ERUs**
  - **Grasslands – 719 ERUs**
  - **Hardeman Springs – 90 ERUs**
  - **Hideaway – 135 ERUs**
  - **Shiloh Falls – 455 ERUs**

1-53. Provide the amount of capital investment that Limestone has made to each of the systems.

RESPONSE: Please see CONFIDENTIAL attachment "DR 53 – Capital Investment – CONFIDENTIAL."

1-54. Provide evidence supporting the idea that consolidating rates, rather than consolidating service areas, provides economies of scale.

RESPONSE: Neither rate consolidation nor service area consolidation produces significant economies of scale. Instead, the economies of scale Limestone is able to secure for customers result from the company being part of a large group of affiliated water and wastewater utilities that, through centralized management and procurement, can achieve efficiencies that enable it to provide a range of sophisticated systems and services – e.g., engineering and utility management planning, customer service systems, environmental and regulatory compliance, and management and operational oversight – at costs well below what a utility would incur on a standalone basis. In contrast, rate consolidation helps Limestone mitigate

"rate shock" customers otherwise would experience if rates were set on a system-specific basis. The numerous benefits of rate consolidation, as well as other states where consolidated rates have been adopted, are described in detail on pages 15-18 of the Direct Testimony of Limestone's witness Michael Duncan.

1-55. In certain cases, economies of scale or other efficiencies can be obtained by procuring costs as a group of companies in the name of CSWR, LLC. Every effort is made to identify the cost drivers and to include that. Provide the metrics that have been used to ensure that efforts have been made to identify the cost drivers that can produce economies of scale.

RESPONSE: It is not possible to identify specific metrics to identify cost drivers for achieving economies of scale, because such economies result from CSWR's ability to provide goods and services at a lower unit cost than a smaller entity could obtain those services on its own. These include services such as engineering, accounting, billing, legal, business planning, and operations management that are provided at scale at CSWR and then allocated to its affiliates, including Limestone, at a fraction of what it would cost each such affiliate to provide or procure such services on its own.

By following this approach, CSWR is able to ensure the best quality service at the lowest cost to customers, even without specific metrics.

1-56. Provide information on vendor invoices or other vendor supplied documentation supporting CSWR's ability to reduce costs for Limestone.

RESPONSE: Vendor invoices alone would not provide specific evidence of the economies of scale CSWR is able to provide its affiliates. Invoices and other vendor-supplied documentation typically outline the costs incurred for services or goods received by CSWR on behalf of its affiliates, but they do not show what the same services or goods would have

cost if procured by Limestone on a stand-alone basis. However, as highlighted in the Company's responses to DR 44 and 55, CSWR believes by acquiring these services and goods on behalf of all its affiliates it has achieved cost savings for Limestone customers through economies of scale afforded by Limestone's vendor relationships, volume purchases, and the methodology it utilizes to allocate overhead expenses.

1-57. Refer to the Company's MFG 14, File <Confidential Limestone UOC Exhibits Submission.xslx> regarding outside professional services. Provide the following:

a. The contract, invoices, and workpapers provided from Elasticity, LLC, for informational marketing;
b. The contract for services provided along with invoices from ClearWater Solutions, LLC; and
c. Any payment processing fees.

RESPONSE: Please see CONFIDENTIAL attachment "DR 57 - MFG 14 - 923 Support – CONFIDENTIAL," for updated invoice numbers and mapping to the PDFs provided in the data room.

a. Please see invoices and contracts provided in the CONFIDENTIAL folder "DR - 57 MFG 14 - 923 Support" in the data room.

b. Please see invoices provided in the CONFIDENTIAL folder "DR - 57 MFG 14 - 923 Support" in the data room. Please note, these are not contracted charges from Clearwater Solutions, LLC. These amounts were pass-through charges billed by Clearwater.

c. The payment processing fees outlined in MFG 14 consist of a pass-through payment processing fee charged to Limestone by the bank, as well as a small surcharge from Invoice Cloud, CSWR's online bill payment software.

1-58. Refer to the Company's MFG 14, File <Confidential Limestone UOC Exhibits Submission.xslx>. Specifically, refer to the Company's Schedules BT-3.1 and BT-3.2 and provide the underlying CSWR general ledger data for all accounts, with formulae intact, along with a narrative explanation of how these costs are direct, jointly billed, or indirect costs to Limestone.

RESPONSE: Please refer to CONFIDENTIAL "MFG 008 - 24 Month GL Detail." All charges assigned to Limestone through the overhead allocation are indirect costs and recorded under Account 922. For jointly billed costs and associated accounts recorded on Limestone's books, please refer to the Company's response to DR 29. All other expenses on Limestone's general ledger are direct costs.

1-59. Refer to the Direct Testimony of Clare Donovan at p. 14 regarding CSWR costs assigned to Limestone and provide answers to the following:

a. Do the allocated overhead costs include payments related to Performance or Incentive plan compensation; and
b. If so, provide a narrative explanation of whom these plans are available to along with the criteria used for determining payments under these plans.

RESPONSE:

a. There are no payments related to Performance or Incentive plan compensation included in allocated overhead costs.

b. N/A.

1-60. For each CSWR or Limestone employee whose time is directly assigned to Limestone, provide the following information:

a. Name and title of the employee;
b. Percentage of hours worked direct charged to Limestone in the Test Period;

c. Base salary for each employee identified along with percentage of base salary included within these charges; and

d. The amount of incentive compensation included within these charges.

RESPONSE:

a. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

b. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

c. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

d. No incentive compensation is included.

1-61. For the ten highest compensated CSWR employees in 2022, 2023, and 2024, respond to the following:

a. Identify each employee within each period;

b. Identify the level of base compensation each period;

c. Identify the amount of bonus or incentive compensation incurred in each period; and

d. Identify the amount of base compensation allocated to Limestone and the allocation methodology used.

RESPONSE:

a. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

b. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

c. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

d. Please see the CONFIDENTIAL attachment entitled "Confidential Data Requests - 34_60_61.xlsx."

1-62. Provide the Chart of Accounts used for assigning General & Administrative costs 9 series accounts (903100 – 930200) and provide the rationale for not utilizing the NARUC USoA for recording these costs.

RESPONSE: When Limestone was established, the Company was using the 1976 version of the NARUC USOA, which included the use of the 9 series accounts. As part of Limestone's ongoing efforts to improve and update best practices, the Company is transitioning to the 1996 NARUC USOA chart of accounts. Please refer to the attachment "DR 62 – 9 Series Accounts," where the 9 series accounts are mapped to the corresponding 6 and 7 series accounts.

1-63. Refer to the Company's MFG 14, File <Confidential Limestone UOC Exhibits Submission.xslx>. Specifically, refer to the Company's Schedules BT-3.1 and BT-3.2 and provide each of the policies charged to account 924.400 Property Insurance – Commercial for both Limestone and CSWR.

RESPONSE: Please see the CONFIDENTIAL attachments "DR 37 - Insurance Policies – CONFIDENTIAL," and the response to MFG 035 for policy and insurance expense allocation support.

1-64. Provide all due diligence performed prior to entering into an operating agreement with ClearWater Solutions, LLC. This response should include any bid information from other vendors as well as internal memos outlining the various options to acquire such services from other vendors with conclusions on why ClearWater Solutions, LLC, was the preferable option.

RESPONSE: CSWR, LLC, and its affiliates perform a thorough Request for Qualifications ("RFQ") and Request for Proposal ("RFP") process to identify the most qualified operators at a reasonable cost to its customers. A multi-step process has been developed to ensure the operations and maintenance contractor that delivers the best value of service is selected. As part of that process, CSWR sends a RFQ packet to all identified operations and maintenance firms. A portion of the RFQ requires that contractors be highly trained, experienced, and have all state licenses required to operate the relevant water and wastewater systems. The RFQ process provides CSWR the opportunity to determine which potential contractors actually satisfy all the qualifications and requirements stated in the RFQ. The next step in this process is to send a formal RFP to qualified contractors. Generally, the RFP includes a proposal letter specifically identifying the contractor's tasks, duties, and responsibilities (sometimes referred to as a "Statement of Work"). Also included in the package is a bid response page, which requires the contractor to provide key cost information about its bid. CSWR considers all of these documents to be a critical part of the response in that it allows CSWR to compare the RFP responses on a consistent basis relative to both cost and service levels. During this process, CSWR communicated with all parties listed in attachment "DR 64 – RFP Vendor List." These communications were primarily to clarify the documentation

provided and gauge interest in the project. Although several parties expressed interest, Clear Water Solutions, LLC, was the sole respondent to the RFP.

1-65. Provide a list of all other vendors apart from ClearWater Solutions, LLC, whom solicitation for contracted services were submitted to.

RESPONSE: As indicated in attachment "DR 64 – RFP Vendor List," the solicitation for contracted services was submitted to Inframark, Woodard & Curran, H2O Innovation, Alliance Water, Stickland Engineering, Dove Environmental, Veolia, Patterson Water Group, and USA Water Corp.

1-66. Refer to the Direct Testimony of Brent Thies at 13:12 – 14:8. Provide responses to the following:

a. Source and support, with formulas intact, for the amounts shown in the Table at 13:17;
b. A narrative explanation of where exactly the Company has included acquisition adjustments in its revenue requirement calculation as discussed in Footnote 11; and
c. An updated revenue requirement schedule including these adjustments.

RESPONSE:

a. Please see CONFIDENTIAL attachment "DR 66 – Acquisition Adjustment – CONFIDENTIAL."

b. Currently, in Limestone's rate case application, these acquisition adjustments were not included in revenue requirement. However, Limestone is seeking approval to recover these as part of its revenue requirement.

c. Please see CONFIDENTIAL attachment "DR 66 – Acquisition Adjustment – CONFIDENTIAL."

1-67. Refer to the Direct Testimony of Brent Thies filed at 20:21 – 21:6 and provide responses to the following:

a. Source and support, with formulas intact, for the amounts shown in the Table at 21:6;
b. The invoice(s) supporting these charges;
c. A narrative explanation of where exactly the company has included acquisition costs in its revenue requirement calculation as discussed in Footnote 12; and
d. An updated revenue requirement schedule including these adjustments.

RESPONSE:

a. Please see CONFIDENTIAL attachment "DR 67 - Transaction Costs," specifically Tab "67a – Detail."

b. Please see invoices provided in the CONFIDENTIAL folder "DR - 67 LE Invoices" provided in the data room.

c. Currently, in Limestone's rate case application, these acquisition adjustments were not included in revenue requirement. However, Limestone is seeking approval to recover these as part of its revenue requirement.

d. Please see CONFIDENTIAL attachment "DR 67 - Transaction Costs - CONFIDENTIAL," specifically tab "67d - BT-1.1" and "67d - BT-1.2."

1-68. Provide an organizational chart identifying each CSWR employee, by department, whose costs are included as a component of the proposed revenue requirement. For each employee that is identified indicate whether those costs are direct charged to Limestone and if not how is the portion allocated to Limestone determined.

RESPONSE: Please see the organizational chart provided in MFG 003, as well as the response to Limestone's response to DR 60, for those employees whose costs are allocated to Limestone as a component of the proposed revenue requirement.

1-69. Refer to the Company's MFG 14, File <Confidential Limestone UOC Exhibits Submission.xslx>. Specifically, refer to the Company's CD-1.1 and CD-1.2 and provide a comprehensive explanation with supporting schedules, with formulas intact, for each of the Known and Measurable Adjustments shown on these schedules.

RESPONSE: Please refer to the attachment provided in response to DR 1-35.

1-70. Refer to the Company's MFG 8, File <Limestone MFG 008 – General Ledger.xlsx>. The Consumer Advocate notes that the purchased power expense for the Grasslands system is vastly greater than the other wastewater systems the Company operates. Provide a narrative explanation describing why the purchased power expense relating to this system is higher than others. Provide also any steps the Company has taken or is taking to mitigate the high purchased power expense for this system.

RESPONSE: The Grasslands facility is the only conventional activated sludge treatment facility that Limestone operates. The facility also handles more service connections than any other facility Limestone services in the state. As discussed in the Direct Testimony of Todd Thomas, the treatment facility is in distressed condition and Limestone has proposed replacing the facility with a more efficient activated granular sludge process which will not only ensure the facility maintains compliance with permit requirements, but also improve treatment efficiency. Since the Grasslands facility is Limestone's largest wastewater facility in the state, it is very likely to have a greater purchased power expense compared to other systems. Even after this project can be completed, the facility is expected to utilize more energy than any other operated by Limestone in the state.

1-71. Provide the monthly water sales and system delivery, by system, for the Company's Candlewood Lakes and Aqua Service territories for the Test Period.

RESPONSE: Please see the CONFIDENTIAL excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL, Usage Tab" Please note that the Company converted Billing Software in June 2022, therefore historical data beyond that is not available.

1-72. Refer to the Company's Response to Informal Discovery Request 1-2 a & b, the Company's Schedules BT 3.1 and 3.2, and CA Attachment DR 1-73 to this request. Provide answers to the following:

a. Identify the "certain expenses" that are applicable to the allocation factors; and
b. Reconcile the difference between accounts as shown on Attachment DR-1 with the values presented on BT 3.1 and 3.2. If you are unable to reconcile the variances provide an explanation as to why the differences are not reconcilable.

RESPONSE:

a. The General & Administrative expenses are applicable to water and sewer allocations. All 9 series accounts are subject to this allocation when expenses are recorded to a "Water and Wastewater" service type. Expenses that only handle water services would not need an allocation because all expenses are recorded to water only service type expense accounts. Similarly, sewer service expenses would not need allocation because all expenses are recorded to a sewer only service type expense account.

b. The differences in the attachment provided by CAD for Limestone's review are solely due to rounding. Limestone uses a formula to calculate the water and sewer allocation factors. Therefore, only using a 2-digit percentage yields a slightly different allocation to water and sewer. The amount in column D for account 923.100 is not the amount that was included in BT-3.2. The amount presented in the attachment is the balance of account 923.500. The balance of account 923.100 in BT-3.2 is $5,847, which only

differs due to rounding. Please see attachment "DR 72 – CA Attachment DR 1-73," for a recalculation of the expenses split water and sewer.

1-73. Provide the actual balance of short-term debt used by Limestone Water for each month (or most frequently available) from January 1, 2016, to the most currently available in live Excel format.

RESPONSE: Limestone Water does not currently hold any long-term or short-term debt.

1-74. Provide the total actual balance of CWIP broken down into CWIP earning AFUDC and CWIP not earning AFUDC for Limestone Water for each month (or most frequently available) from January 1, 2016, to the most currently available.

RESPONSE: Limestone does not earn AFUDC, so please refer to the Company's response to DR 75 for CWIP balances.

1-75. Provide the monthly (or most frequently available) balance sheet and income statements for Limestone Water for each year from January 1, 2016, to the most currently available in live Excel format.

RESPONSE: The Company doesn't have access to monthly financials prior to 2022 due to the implementation of its new accounting software. Balances were loaded for the full year as of December 2021. Furthermore, please see CONFIDENTIAL attachment "DR 75 Monthly Limestone Financials – CONFIDENTIAL," for monthly balance sheets and income statements starting January 2022.

1-76. Provide the monthly (or most frequently available) balance sheet and income statements for US Water for each year from January 1, 2016, to the most currently available in live Excel format.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Limestone further objects to this Request to the extent that it seeks information that is not in Limestone's custody or control. Subject to and without waiving the foregoing objections, Limestone states as follows: Limestone does not have in its possession or have access to monthly (or most frequently available) balance sheets and income statements for US Water for each year from January 1, 2016, or have knowledge whether such financial records exist.

1-77. Provide the monthly (or most frequently available) balance sheet and income statements for Central States Water Resources, Inc. for each year from January 1, 2016, to the most currently available in live Excel format.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Limestone further objects to this Request to the extent that it seeks information that is not in Limestone's custody or control. Central States Water Resources, Inc., serves solely as the designated manager of CSWR, LLC, and all its downstream limited liabilities affiliates, and in that role, it has no revenue, expenses, assets, or paid employees. However, in the spirit of cooperation and transparency, the Company provides the following information regarding CSWR, LLC. The Company doesn't have access to monthly financials prior to 2022 due to the implementation of its new accounting software. Balances were loaded for the full year as of December 2021. Furthermore, please see

CONFIDENTIAL attachment " DR 77 - Monthly CSWR, LLC Financials – CONFIDENTIAL," for monthly balance sheets and income statements starting January 2022.

1-78. Provide Limestone Water's water sales to residential, commercial, and industrial customers for each month (or most frequently available) from January 1, 2018, to the most currently available.

RESPONSE: Please see the CONFIDENTIAL Excel spreadsheet labeled "Transaction Detail Report – All Data – CONFIDENTIAL, Usage Tab" Please note that the Company converted billing software in June 2022, therefore historical data beyond that is not available.

1-79. Provide a copy of all the major bond rating agency reports that cover US Water, Central States Water Resources (CSWR) and Limestone Water that were issued from January 1, 2018, to the most currently available.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Limestone further objects to this Request to the extent that it seeks information that is not in Limestone's custody or control. Limestone further objects to this Request to the extent that it seeks information that is not in Limestone's custody or control. Subject to and without waiving the foregoing objections, Limestone states that it does not have or have access to any major bond rating agency reports that cover US Water, or any knowledge as to whether such reports exist. Furthermore, neither CSWR nor Limestone Water is publicly traded, so the Company has nothing to provide in this response.

1-80. List all debt and equity raised by US Water, Central States Water Resources and Limestone Water since January 1, 2015, to the most currently available. For bonds, please provide the CUSIP number for all securities raised over this time.

RESPONSE: US Water Resources, LLC provides the equity capital that CSWR, LLC invests in Limestone Water. Please see balances in Paid in Capital in the Company's response to DR 75 for equity amounts.

1-81. Does US Water, Central States Water Resources or any other entity provide lines of credit to Limestone Water? If yes, please explain how much the amount of funds available as of the most currently available data and quarterly, or the most frequently available, since December 2022.

RESPONSE: No.

1-82. Refer to the Direct Testimony of Dylan D'Ascendis at 49:7-9. Respond to the following:

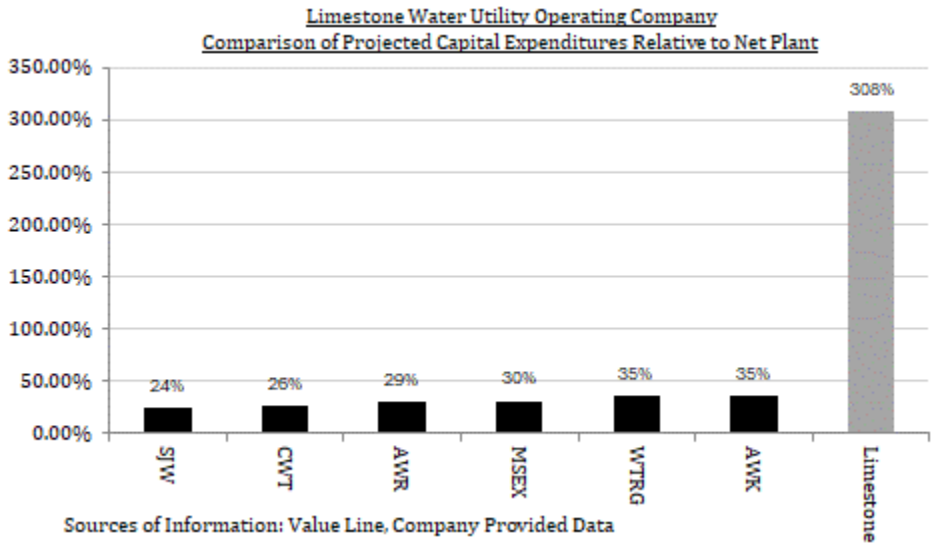
a. Has Mr. D'Ascendis done an analysis to determine if any of the companies in his Proxy Groups have acquired and or are in the process of acquiring troubled utility distribution systems, including water distribution? Please explain.
b. Are any of the companies in Mr. D'Ascendis' Proxy Groups in the process of making significant capital investments? Please explain.
c. Have any of the companies in Mr. D'Ascendis' Proxy Groups earned less than their authorized ROE? Please explain.

RESPONSE:

a. Mr. D'Ascendis has not conducted the referenced study. While Mr. D'Ascendis's proxy group companies may acquire troubled utility systems from time to time, the Proxy Groups used by Mr. D'Ascendis to conduct his ROE analysis represent publicly traded water and wastewater utilities whose operations are much larger than Limestone and are consistently profitable. Conversely, as noted in Mr. D'Ascendis's

Direct Testimony, the Company has incurred approximately $2.6 million in operating losses since commencing operations in Tennessee.

b. The companies in Mr. D'Ascendis's Proxy Groups are engaged in ongoing capital expenditures. On a relative basis, however, the Proxy Groups' capital expenditures represent a significantly smaller portion of their respective net plants as compared to Limestone's capital expenditures relative to its net plant. The chart below shows the level of forecasted capital expenditures for six of Mr. D'Ascendis's Proxy Group companies relative to Limestone.[1]



As clearly shown above, the ratio of Limestone's expected capital expenditures to its existing net plant is significantly higher compared to the proxy companies. Given the increased business and financial risk associated with its level of capital spending, Limestone is subject to greater risk as compared to the Proxy Groups.

c. Mr. D'Ascendis's has not conducted the referenced study. Mr. D'Ascendis's recommended ROE is based on the application of multiple market-based common

[1] Sources: Value Line, Company-provided data. Value Line does not provide the necessary data for Artesian Resources Corporation, Global Water Resources, Inc., and The York Water Company (see DR 82 - Attachment 1).

equity models to publicly traded water and wastewater utilities. In contrast, calculated earned returns on equity are not market-based, but accounting-based.

1-83. Regarding Limestone Water's acquisitions of troubled water and wastewater systems:

a. Did any of these acquisitions result in goodwill? If yes, how much?

b. Is any goodwill included in Limestone Water's rate base?

c. Will Limestone Water's rates be impacted by goodwill? Please explain.

d. Did any of these transactions involve the issuance of equity or debt through a private placement?

   i. Please provide the terms and conditions of the private placement, including pricing, restrictions, and any rights given to the new shareholders.

   ii. Please explain how the private placement impacted the dilution of existing shareholders.

RESPONSE:

a. No, none of these acquisitions resulted in goodwill.

b. Since no goodwill was involved in these transactions, there is no goodwill included in Limestone Water's rate base.

c. Limestone Water's rates will not be impacted by goodwill as none exists from these acquisitions.

d. No, none of these transactions involved the issuance of equity or debt through a private placement.

1-84. Refer to the Direct Testimony of Dylan D'Ascendis, Exhibit DWD 8, p. 7 of 9. This exhibit shows an equity risk premium based on Bloomberg, Value Line, and S&P Global.

a. Is Mr. D'Ascendis aware that Bloomberg publishes its own equity risk premium?

b. Would it be reasonable to use Bloomberg's published equity risk premium to calculate the cost of equity in this proceeding. Please explain.

RESPONSE:

a. Yes.

b. Bloomberg's published equity risk premium is calculated as follows:



Calculations

All calculations are performed based on the members of a given index with an Internal Rate of Return (VM004) available. To display the relevant index, position your mouse over the country's name on the CRP screen.

- Country Risk Premium (VM109): Market Return (VM108) minus Risk Free Rate (VM103).
- Market Return (VM108): Internal rate of return (VM004) weighted by the market cap of each index member. This is a forward-looking (rather than historical) estimate of market return. The internal rate of return comes from the *Dividend Discount Model* (DDM) function, and is based on estimates from the *Current Consensus* (EEO) function for the first few years. After that, CRP uses a proprietary model for the growth years. For more: DDM Help Page.
- Risk Free Rate (VM103): Yield on a local generic ten-year treasury security.

The three measures below do not factor into the estimation of market return and are calculated only with the index members with Internal Rate of Return (VM004) available:

- Dividend Yield: Dividend indicated yield (DV013) weighted by the market cap of each index member.
- Growth Rate: Long term growth rate weighted by the market cap of each index member. EPS growth comes from the *Earnings Estimates Overview* (EEO) function. If a growth rate estimate is not available, it will use the ratio of the two furthest out estimated EPS.
- Payout Ratio: Dividend payout ratio (RR049) weighted by income before interest (RR812), dividends (RR814), and extraordinary items (RR809) for each index member.

For more on searching for data fields on FLDS: FLDS Help Page.

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Regarding Bloomberg's calculation, Mr. D'Ascendis disagrees with the use of a 10-year U.S. Treasury as the measure of the risk-free rate. As stated in Mr. D'Ascendis's Direct Testimony, the yield on long-term U.S. Treasury bonds is the appropriate measure of the risk-free rate.

Regarding Bloomberg's market return calculation, Mr. D'Ascendis notes several issues: (1) it is uncertain whether Bloomberg only includes companies that pay dividends in its calculation; (2) it employs a proprietary model of growth into perpetuity.

Excluding companies that do not pay dividends is incorrect as the expected market return is meant to reflect all companies in the market. Investors recognize the market includes both dividend and non-dividend paying companies. Some of the largest companies, based on market capitalization, would be excluded from Bloomberg's calculation because they do not pay dividends.

Regarding Bloomberg's application of a proprietary model of growth into perpetuity, Mr. D'Ascendis notes that the use of a proprietary measure of growth is opaque and because of that cannot be determined to be market-based, nor can one determine if the measures used are supported by the academic and financial literature.

1-85. Identify all people who have knowledge of discoverable matters in this case.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, Limestone states as follows: In addition to the witnesses who filed Direct Testimony in this docket, Eric Rocchio has knowledge of discoverable matters in this case. Limestone will identify additional knowledgeable persons for each discovery request in this matter as necessary.

1-86. Produce copies of all documents referred to or relied upon in responding to these discovery requests.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of

admissible evidence. Limestone further objects to this Request to the extent that this Request seeks information outside of Limestone's custody or control. Subject to and without waiving the foregoing objections, Limestone states as follows: Please see documents Limestone provided in its responses to the CAD's data requests as well as documents previously filed in this docket. Limestone will supplement its responses and filings with additional documents if necessary.

1-87. Produce copies of all documents, not already provided in a specific discovery question, -- including, without limitation, work papers, spreadsheets, summaries, charts, notes, exhibits, articles, journals, treatises, periodicals, publications, reports, records, statements, Internet web pages, or financial information -- relied upon by any of your witnesses in evaluating, reaching conclusions, or formulating an opinion in this matter.

RESPONSE: In addition to its General Objections, Limestone objects to this Request on the grounds that it is overbroad, unduly burdensome, unrestricted in scope, and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Limestone further objects to this Request to the extent that it seeks information outside of Limestone's custody or control. Limestone further objects to this Request to the extent that it seeks information that is equally obtainable by the CADU from public or other sources or through some other means of discovery that is more convenient, less burdensome, or less expensive. Subject to and without waiving the foregoing objections, Limestone states as follows: Please see documents Limestone provided in its responses to the CAD's data requests as well as documents previously filed in this docket. Limestone will supplement its responses and filings with additional documents if necessary.

1-88. Provide customer complaints that the Company has received from its Tennessee customers.

In its response, provide the following information for each complaint:

a. The name of the customer and the system that serves the customer;

b. The date of the complaint was made;

c. A description of the resolution of the complaint; and

d. The date the complaint was closed by the Company.

RESPONSE: Please see the CONFIDENTIAL excel spreadsheet labeled "DR 88 - Customer Call Log – CONFIDENTIAL." The "Log Date," listed in Column A provides the relevant date(s) for issues and resolutions listed in "Notes," Column E.

RESPECTFULLY SUBMITTED,

Katherine Barnes

Melvin J. Malone (BPR #013874)
Katherine Barnes (BPR # 032456)
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Attorneys for Limestone Water Utility Operating Company, LLC

Limestone Water UOC

Wastewater Service Tariff

TRA #1
Rate Schedules

SCHEDULE OF RATES & CHARGES
GRASSLAND SERVICE TERRITORY

Residential Monthly Wastewater Service:

1-2 Bedroom	$42.00
2 Bedroom	$42.00
3 Bedroom	$46.50
4 Bedroom	$52.00
5 Bedroom	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

SCHEDULE OF RATES & CHARGES
ARRINGTON RETREAT SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

SCHEDULE OF RATES & CHARGES
HIDEAWAY SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29, or $10,000.00 whichever is greater.*

SCHEDULE OF RATES & CHARGES
HARDEMAN SPRINGS SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

Limestone Water Utility
Operating Company, LLC
1630 Des Peres Rd. Suite 140
St. Louis, MO 63131

Schedule of Rates and Charges
Chapel Woods Service Territory

Residential Monthly Wastewater Service:

All Residential Customers:	$29 per month

* Indicates new rate or text
\+ Indicates change

DATE OF ISSUE _____ DATE EFFECTIVE _____
Month Day Year Month Day Year

ISSUED BY Josiah Cox President
name of officer title address

Limestone Water UOC

Wastewater Service Tariff

TRA #2
Rules and Regulations

RULES AND REGULATIONS

Statement of Purpose

The general purposes of these rules and regulations are to establish procedures for furnishing sewerage and sewage treatment services on a uniform basis to customers within the service area boundary of Cartwright Creek, LLC.

Definition of Terms

1. Company - The word Company shall mean the Cartwright Creek, LLC.
2. Engineer - The word Engineer shall mean the consulting engineer of Cartwright Creek, LLC.
3. Customer - The word Customer shall mean any person, firm, corporation, association or government unit furnished sewerage services by the Company.
4. Property-The word Property shall mean all facilities owned and operated by the Company.
5. Commission - The word Commission shall mean the Tennessee Regulatory Authority.
6. Sewer – Piping, both gravity and pressure type, not on the customer's property, that collect and transport wastewater, including valves, manholes, access boxes, valve vaults, cleanouts, and other devices on the sewer.
7. Collection lines – See Sewer.
8. Lateral Sewer – The words Lateral Sewer shall mean the piping extending from the Collection lines to the Customer's property line (for customers with gravity only sewer connections) or to the Service Box (for customers with grinder pumps).
9. Service Box – For Customers with grinder pumps, a below ground valve assembly installed at each individual customer's property that connects to the Company's lateral sewer and where the customer's Service line is connected.
10. Service line – For customers with gravity sewer connections, the piping on the Customer's property extending from the Lateral Sewer to the customer's place of business or residence. For customer's with grinder pumps, the piping on the customer's property that connects the Grinder Pump to the Service Box, including the cleanout and connection to the pump.
11. Grinder Pump – The individual grinder pump installed at each residential or non-residential service location that receives and pumps sewage from the customer to the Company's sewer. This includes the pump, the pump sump, electrical control panel, and interconnecting wiring.
12. Residential Service - The words Residential Service shall mean the provision of wastewater service to a customer whose primary use is for the customer's personal dwelling.
13. Commercial Service – The words Commercial Service shall mean the provision of wastewater service to a customer whose primary use is for other than the customer's personal dwelling.

Authorization of Rules and Regulations

Cartwright Creek, LLC, a corporation organized and engaged in business as a public utility in the State of Tennessee under a transferred Certificate of Convenience and Necessity approved by the Tennessee Regulatory Authority on November 8, 2004, under Docket No. 04-00358, submits the following statement of its rules and regulations.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of the Company.

Utility Items on Private Property

1. For Customers with gravity connections, the Customer shall own and maintain all piping within the residence or commercial building and exterior piping and Service Line.
2. For Customers with grinder pumps, the Customer shall own and maintain all piping within the residence or commercial building and external piping connecting to the grinder pump. The Company shall maintain the grinder pump and service line and the Customer shall be responsible for the cost of repair and maintenance of the grinder pump and service line. The Customer shall be responsible for furnishing and maintaining electrical power to the grinder pump.

Discontinuance of Service

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth.
2. For misrepresentation in the application.
3. For modifying or repairing any Property of the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For damaging any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For disconnecting or re-connecting service by any party other than a duly authorized agent of the Company without the consent of the Company.

Non-payment Penalties

A penalty of five (5%) percent of the monthly charge will be due after the 15th day of each month for which a bill has been rendered. After twenty (20) days non-payment after the first day of the month in which the bill is payable, the Company may shut-off the customer's service; provided, however, the Company will give the customer an additional fifteen (15) days' notice before discontinuation. A fee of Ten and No/100 ($10.00) Dollars will be charged for disconnection and a Fifteen and No/100 ($15.00) Dollars fee will be charged for re-connection of service, plus the actual cost of remedying any damage to the shut-off valve or other facilities. No service shall be turned on again if discontinued for non-payment (or any other valid reason) until all charges have been paid, including disconnection and re-connection fees.

Change in Ownership, Tenancy of Service

A new application and agreement must be made and approved by the Company on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made and approved.

Security Deposits

Each new Customer, before connection or re-connection, of the service may be required to make a refundable deposit to secure payment of sewerage bills in an amount double the monthly bill for that particular type of customer.

Engineering Materials and Construction Standards

To be provided upon written request.

Special Pretreatment Sewage Requirements

For all sewerage connections, in addition to the customary tap fees, the Company reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the tap fees or flat rate charges to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewerage system.

Additionally, if excessive volumes or high strength of sewage are received, the Company may require the Customer to monitor flow volume in order to adjust the monthly sewer service rate.

Damages

The Company shall in no event be responsible for maintaining any service line owned by the Customer, nor for damages created by sewage escaping therefrom, nor for defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority, and of the Company, relating to the service lines and shall make all changes in his line required on account of grade or otherwise.

All leaks in any pipe or fixture on the premises of the Customer shall be immediately repaired. If the Customer fails to repair any such leak, the service may be discontinued until repairs are made.

Inspection

All pipes, valves and fixtures shall be subject to inspection at all reasonable hours by the Company or its duly authorized agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption of service, or for damages or inconveniences as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company.

Extension Plan

The Company may furnish sewer services to additional property owners. The sewer service charges and tap fees identified in the Company's Tariff do not include costs for constructing new sewers. Any collector and/or lateral sewers required to service such properties shall be constructed at the cost of those parties desiring same, and these sewers shall become the property of the Company, to be credited to the account for contributions in aid of construction.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company:

1. A sewer service contract.
2. The application and contract for sewer tap services (when applicable).

Customer Billing Forms

All customer billings shall be on a standard form whether residential, commercial or industrial.

Public Contact

Billing:
Cartwright Creek, LLC
Bruce Meyer
1551 Thompson's Station Road West
Thompson's Station, TN 37179
615-261-8615

Plant Operations:
Cartwright Creek, LLC
Bruce Meyer
1551 Thompson's Station Road West
Thompson's Station, TN 37179
615-261-8600

Tennessee Regulatory Authority Regulations

The utility in its operation shall conform with all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

Returned Checks

Any Customer whose personal check is returned by the bank shall pay the Company an additional fee of $25.00, which will be clearly indicated on the bill.

Payment Plans

The Company offers each customer the opportunity to resolve any past due balances to avoid "Non-payment Penalties". Customer may pay a past due bill, including returned check fees and other charges, disconnection and reconnection charges in a payment plan over a three to six-month billing cycle. Customers that desire to take advantage of this plan should submit their written request to the Company's business office.

If service has been disconnected, service will be reconnected within 2 days of receiving the first payment. The Company will offer one such payment plan within a full calendar year.

In the event that a customer on a payment plan fails to pay a monthly installment as per the terms of the plan and is more than fifteen (15) business days late on any payment, then the customer's service is subject to disconnection and all past due charges in addition to disconnect/reconnect fees would become due and payable prior to having service restored.

Alternative Address Notification

Customers can provide an alternative address for notification for potential disconnection that will also receive the required notices of disconnection. Customers shall submit alternative notification requests to the Company in writing.

Limestone Water UOC
1630 Des Peres Road
Des Peres MO 63131

SEWER SERVICE CONTRACT

_____Number of Bedrooms _____Square Feet

Responsible Party for paying the bill:

Customer Name _____

Address of Service _____

_____
CITY STATE ZIP

Mailing Address (if different) _____

_____
CITY STATE ZIP

Phone: Home # _____ Work # _____

Email address: _____
(Cartwright Creek does not sell or provide customer contact information to third parties.)

Contact Person (if different from Customer) _____

I hereby make application to Cartwright Creek, LLC for connection with the mains of the sewer system and agree to pay for access, tap and service fees according to prevailing rates as identified in the Company's Tariff.

The Customer understands that the Company will provide a monthly bill to the Customer for sewerage services furnished. A penalty provision of five (5%) percent of the monthly charge applies to all bills after the 15th day of each month for which a bill has been rendered and will give the Company the right to collect such penalty. The failure to pay said bill the 20th day of the month following said bill will give the Company the immediate right to discontinue the furnishing of service, or to enforce a lien against the applicant's property. The Customer understands and acknowledges that failure to pay the monthly service or other charges when due may result in a lien against his property. If the Customer elects to terminate service, such termination shall be done by written notice to the Company 30 days prior to the requested termination date.

I understand that all service is subject to the rules and regulations of Cartwright Creek, LLC tariff, which may be amended from time to time and that these rules and regulations are part of this agreement.

Date _____ Signed _____

Contract approved and issued:

Date _____ By _____

Office Use Only:

Account # _____

RULES, REGULATIONS AND TARIFFS

FOR

AQUA UTILITIES COMPANY

706 MAIN STREET

SAVANNAH, TN 38372

PHONE 731-925-6547

A. STATEMENT OF PURPOSE

The general purpose of these rules and regulations are:

1. To establish procedures for furnishing water, sewerage, and sewer treatment services on uniform bases to customers within the service area boundary of Aqua Utilities Company.

2. To provide standards and procedures operation.

3. Establish rates and other charges.

B. DEFINITION OF TERMS

1. COMPANY: The word COMPANY shall mean the Aqua Utilities Company.

2. ENGINEER: The word ENGINEER shall mean the consulting engineer of the Aqua Utilities.

3. CUSTOMER: The word CUSTOMER shall mean any person, firm, corporation, association, or government unit furnished services by the COMPANY.

4. PROPERTY: The word PROPERTY shall mean all facilities owned and operated by the COMPANY.

5. COMMISSION: The word COMMISSION shall mean Tennessee Public Service Commission.

6. TRUNK SEWER: The words TRUNK SEWER shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from many tributary branches and terminates at the sewage treatment plant or major lift station.

7. COLLECTOR SEWER: The words COLLECTOR SEWER shall mean those sewers running within the development and conveying the sewage to the trunk sewer.

8. LATERAL SEWER: The words LATERAL SEWER shall mean those sewers extending from the Collector Sewer to the property line of the Customer.

9. BUILDING SEWER: The words BUILDING SEWER shall mean that sewer extending from the Customer's property line to his place of business or residence.

10. WATER MAIN: The words WATER MAIN shall mean all lines and appurtenances, including valves, meters, and fittings required to transport water through and including the individual service meters.

B. DEFINITION OF TERMS CONT.

11. WATER SERVICE LINE: The words WATER SERVICE LINE shall mean those lines extending from the Customer's service meter to his place of business or residence.

12. OWNER: The word OWNER, whenever the same appears herein, means the person, firm, corporation or association having the sole interest in any premises or property which is, or is about to be supplied with services by the Company, and the word OWNERS means all so interested.

13. TENANT: The word TENANT, whenever the same appears herein means anyone occupying a premises or property under lease, oral or written, from the Owner and obtaining services from the Company with the consent of his landlord.

14. CUSTOMER: The word CUSTOMER as used herein shall mean the party contracting for services.

B. AUTHORIZATION OF RULES AND REGUATIONS:

The Company, which is organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and necessity issued by the Tennessee Public Service Commission on _____ under Docket No. 90-04334, submits the following statement of its rules and regulations in compliance with Rule 602.2.

C. EFFECT OF RULES AND REGULATIONS:

All provisions of these rules and regulations shall be incorporated in each contract with each Customer of the Company.

D. UTILITY ITEMS ON PRIVATE PROPERTY:

The Company shall not furnish or maintain any items or appurtenances for services on the Customer's premise without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of Customers. The Building Sewer and water service line shall be maintained by the Customer.

E. APPLICATIONS FOR SERVICES:

All applications for services must be made on written forms provided by the Company. Upon acceptance thereof and payment to Company of any Commission-approved tap-on fee, such applications shall constitute a contract between the applicant as a Customer and the Company.

F. APPLICATIONS FOR SERVICES CONT.

A new application must be made upon any change in tenancy where the tenant has contracted for the services or by the new Owner upon any change in ownership where the Owner has contracted for services. Where more than one tenant is supplied through a meter, the application for the water service must be made by the Owner of the property.

When an application is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit. Any such deposit so made shall be subject to such terms and conditions as may be required by order of regulation of the Tennessee Public Service Commission.

No contract for services will be entered into by the Company with any applicant until all arrears and charges due by such applicant for services to any premises then or theretofore owned or occupied by him shall have been paid.

G. RULES GOVERNING SERVICE:

When the supply of water is to be temporarily shut off, advance notice will be given by the Company when practicable to all Customers affected by the shutting off, stating the probable duration of the interruption of service.

The Company will not permit its mains or services to be connected on any premises with any service pipe or piping which is connected with any other source of supply. The Company will not permit its mains or services to be connected in any way to any piping, tank, vat or other apparatus which contains liquids, chemicals, or any other matter which may flow back into the Company's service lines or mains.

The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure but reserves the right at any time, without notice to shut off the water in its mains for the purpose of making repairs or extensions or for other purposes.

The Company shall not be liable for a deficiency or failure, regardless of cause, in the supply of water or in the pressure nor for any damage caused thereby or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having broilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse, and all damage occasioned by any such collapse must be borne exclusively by the Customer.

The Company shall require all new Customers who desire both regular water service and fire protection to install separate service lines, one of which is to be used solely for private fire protection. The Company will not permit the use of water from separate fire protection lines except for the extinguishing of fires or fire drills.

The Company shall have the sole right to determine the size of meters, number of meters, valves, service line and connections necessary to give the service applied for.

G. RULES GOVERNING SERVICE CONT.

All applications for service connections must be made in writing on forms furnished by the Company by the person or parties desiring the same, must state the correct lot(s), block and street number of the property to be supplied, and must be signed by the Owner of the premises or his duly authorized agent.

A service line or building sewer shall not be used to supply more than a single property without the consent of the Company. The minimum earth cover of the Customer" service pipe installation shall be three (3) feet.

Service lines or building sewer shall not be installed where any portion must pass through lands, buildings or parts of buildings which are not the property of applicant, unless applicant assumes the liability therefor, in writing.

Meters will be maintained by the Company as far as ordinary wear and tear are concerned, but damage due to freezing hot water or external causes shall be paid for by the Customers (except for outside meter settings).

Rules and regulations regarding meter accuracy, meter testing and frequency of meter tests shall be as contained in the Tennessee Public Service Commission's Rules and Regulations Governing Public Utilities as from time to time revised.

No person other than a Company agent or employee shall take water from any fire hydrant except for fire fighting purposes, and no fire hydrant except for fire fighting purposes, and no fire hydrant shall be used for sprinkling streets, flushing sewers or gutters or for any other purpose except with the advance approval of the Company in writing.

Where water is to be used for steam boilers or other uses where a stoppage of water supply might cause damage, Customers are cautioned that it is impossible for the Company to guarantee a continuous supply of water and that the Customer should, therefore, arrange for adequate storage capacity.

Title to the main, service connections from the main up to and including the meter, stop cocks or values, buffalo boxes, meters and meter installations is vested in the Company, and shall not be trespassed upon or interfered with in any way.

Curb stops shall not be used by the Customer for turning on or shutting off the water supply. Control of the water supply by the Customer shall be by means of a valve located on the property where the Customer is provided with water service.

Where two or more Customers are supplied through a single service pipe, any violation of the rules and regulations of the Company by either or any of such Customers shall be considered as a violation by all, and the Company may take such action as may be taken for a single Customer committing the violation.

All employees of the Company whose duty compels them to enter the Customer's premises shall, upon request, show their credentials or other evidence of authority.

G. RULES GOVERNING SERVICE CONT.

If the Company finds that a meter seal or cover has been broken of any bypass inserted or there is evidence that the meter or meter seal or cover has been tampered with, the water will be shut off and not turned on again until the Customer has paid for the estimated quantity of water which has been used for the preceding four (4) month period and not registered plus the cost to restore the meter to proper working order and other expense incurred by the Company, plus the reconnection fee hereinabove specified.

It is specifically understood that the Company does not hold itself out to render private fire protection service.

The Company does not hold itself out to furnish public fire protection service.

Automatic lawn sprinklers or sprays or other attachments requiring large quantities of water will be permitted only when water is furnished by meter measurement. The Company reserves the right to restrict lawn sprinkling by Customers whenever in its judgment there is not an adequate supply of water available for such purposes.

A supply of water for construction or other special purposes must be applied for in writing, and the Company reserves the right to require a suitable deposit from the applicant. Water so supplied shall be discharged through a hose or pipe directly upon the material to be wet or into a barrel or other container and not upon the ground or into or through a ditch or trench, and all use of water by other than the applicant or for any purposes or upon any premises not described or stated in the application must be prevented by the applicant.

For all sewerage connections, in addition to the customary tap fees, the Company reserves the right to require any non-residential user to provide special treatment for any high strength or toxic effluent before discharge into its sewerage system. The Company may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees of flat rate charges to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewerage system. Generally, only domestic sewage or its equivalent if allowed in the system without pre-treatment. All State and Environmental Protection Agency pre-treatment requirements must be followed.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume in order to compute additional taps required.

H. BILLS AND PAYMENT OF SERVICES:

Customers are liable for payment for all water used on the premises or property until notice has been received at the Company's office that the use of water is no longer desired. Customers are liable for all water shown to have passed through the meter whether by use, wastage or leakage.

A Customer's bill will not be considered past due unless it remains unpaid subsequent to the due date printed on the bill. This due date will be twenty-one (21) days after the bill is mailed.

H. BILLS AND PAYMENT OF SERVICES CONT.

Bills for metered service shall be rendered monthly unless otherwise specified in the rate schedule then in effect, and shall show the readings of the meter at the beginning and end of the period for which the bill is rendered as well as consumption for the period.

Bills for water service will be mailed or delivered to the Customer's last address as shown by the records of the Company when due, but failure to receive a bill will not relieve the Customer from the obligation to pay the same. All bills and other accounts must be paid at the office of the Company.

In case the meter cannot be read for any cause, the Company will require a payment of account equal to the estimated bill for the period involved.

In cases where for any cause the meter cannot be read for a period of two (2) billing periods, the Company will turn off the water upon (5) days written notice (8 days, if mailed) unless the Customer provides access to the meter immediately.

Where a meter has ceased to register or is registering improperly, the quantity of water for which the bill will be rendered will be determined by the average registration of the meter for the prior three (3) billing periods.

I. DISCONTINUANCE OF SERVICE:

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as herein set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company as filed with the Commission.
8. For disconnecting or reconnecting service by any party other than a duly authorized agent of the Company without the consent of the Company.
9. For discharge of high strength or toxic effluent without pre-treatment.
10. For waste of water due to leakage.

I. DISCONTINUANCE OF SERVICE CONT.:

11. For cross-connecting the Company's supply with any other source of supply, or with any apparatus which may endanger the quality or health standard of the Company's water supply.

If a Customer whose service has been discontinued for non-payment of bills or for violation of the rules and regulations of the Company desires a reconnection, such reconnection will only be made after the Customer:

(a) has made a deposit to insure future payment of bills (in cases only where no deposit was originally made or where such deposit has been applied to payment of the Customer's delinquent account);

(b) has paid all unpaid bills and other charges;

(c) had paid a reconnection fee;

(d) and has corrected any condition found objectionable under rules and regulations of the company.

J. SECURITY DEPOSITS:

Each new Customer, before connection or reconnection of the service, may be required to make a refundable deposit to secure payment of Customer. Interest of six percent (6%) will be paid on any such refundable deposit. Deposits shall be refunded when service is terminated, unless the deposit is used to satisfy last bill requirements.

K. ENGINEERING, MATERIALS, AND CONSTRUCTION STANDARDS:

All sewerage systems added to the Company system shall meet the Company Requirements.

A prospective Customer shall submit one (1) copy of a preliminary plan of any proposed service system to the Engineer.

Upon approval of the preliminary plans, a prospective Customer shall submit three (3) copies of a final set of plans to the Engineer.

The final plans shall contain a note that all construction is to conform to the technical specifications of the company.

A set of final plans with the approval stamp of the Engineer shall be present at the site of the construction at all times during construction.

One set of "As-Built" plans shall be submitted to the Engineer and one to the Company upon completion.

The Company shall be given 24 hours notice of construction in order to provide adequate inspection.

SCHEDULE OF RATES & CHARGES

Monthly Water Service:	
First 1,000 gallons per month	$19.65 **(I)**
Monthly usage in excess of 1,000 gallons applied pro rata	$3.05 per 1,000 gallons **(I)**
Monthly Wastewater Service:	
First 1,000 gallons per month	$19.65 **(I)**
Monthly usage in excess of 1,000 gallons applied pro rata	$3.05 per 1,000 gallons **(I)**
Service Connection Charges:	
Water	$1,425.00 **(I)**
Wastewater	$1,425.00 **(I)**
Reconnects due to Seasonal Disconnects:	
Water	$120.00 **(I)**
Wastewater	$120.00 **(I)**
Reconnects due to Non-Payment of Bill:	
Water	$15.00
Wastewater	$15.00
Miscellaneous Charges:	
Returned Check Charge	$20.00
Forfeited Discount Rate	5.00%

Limestone Water UOC.
1630 Des Peres Road
Suite 140
St. Louis, MO 63131

TRA Tariff No. 1
1st Revised Page 1
Cancels Original Page 1

Issue Date: February 22, 2023
By: Josiah Cox, President

Effective Date: May 20, 2007

TARIFF OF

LIMESTONE WATER UOC (SHILOH FALLS)

CONSISTING OF

SCHEDULE OF RATES, TERMS AND CONDITIONS

FOR

SANITARY SEWER SERVICE

APPLYING TO

SHILOH FALLS UTILITIES SERVICE AREA.
COUNCE, TENNESSEE

NO MODIFICATION OF THESE SCHEDULES SHALL BE MADE EXCEPT FOR THE PURPOSE OF CANCELING OR SUPERSEDING PREVIOUSLY ISSUED SCHEDULES

ISSUED: February 22. 2023 Effective: May 20, 2007
By: Josiah Cox, President

CHECK SHEET

The pages of this tariff are effective as of the date shown at the top of the respective pages. Original and revised pages as shown named below comprise all changes from the original tariff and are currently effective as of the date shown on the top of this page.

Title Page	1st Revised
-i-	Original
-ii-	Original
2	1st Revised
3	1st Revised
4	1st Revised
5	1st Revised
6	2nd Revised
7	1st Revised
8	2nd Revised

ISSUED: February 22, 2023 Effective: May 20, 2007
By: Josiah Cox, President

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ISSUED: February 22, 2023 Effective: May 20, 2007
By: Josiah Cox, President

TITLE PAGE

EXPLANATION OF SYMBOLS

When changes are made in any tariff page, a revised page will be issued canceling the tariff page affected; such changes will be identified through the use of the following symbols:

(C)	To signify changed regulation
(D)	To signify discontinued rate, regulation or text
(I)	To signify increase
(M)	To signify a move from one page to another with no change to text, regulation or Tariff
(N)	To signify new rate, regulation or text
(R)	To signify reduction
(S)	To signify matter already appearing in another part of the tariff and repeated for clarification
(T)	To signify a change in text but no change in rate or regulation
(V)	To signify vintaged tariff

RULES AND RIGULATIONS

Governing the Sewerage and Sewage Treatment System

of LIMESTONE WATER UOC (SHILOH FALLS).

STATEMENT OF PURPOSE

The general purposes of these rules and regulations are:

1. To establish procedures for furnishing sewerage and sewage treatment services on a uniform basis to customers within the service area boundary of the Shiloh Falls service area.

2. To provide standards and procedures for:

   a. Acceptable sewage characteristics

   b. Excessive sewage volume

   c. Engineering design standards

   d. Construction and inspection requirements

   e. Quality of materials

DEFINITION OF TERMS

1. Corporation – shall mean LIMESTONE WATER UOC.

2. Engineer – shall mean the consulting engineer of LIMESTONE WATER UOC.

3. Customer – shall mean any person, firm, corporation, association or government unit furnished sewerage by the Corporation.

4. Property – shall mean all facilities owned and operated by the Corporation.

5. Authority – shall mean the Tennessee Regulatory Authority.

6. Sewer Main – shall mean a sewer pipeline that is under pressure, receives sewage from other branches, runs adjacent to roadways and terminates at the sewage treatment plant, or a major lift station.

7. Trunk Sewer – shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from any tributary branches and terminates at the sewage treatment plant or major lift station.

8. Collector Sewer – shall mean those sewer lines running within the service area and conveying the sewage, to the trunk sewer on the main by pressure or gravity. (T) (T)

9. Lateral Sewer – shall mean those sewers extending from the Collector Sewer to the property line of the Customer.

10. Building Sewer – shall mean that sewer piping, gravity, or pressures extending from the Customer's property line to his place of business or residence.

AUTHORIZATION OF RULES AND REGULATIONS

Shiloh Falls was a corporation organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and Necessity issued by the Tennessee Regulatory Authority on or about May 20, 1996 under Docket No. 95-03948, submits the following statement of its rules and regulations.

EFFECT OF RULES AND REGULATIONS

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of LIMESTONE WATER UOC.

UTILITY ITEMS ON PRIVATE PROPERTY

The Corporation shall not furnish or maintain any items or appurtenances for sewer service on the customer's premises without execution of an agreement for an easement or encroachment. No property of the Corporation shall be located on the premises of the customers except sewer shut-off valves maintained by the Corporation. All grinder pumps and tanks for grinder pumps shall be located on the customer's property and maintained by the customer. (T)

DISCONTINUANCE OF SERVICE

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Corporation.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Corporation in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Corporation.
8. For disconnecting or re-connecting service by any party other than a duly authorized agent and/or approved service provider of the Corporation without the consent of the Corporation.

NON-PAYMENT PENALTIES

All customers located within the service area are provided water by the First Utility District of Hardin County, Tennessee. All customers agree that their water services may be terminated at the request of the Corporation due to the non-payment of sewer charges, said termination of water service being the approved and agreed method to enforce the collection of sewer charges. No service shall be turned on again if discontinued for non-payment (or any valid reason) until all outstanding charges have been paid. (T) (T)

CHANGE OF OWNERSHIP, TENANCY, OR SERVICE

A new application and agreement must be made and approved by the Corporation on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Corporation shall have the right to discontinue service until such new application is made and approved.

ISSUED: February 22, 2023 Effective: May 20, 2007 (T)
By: Josiah Cox, President (T)

RETURN CHECK CHARGES

For any and all returned checks submitted by the customer to the utility, the customer shall be responsible to reimburse the utility for actual bank charges incurred by the utility for the non-payment of said funds plus a $20.00 return check fee to cover administrative charges of the utility. (T)

GRINDER PUMPS

All customers must have an approved grinder pump and collection system which meets the specifications as established by the Engineer. The customer shall have the sole responsibility to maintain the grinder pump.

SPECIAL PRETREATMENT SEWAGE REQUIREMENTS

For the sewerage connections, in addition to the customary tap fees, the Corporation reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Corporation may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees or flat rate charges to cover the cost of treatment of high strength effluent or industrial waste with the approval of the Authority, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharge into its sewerage system.

DAMAGES

The Corporation shall in no event be responsible for maintaining any service line owned by the Customer, for damages created by sewage escaping therefrom, or for defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority, and the Corporation, relating to the service lines and shall make all changes in his lines required on account of grade or otherwise. All leaks in any pipe or fixture on the premises of the Customer shall be immediately repaired. On failure to repair any such leak, service shall be discontinued until repairs are made. (T)

IN EVENT OF EMERGENCY

The Corporation shall not be liable to the Customer for interruption in service or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Corporation.

EXTENSION PLAN

The Corporation will furnish sewer services to all property owners whose lands abut the trunk or main sewer. The sewer service charges and tap fees included in Appendix I do not include costs for constructing trunk sewers and lift stations. Any collector and/or lateral sewers required to service such abutting properties shall be constructed at the cost of the party desiring it, and these sewers shall become the property of the Corporation to be credited to the account for contribution in aid of construction. If the said desiring party does not wish to construct his own collector and lateral sewers, the Corporation may construct them and charge the developer the total project costs for the same. The desiring party shall obtain at its expense the easements required by the Corporation for any collector and/or lateral sewers. Plans for any extensions shall be reviewed and approved by the Engineer prior to construction. (T)

CONTRIBUTIONS IN AID OF CONSTRUCTION & ADVANCES IN AID OF CONSTRUCTION

If any contribution and/or advance remitted to the utility in aid of construction is treated as taxable revenues by the IRS whether in the form of property or cash, the contributing party shall absorb and/or pay the utility the actual amount of tax liability incurred due to said contribution or advance. The contribution or advance will be equal to the "original cost" if in the form of property or face value if in the form of cash. (T)

CONTRACTS FOR SERVICE

Each customer before installation of service shall be required to execute on the appropriate form furnished by the Corporation or its designated representative: (T)

1. An application and contract for service.

CUSTOMER BILLING FORMS

All customer billings shall be on a standard form whether residential, commercial or industrial.

PUBLIC CONTACT

Josiah Cox (T)
LIMESTONE WATER
UOC. 450 Church Street (T)
P. O. Box 1027 (T)
Savannah, Tennessee 38372 (T)

TENNESSEE REGULATORY AUTHORITY

The utility in its operation shall conform with all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

MONTHLY SEWER SERVICE BILLING

Residential, Condominium, House or Apartment:

Charge per 1,000 gallons (actual or assumed flow)	$ 3.71
Minimum monthly charge	$ 8.90

Non-Residential:

Charge per 1,000 gallons (actual or assumed flow)	$ 3.71
Minimum monthly charge	$ 8.90

SEWER CONNECTION FEES

Residential and Commercial	$ 850.00

GENERAL FEES

Returned Check Charges	$ 20.00

RULES, REGULATIONS AND TARIFFS

FOR

LIMESTONE WATER UOC, LLC

(Candlewood Lakes)

1630 Des Peres Road, Suite 140

St. Louis, MO 63131

A. STATEMENT OF PURPOSE

The general purpose of these rules and regulations are:

1. To establish procedures for furnishing water services on uniform bases to customers within the service area boundary of the Candlewood Lakes Service Area.

2. To provide standards and procedures operation.

3. Establish rates and other charges.

B. DEFINITION OF TERMS

1. COMPANY:	The word COMPANY shall mean Limestone Water UOC.
2. ENGINEER:	The word ENGINEER shall mean the consulting engineer of the COMPANY.
3. CUSTOMER:	The word CUSTOMER shall mean any person, firm, corporation, association, or government unit furnished services by the COMPANY.
4. PROPERTY:	The word PROPERTY shall mean all facilities owned and operated by the COMPANY.
5. COMMISSION:	The word COMMISSION shall mean Tennessee Public Service Commission.
6. WATER MAIN:	The words WATER MAIN shall mean all lines and appurtenances, including valves, meters, and fittings required to transport water through and including the individual service meters.

B. DEFINITION OF TERMS CONT..

7. WATER SERVICE LINE: The words WATER SERVICE LINE shall mean those lines extending from the Customer's service meter to his place of business or residence.

8. OWNER: The word OWNER, whenever the same appears herein, means the person, firm, corporation or association having the sole interest in any premises or property which is, or is about to be supplied with services by the Company, and the word OWNERS means all so interested.

9. TENANT: The word TENANT, whenever the same appears herein means anyone occupying a premises or property under lease, oral or written, from the Owner and obtaining services from the Company with the consent of his landlord.

10. **CUSTOMER:** The word CUSTOMER as used herein shall mean the party contracting for services.

B. AUTHORIZATION OF RULES AND REGUATIONS:

The Company, which is organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and necessity issued by the Tennessee Public Service Commission on Docket No. 21-00059, submits the following statement of its rules and regulations in compliance with Rule 602.2.

C. EFFECT OF RULES AND REGULATIONS:

All provisions of these rules and regulations shall be incorporated in each contract with each Customer of the Company.

D. UTILITY ITEMS ON PRIVATE PROPERTY:

The Company shall not furnish or maintain any items or appurtenances for services on the Customer's premise without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of Customers. The Building Sewer and water service line shall be maintained by the Customer.

E. **APPLICATIONS FOR SERVICES:**

All applications for services must be made on written forms provided by the Company. Upon acceptance thereof and payment to Company of any Commission-approved tap-on fee, such applications shall constitute a contract between the applicant as a Customer and the Company.

F. APPLICATIONS FOR SERVICES CONT.

A new application must be made upon any change in tenancy where the tenant has contracted for the services or by the new Owner upon any change in ownership where the Owner has contracted for services. Where more than one tenant is supplied through a meter, the application for the water service must be made by the Owner of the property.

When an application is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit. Any such deposit so made shall be subject to such terms and conditions as may be required by order of regulation of the Tennessee Public Service Commission.

No contract for services will be entered into by the Company with any applicant until all arrears and charges due by such applicant for services to any premises then or theretofore owned or occupied by him shall have been paid.

G. RULES GOVERNING SERVICE:

When the supply of water is to be temporarily shut off, advance notice will be given by the Company when practicable to all Customers affected by the shutting off, stating the probable duration of the interruption of service.

The Company will not permit its mains or services to be connected on any premises with any service pipe or piping which is connected with any other source of supply. The Company will not permit its mains or services to be connected in any way to any piping, tank, vat or other apparatus which contains liquids, chemicals, or any other matter which may flow back into the Company's service lines or mains.

The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure but reserves the right at any time, without notice to shut off the water in its mains for the purpose of making repairs or extensions or for other purposes.

The Company shall not be liable for a deficiency or failure, regardless of cause, in the supply of water or in the pressure nor for any damage caused thereby or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having broilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse, and all damage occasioned by any such collapse must be borne exclusively by the Customer.

The Company shall require all new Customers who desire both regular water service and fire protection to install separate service lines, one of which is to be used solely for private fire protection. The Company will not permit the use of water from separate fire protection lines except for the extinguishing of fires or fire drills.

The Company shall have the sole right to determine the size of meters, number of meters, valves, service line and connections necessary to give the service applied for.

G. RULES GOVERNING SERVICE CONT.

All applications for service connections must be made in writing on forms furnished by the Company by the person or parties desiring the same, must state the correct lot(s), block and street number of the property to be supplied, and must be signed by the Owner of the premises or his duly authorized agent.

A service line or building sewer shall not be used to supply more than a single property without the consent of the Company. The minimum earth cover of the Customer" service pipe installation shall be three (3) feet.

Service lines or building sewer shall not be installed where any portion must pass through lands, buildings or parts of buildings which are not the property of applicant, unless applicant assumes the liability therefor, in writing.

Meters will be maintained by the Company as far as ordinary wear and tear are concerned, but damage due to freezing hot water or external causes shall be paid for by the Customers (except for outside meter settings).

Rules and regulations regarding meter accuracy, meter testing and frequency of meter tests shall be as contained in the Tennessee Public Service Commission's Rules and Regulations Governing Public Utilities as from time to time revised.

No person other than a Company agent or employee shall take water from any fire hydrant except for fire fighting purposes, and no fire hydrant except for fire fighting purposes, and no fire hydrant shall be used for sprinkling streets, flushing sewers or gutters or for any other purpose except with the advance approval of the Company in writing.

Where water is to be used for steam boilers or other uses where a stoppage of water supply might cause damage, Customers are cautioned that it is impossible for the Company to guarantee a continuous supply of water and that the Customer should, therefore, arrange for adequate storage capacity.

Title to the main, service connections from the main up to and including the meter, stop cocks or values, buffalo boxes, meters and meter installations is vested in the Company, and shall not be trespassed upon or interfered with in any way.

Curb stops shall not be used by the Customer for turning on or shutting off the water supply. Control of the water supply by the Customer shall be by means of a valve located on the property where the Customer is provided with water service.

Where two or more Customers are supplied through a single service pipe, any violation of the rules and regulations of the Company by either or any of such Customers shall be considered as a violation by all, and the Company may take such action as may be taken for a single Customer committing the violation.

All employees of the Company whose duty compels them to enter the Customer's premises shall, upon request, show their credentials or other evidence of authority.

G. RULES GOVERNING SERVICE CONT.

If the Company finds that a meter seal or cover has been broken of any bypass inserted or there is evidence that the meter or meter seal or cover has been tampered with, the water will be shut off and not turned on again until the Customer has paid for the estimated quantity of water which has been used for the preceding four (4) month period and not registered plus the cost to restore the meter to proper working order and other expense incurred by the Company, plus the reconnection fee hereinabove specified.

It is specifically understood that the Company does not hold itself out to render private fire protection service.

The Company does not hold itself out to furnish public fire protection service.

Automatic lawn sprinklers or sprays or other attachments requiring large quantities of water will be permitted only when water is furnished by meter measurement. The Company reserves the right to restrict lawn sprinkling by Customers whenever in its judgment there is not an adequate supply of water available for such purposes.

A supply of water for construction or other special purposes must be applied for in writing, and the Company reserves the right to require a suitable deposit from the applicant. Water so supplied shall be discharged through a hose or pipe directly upon the material to be wet or into a barrel or other container and not upon the ground or into or through a ditch or trench, and all use of water by other than the applicant or for any purposes or upon any premises not described or stated in the application must be prevented by the applicant.

H. BILLS AND PAYMENT OF SERVICES:

Customers are liable for payment for all water used on the premises or property until notice has been received at the Company's office that the use of water is no longer desired. Customers are liable for all water shown to have passed through the meter whether by use, wastage or leakage.

A Customer's bill will not be considered past due unless it remains unpaid subsequent to the due date printed on the bill. This due date will be twenty-one (21) days after the bill is mailed.

H. BILLS AND PAYMENT OF SERVICES CONT.

Bills for metered service shall be rendered monthly unless otherwise specified in the rate schedule then in effect, and shall show the readings of the meter at the beginning and end of the period for which the bill is rendered as well as consumption for the period.

Bills for water service will be mailed or delivered to the Customer's last address as shown by the records of the Company when due, but failure to receive a bill will not relieve the Customer from the obligation to pay the same. All bills and other accounts must be paid at the office of the Company.

In case the meter cannot be read for any cause, the Company will require a payment of account equal to the estimated bill for the period involved.

In cases where for any cause the meter cannot be read for a period of two (2) billing periods, the Company will turn off the water upon (5) days written notice (8 days, if mailed) unless the Customer provides access to the meter immediately.

Where a meter has ceased to register or is registering improperly, the quantity of water for which the bill will be rendered will be determined by the average registration of the meter for the prior three (3) billing periods.

I. DISCONTINUANCE OF SERVICE:

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as herein set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company as filed with the Commission.
8. For disconnecting or reconnecting service by any party other than a duly authorized agent of the Company without the consent of the Company.
9. For discharge of high strength or toxic effluent without pre-treatment.
10. For waste of water due to leakage.

I. DISCONTINUANCE OF SERVICE CONT.:

11. For cross-connecting the Company's supply with any other source of supply, or with any apparatus which may endanger the quality or health standard of the Company's water supply.

If a Customer whose service has been discontinued for non-payment of bills or for violation of the rules and regulations of the Company desires a reconnection, such reconnection will only be made after the Customer:

(a) has made a deposit to insure future payment of bills (in cases only where no deposit was originally made or where such deposit has been applied to payment of the Customer's delinquent account);

(b) has paid all unpaid bills and other charges;

(c) had paid a reconnection fee;

(d) and has corrected any condition found objectionable under rules and regulations of the company.

J. SECURITY DEPOSITS:

Each new Customer, before connection or reconnection of the service, may be required to make a refundable deposit to secure payment of Customer. Interest of six percent (6%) will be paid on any such refundable deposit. Deposits shall be refunded when service is terminated, unless the deposit is used to satisfy last bill requirements.

K. ENGINEERING, MATERIALS, AND CONSTRUCTION STANDARDS:

All sewerage systems added to the Company system shall meet the Company Requirements.

A prospective Customer shall submit one (1) copy of a preliminary plan of any proposed service system to the Engineer.

Upon approval of the preliminary plans, a prospective Customer shall submit three (3) copies of a final set of plans to the Engineer.

The final plans shall contain a note that all construction is to conform to the technical specifications of the company.

A set of final plans with the approval stamp of the Engineer shall be present at the site of the construction at all times during construction.

One set of "As-Built" plans shall be submitted to the Engineer and one to the Company upon completion.

The Company shall be given 24 hours notice of construction in order to provide adequate inspection.

SCHEDULE OF RATES & CHARGES

Monthly Water Service:	
Flat Charge	$40
Service Connection Charges:	$500.00
Miscellaneous Charges:	
Late Fee	$5.00
Reconnect Fee	$35.00
Disconnect Fee	$35.00

TITLE PAGE

REGULATION AND SCHEDULE OF CHARGES GOVERNING THE PROVISION OF WASTEWATER UTILITY SERVICE TO RESIDENCES AND BUSINESSES WITHIN THE STA TE OF TENNESSEE

This tariff contains the descriptions, regulation and rates applicable to the furnishing of wastewater utility service provided by Limestone Water Utility Operating Company, LLC within the State of Tennessee. This tariff is on file with the Tennessee Regulatory Authority. Copies may be inspected during normal business hours at the Company's principal place of business at ***1630 Des Peres Rd., Suite 140, Des Peres, MO 63131***



Know what's **below**.
Call before you dig.

CHECK SHEET

Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as the date on the bottom of this sheet.

SECTION	SHEET	REVISION
1	1	Original
1	2	1st Revised
1	3	Original
1	4	Original
1	5	Original
1	6	Original
2	1	Original
2	2	1st Revised
2	3	Original
2	4	Original
3	1	Original
3	2	1st Revised
4	1	Original
4	2	1st Revised
4	3	Original

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Section 2:

	Rules and Regulations	1
	Standard Contract	5

Section 3:

	Residential Sewer Service Territories	1
	Residential Rates/Explanation	2

Section 4:

	Commercial Sewer Service Territories	1
	Commercial Rates/Explanation	2

SYMBOLS

The following symbols are used for the purposes indicated below:

C	Changed regulations or rate structure
D	Discontinued material
I	An increased rate
M	A move in the location of text
N	A new rate or regulation
R	A reduced rate
S	Reissued material
T	Change in text but no change in rate or regulation

TARIFF FORMAT

A. Sheet numbering - Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 12 and 13 would be 12.1.

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the TRA. For example, the 4th revised Sheet 12 cancels the 3rd revised Sheet 12. Because of various suspension periods, deferrals, etc., that the TRA follows in its tariff approval process, the most current sheet number on file with the TRA is not always the sheet in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level:

2.
2.1
2.1.1
2.1.1.A
2.1.1.A.1
2.1.1.A.1.(a)
2.1.1.A.1.(a).1
2.1.1.A.1.(a).1.(i)
2.1.1.A.1.(a).1.(i).(1)

D. Check Sheets - When a tariff filing is made with the TRA, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists all the sheets contained in the tariff, with a cross-reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be now other symbols used on this sheet if these are the only changed made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the TRA.

DEFINITIONS

Certain terms used generally throughout this tariff for the Utility Service of this Company are defined below:

1. Company - Limestone Water Utility operating Company, LLC
2. Engineer - the consulting engineer of Limestone Water Utility Operating Company, LLC
3. Customer - any person, firm, corporation, association or government unit furnished sewage by the Company.
4. Residential Property - property that is an established residence for a single family that is intended solely for the family's use.
5. Commercial Property - property that is used for commercial, overnight rental or institutional purposes.
6. Facilities - all equipment owned and operated by the Company.
7. TRA - The Tennessee Regulatory Authority.
8. Septic Pump Tank - the tank located near a customer's building which accepts waste and contains a pump vault.
9. Septic Gravity Tank - the septic tank located near a customer's building which accepts waste and contains an effluent filter.
10. Service Line - the line from the Septic Pump/Septic Gravity Tank to a Collector Line.
11. Collector Line - the line from the Service Line to the Main Line.
12. Main Line - the line from the Collector Line to the treatment facility.
13. Building Outfall Line - the customer owned line that caries waste from the building to the Septic Pump Tanks/Septic Gravity Tank.
14. Pumping Station - a tank that contains pumps and receives effluent from Septic Gravity Tanks and/or Collector Lines.
15. Premises - shall mean customer's private property,
16. Service Connection - the point at which the service line to the wastewater system components at the customer's building is connected to the main wastewater collection system.

SECTION 2
RULES AND REGUALTIONS

Governing the sewage collection and treatment systems of Limestone Water Utility Operating Company, LLC & Associates (Limestone)

Statement of Purpose

The general purpose of these rules and regulations is:

1. To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
2. To provide standards and procedures for:
3. Acceptable sewage characteristics
4. Protection of the integrity of the water tight system
5. Engineering design standards
6. Construction standards and inspection requirements
7. Quality of materials

Authorization of Rules and Regulations

Limestone Water Utility Operating Company, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) July 1, 2011, under Docket No. 11-00020 and subsequent certificates issued by the PSC and the TRA.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilitie on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under, and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer's Building and Pluming outfall line shall be maintained by the Customer.

Discontinuance of Service

Service Under any application may be dis-continued for the following reason:

1. Non-payment of bill as hereinafter set forth below
2. For misrepresentation of application
3. For adding to the property without notice of the Company
4. For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
5. For violation of any rules of the Company.
6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

The non-payment penalty will be $25 per billing cycle. If payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 14) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is $40. The reconnection fee is $50 plus all back payments.

Returned Checks

A check returned by the bank will incur a fee of $25.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of $120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by developers.

1. The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the design engineer and must be approved by the Company Engineer.
2. Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive shall govern.
3. All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Sewer Lines and Main Lines.
4. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
5. Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
6. STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by Limestone and will be based on the number of bedrooms in the home and the intended use of the home.
7. All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
8. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pre-treatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damages

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc. which was beyond the reasonable control of the Company. In case of emergency, call 865-622-2452.

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by the TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing the bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by developers and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from developers will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Josiah Cox
1630 Des Peres R.d., Suite 140, Des Peres, MO 63131
314-736-4672

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

SEWER SERVICE CONTRACT

DATE: _____

PRINTED NAME: _____

ADDRESS OF PROPERTY: _____

MAILING ADDRESS: _____

TELEPHONE NUMBER: _____

EMAIL ADDRESS: _____

I hereby make application to Limestone Water Utility Company, LLC (Limestone) for sewer service at the address of property stated above. In consideration of the undertaking on the part of Limestone to furnish sewer service, I understand, covenant and agree as follows:

1. I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by Limestone. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of Limestone. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of Limestone.
2. I acknowledge Limestone, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant Limestone permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
3. For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to Limestone's billing and cutoff procedures. Should I not pay in accordance with Limestone's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
5. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to Limestone at least thirty (30) days in advance of my vacating the property.
7. I agree to allow Limestone to install an approved cut off valve between the house and water supply and grant Limestone exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

SUBSCRIBERS SIGNATURE: _____

SECTION 3

RESIDENTIAL SEWER SERVICE TERRITORIES

Service Territory	County	TRA Docket #	Rate Class
Lakeside Estates on Norris Lake	Campbell	11-00020	Rate Class 1

RESIDENTIAL RATE SHEET/EXPLANATION

The monthly sewer charge per customer is **$ 43.37**

FEES:	TOTAL:
Non-Payment	5%
STEP System Installation	$6,000
Tap Fee	3,750/lot
Disconnection	$ 40.00
Reconnection	$ 50.00
Returned Check	$ 25.00
Access Fee	$120/yr

*Escrow amount is included in total $10.24
** Tap fee is for homes with 3 bedrooms or less

Explanation

FFR.D:	**Rate Class I: Standard Base RSF/Fixed Film Reactor Treatment Rate**	$ 30.73
E1:	RSF Escrow Rate	$ 10.24
B1:	Standard bonding charge of	$ 2.40
	Total	**$ 43.37**

Estimate Tap Fees

Tap Fees for each new unit will be derived based on the number of Bedrooms as listed in the table below:

Daily Flowrate	Number of Bedrooms	Estimated Tap Fee
300	3	$ 3,750
400	4	$ 5,000
500	5	$ 6,250
600	6	$ 7,500
700	7	$ 8,750
800	8	$ 10,000
900	9	$ 11,250
1000	10	$ 12,500

STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for

SECTION 4

COMMERCIAL SEWER SERVICE TERRITORIES

Service Territory	County	TRA Docket #
Lakeside Estates on Norris Lake	Campbell	11-00020

COMMERCIAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of $68.37 per month will be charged for up to the first 300 gallons per day of average daily flow.(I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of $15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of $156.79 per 1,000 gallons of average daily flow will apply.

COMMERCIAL W/O FOOD	**FLOWRATE BETWEEN (GPD)**		**TOTAL ** (8/1/13)**	**ESCROW*****
Tier 1	0	300	$ 68.37	$ 15.95
Tier 2.1	301	400	$ 83.37	$ 19.49
Tier 2.2	401	500	$ 98.37	$ 23.02
Tier 2.3	501	600	$ 113.37	$ 26.56
Tier 2.4	601	700	$ 128.37	$ 30.10
Tier 2.5	701	800	$ 143.37	$ 33.63
Tier 2.6	801	900	$ 158.37	$ 37.17
Tier 2.7	901	1000	$ 173.37	$ 40.71
Tier 3.1	1001	2000	$ 331.32	$ 77.95
Tier 3.2	2001	3000	$ 489.27	$ 115.19
Tier 3.3	3001	4000	$ 647.22	$ 152.43
Each additional tier			$ 159.79	$ 37.24

Each customer will be billed the minimum monthly charge unless Limestone determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, Limestone will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which Limestone does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days Limestone will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve the customer. For purposes of this section,

cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

** Bonding amount of $2.40 included
*** Escrow amount is included

STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for $6,000. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

Estimate Tap Fees:

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	$3,750.00
400	4	$5,000.00
500	5	$6,250.00
600	6	$7,500.00
700	7	$8,750.00
800	8	$10,000.00
900	9	$11,250.00
1000	10	$12,500.00

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 15e – Lakeside Estates Disconnections and Reconnections

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 16b – Revenue GL Detail

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 23 – Sample Bills

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 26a – CIAC Amortization

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 27 – CSWR Allocated Costs

CONFIDENTIAL

Limestone Water Utility Operating Company, LLC
Jointly Billed Costs

Calendar Year 2022

ERP Account Number	Account Description	NARUC Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
903100	Cust Record Collect (Billing)	675/775	1,773.00	1,766.25	1,761.75	1,775.25	1,791.00	2,553.07	2,553.07	4,755.82	4,684.81	4,687.95	4,731.09	6,983.74
923500	OSS - Audit and Accounting	632/732	486.00	486.00	486.00	486.00	486.00		972.00	486.00	486.00	486.00	486.00	
923600	OSS - MGMT Consult	634/734	24.00	95.15		274.19	1,245.23	220.73		4,050.45	1,920.99	864.07		
924400	Property Insurance - Commercial	657/757		1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00

Calendar Year 2023

ERP Account Number	Account Description	NARUC Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
903100	Cust Record Collect (Billing)	675/775	4,726.50	4,733.25	4,767.00	5,500.50	5,439.75	7,614.75	5,766.00	5,867.25		5,763.75	5,763.75	5,799.75
923500	OSS - Audit and Accounting	632/732		486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00	
923600	OSS - MGMT Consult	634/734	2,173.46			3,418.84	1,212.33		4,127.86	963.56				
924400	Property Insurance - Commercial	657/757	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00	4,169.00

Calendar Year 2024

ERP Account Number	Account Description	NARUC Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
903100	Cust Record Collect (Billing)	675/775	5,797.50	5,802.00	5,930.25	5,964.00	6470.2	6457.54	6502.24	6430.78
923500	OSS - Audit and Accounting	632/732								
923600	OSS - MGMT Consult	634/734								
924400	Property Insurance - Commercial	657/757	4,078.63	4,078.63	4,078.63	4,078.63	4078.63	4078.63	4078.63	4078.63

Jointly Billed Costs definition per the CAM: Costs charged to CSWR, LLC but which benefit one or more subsidiaries in a directly identifiable way.

These costs are billed to CSWR but are never recorded on CSWR's general ledger. All of the amounts in this worksheet are taken directly from and only ever recorded on the books of Limestone.

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 30 – Other Tax Returns

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 31 – Limestone Tax Return 2022

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 31 – Limestone Tax Return 2023

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 35 – Limestone Rate Case K&M

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 36 – Old Contract Amendment

CONFIDENTIAL

ASSIGNMENT AND ASSUMPTION OF CONTRACT

THIS ASSIGNMENT AND ASSUMPTION CONTRACT (this "Assignment") is entered into to be effective as of April _1_, 2023 ("Effective Date"), by and among Midwest Water Operations, LLC, a Missouri limited liability company ("Assignor"), Clearwater Solutions, LLC ("Assignee") and, solely for purposes of Sections 2 and 3, Limestone Water Utility Operating Company, LLC ("Limestone").

WHEREAS, Assignor has agreed to assign to Assignee all of Assignor's right, title, and interest in and to that certain Agreement Regarding Operation of Utility Treatment Facilities, dated February 15, 2023, by and between Limestone and Assignor (the "OM Contract").

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Assignment and Delegation. As of the Effective Date, Assignor hereby irrevocably (a) assigns, transfers and conveys to Assignee all of Assignor's right, title, and interest in and to the OM Contract, and (b) delegates to Assignee all of its obligations and liabilities under the OM Contract accruing from and after the Effective Date.

2. Assumption. From and after the Effective Date, Assignee hereby accepts the assignment and delegation by Assignor and expressly assumes all obligations and liabilities under the OM Contract accruing from and after the Effective Date.

3. Consent to Assignment. By executing this Agreement, Confluence hereby: (i) consents to the Assignment of the OM Contract from Assignor to Assignee; (ii) agrees that any notice requirement or review or response period contained in the OM Contract that may be triggered by the Assignment is hereby deemed satisfied and that the Assignment shall not be deemed an event of default under the OM Contract or otherwise give Bluegrass the right to terminate the OM Contract; (iii) waives any and all rights, remedies and privileges set forth in the OM Contract that prohibit the Assignment, effective as of the Closing Date; (iv) authorizes Assignor and Assignee to rely on the consent set forth herein and agrees that such consent shall inure to the benefit of and shall be enforceable by Assignor, Assignee and their respective successors and assigns; and (v) agrees that except as set forth in this Agreement, the OM Contract shall otherwise remain unmodified and in full force and effect notwithstanding the Assignment.

4. Miscellaneous. The parties hereto agree to execute such further documents and agreements as may be necessary or appropriate to effectuate the purposes of this Assignment. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives. Each individual executing this Assignment on behalf of his or her respective party represents that he or she is duly authorized to execute and deliver this Assignment on behalf of such party. This Assignment shall be construed in accordance with and governed by the laws of the State of Delaware and exclusive venue for any dispute hereunder shall be the St. Louis County District Court, State of Missouri. The parties may execute this Assignment in counterparts, each of which constitutes an original and all of which, when taken together, constitute one and the same instrument. Further, this Assignment may be

executed by the parties by facsimile signature (or other electronic format), such that execution of this Assignment by facsimile signature (or other electronic format) shall be deemed effective for all purposes as though this Assignment was executed as an original.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the Effective Date.

Confluence:

LIMESTONE WATER UTILITY OPERATING COMPANY, LLC

By: _____
Name: Josiah Cox
Title: President

Assignee:

CLEARWATER SOLUTIONS, LLC

By: Catherine Edwards
Name: Catherine Edwards
Title: Chief Executive Officer

Assignor:

MIDWEST WATER OPERATIONS, LLC

By: _____
Name: Terry Merritt
Title:

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 36 – Tennessee O&M Contract

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 37 – Insurance Policies

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 38 – Deductibles

CONFIDENTIAL

Docket/Case Number
W-1328 Sub 2
W-1328 Sub 3
WA-2021-0425
W-1328 Sub 11
W-1328 Sub 12
S-35756
53915
W-1328 Sub 14
54292
54489
WS-21155A-22-0324
54809
S-36583
55056
W-1328, Sub 15
WA-2024-0048
23-00070
55598
SA-2024-0129
WS-21155A-23-0269
WS-21155A-23-0267
WS-21155A-23-0268
23-00077
WS-21155A-23-0322
SA-2024-0307
WS-21155A-24-0092
24000034
56687 / 56681
56958
WS-21155A-24-0198
S-37365
S-37361
S-37362
S-37366
S-37363
S-37364
S-37368
S-37367
WM-2025-0065
SM-2025-0067
SM-2025-0080
2024-UA-110
2024-UA-109
2024-UA-110
2024-UA-110

Limestone Water Utility Operating Company, LLC
Allocation Percentages

	2022	2023	2024
Annual Average	3.50%	2.28%	2.18%

8x8, Inc
Anders CPAs and Advisors
Ansira
Beckemeier LeMoine Law
Box Inc.
ContractSafe
Corporate Hill Property Group, LLC
Elasticity LLC
Experience Fresh
Fairway Consulting and Engineering, LLC
Kimberly Faulkner
Link Computer Corporation
Liskow & Lewis, APLC
McIntosh & Associates LLC
Neer Technologies, Inc
Pearl Solutions Group LLC
Ramboll Americas Engineering Solutions, Inc.
S&P Global Market Intelligence
SPMR LLC
UHY Advisors
Valbridge Property Advisors
Vision33
Wrike, Inc.

RULES, REGULATIONS AND TARIFFS

FOR

AQUA UTILITIES COMPANY

706 MAIN STREET

SAVANNAH, TN 38372

PHONE 731-925-6547

A. STATEMENT OF PURPOSE

The general purpose of these rules and regulations are:

1. To establish procedures for furnishing water, sewerage, and sewer treatment services on uniform bases to customers within the service area boundary of Aqua Utilities Company.

2. To provide standards and procedures operation.

3. Establish rates and other charges.

B. DEFINITION OF TERMS

1. COMPANY: The word COMPANY shall mean the Aqua Utilities Company.

2. ENGINEER: The word ENGINEER shall mean the consulting engineer of the Aqua Utilities.

3. CUSTOMER: The word CUSTOMER shall mean any person, firm, corporation, association, or government unit furnished services by the COMPANY.

4. PROPERTY: The word PROPERTY shall mean all facilities owned and operated by the COMPANY.

5. COMMISSION: The word COMMISSION shall mean Tennessee Public Service Commission.

6. TRUNK SEWER: The words TRUNK SEWER shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from many tributary branches and terminates at the sewage treatment plant or major lift station.

7. COLLECTOR SEWER: The words COLLECTOR SEWER shall mean those sewers running within the development and conveying the sewage to the trunk sewer.

8. LATERAL SEWER: The words LATERAL SEWER shall mean those sewers extending from the Collector Sewer to the property line of the Customer.

9. BUILDING SEWER: The words BUILDING SEWER shall mean that sewer extending from the Customer's property line to his place of business or residence.

10. WATER MAIN: The words WATER MAIN shall mean all lines and appurtenances, including valves, meters, and fittings required to transport water through and including the individual service meters.

B. DEFINITION OF TERMS CONT.

11. WATER SERVICE LINE: The words WATER SERVICE LINE shall mean those lines extending from the Customer's service meter to his place of business or residence.

12. OWNER: The word OWNER, whenever the same appears herein, means the person, firm, corporation or association having the sole interest in any premises or property which is, or is about to be supplied with services by the Company, and the word OWNERS means all so interested.

13. TENANT: The word TENANT, whenever the same appears herein means anyone occupying a premises or property under lease, oral or written, from the Owner and obtaining services from the Company with the consent of his landlord.

14. CUSTOMER: The word CUSTOMER as used herein shall mean the party contracting for services.

B. AUTHORIZATION OF RULES AND REGUATIONS:

The Company, which is organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and necessity issued by the Tennessee Public Service Commission on _____ under Docket No. 90-04334, submits the following statement of its rules and regulations in compliance with Rule 602.2.

C. EFFECT OF RULES AND REGULATIONS:

All provisions of these rules and regulations shall be incorporated in each contract with each Customer of the Company.

D. UTILITY ITEMS ON PRIVATE PROPERTY:

The Company shall not furnish or maintain any items or appurtenances for services on the Customer's premise without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of Customers. The Building Sewer and water service line shall be maintained by the Customer.

E. APPLICATIONS FOR SERVICES:

All applications for services must be made on written forms provided by the Company. Upon acceptance thereof and payment to Company of any Commission-approved tap-on fee, such applications shall constitute a contract between the applicant as a Customer and the Company.

F. APPLICATIONS FOR SERVICES CONT.

A new application must be made upon any change in tenancy where the tenant has contracted for the services or by the new Owner upon any change in ownership where the Owner has contracted for services. Where more than one tenant is supplied through a meter, the application for the water service must be made by the Owner of the property.

When an application is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit. Any such deposit so made shall be subject to such terms and conditions as may be required by order of regulation of the Tennessee Public Service Commission.

No contract for services will be entered into by the Company with any applicant until all arrears and charges due by such applicant for services to any premises then or theretofore owned or occupied by him shall have been paid.

G. RULES GOVERNING SERVICE:

When the supply of water is to be temporarily shut off, advance notice will be given by the Company when practicable to all Customers affected by the shutting off, stating the probable duration of the interruption of service.

The Company will not permit its mains or services to be connected on any premises with any service pipe or piping which is connected with any other source of supply. The Company will not permit its mains or services to be connected in any way to any piping, tank, vat or other apparatus which contains liquids, chemicals, or any other matter which may flow back into the Company's service lines or mains.

The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure but reserves the right at any time, without notice to shut off the water in its mains for the purpose of making repairs or extensions or for other purposes.

The Company shall not be liable for a deficiency or failure, regardless of cause, in the supply of water or in the pressure nor for any damage caused thereby or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having broilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse, and all damage occasioned by any such collapse must be borne exclusively by the Customer.

The Company shall require all new Customers who desire both regular water service and fire protection to install separate service lines, one of which is to be used solely for private fire protection. The Company will not permit the use of water from separate fire protection lines except for the extinguishing of fires or fire drills.

The Company shall have the sole right to determine the size of meters, number of meters, valves, service line and connections necessary to give the service applied for.

G. RULES GOVERNING SERVICE CONT.

All applications for service connections must be made in writing on forms furnished by the Company by the person or parties desiring the same, must state the correct lot(s), block and street number of the property to be supplied, and must be signed by the Owner of the premises or his duly authorized agent.

A service line or building sewer shall not be used to supply more than a single property without the consent of the Company. The minimum earth cover of the Customer" service pipe installation shall be three (3) feet.

Service lines or building sewer shall not be installed where any portion must pass through lands, buildings or parts of buildings which are not the property of applicant, unless applicant assumes the liability therefor, in writing.

Meters will be maintained by the Company as far as ordinary wear and tear are concerned, but damage due to freezing hot water or external causes shall be paid for by the Customers (except for outside meter settings).

Rules and regulations regarding meter accuracy, meter testing and frequency of meter tests shall be as contained in the Tennessee Public Service Commission's Rules and Regulations Governing Public Utilities as from time to time revised.

No person other than a Company agent or employee shall take water from any fire hydrant except for fire fighting purposes, and no fire hydrant except for fire fighting purposes, and no fire hydrant shall be used for sprinkling streets, flushing sewers or gutters or for any other purpose except with the advance approval of the Company in writing.

Where water is to be used for steam boilers or other uses where a stoppage of water supply might cause damage, Customers are cautioned that it is impossible for the Company to guarantee a continuous supply of water and that the Customer should, therefore, arrange for adequate storage capacity.

Title to the main, service connections from the main up to and including the meter, stop cocks or values, buffalo boxes, meters and meter installations is vested in the Company, and shall not be trespassed upon or interfered with in any way.

Curb stops shall not be used by the Customer for turning on or shutting off the water supply. Control of the water supply by the Customer shall be by means of a valve located on the property where the Customer is provided with water service.

Where two or more Customers are supplied through a single service pipe, any violation of the rules and regulations of the Company by either or any of such Customers shall be considered as a violation by all, and the Company may take such action as may be taken for a single Customer committing the violation.

All employees of the Company whose duty compels them to enter the Customer's premises shall, upon request, show their credentials or other evidence of authority.

G. RULES GOVERNING SERVICE CONT.

If the Company finds that a meter seal or cover has been broken of any bypass inserted or there is evidence that the meter or meter seal or cover has been tampered with, the water will be shut off and not turned on again until the Customer has paid for the estimated quantity of water which has been used for the preceding four (4) month period and not registered plus the cost to restore the meter to proper working order and other expense incurred by the Company, plus the reconnection fee hereinabove specified.

It is specifically understood that the Company does not hold itself out to render private fire protection service.

The Company does not hold itself out to furnish public fire protection service.

Automatic lawn sprinklers or sprays or other attachments requiring large quantities of water will be permitted only when water is furnished by meter measurement. The Company reserves the right to restrict lawn sprinkling by Customers whenever in its judgment there is not an adequate supply of water available for such purposes.

A supply of water for construction or other special purposes must be applied for in writing, and the Company reserves the right to require a suitable deposit from the applicant. Water so supplied shall be discharged through a hose or pipe directly upon the material to be wet or into a barrel or other container and not upon the ground or into or through a ditch or trench, and all use of water by other than the applicant or for any purposes or upon any premises not described or stated in the application must be prevented by the applicant.

For all sewerage connections, in addition to the customary tap fees, the Company reserves the right to require any non-residential user to provide special treatment for any high strength or toxic effluent before discharge into its sewerage system. The Company may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees of flat rate charges to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewerage system. Generally, only domestic sewage or its equivalent if allowed in the system without pre-treatment. All State and Environmental Protection Agency pre-treatment requirements must be followed.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume in order to compute additional taps required.

H. BILLS AND PAYMENT OF SERVICES:

Customers are liable for payment for all water used on the premises or property until notice has been received at the Company's office that the use of water is no longer desired. Customers are liable for all water shown to have passed through the meter whether by use, wastage or leakage.

A Customer's bill will not be considered past due unless it remains unpaid subsequent to the due date printed on the bill. This due date will be twenty-one (21) days after the bill is mailed.

H. BILLS AND PAYMENT OF SERVICES CONT.

Bills for metered service shall be rendered monthly unless otherwise specified in the rate schedule then in effect, and shall show the readings of the meter at the beginning and end of the period for which the bill is rendered as well as consumption for the period.

Bills for water service will be mailed or delivered to the Customer's last address as shown by the records of the Company when due, but failure to receive a bill will not relieve the Customer from the obligation to pay the same. All bills and other accounts must be paid at the office of the Company.

In case the meter cannot be read for any cause, the Company will require a payment of account equal to the estimated bill for the period involved.

In cases where for any cause the meter cannot be read for a period of two (2) billing periods, the Company will turn off the water upon (5) days written notice (8 days, if mailed) unless the Customer provides access to the meter immediately.

Where a meter has ceased to register or is registering improperly, the quantity of water for which the bill will be rendered will be determined by the average registration of the meter for the prior three (3) billing periods.

I. DISCONTINUANCE OF SERVICE:

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as herein set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company as filed with the Commission.
8. For disconnecting or reconnecting service by any party other than a duly authorized agent of the Company without the consent of the Company.
9. For discharge of high strength or toxic effluent without pre-treatment.
10. For waste of water due to leakage.

I. DISCONTINUANCE OF SERVICE CONT.:

11. For cross-connecting the Company's supply with any other source of supply, or with any apparatus which may endanger the quality or health standard of the Company's water supply.

If a Customer whose service has been discontinued for non-payment of bills or for violation of the rules and regulations of the Company desires a reconnection, such reconnection will only be made after the Customer:

(a) has made a deposit to insure future payment of bills (in cases only where no deposit was originally made or where such deposit has been applied to payment of the Customer's delinquent account);

(b) has paid all unpaid bills and other charges;

(c) had paid a reconnection fee;

(d) and has corrected any condition found objectionable under rules and regulations of the company.

J. SECURITY DEPOSITS:

Each new Customer, before connection or reconnection of the service, may be required to make a refundable deposit to secure payment of Customer. Interest of six percent (6%) will be paid on any such refundable deposit. Deposits shall be refunded when service is terminated, unless the deposit is used to satisfy last bill requirements.

K. ENGINEERING, MATERIALS, AND CONSTRUCTION STANDARDS:

All sewerage systems added to the Company system shall meet the Company Requirements.

A prospective Customer shall submit one (1) copy of a preliminary plan of any proposed service system to the Engineer.

Upon approval of the preliminary plans, a prospective Customer shall submit three (3) copies of a final set of plans to the Engineer.

The final plans shall contain a note that all construction is to conform to the technical specifications of the company.

A set of final plans with the approval stamp of the Engineer shall be present at the site of the construction at all times during construction.

One set of "As-Built" plans shall be submitted to the Engineer and one to the Company upon completion.

The Company shall be given 24 hours notice of construction in order to provide adequate inspection.

SCHEDULE OF RATES & CHARGES

Monthly Water Service:	
First 1,000 gallons per month	$19.65 **(I)**
Monthly usage in excess of 1,000 gallons applied pro rata	$3.05 per 1,000 gallons **(I)**
Monthly Wastewater Service:	
First 1,000 gallons per month	$19.65 **(I)**
Monthly usage in excess of 1,000 gallons applied pro rata	$3.05 per 1,000 gallons **(I)**
Service Connection Charges:	
Water	$1,425.00 **(I)**
Wastewater	$1,425.00 **(I)**
Reconnects due to Seasonal Disconnects:	
Water	$120.00 **(I)**
Wastewater	$120.00 **(I)**
Reconnects due to Non-Payment of Bill:	
Water	$15.00
Wastewater	$15.00
Miscellaneous Charges:	
Returned Check Charge	$20.00
Forfeited Discount Rate	5.00%

Limestone Water UOC

Wastewater Service Tariff

TRA #1
Rate Schedules

SCHEDULE OF RATES & CHARGES
GRASSLAND SERVICE TERRITORY

Residential Monthly Wastewater Service:

1-2 Bedroom	$42.00
2 Bedroom	$42.00
3 Bedroom	$46.50
4 Bedroom	$52.00
5 Bedroom	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

SCHEDULE OF RATES & CHARGES
ARRINGTON RETREAT SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

SCHEDULE OF RATES & CHARGES
HIDEAWAY SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29, or $10,000.00 whichever is greater.*

SCHEDULE OF RATES & CHARGES
HARDEMAN SPRINGS SERVICE TERRITORY

Residential Monthly Wastewater Service:

All Residential Customers	$55.25

Commercial Monthly Wastewater Service:

Rate per 1,000 Gallons per Month (Actual or Estimated Flow)	$8.75
Minimum Monthly Charge	37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	$7.50
Returned Check Charge	$25.00
Disconnection Charge	$10.00
Reconnection Charge	$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

Property Owner/Builder/Developer Fees:

Residential Tap Fee	$10,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	$14.29*
Construction Inspection Fee	$250.00
Construction Reinspection Fee	$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

**- Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known) * $14.29 or $10,000.00, whichever is greater.*

Limestone Water Utility
Operating Company, LLC
1630 Des Peres Rd. Suite 140
St. Louis, MO 63131

Schedule of Rates and Charges
Chapel Woods Service Territory

Residential Monthly Wastewater Service:

All Residential Customers:	$29 per month

* Indicates new rate or text
\+ Indicates change

DATE OF ISSUE _____ DATE EFFECTIVE _____
Month Day Year Month Day Year

ISSUED BY Josiah Cox President
name of officer title address

Limestone Water UOC

Wastewater Service Tariff

TRA #2
Rules and Regulations

RULES AND REGULATIONS

Statement of Purpose

The general purposes of these rules and regulations are to establish procedures for furnishing sewerage and sewage treatment services on a uniform basis to customers within the service area boundary of Cartwright Creek, LLC.

Definition of Terms

1. Company - The word Company shall mean the Cartwright Creek, LLC.
2. Engineer - The word Engineer shall mean the consulting engineer of Cartwright Creek, LLC.
3. Customer - The word Customer shall mean any person, firm, corporation, association or government unit furnished sewerage services by the Company.
4. Property-The word Property shall mean all facilities owned and operated by the Company.
5. Commission - The word Commission shall mean the Tennessee Regulatory Authority.
6. Sewer – Piping, both gravity and pressure type, not on the customer's property, that collect and transport wastewater, including valves, manholes, access boxes, valve vaults, cleanouts, and other devices on the sewer.
7. Collection lines – See Sewer.
8. Lateral Sewer – The words Lateral Sewer shall mean the piping extending from the Collection lines to the Customer's property line (for customers with gravity only sewer connections) or to the Service Box (for customers with grinder pumps).
9. Service Box – For Customers with grinder pumps, a below ground valve assembly installed at each individual customer's property that connects to the Company's lateral sewer and where the customer's Service line is connected.
10. Service line – For customers with gravity sewer connections, the piping on the Customer's property extending from the Lateral Sewer to the customer's place of business or residence. For customer's with grinder pumps, the piping on the customer's property that connects the Grinder Pump to the Service Box, including the cleanout and connection to the pump.
11. Grinder Pump – The individual grinder pump installed at each residential or non-residential service location that receives and pumps sewage from the customer to the Company's sewer. This includes the pump, the pump sump, electrical control panel, and interconnecting wiring.
12. Residential Service - The words Residential Service shall mean the provision of wastewater service to a customer whose primary use is for the customer's personal dwelling.
13. Commercial Service – The words Commercial Service shall mean the provision of wastewater service to a customer whose primary use is for other than the customer's personal dwelling.

Authorization of Rules and Regulations

Cartwright Creek, LLC, a corporation organized and engaged in business as a public utility in the State of Tennessee under a transferred Certificate of Convenience and Necessity approved by the Tennessee Regulatory Authority on November 8, 2004, under Docket No. 04-00358, submits the following statement of its rules and regulations.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of the Company.

Utility Items on Private Property

1. For Customers with gravity connections, the Customer shall own and maintain all piping within the residence or commercial building and exterior piping and Service Line.
2. For Customers with grinder pumps, the Customer shall own and maintain all piping within the residence or commercial building and external piping connecting to the grinder pump. The Company shall maintain the grinder pump and service line and the Customer shall be responsible for the cost of repair and maintenance of the grinder pump and service line. The Customer shall be responsible for furnishing and maintaining electrical power to the grinder pump.

Discontinuance of Service

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth.
2. For misrepresentation in the application.
3. For modifying or repairing any Property of the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For damaging any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For disconnecting or re-connecting service by any party other than a duly authorized agent of the Company without the consent of the Company.

Non-payment Penalties

A penalty of five (5%) percent of the monthly charge will be due after the 15th day of each month for which a bill has been rendered. After twenty (20) days non-payment after the first day of the month in which the bill is payable, the Company may shut-off the customer's service; provided, however, the Company will give the customer an additional fifteen (15) days' notice before discontinuation. A fee of Ten and No/100 ($10.00) Dollars will be charged for disconnection and a Fifteen and No/100 ($15.00) Dollars fee will be charged for re-connection of service, plus the actual cost of remedying any damage to the shut-off valve or other facilities. No service shall be turned on again if discontinued for non-payment (or any other valid reason) until all charges have been paid, including disconnection and re-connection fees.

Change in Ownership, Tenancy of Service

A new application and agreement must be made and approved by the Company on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made and approved.

Security Deposits

Each new Customer, before connection or re-connection, of the service may be required to make a refundable deposit to secure payment of sewerage bills in an amount double the monthly bill for that particular type of customer.

Engineering Materials and Construction Standards

To be provided upon written request.

Special Pretreatment Sewage Requirements

For all sewerage connections, in addition to the customary tap fees, the Company reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the tap fees or flat rate charges to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewerage system.

Additionally, if excessive volumes or high strength of sewage are received, the Company may require the Customer to monitor flow volume in order to adjust the monthly sewer service rate.

Damages

The Company shall in no event be responsible for maintaining any service line owned by the Customer, nor for damages created by sewage escaping therefrom, nor for defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority, and of the Company, relating to the service lines and shall make all changes in his line required on account of grade or otherwise.

All leaks in any pipe or fixture on the premises of the Customer shall be immediately repaired. If the Customer fails to repair any such leak, the service may be discontinued until repairs are made.

Inspection

All pipes, valves and fixtures shall be subject to inspection at all reasonable hours by the Company or its duly authorized agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption of service, or for damages or inconveniences as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company.

Extension Plan

The Company may furnish sewer services to additional property owners. The sewer service charges and tap fees identified in the Company's Tariff do not include costs for constructing new sewers. Any collector and/or lateral sewers required to service such properties shall be constructed at the cost of those parties desiring same, and these sewers shall become the property of the Company, to be credited to the account for contributions in aid of construction.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company:

1. A sewer service contract.
2. The application and contract for sewer tap services (when applicable).

Customer Billing Forms

All customer billings shall be on a standard form whether residential, commercial or industrial.

Public Contact

Billing:
Cartwright Creek, LLC
Bruce Meyer
1551 Thompson's Station Road West
Thompson's Station, TN 37179
615-261-8615

Plant Operations:
Cartwright Creek, LLC
Bruce Meyer
1551 Thompson's Station Road West
Thompson's Station, TN 37179
615-261-8600

Tennessee Regulatory Authority Regulations

The utility in its operation shall conform with all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

Returned Checks

Any Customer whose personal check is returned by the bank shall pay the Company an additional fee of $25.00, which will be clearly indicated on the bill.

Payment Plans

The Company offers each customer the opportunity to resolve any past due balances to avoid "Non-payment Penalties". Customer may pay a past due bill, including returned check fees and other charges, disconnection and reconnection charges in a payment plan over a three to six-month billing cycle. Customers that desire to take advantage of this plan should submit their written request to the Company's business office.

If service has been disconnected, service will be reconnected within 2 days of receiving the first payment. The Company will offer one such payment plan within a full calendar year.

In the event that a customer on a payment plan fails to pay a monthly installment as per the terms of the plan and is more than fifteen (15) business days late on any payment, then the customer's service is subject to disconnection and all past due charges in addition to disconnect/reconnect fees would become due and payable prior to having service restored.

Alternative Address Notification

Customers can provide an alternative address for notification for potential disconnection that will also receive the required notices of disconnection. Customers shall submit alternative notification requests to the Company in writing.

Limestone Water UOC
1630 Des Peres Road
Des Peres MO 63131

SEWER SERVICE CONTRACT

_____Number of Bedrooms _____Square Feet

Responsible Party for paying the bill:

Customer Name _____

Address of Service _____

_____
CITY STATE ZIP

Mailing Address (if different) _____

_____
CITY STATE ZIP

Phone: Home # _____ Work # _____

Email address: _____
(Cartwright Creek does not sell or provide customer contact information to third parties.)

Contact Person (if different from Customer) _____

I hereby make application to Cartwright Creek, LLC for connection with the mains of the sewer system and agree to pay for access, tap and service fees according to prevailing rates as identified in the Company's Tariff.

The Customer understands that the Company will provide a monthly bill to the Customer for sewerage services furnished. A penalty provision of five (5%) percent of the monthly charge applies to all bills after the 15th day of each month for which a bill has been rendered and will give the Company the right to collect such penalty. The failure to pay said bill the 20th day of the month following said bill will give the Company the immediate right to discontinue the furnishing of service, or to enforce a lien against the applicant's property. The Customer understands and acknowledges that failure to pay the monthly service or other charges when due may result in a lien against his property. If the Customer elects to terminate service, such termination shall be done by written notice to the Company 30 days prior to the requested termination date.

I understand that all service is subject to the rules and regulations of Cartwright Creek, LLC tariff, which may be amended from time to time and that these rules and regulations are part of this agreement.

Date _____ Signed _____

Contract approved and issued:

Date _____ By _____

Office Use Only:

Account # _____

Limestone Water UOC.
1630 Des Peres Road
Suite 140
St. Louis, MO 63131

TRA Tariff No. 1
1st Revised Page 1
Cancels Original Page 1

Issue Date: February 22, 2023
By: Josiah Cox, President

Effective Date: May 20, 2007

TARIFF OF

LIMESTONE WATER UOC (SHILOH FALLS)

CONSISTING OF

SCHEDULE OF RATES, TERMS AND CONDITIONS

FOR

SANITARY SEWER SERVICE

APPLYING TO

SHILOH FALLS UTILITIES SERVICE AREA.
COUNCE, TENNESSEE

NO MODIFICATION OF THESE SCHEDULES SHALL BE MADE EXCEPT FOR THE PURPOSE OF CANCELING OR SUPERSEDING PREVIOUSLY ISSUED SCHEDULES

ISSUED: February 22. 2023 Effective: May 20, 2007
By: Josiah Cox, President

CHECK SHEET

The pages of this tariff are effective as of the date shown at the top of the respective pages. Original and revised pages as shown named below comprise all changes from the original tariff and are currently effective as of the date shown on the top of this page.

Title Page	1st Revised
-i-	Original
-ii-	Original
2	1st Revised
3	1st Revised
4	1st Revised
5	1st Revised
6	2nd Revised
7	1st Revised
8	2nd Revised

ISSUED: February 22, 2023 Effective: May 20, 2007
By: Josiah Cox, President

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ISSUED: February 22, 2023 Effective: May 20, 2007
By: Josiah Cox, President

TITLE PAGE

EXPLANATION OF SYMBOLS

When changes are made in any tariff page, a revised page will be issued canceling the tariff page affected; such changes will be identified through the use of the following symbols:

(C)	To signify changed regulation
(D)	To signify discontinued rate, regulation or text
(I)	To signify increase
(M)	To signify a move from one page to another with no change to text, regulation or Tariff
(N)	To signify new rate, regulation or text
(R)	To signify reduction
(S)	To signify matter already appearing in another part of the tariff and repeated for clarification
(T)	To signify a change in text but no change in rate or regulation
(V)	To signify vintaged tariff

RULES AND RIGULATIONS

Governing the Sewerage and Sewage Treatment System

of LIMESTONE WATER UOC (SHILOH FALLS).

STATEMENT OF PURPOSE

The general purposes of these rules and regulations are:

1. To establish procedures for furnishing sewerage and sewage treatment services on a uniform basis to customers within the service area boundary of the Shiloh Falls service area.

2. To provide standards and procedures for:

   a. Acceptable sewage characteristics

   b. Excessive sewage volume

   c. Engineering design standards

   d. Construction and inspection requirements

   e. Quality of materials

DEFINITION OF TERMS

1. Corporation – shall mean LIMESTONE WATER UOC.

2. Engineer – shall mean the consulting engineer of LIMESTONE WATER UOC.

3. Customer – shall mean any person, firm, corporation, association or government unit furnished sewerage by the Corporation.

4. Property – shall mean all facilities owned and operated by the Corporation.

5. Authority – shall mean the Tennessee Regulatory Authority.

6. Sewer Main – shall mean a sewer pipeline that is under pressure, receives sewage from other branches, runs adjacent to roadways and terminates at the sewage treatment plant, or a major lift station.

7. Trunk Sewer – shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from any tributary branches and terminates at the sewage treatment plant or major lift station.

8. Collector Sewer – shall mean those sewer lines running within the service area and conveying the sewage, to the trunk sewer on the main by pressure or gravity. (T) (T)

9. Lateral Sewer – shall mean those sewers extending from the Collector Sewer to the property line of the Customer.

10. Building Sewer – shall mean that sewer piping, gravity, or pressures extending from the Customer's property line to his place of business or residence.

AUTHORIZATION OF RULES AND REGULATIONS

Shiloh Falls was a corporation organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and Necessity issued by the Tennessee Regulatory Authority on or about May 20, 1996 under Docket No. 95-03948, submits the following statement of its rules and regulations.

EFFECT OF RULES AND REGULATIONS

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of LIMESTONE WATER UOC.

UTILITY ITEMS ON PRIVATE PROPERTY

The Corporation shall not furnish or maintain any items or appurtenances for sewer service on the customer's premises without execution of an agreement for an easement or encroachment. No property of the Corporation shall be located on the premises of the customers except sewer shut-off valves maintained by the Corporation. All grinder pumps and tanks for grinder pumps shall be located on the customer's property and maintained by the customer. (T)

DISCONTINUANCE OF SERVICE

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Corporation.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Corporation in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Corporation.
8. For disconnecting or re-connecting service by any party other than a duly authorized agent and/or approved service provider of the Corporation without the consent of the Corporation.

NON-PAYMENT PENALTIES

All customers located within the service area are provided water by the First Utility District of Hardin County, Tennessee. All customers agree that their water services may be terminated at the request of the Corporation due to the non-payment of sewer charges, said termination of water service being the approved and agreed method to enforce the collection of sewer charges. No service shall be turned on again if discontinued for non-payment (or any valid reason) until all outstanding charges have been paid. (T) (T)

CHANGE OF OWNERSHIP, TENANCY, OR SERVICE

A new application and agreement must be made and approved by the Corporation on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Corporation shall have the right to discontinue service until such new application is made and approved.

ISSUED: February 22, 2023 Effective: May 20, 2007 (T)
By: Josiah Cox, President (T)

RETURN CHECK CHARGES

For any and all returned checks submitted by the customer to the utility, the customer shall be responsible to reimburse the utility for actual bank charges incurred by the utility for the non-payment of said funds plus a $20.00 return check fee to cover administrative charges of the utility. (T)

GRINDER PUMPS

All customers must have an approved grinder pump and collection system which meets the specifications as established by the Engineer. The customer shall have the sole responsibility to maintain the grinder pump.

SPECIAL PRETREATMENT SEWAGE REQUIREMENTS

For the sewerage connections, in addition to the customary tap fees, the Corporation reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Corporation may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees or flat rate charges to cover the cost of treatment of high strength effluent or industrial waste with the approval of the Authority, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharge into its sewerage system.

DAMAGES

The Corporation shall in no event be responsible for maintaining any service line owned by the Customer, for damages created by sewage escaping therefrom, or for defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority, and the Corporation, relating to the service lines and shall make all changes in his lines required on account of grade or otherwise. All leaks in any pipe or fixture on the premises of the Customer shall be immediately repaired. On failure to repair any such leak, service shall be discontinued until repairs are made. (T)

IN EVENT OF EMERGENCY

The Corporation shall not be liable to the Customer for interruption in service or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Corporation.

EXTENSION PLAN

The Corporation will furnish sewer services to all property owners whose lands abut the trunk or main sewer. The sewer service charges and tap fees included in Appendix I do not include costs for constructing trunk sewers and lift stations. Any collector and/or lateral sewers required to service such abutting properties shall be constructed at the cost of the party desiring it, and these sewers shall become the property of the Corporation to be credited to the account for contribution in aid of construction. If the said desiring party does not wish to construct his own collector and lateral sewers, the Corporation may construct them and charge the developer the total project costs for the same. The desiring party shall obtain at its expense the easements required by the Corporation for any collector and/or lateral sewers. Plans for any extensions shall be reviewed and approved by the Engineer prior to construction. (T)

CONTRIBUTIONS IN AID OF CONSTRUCTION & ADVANCES IN AID OF CONSTRUCTION

If any contribution and/or advance remitted to the utility in aid of construction is treated as taxable revenues by the IRS whether in the form of property or cash, the contributing party shall absorb and/or pay the utility the actual amount of tax liability incurred due to said contribution or advance. The contribution or advance will be equal to the "original cost" if in the form of property or face value if in the form of cash. (T)

CONTRACTS FOR SERVICE

Each customer before installation of service shall be required to execute on the appropriate form furnished by the Corporation or its designated representative: (T)

1. An application and contract for service.

CUSTOMER BILLING FORMS

All customer billings shall be on a standard form whether residential, commercial or industrial.

PUBLIC CONTACT

Josiah Cox (T)
LIMESTONE WATER
UOC. 450 Church Street (T)
P. O. Box 1027 (T)
Savannah, Tennessee 38372 (T)

TENNESSEE REGULATORY AUTHORITY

The utility in its operation shall conform with all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

MONTHLY SEWER SERVICE BILLING

Residential, Condominium, House or Apartment:

Charge per 1,000 gallons (actual or assumed flow)	$ 3.71
Minimum monthly charge	$ 8.90

Non-Residential:

Charge per 1,000 gallons (actual or assumed flow)	$ 3.71
Minimum monthly charge	$ 8.90

SEWER CONNECTION FEES

Residential and Commercial	$ 850.00

GENERAL FEES

Returned Check Charges	$ 20.00

TENNESSEE PUBLIC SERVICE COMMISSION NO. 19

TENNESSEE-AMERICAN WATER COMPANY

CHATTANOOGA, TENNESSEE

RATES, RULES, REGULATIONS AND CONDITIONS OF WATER SERVICE

ISSUED BY: D. L. Edgemon, President
1101 Broad Street
Chattanooga, Tennessee

Issued in compliance with the Order of the TPSC Commission dated 5/4, 1990 Docket No. U-89-15388

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(I) **Increase in rate**
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(C) **Change**
(E) **Eliminated**

Issued in compliance with the Order of the TRA Commission dated 10/31/96, 19__, No. 96 00559

CLASSIFICATION OF SERVICE

RESIDENTIAL

1. Schedule of Rate and Charges Available For:

a) The General Water Service Tariff is available for public water supply service in all
(C) territory served by the Company except that area served by the Lookout Mountain System, Elder Mountain, territory served in Lakeview and other unincorporated areas in Georgia, east of Rossville, Suck Creek and other unincorporated areas of Marion County served by Suck Creek Utility District, and the territory served by Lone Oak Utility District.

b) The Lookout Mountain Tariff is available for public water supply service in the territory served by the Company's Lookout Mountain High Service Area in the town of Lookout Mountain, Tennessee, Lookout Mountain, Georgia, and Elder Mountain, Tennessee.

c) The Lakeview Tariff is available for public water supply service in the territory served by the Company in Lakeview and other unincorporated areas of Georgia, east of Rossville as indicated on the Service Area Map: TPSC No. 19 Pages 13 and 14.

d) The Suck Creek Tariff is available for public water supply service in the territory served by the Company in Suck Creek and other unincorporated areas of Marion County formerly served by Suck Creek Utility District.

e) The Lone Oak Tariff is available for public water supply service in the territory served by the Lone Oak Utility District.

(C) Change in text

CLASSIFICATION OF SERVICE

COMMERCIAL

1. Schedule of Rate and Charges Available For:

a) The General Water Service Tariff is available for public water supply service in all
(C) territory served by the Company except that area served by the Lookout Mountain System, Elder Mountain, territory served in Lakeview and other unincorporated areas in Georgia, east of Rossville, Suck Creek and other unincorporated areas of Marion County served by Suck Creek Utility District, and the territory served by Lone Oak Utility District.

b) The Lookout Mountain Tariff is available for public water supply service in the territory served by the Company's Lookout Mountain High Service Area in the town of Lookout Mountain, Tennessee, Lookout Mountain, Georgia, and Elder Mountain, Tennessee.

c) The Lakeview Tariff is available for public water supply service in the territory served by the Company in Lakeview and other unincorporated areas of Georgia, east of Rossville as indicated on the Service Area Map: TPSC No. 19 Pages 13 and 14.

d) The Suck Creek Tariff is available for public water supply service in the territory served by the Company in Suck Creek and other unincorporated areas of Marion County formerly served by Suck Creek Utility District.

e) The Lone Oak Tariff is available for public water supply service in the territory served by the Lone Oak Utility District.

(C) Change in text

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Seventh Revision of Sheet No. 3-I
Canceling
Sixth Revision of Sheet No. 3

CLASSIFICATION OF SERVICE

INDUSTRIAL

1. Schedule of Rates and Charges Available For:

a) The General Water Service Tariff is available for public water supply service in all territory served by the Company except that area served by the Lookout Mountain System, Elder Mountain, and territory served in Lakeview and other unincorporated areas in Georgia, east of Rossville.

b) The Lookout Mountain Tariff is available for public water supply service in the territory served by the Company's Lookout Mountain High Service Area in the town of Lookout Mountain, Tennessee, Lookout Mountain, Georgia, and Elder Mountain, Tennessee.

c) The Lakeview Tariff is available for public water supply service in the territory served by the Company in Lakeview and other unincorporated areas of Georgia, east of Rossville as indicated on the Service Area Map: TPSC No. 19, Pages 13 and 14.

ISSUED: February 4, 2005 EFFECTIVE: March 9, 2005

BY: JOHN WATSON, VICE PRESIDENT AND GENERAL MANAGER
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE

OTHER PUBLIC AUTHORITY

1. Schedule of Rates and Charges Available For:

a) The General Water Service Tariff is available for public water supply service in all territory served by the Company except that area served by the Lookout Mountain System, Elder Mountain, and territory served in Lakeview and other unincorporated areas in Georgia, east of Rossville.

b) The Lookout Mountain Tariff is available for public water supply service in the territory served by the Company's Lookout Mountain High Service Area in the town of Lookout Mountain, Tennessee, Lookout Mountain, Georgia, and Elder Mountain, Tennessee.

c) The Lakeview Tariff is available for public water supply service in the territory served by the Company in Lakeview and other unincorporated areas of Georgia, east of Rossville as indicated on the Service Area Map: TPSC No. 19, Pages 13 and 14.

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Seventh Revision of Sheet No. 3-S
Canceling
Sixth Revision of Sheet No. 3

CLASSIFICATION OF SERVICE

SALE FOR RESALE

1. Schedule of Rates and Charges Available For:

a) The General Water Service Tariff is available for public water supply service in all territory served by the Company except that area served by the Lookout Mountain System, Elder Mountain, and territory served in Lakeview and other unincorporated areas in Georgia, east of Rossville.

b) The Lookout Mountain Tariff is available for public water supply service in the territory served by the Company's Lookout Mountain High Service Area in the town of Lookout Mountain, Tennessee, Lookout Mountain, Georgia, and Elder Mountain, Tennessee.

c) The Lakeview Tariff is available for public water supply service in the territory served by the Company in Lakeview and other unincorporated areas of Georgia, east of Rossville as indicated on the Service Area Map: TPSC No. 19, Pages 13 and 14.

ISSUED: February 4, 2005 EFFECTIVE: March 9, 2005

BY: JOHN WATSON, VICE PRESIDENT AND GENERAL MANAGER
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
RESIDENTIAL

SERVICE CHARGES:

Service Charge Per Month

Meter Size	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
5/8"	$ 13.96	(I)	$ 15.66	(I)	$ 15.66	(I)
3/4"	23.45	(I)	23.45	(I)	23.45	(I)
1"	39.01	(I)	39.01	(I)	39.00	(I)
1-1/2"	78.05	(I)	78.05	(I)	78.05	(I)
2"	124.88	(I)	124.89	(I)	124.88	(I)
3"	234.52	(I)	234.14	(I)	234.14	(I)
4"	390.25	(I)	390.25	(I)	390.25	(I)
6"	780.50	(I)	780.50	(I)	780.50	(I)
8"	1,248.77	(I)	1,248.77	(I)	1,248.77	(I)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
0-4 CCF/Mo.	$ 0.2667	(I)	$ 0.9935	(I)	$ 0.4910	(I)
4-65	4.2303	(I)	5.4492	(I)	4.6618	(I)
65-500	2.6577	(I)	3.8766	(I)	3.0893	(I)
500-5,000	1.9870	(I)	2.7065	(I)	2.2078	(I)
5,000-15,000	1.5188	(I)	2.2433	(I)	1.7409	(I)
Over 15,000	0.9019	(I)	1.6264	(I)	1.1240	(I)

(I) Increase

CLASSIFICATION OF SERVICE
RESIDENTIAL

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 3.0	$ 0.3566	$ 1.3282	$ 0.6564	(C)
3.0 – 48.6	5.6555	7.2850	6.2324	(C)
48.6 - 374	3.5531	5.1826	4.1301	(C)
374 – 3,740	2.6564	3.6183	2.9516	
3,740 – 11,200	2.0305	2.9991	2.3274	
Over 11,200	1.2057	2.1743	1.5027	

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 30	$ 0.03566	$ 0.13282	$ 0.06564	(C)
30 – 486	0.56555	0.72850	0.62324	(C)
486 – 3,740	0.35531	0.51826	0.41301	(C)
3,740 – 37,400	0.26564	0.36183	0.29516	
37,400 – 112,000	0.20305	0.29991	0.23274	
Over 112,000	0.12057	0.21743	0.15027	

(C) Text Change that revises block for each rate

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Third Revised Sheet No. 4-RSC
Cancelling
Second Revision Sheet No. 4-RSC

CLASSIFICATION OF SERVICE
RESIDENTIAL

For all residential customers of Suck Creek.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Suck Creek General Water Service	
First 1,500 gallons	$ 30.60	(C)
Next 7,900 gallons	$ 6.0731 per 1,000 gallons	(C)
All over 9,400 gallons	$ 4.5551 per 1,000 gallons	(C)

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Suck Creek General Water Service	
First 1,500 gallons	$ 30.60	(C)
Next 7,900 gallons	$ 0.60731 per 100 gallons	(C)
All over 9,400 gallons	$ 0.45551 per 100 gallons	(C)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Suck Creek General Water Service
First 2 CCF	$30.60
Next 10.667 CCF	$4.5427 per CCF
Over 12.667 CCF	$3.4072 per CCF

(C) Text Change that revises block for each rate

ISSUED: March 1, 2013

EFFECTIVE: March 31, 2013

BY: Deron E. Allen,
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY
LONE OAK UTILITY DISTRICT – O & M

TRA No. 19
Third Revised Sheet No. 4R-LO
Cancelling
Second Revision of Sheet No. 4R-LO

CLASSIFICATION OF SERVICE
RESIDENTIAL

For all residential customers of Lone Oak.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Lone Oak General Water Service	
First 2,000 gallons	$42.03	(C)
All over 2,000 gallons	$7.2655 per 1,000 gallons	(C)

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Lone Oak General Water Service	
First 2,000 gallons	$42.03	(C)
All over 2,000 gallons	$0.72655 per 100 gallons	(C)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Lone Oak General Water Service
First 2.67 CCF	$42.03
All over 2.67 CCF	$5.4346 per CCF

(C) Text Change that revises block for each rate

ISSUED: March 1, 2013

EFFECTIVE: March 31, 2013

BY: Deron E. Allen
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE

APPLICABILITY

For all residential, commercial, industrial, other public authority, and sale for resale customers in the service area formerly served by the City of Whitwell.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Whitwell Inside City	Whitwell Outside City	
0 - 2,000 gallons	$14.45 +$6.00 = $20.45	$17.37 + $6.00 = $23.37	(N)
2,000 – 4,000	$4.80	$5.87	(N)
4,000 – 6,000	$4.56	$5.32	(N)
Over 6,000 gallons	$4.19	$4.37	(N)

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Whitwell Inside City	Whitwell Outside City	
0 - 2,000 gallons	$14.45 +$6.00 = $20.45	$17.37 + $6.00 = $23.37	(N)
2,000 - 4,000 gallons	$0.480	$0.587	(N)
4,000 – 6,000 gallons	$0.456	$0.532	(N)
Over 6,000 gallons	$0.419	$0.437	(N)

(N) New

ISSUED: April 22, 2013

EFFECTIVE: June 17, 2013

BY: Deron E. Allen,
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
COMMERCIAL

SERVICE CHARGES:

Service Charge Per Month

Meter Size	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
5/8"	$ 17.82	(I)	$ 20.01	(I)	$ 20.01	(I)
3/4"	29.93	(I)	29.93	(I)	29.93	(I)
1"	49.81	(I)	49.81	(I)	49.81	(I)
1-1/2"	99.66	(I)	99.66	(I)	99.66	(I)
2"	159.44	(I)	159.44	(I)	159.44	(I)
3"	298.98	(I)	298.97	(I)	298.97	(I)
4"	498.31	(I)	498.31	(I)	498.31	(I)
6"	996.64	(I)	996.64	(I)	996.64	(I)
8"	1,594.61	(I)	1,594.61	(I)	1594.61	(I)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
0-4 CCF/Mo.	$0.2360	(I)	$0.8769	(I)	$0.4324	(I)
4-65	3.7365	(I)	4.8128	(I)	4.1179	(I)
65-500	2.3479	(I)	3.4242	(I)	2.7294	(I)
500-5,000	1.7548	(I)	2.3937	(I)	1.9513	(I)
5,000-15,000	1.3408	(I)	1.9827	(I)	1.5381	(I)
Over 15,000	0.7965	(I)	1.4364	(I)	0.9918	(I)

(I) Increase

CLASSIFICATION OF SERVICE
COMMERCIAL

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 3.0	$0.3155	$1.1723	$0.5781	(C)
3.0 – 48.6	4.9953	6.4342	5.5052	(C)
48.6 - 374	3.1389	4.5778	3.6489	(C)
374 – 3,740	2.3460	3.2001	2.6087	
3,740 11,200	1.7925	2.6507	2.0563	
Over 11,200	1.0648	1.9203	1.3259	

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 30	$0.03155	$0.11723	$0.05781	(C)
30 – 486	0.49953	0.64342	0.55052	(C)
486 – 3,740	0.31389	0.45778	0.36489	(C)
3,740 –37,400	0.23460	0.32001	0.26087	
37,400-112,000	0.17925	0.26507	0.20563	
Over 112,000	0.10648	0.19203	0.13259	

(C) Text change that revises block for each rate

ISSUED: March 1, 2013

EFFECTIVE: March 31, 2013

BY: _____

Deron E. Allen
President

1101 Broad Street
Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Fourth Revised Sheet No. 4-CSC
Cancelling
Third Revision of Sheet No. 4-CSC

CLASSIFICATION OF SERVICE
COMMERCIAL

For all commercial customers of Suck Creek.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Suck Creek General Water Service	
First 1,500 gallons	$39.06	(C)
Next 7,900 gallons	$5.3533 per 1,000 gallons	(C)
All over 9,400 gallons	$4.0241 per 1,000 gallons	(C)

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Suck Creek General Water Service	
First 1,500 gallons	$39.06	(C)
Next 7,900 gallons	$0.53533 per 100 gallons	(C)
All over 9,400 gallons	$0.40241 per 100 gallons	(C)

VOLUMETRIC RATES:

Cost per CCF

First 2 CCF	$39.06
Next 10.667 CCF	$4.0043 per CCF
Over 12.667 CCF	$3.0100 per CCF

(C) Text Change that revises block for each rate

ISSUED: March 1, 2013

EFFECTIVE: March 31, 2013

BY: Deron E. Allen
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY
LONE OAK UTILITY DISTRICT – O & M

TRA No. 19
Fourth Revised Sheet No. 4C-LO
Cancelling
Third Revision of Sheet No. 4C-LO

CLASSIFICATION OF SERVICE
COMMERCIAL

For all commercial customers of Lone Oak.

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Lone Oak General Water Service	
First 2,000 gallons	$ 53.69	(C)
All over 2,000 gallons	$ 6.4389 per 1,000 gallons	(C)

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Lone Oak General Water Service	
First 2,000 gallons	$ 53.69	(C)
All over 2,000 gallons	$ 0.64389 per 100 gallons	(C)

VOLUMETRIC RATES:

Cost per CCF

First 2.67 CCF	$ 53.69
All over 2.67 CCF	$ 4.8163 per CCF

(C) Text Change that revises block for each rate

ISSUED: March 1, 2013

EFFECTIVE: March 31, 2013

BY: Deron E. Allen
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
INDUSTRIAL

SERVICE CHARGES:

Service Charge Per Month

Meter Size	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
5/8"	$ 37.16	(I)	$ 39.94	(I)	$ 39.94	(I)
3/4"	62.46	(I)	59.82	(I)	59.82	(I)
1"	103.85	(I)	99.51	(I)	99.51	(I)
1-1/2"	207.80	(I)	199.10	(I)	199.10	(I)
2"	332.45	(I)	318.53	(I)	318.53	(I)
3"	623.30	(I)	597.24	(I)	597.24	(I)
4"	1,038.90	(I)	995.43	(I)	995.43	(I)
6"	2,077.79	(I)	1,990.87	(I)	1,990.87	(I)
8"	3,324.43	(I)	3,185.32	(I)	3,185.32	(I)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
0-4 CCF/Mo.	$ 0.2462	(I)	$ 0.8798	(I)	$ 0.4348	(I)
4-65	3.9093	(I)	4.8256	(I)	4.1283	(I)
65-500	2.4569	(I)	3.4330	(I)	2.7356	(I)
500-5,000	1.7352	(I)	2.4001	(I)	1.9552	(I)
5,000-15,000	1.3257	(I)	1.9866	(I)	1.5416	(I)
Over 15,000	0.7886	(I)	1.4403	(I)	0.9953	(I)

(I) Increase

CLASSIFICATION OF SERVICE
INDUSTRIAL

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 3.0	$ 0.3291	$ 1.1762	$ 0.5813	(C)
3.0 – 48.6	5.2263	6.4513	5.5191	(C)
48.6 - 374	3.2846	4.5896	3.6572	(C)
374 – 3,740	2.3198	3.2087	2.6139	
3,740 – 11,200	1.7723	2.6559	2.0610	
Over 11,200	1.0543	1.9255	1.3306	

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 30	$ 0.03291	$ 0.11762	$ 0.05813	(C)
30 – 486	0.52263	0.64513	0.55191	(C)
486 – 3,740	0.32846	0.45896	0.36572	(C)
3,740 – 37,400	0.23198	0.32087	0.26139	
37,400– 112,000	0.17723	0.26559	0.20610	
Over 112,000	0.10543	0.19255	0.13306	

(C) Text Change that revises block for each rate

ISSUED: March 1, 2013 **EFFECTIVE:** March 31, 2013

BY:

Deron E. Allen
President

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
OTHER PUBLIC AUTHORITY

SERVICE CHARGES:

Service Charge Per Month

Meter Size	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
5/8"	$ 16.33	(I)	$ 18.32	(I)	$ 18.30	(I)
3/4"	27.43	(I)	27.45	(I)	27.43	(I)
1"	45.63	(I)	45.64	(I)	45.68	(I)
1-1/2"	91.30	(I)	91.35	(I)	91.35	(I)
2"	146.07	(I)	146.07	(I)	146.08	(I)
3"	273.88	(I)	273.88	(I)	273.88	(I)
4"	456.48	(I)	456.48	(I)	456.48	(I)
6"	912.97	(I)	912.97	(I)	912.97	(I)
8"	1,460.71	(I)	1,460.71	(I)	1,460.71	(I)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
0-4 CCF/Mo.	$ 0.2517	(I)	$ 0.9383	(I)	$ 0.4623	(I)
4-65	3.9934	(I)	5.1440	(I)	4.4004	(I)
65-500	2.5088	(I)	3.6596	(I)	2.9163	(I)
500-5,000	1.8757	(I)	2.5585	(I)	2.0842	(I)
5,000-15,000	1.4338	(I)	2.1177	(I)	1.6434	(I)
Over 15,000	0.8514	(I)	1.5353	(I)	1.0610	(I)

(I) Increase

CLASSIFICATION OF SERVICE
OTHER PUBLIC AUTHORITY

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 3.0	$ 0.3365	$1.2544	$ 0.6180	(C)
3.0 – 48.6	5.3388	6.8770	5.8829	(C)
48.6 - 374	3.3540	4.8925	3.8988	(C)
374 – 3,740	2.5076	3.4205	2.7864	
3,740 – 11,200	1.9168	2.8311	2.1971	
Over 11,200	1.1382	2.0525	1.4184	

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 30	$ 0.03365	$ 0.12544	$ 0.06180	(C)
30 – 486	0.53388	0.68770	0.58829	(C)
486 – 3,740	0.33540	0.48925	0.38988	(C)
3,740 – 37,400	0.25076	0.34205	0.27864	
37,400 – 112,000	0.19168	0.28311	0.21971	
Over 112,000	0.11382	0.20525	0.14184	

(C) Text Change that revises block for each rate

CLASSIFICATION OF SERVICE

APPLICABILITY

For all residential, commercial, and other public authority customers of Jasper Highlands development in Kimball, TN.

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Jasper Highlands General Water Service	
First 2,500 gallons	**$52.15**	(N)
Next 2,500 gallons	**$1.31 per 100 gallons**	(N)
Next 2,500 gallons	**$1.17 per 100 gallons**	(N)
Above 7,500 gallons	**$1.04 per 100 gallons**	(N)

(N) Indicates New rate

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Eleventh Revision of Sheet No. 4-S
Cancelling
Tenth Revision of Sheet No. 4-S

CLASSIFICATION OF SERVICE
SALES FOR RESALE

SERVICE CHARGES:

Service Charge Per Month

Meter Size	Chattanooga General Water Service Tariff		Lookout Mountain Tariff		Lakeview Tariff	
5/8"	$ 14.14	(I)	$ 15.86	(I)	$ 15.86	(I)
3/4"	23.76	(I)	23.76	(I)	23.76	(I)
1"	39.52	(I)	39.52	(I)	39.52	(I)
1-1/2"	79.07	(I)	79.07	(I)	79.07	(I)
2"	126.46	(I)	126.46	(I)	126.46	(I)
3"	237.18	(I)	237.18	(I)	237.18	(I)
4"	395.34	(I)	395.34	(I)	395.34	(I)
6"	790.64	(I)	790.64	(I)	790.64	(I)
8"	1,265.00	(I)	1,265.00	(I)	1,265.00	(I)

VOLUMETRIC RATES:

Cost per CCF

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff
0-4 CCF/Mo.	$ .2330	$ .8680	$ .4290
4-65	3.6960	4.7610	4.0730
65-500	2.3220	3.3870	2.6990
500-5,000	1.7360	2.3680	1.9290
5,000-15,000	1.3270	1.9600	1.5210
Over 15,000	.7880	1.4210	.9820

(I) Increase

ISSUED: October 2, 2012

EFFECTIVE: November 1, 2012

BY: 

Deron E. Allen
President

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE
SALE FOR RESALE

VOLUMETRIC RATES:

Cost per 1,000 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 3.0	$ .3115	$1.1604	$ .5735	(C)
3.0 – 48.6	4.9412	6.3650	5.4452	(C)
48.6 - 374	3.1043	4.5281	3.6083	(C)
374 – 3,740	2.3209	3.1658	2.5789	
3,740 – 11,200	1.7741	2.6203	2.0334	
Over 11,200	1.0535	1.8997	1.3128	

VOLUMETRIC RATES:

Cost per 100 Gallons

Monthly Use	Chattanooga General Water Service Tariff	Lookout Mountain Tariff	Lakeview Tariff	
0 – 30	$ .03115	$ .11604	$ .05735	(C)
30 – 486	.49412	.63650	.54452	(C)
486 – 3,740	.31043	.45281	.36083	(C)
3,740 – 37,400	.23209	.31658	.25789	
37,400 – 112,000	.17741	.26203	.20334	
Over 112,000	.10535	.18997	.13128	

CLASSIFICATION OF SERVICE
SALES FOR RESALE – SPECIAL CONTRACT

Schedule of Rates and Charges Available For:

Other entities that provide retail water service to customers and have contracted to purchase potable water under special contract pricing.

VOLUMETRIC RATES:

	Cost per CCF			
Monthly Use	Ft. Oglethorpe Tariff	Catoosa County Tariff	Walden's Ridge Utility District Tariff	Signal Mountain Utility District Tariff
All Usage	$1.0543 (D)	$1.2152 (I)	$1.218	$1.0344

(D) Decrease
(I) Increase

ISSUED: October 2, 2012

EFFECTIVE: November 1, 2012

BY:

Deron E. Allen
President

1101 Broad Street
Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
First Revision of Sheet No. 5
Cancelling
Original Sheet No. 5

CLASSIFICATION OF SERVICE

SURCHARGE

For all customer classifications.

(E) A surcharge will be applied to the customer bill in the amount of $.62 per month to collect $275,000 in additional rate case expense which was authorized by the Appellate Court for Docket Number 2008-00039. This surcharge is temporary and will cease once the total is collected, which is anticipated to be six (6) months from the effective date.

(E) Eliminated

ISSUED: October 2, 2012

EFFECTIVE: November 1, 2012

BY:

Deron E. Allen
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Sixth Revision of Sheet No. 6
Canceling
Fifth Revision of Sheet No. 6

CLASSIFICATION OF SERVICE

PUBLIC FIRE SERVICE FOR THE CITY OF RIDGESIDE

Available For:

Public Fire Service in the City of Ridgeside.

Annual Rates, Charges and Conditions of Service

The annual charge for water service furnished to fire hydrants existing on October 20, 1956, attached to its then-existing water mains in the City shall be $0. This charge shall be due and payable in twelve (12) equal installments, each installment to be due and payable on the 10th day of the month, covering service for the preceding month, and if not paid within sixty (60) days thereafter, shall bear interest from said due and payable date at the rate of six percent (6%) per annum. (D)

The City shall have the right to install or cause to be installed, at its own cost and expense, such additional fire hydrants as it may desire on mains within the limits of the city six (6") inches and larger in diameter, size to be determined by the Water Company, in the public highways in the City, and, on such extended mains as may be ordered by the City, and the City shall pay an annual rental on such water main extensions of six (6") inches or larger at the rate of three cents ($.03) per inch of diameter for each lineal foot of main laid in the extension of such main, provided, however, that the Water Company shall not be required to make any extension of its mains while the City is in arrears on its fire hydrant rental payment.

(D) Decrease

ISSUED: February 4, 2005 EFFECTIVE: March 9, 2005

BY: JOHN WATSON, VICE PRESIDENT AND GENERAL MANAGER
1101 Broad Street
Chattanooga, Tennessee 37401

The City shall pay for the cost of installing all hydrants and hydrant branches, and upon such installation, the City shall thereafter own, maintain and, where necessary, replace the same. All public fire hydrants existing as of October 20, 1956, now owned by the City shall likewise be maintained by the City and replaced at its own cost and expense.

TENNESSEE-AMERICAN WATER COMPANY

TRA No. 19
Seventh Revision of Sheet No. 8
Canceling
Sixth Revision of Sheet No. 8

CLASSIFICATION OF SERVICE

PUBLIC FIRE SERVICE

Available For:

Public Fire Service in the City of Chattanooga, City of East Ridge, City of Red Bank, the Town of Lookout Mountain, Tennessee, and Unincorporated Areas of Hamilton and Marion Counties, Tennessee; and the City of Rossville, the Town of Lookout Mountain, Georgia and the Unincorporated Areas of Walker, Catoosa and Dade Counties, Georgia.

Rates	Rates per Annum – Billed Monthly	
Each Public Fire Hydrant	$ 0.00	(D)

(D) Decrease

ISSUED: February 4, 2005 EFFECTIVE: March 9, 2005

BY: JOHN WATSON, VICE PRESIDENT AND GENERAL MANAGER
1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE

PRIVATE FIRE SERVICE

Available For:

Private Fire Service in all territory served by the Company. Private Fire Service is rendered only after approval by the President or Vice President and General Manager of the Company of an "Application for Special Connection," and only in accordance with the terms and conditions as provided therein.

Rates

	Rate per Annum
Private Fire Service Connections:	
1" diameter	$ 36.80 (I)
1-1/2" diameter	83.01 (I)
2" diameter	147.63 (I)
2-1/2" diameter	225.12 (I)
3" diameter	331.84 (I)
4" diameter	664.53 (I)
6" diameter	1,328.00 (I)
8" diameter	2,658.23 (I)
10" diameter	3,987.64 (I)
12" diameter	5,317.30 (I)
Private Fire Hydrants other than those supplied by Private Fire Service Connections	$1,266.87 (I)

(I) Increase

GENERAL PROVISIONS APPLICABLE TO ALL WATER SERVICE

(N) All bills for service are due upon presentation. A late payment charge will be assessed to bills that remain unpaid 15 days after they are first rendered. The effective date of the late payment charge will be stated on the bill. The net amount as shown on the bill shall apply if payment is made on or before the late payment date. Payments made after that date shall be for the gross amount which shall be greater by five percent (5%) than the net billing.

The Water Company will furnish, install and maintain all meters except those required by it to be set on "Fire Service Connections" in accordance with the terms and of "Application for Special Connection" attached thereto.

The Water Company reserves the right subject to the approval of the Tennessee Public Service Commission to make special contracts for water service.

CLASSIFICATION OF SERVICE

(C) ## MISCELLANEOUS AND OTHER FEES

Applicable For:

(C) Applicable to the cities of Chattanooga, East Ridge and Red Bank, Tennessee, the Cities of Rossville, City of Ridgeside, Lookout Mountain, unincorporated Hamilton County, Ft. Oglethorpe and Catoosa County, Georgia.

Availability of Service

(C) Available for billing and collecting services connected with sewer billing until October 31, 2012, unless the entity enters into a contract for water usage data by that date and then it may extended until December 31, 2012 only for those contracted entities.

Rates

Rates Per Bill $0.405

Activity Fee

(C) When the Company is requested to turn on and/or set a meter at a location where there is pre-existing Company service, a fee of $15.00 may be charged to cover the expense involved.

This fee shall not be applied to a landlord when the landlord requests continuation of service in his/her name for his/her rental property during an interim period between permanent tenants.

New Service Fee

(C) Any applicant for water service at a location at which there is no pre-existing Company service may be charged a fee of $25.00 to cover the expense of being added to the system. This fee includes the above mentioned activity fee.

(C) Change in Text

CLASSIFICATION OF SERVICE

(N) **SEWER BILLING DATA AND SERVICE DISCONNECTION**

(N) Available For:

(N) Any private or public entity that provides sewer collection and billing services based on water usage in all territory served by the Company.

(N) Availability of Service

(N) Available for sewer providers that have contracted with the Company to receive water usage data for such entity's own billing purposes. This rate will include only the provision of water usage data. Disconnection of water service requested by the entity for non-payment of sewer billing may be billed to the entity at TAW's approved disconnect/reconnect rate for each disconnection performed. Disconnection may occur even if the customer is current on all water service payments to the Company. Prior to such disconnection request, the sewer entity shall satisfy all notice requirements to the sewer customer.

(N) Rates

(N) Rates Per Meter Read $0.020

(N) Billing

(N) The billing shall be monthly. This rate will be applied at the billing date to the total number of meters read during the month for which usage data is to be provided. Any discontinued water connections during the month will be included in the billed number of meters. The rate will be applied for each meter even if there are multiple meters for a single customer, bill or account.

(N) The number of disconnections during the month at the request of the entity to be billed to the entity will be included in the monthly billing at the approved disconnect/reconnect rate even if customer has not yet been reconnected at the billing date.

(N) New Rate for New Service

ISSUED: May 10, 2012

EFFECTIVE: June 11, 2012

BY:

Deron E. Allen
PRESIDENT

1101 Broad Street
Chattanooga, Tennessee 37401

CLASSIFICATION OF SERVICE

DISCONNECTION – RECONNECTION CHARGE

(C) When it becomes necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations on account of non-payment of any bill for water service, a charge of fifteen dollars ($15.00) may be incurred to cover the expense involved.

(N) If a customer's water service is discontinued for non-payment of sewer service and such customer is a sewer customer of an entity that has contracted with the Company for disconnection within five (5) days of notification by the sewer entity, a charge of forty-eight dollars ($48.00) may be made to cover the expense involved.

In the event a customer's water service has been discontinued as described above, and said customer re-establishes services illegally in order to avoid payment of outstanding obligations due the Company, the Company will take steps to de-activate the service line to the customer. In order to re-activate the

(C) service in such circumstances, a charge of ninety-two dollars ($92.00) may be incurred to cover the expense of re-activating the service.

RETURNED CHECK CHARGE

When a bad check has been issued to Tennessee American Water Company for payment of any bill for water service, a charge of $20.00 will be made to cover expenses involved.

(N) New Text
(C) Change in Text

CLASSIFICATION OF SERVICE

SUMMARY OF RIDERS

1. Applicability

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Qualified Infrastructure Improvement Program ("QIIP") Rider, an Economic Development Investment Program Rider ("EDI"), a Safety and Environmental Compliance Program Rider ("SEC"), and Production Costs and Other Pass-Throughs Rider ("PCOP") will apply to customers in all service areas.

2. The Percentage of Riders and Reconciliations

For the Riders defined in the tariffs:

QIIP	24.22%
EDI	1.91%
SEC	9.97%
Subtotal of all Capital Recovery Rider	36.10%
QIIP Annual Reconciliation Percentage	- 0.16% (D)
EDI Annual Reconciliation Percentage	0.90% (I)
SEC Annual Reconciliation Percentage	- 3.52% (D)
Subtotal of all Capital Recovery Riders	- 2.78% (D)
Total of Capital Recovery Riders and Reconciliation Percentages	33.32%
Offset to Capital Recovery Riders for TCJA savings	-4.32%
Offset to Capital Recovery Riders for TCJA Excess ADIT	-0.23%
PCOP	2.13%

(I) Indicates Increase
(D) Indicates Decrease

CLASSIFICATION OF SERVICE

QUALIFIED INFRASTRUCTURE IMPROVEMENT PROGRAM – RIDER

1. Applicability

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Qualified Infrastructure Improvement Program ("QIIP") Rider will apply to customers in all service areas.

The above rider will be recomputed annually and be adjusted periodically to incorporate the Annual Reconciliation Factor.

2. Definitions

For the purposes of this Rider:

"Actual QIIP Investment Amount" means the amount of actual capital investment of the Company for the Qualified Infrastructure Improvement Program and not otherwise included in current base rates. At the time of the Company's next general rate case proceeding, all prudently incurred Actual QIIP Investment Amounts associated with this Rider shall be included in base rates.

"Annual Reconciliation Factor" means an adjustment factor to true-up rates from forecasted costs to the actual costs incurred through application of 1) the Budget-to-Actual Adjustment and 2) the Over-Under Collection Adjustment, and the 3) Earnings Test Adjustment, as adjusted for Interest.

"Annual Review Period" means the twelve-month period between the annual adjustments of the QIIP Percentage Rate.

"Commission" means the Tennessee Public Utility Commission.

"Budget-to-Actual Adjustment" means the adjustment to QIIP for the applicable coming annual period due to the difference between the Forecasted QIIP Investment Amount and the Actual QIIP Investment Amount.

(T) Denotes change in text

"Consumer Advocate" means the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General.

"Forecasted QIIP Investment Amount" means the amount of forecasted capital investment of the Company for the Qualified Infrastructure and Investment Program and not otherwise included in current base rates.

(T) **"Over-Under Collection Adjustment"** means the adjustment to QIIP for the applicable
(T) coming annual period due to the net amount of over or under collections. This will include
(T) over-under collections from the annual review period EDI and any remaining balance of the
(T) over-under collection from the prior reconciliation of the EDI.

"Relevant Rate Order" means the final order of the Commission in the most recent rate case of the Company fixing the rates of the Company or the most recent final order of the Commission specifically prescribing or fixing the factors and procedures to be used in the application of this Rider.

3. General Description

QIIP allows the Company to recover outside of a rate case its qualifying incremental non-revenue producing plant infrastructure investment. For purposes of this Rider, qualifying QIIP investment includes the following:

Distribution Infrastructure – Replacement distribution and transmission mains and valves installed as replacements for existing facilities, reinforcement of existing facilities or otherwise insuring reliability of existing facilities; Hydrants, Services, Meters and Meter Installations – installed as in-kind replacements, reinforcements or insuring reliability of existing facilities; Unreimbursed funds related to capital projects to relocate facilities required by governmental highway projects; Capitalized tank repairs and maintenance that serve to replace, reinforce, or otherwise insure reliability of existing facilities.

Production and Pumping Infrastructure – Replacement of water treatment facilities and equipment installed as replacements for existing facilities, reinforcement of existing facilities or otherwise insuring reliability of existing facilities; Raw Water and Finished Water pumping equipment and structures installed as replacements, reinforcements or otherwise insuring reliability of existing facilities.

Other Infrastructure – Infrastructure designed to utilize alternative fuels.

(T) Denotes change in text

QIIP Investment is to be identifiable on the Company's books and segregated into the following general accounts:

Account 331 – Transmission & Distribution Mains;
Account 333 – Services;
Account 334 – Meters & Meter Installations;
Account 335 – Hydrants;
Account 320 – Water Treatment Equipment, Non-Media;
Account 311 – Pumping Equipment;
Account 303 – Land and Land Rights;
Account 304 – Structures and Improvements;
Account 306 – Lake, River and Other Intakes;
Account 307 – Wells and Springs;
Account 309 – Supply Mains;
Account 310 – Power Generation Equipment
Account 330 – Distribution Reservoirs and Standpipes;
Account 341 – Transportation Equipment; and
Account 330003 – Capitalized Tank Painting.

4. Determination of the Qualified Infrastructure Improvement Program Percentage Rate

(A) The QIIP percentage shall be expressed as a percentage carried to two (2) decimal places. The QIIP percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The QIIP percentage shall be calculated on an annual prospective basis as follows:

FORECASTED QIIP Investment Amount
Less QIIP Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Forecasted QIIP Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Forecasted QIIP Pre-Tax Return
Plus Depreciation Expense

(T) Denotes change in text

Plus Property Taxes
Plus Franchise Taxes
Subtotal Forecasted QIIP Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:
Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Forecasted QIIP Revenue Requirement

Divided by Relevant Rate Order Volumetric & Metered Revenue

QIIP Percentage Rate

Where:

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted QIIP plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC.

Accumulated Deferred Income Taxes = An average of the forecasted accumulated deferred income taxes related to qualified forecasted QIIP investment at the beginning and end of the year.

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of forecasted QIIP infrastructure.

Depreciation Expense = Forecasted cumulative qualified QIIP investment net of retirements and CIAC, multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Forecasted QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Forecasted cumulative qualified QIIP investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

(T) Denotes change in text

Gross Receipts Tax Rate = Forecasted QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Property Taxes = Forecasted cumulative qualified QIIP investment multiplied by composite property tax rate approved in the Relevant Rate Order.

QIIP Plant Retirements = Forecasted QIIP plant removed from service net of any associated cost of removal and salvage.

Forecasted QIIP Investment Amount = Average forecasted QIIP additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

Uncollectible Expense = Forecasted QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(C) The total amount to be recovered through the QIIP is the QIIP Percentage Rate as adjusted for the Annual Reconciliation Factor Percentage Rate.

5. Determination of the Annual Reconciliation Factor Percentage Rate

(A) The Annual Reconciliation Factor Percentage shall be expressed as a percentage carried to two (2) decimal places. The Annual Reconciliation Factor Percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The Annual Reconciliation Factor Percentage Rate will be computed as follows:

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment

(T) Denotes change in text

Plus Earnings Test Adjustment
Plus Interest
Annual Reconciliation Amount

Divided by 9/12 of the Relevant Rate Order Volumetric & Metered Revenue

Annual Reconciliation Factor Percentage Rate

(C) Computation of the Budget-to-Actual Adjustment.

The Budget-to-Actual Adjustment will be computed as follows:

ACTUAL QIIP Investment Amount for the Annual Review Period
Less QIIP Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Actual QIIP Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Actual QIIP Pre-Tax Return
Plus Depreciation Expense
Plus Property Taxes
Plus Franchise Taxes
Subtotal Actual QIIP Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:

Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Actual QIIP Revenue Requirement

Less Total Forecasted QIIP Revenue Requirement

Budget-to-Actual Adjustment

Where:

(T) Denotes change in text

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted QIIP plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC

Accumulated Deferred Income Taxes = An average of the actual accumulated deferred income taxes related to actual QIIP investment at the beginning and end of the year.

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of actual QIIP infrastructure.

Depreciation Expense = Actual cumulative qualified QIIP investment net of retirements and CIAC multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Actual QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Actual cumulative qualified QIIP investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

Gross Receipts Tax Rate = Actual QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Property Taxes = Actual cumulative qualified QIIP investment multiplied by composite property tax rate approved in the Relevant Rate Order.

QIIP Plant Retirements = Actual QIIP plant removed from service net of any associated cost of removal and salvage.

Actual QIIP Investment Amount = Average actual QIIP additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

Uncollectible Expense = Actual QIIP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

(T) Denotes change in text

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(D) Computation of the Over-Under Collection Adjustment.

The Company will identify and record the total amount of the QIIP Collected from Customers for the Annual Review Period. The difference between the Total QIIP Collected from Customers and the Total Budgeted QIIP Revenue Requirement shall constitute the Over-Under Collection Adjustment. . This adjustment shall include any remaining Over-Under amount from the prior period reconciliation during the Annual Review Period in addition to the Over-Under collection amount for the EDI during the Annual Review Period. (T) (T) (T)

(E) Computation of the Earnings Test Adjustment.

If the earnings attained by the Company for the Annual Review Period exceed the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then any such earnings difference shall constitute the Earnings Test Adjustment. If the earnings attained by the Company for the Annual Review Period are less than the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then no Earnings Test Adjustment shall be recognized.

Any Earnings Test Adjustment shall be allocated among the Qualified Infrastructure Improvement Program Rider, the Economic Development Investment Rider, and the Safety and Environmental Compliance Rider based on the pro-rata revenues collected under these riders for the Annual Review Period for purposes of computing new rate adjustments.

(F) Computation of Interest.

Interest will be computed as follows:

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment
Plus Earnings Test Adjustment

Total Amount Subject to Interest
Interest Rate Multiplied by 50%

Total Interest

(T) Denotes change in text

Where "Interest Rate" equals the prime rate value published in the "Federal Reserve Bulletin" or in the Federal Reserve's "Selected Interest Rates" for the most recent preceding month.

6. New Base Rates

The QIIP rider will be reset at zero upon the establishment of new base rates to customer billings that provide for the prospective recovery of the annual costs that had theretofore been recovered under the QIIP. Thereafter, only the costs of new QIIP eligible plant additions that have not previously been reflected in the Company's rate base, would be reflected in new annual prospective QIIP filings.

7. Annual QIIP Percentage Rate Filing

On or before December 1 of each year, the Company shall submit to the Commission a calculation of the QIIP Percentage Rate for the following calendar year. The Annual QIIP Percentage Rate Filing shall be verified by an officer of the Company. The Annual QIIP Percentage Rate Filing shall include a calculation to adjust revenue to recover costs related to the Forecasted QIIP Investment Amount, with such revenue adjustment applied through the QIIP Percentage Rate. The QIIP Percentage Rate shall become effective on January 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual QIIP Percentage Rate Filing the following information at a minimum: (a) computation of the QIIP Percentage Rate, including the detailed calculation of each component, (b) a budget of the Forecasted QIIP Investment Amount adopted by the Company's Board of Directors, (c) any related Strategic Capital Expenditures Plans, (d) a statement demonstrating how each projected capital investment comprising the Forecasted QIIP Investment Amount meets the requirements for recovery under this Rider set forth in Section 3, and (e) such other information as the Commission may direct.

The Company will simultaneously copy the Consumer Advocate on its Annual QIIP Percentage Rate Filing.

8. Annual Reconciliation Filing with the Commission

On or before March 1 of each year, the Company shall submit to the Commission a reconciliation of the results of the operation of the QIIP for the previous Annual Review Period. The Annual Reconciliation Filing shall be verified by an officer of the Company. The annual reconciliation shall include a calculation to adjust revenue collected under this QIIP Rider in effect for the prior Annual Review Period to an amount equivalent to the actual level of prudently-incurred QIIP cost for the prior Annual Review Period, with such revenue adjustment applied through the Annual Reconciliation Factor Percentage Rate. The Annual Reconciliation Factor Percentage Rate shall become effective on

(T) Denotes change in text

April 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual Reconciliation Filing the following information at a minimum: (a) a schedule of all journal entries made related to this Rider for the Annual Review Period, including any related general ledger support, (b) actual billing determinants by month as used in the computation of the Total QIIP Collected from Customers for the Annual Review Period, (c) capitalization policy effective for the Annual Review Period, (d) computation of the Annual Reconciliation Factor Percentage Rate, including the detailed calculation of each component, (e) a schedule of any proposed prior period adjustments, (f) an affirmative statement of whether the Company is aware of any changes in market conditions or other factors that may affect whether the Rider is still in the public interest, including the identification of such factors if they exist, (g) the cumulative amount of QIIP collected from customers under this Rider, and (h) such other information as the Commission may direct.

The Company will simultaneously copy the Consumer Advocate on its Annual Reconciliation Filing.

9. Notice Requirements

The Company will file revised tariffs for Commission approval upon 30 days' notice to implement a decrement or an increment each January 1 and April 1. Along with the tariff filing, the Company will include a copy of the computation of the new rate adjustment. The Company will simultaneously copy the Consumer Advocate on this filing.

10. Public Interest Review

Nothing herein shall be construed to eliminate or otherwise restrict the opportunity of the Consumer Advocate or any other interested party from seeking a review of this Rider, as permitted by law and the rules and regulations of the Commission, for a reconsideration of whether it remains in the public interest.

(T) Denotes change in text

CLASSIFICATION OF SERVICE

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM – RIDER

1. Applicability

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Economic Development Investment Program ("EDI") Rider will apply to customers in all service areas.

The above rider will be recomputed annually and be adjusted periodically to incorporate the Annual Reconciliation Factor.

2. Definitions

For the purposes of this Rider:

"Actual EDI Investment Amount" means the amount of actual capital investment and associated operating expenses of the Company for the Economic Development Investment Program and not otherwise included in current base rates. At the time of the Company's next general rate case proceeding, all prudently incurred Actual EDI Investment Amounts associated with this Rider shall be included in base rates.

"Annual Reconciliation Factor" means an adjustment factor to true-up rates from forecasted costs to the actual costs incurred through application of 1) the Budget-to-Actual Adjustment and 2) the Over-Under Collection Adjustment, and the 3) Earnings Test Adjustment, as adjusted for Interest.

"Annual Review Period" means the twelve-month period between the annual adjustments of the EDI Percentage Rate. For the first year beyond the attrition year of the base rate case, this review period may be shorter or longer than a twelve-month period to cover expenditures between the attrition year and the start of the subsequent calendar year.

"Commission" means the Tennessee Public Utility Commission.

"Budget-to-Actual Adjustment" means the adjustment to EDI for the applicable coming annual period due to the difference between the Forecasted EDI Investment and Expense Amount and the Actual EDI Investment and Expense Amount.

(T) Denotes Change in text

"Consumer Advocate" means the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General.

"Forecasted EDI Investment Amount" means the amount of forecasted capital investment of the Company for the Economic Development Investment Program and not otherwise included in current base rates.

"Over-Under Collection Adjustment" means the adjustment to EDI for the applicable coming annual period due to the net amount of over or under collections. This will include
(T) over-under collections from the annual review period EDI and any remaining balance of the over-under collection from the prior reconciliation of the EDI.

"Relevant Rate Order" means the final order of the Commission in the most recent rate case of the Company fixing the rates of the Company or the most recent final order of the Commission specifically prescribing or fixing the factors and procedures to be used in the application of this Rider.

3. General Description

EDI allows the Company to recover outside of a rate case its qualifying incremental non-revenue producing plant infrastructure investment and expenses. For purposes of this Rider, qualifying EDI investment includes the following:

Distribution, Production, and Other Infrastructure – Distribution, production, and other infrastructure that may be identified as being for the purpose of economic development.

Economic Development Expenses – Operational expenses that are specifically to support economic development and economic development investment utility plant.

EDI Investment is to be identifiable on the Company's books and segregated into the following general accounts:

Account 331 – Transmission & Distribution Mains;
Account 333 – Services;
Account 334 – Meters & Meter Installations;
Account 335 – Hydrants;
Account 320 – Water Treatment Equipment, Non-Media;
Account 311 – Pumping Equipment;
Account 303 – Land and Land Rights;
Account 304 – Structures and Improvements;

(T) Denotes Change in text

Account 306 – Lake, River and Other Intakes;
Account 307 – Wells and Springs;
Account 309 – Supply Mains;
Account 310 – Power Generation Equipment;
Account 330 – Distribution Reservoirs and Standpipes; and
Account 330003 – Capitalized Tank Painting.

4. Determination of the Economic Development Investment Program Percentage Rate

(A) The EDI percentage shall be expressed as a percentage carried to two (2) decimal places. The EDI percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The EDI percentage shall be calculated on an annual prospective basis as follows:

FORECASTED EDI Investment Amount
Less EDI Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Forecasted EDI Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Forecasted EDI Pre-Tax Return
Plus Depreciation Expense
Plus Property Taxes
Plus Franchise Taxes
Plus Economic Development Operational Expenses
Subtotal Forecasted EDI Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:
Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Forecasted EDI Revenue Requirement

(T) Denotes Change in text

Divided by Relevant Rate Order Volumetric & Metered Revenue

EDI Percentage Rate

Where:

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted EDI plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC.

Accumulated Deferred Income Taxes = An average of the forecasted accumulated deferred income taxes related to qualified forecasted EDI investment at the beginning and end of the year.

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of forecasted EDI infrastructure.

Depreciation Expense = Forecasted cumulative qualified EDI investment net of retirements and CIAC, multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Forecasted EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Forecasted cumulative qualified EDI investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

Gross Receipts Tax Rate = Forecasted EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Property Taxes = Forecasted cumulative qualified EDI investment multiplied by composite property tax rate approved in the Relevant Rate Order.

EDI Plant Retirements = Forecasted EDI plant removed from service net of any associated cost of removal and salvage.

(T) Denotes Change in text

Forecasted EDI Investment Amount = Average forecasted EDI additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

Economic Development Expenses = the incremental operational expenses that are specifically to support economic development or economic development utility plant.

Uncollectible Expense = Forecasted EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(C) The total amount to be recovered through the EDI is the EDI Percentage Rate as adjusted for the Annual Reconciliation Factor Percentage Rate.

5. Determination of the Annual Reconciliation Factor Percentage Rate

(A) The Annual Reconciliation Factor Percentage shall be expressed as a percentage carried to two (2) decimal places. The Annual Reconciliation Factor Percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The Annual Reconciliation Factor Percentage Rate will be computed as follows:

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment
Plus Earnings Test Adjustment
Plus Interest
Annual Reconciliation Amount

Divided by 9/12 of the Relevant Rate Order Volumetric & Metered Revenue

Annual Reconciliation Factor Percentage Rate

(C) Computation of the Budget-to-Actual Adjustment.

(T) Denotes Change in text

The Budget-to-Actual Adjustment will be computed as follows:

ACTUAL EDI Investment Amount for the Annual Review Period
Less EDI Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Actual EDI Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Actual EDI Pre-Tax Return
Plus Depreciation Expense
Plus Property Taxes
Plus Franchise Taxes
Plus Economic Development Operational Expenses
Subtotal Actual EDI Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:

Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Actual EDI Revenue Requirement

Less Total Forecasted EDI Revenue Requirement

Budget-to-Actual Adjustment

Where:

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted EDI plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC

Accumulated Deferred Income Taxes = An average of the actual accumulated deferred income taxes related to actual EDI investment at the beginning and end of the year.

(T) Denotes Change in text

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of actual EDI infrastructure.

Depreciation Expense = Actual cumulative qualified EDI investment net of retirements and CIAC multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Actual EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Actual cumulative qualified EDI investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

Gross Receipts Tax Rate = Actual EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Property Taxes = Actual cumulative qualified EDI investment multiplied by composite property tax rate approved in the Relevant Rate Order.

EDI Plant Retirements = Actual EDI plant removed from service net of any associated cost of removal and salvage.

Actual EDI Investment Amount = Average actual EDI additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

Economic Development Expenses = the incremental operational expenses that are specifically to support economic development or economic development utility plant.

Uncollectible Expense = Actual EDI Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(T) Denotes Change in text

(D) Computation of the Over-Under Collection Adjustment.

The Company will identify and record the total amount of the EDI Collected from Customers for the Annual Review Period. The difference between the Total EDI Collected from Customers and the Total Budgeted EDI Revenue Requirement shall constitute the Over-
(T) Under Collection Adjustment. This adjustment shall include any remaining Over-Under
(T) amount from the prior period reconciliation during the Annual Review Period in addition to
(T) the Over-Under collection amount for the EDI during the Annual Review Period.

(E) Computation of the Earnings Test Adjustment.

If the earnings attained by the Company for the Annual Review Period exceed the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then any such earnings difference shall constitute the Earnings Test Adjustment. If the earnings attained by the Company for the Annual Review Period are less than the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then no Earnings Test Adjustment shall be recognized.

Any Earnings Test Adjustment shall be allocated among the Qualified Infrastructure Improvement Program Rider, the Economic Development Investment Rider, and the Safety and Environmental Compliance Rider based on the pro-rata revenues collected under these riders for the Annual Review Period for purposes of computing new rate adjustments.

(F) Computation of Interest.

Interest will be computed as follows:

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment
Plus Earnings Test Adjustment

Total Amount Subject to Interest
Interest Rate Multiplied by 50%

Total Interest

Where "Interest Rate" equals the prime rate value published in the "Federal Reserve Bulletin" or in the Federal Reserve's "Selected Interest Rates" for the most recent preceding month.

(T) Denotes Change in text

6. New Base Rates

The EDI rider will be reset at zero upon the establishment of new base rates to customer billings that provide for the prospective recovery of the annual costs that had theretofore been recovered under the EDI. Thereafter, only the costs of new EDI eligible plant additions that have not previously been reflected in the Company's rate base, would be reflected in new annual prospective EDI filings.

7. Annual EDI Percentage Rate Filing

On or before December 1 of each year, the Company shall submit to the Commission a calculation of the EDI Percentage Rate for the following calendar year. The Annual EDI Percentage Rate Filing shall be verified by an officer of the Company. The Annual EDI Percentage Rate Filing shall include a calculation to adjust revenue to recover costs related to the Forecasted EDI Investment Amount, with such revenue adjustment applied through the EDI Percentage Rate. The EDI Percentage Rate shall become effective on January 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual EDI Percentage Rate Filing the following information at a minimum: (a) computation of the EDI Percentage Rate, including the detailed calculation of each component, (b) a budget of the Forecasted EDI Investment Amount and Forecasted Economic Development Operational Expenses adopted by the Company's Board of Directors, (c) any related Strategic Capital Expenditures Plans, (d) statements demonstrating how each projected capital investment comprising the Forecasted EDI Investment Amount and each projected operational expense comprising the Forecasted Economic Development Operational Expenses meet the requirements for recovery under this Rider set forth in Section 3, and (e) such other information as the Commission may direct.

The Company will simultaneously copy the Consumer Advocate on its Annual EDI Percentage Rate Filing.

8. Annual Reconciliation Filing with the Commission

On or before March 1 of each year, the Company shall submit to the Commission a reconciliation of the results of the operation of the EDI for the previous Annual Review Period. The Annual Reconciliation Filing shall be verified by an officer of the Company. The annual reconciliation shall include a calculation to adjust revenue collected under this EDI Rider in effect for the prior Annual Review Period to an amount equivalent to the actual level of prudently-incurred EDI cost for the prior Annual Review Period, with such revenue adjustment applied through the Annual Reconciliation Factor Percentage Rate. The Annual Reconciliation Factor Percentage Rate shall become effective on

(T) Denotes Change in text

April 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual Reconciliation Filing the following information at a minimum: (a) a schedule of all journal entries made related to this Rider for the Annual Review Period, including any related general ledger support, (b) actual billing determinants by month as used in the computation of the Total EDI Collected from Customers for the Annual Review Period, (c) capitalization policy effective for the Annual Review Period, (d) computation of the Annual Reconciliation Factor Percentage Rate, including the detailed calculation of each component, (e) schedules of the Actual EDI Investment Amount and Actual Economic Development Operational Expenses, including related general ledger support, (f) a schedule of any proposed prior period adjustments, (g) an affirmative statement of whether the Company is aware of any changes in market conditions or other factors that may affect whether the Rider is still in the public interest, including the identification of such factors if they exist, (h) the cumulative amount of EDI collected from customers under this Rider, and (i) such other information as the Commission may direct.

The Company will simultaneously copy the Consumer Advocate on its Annual Reconciliation Filing.

9. Notice Requirements

The Company will file revised tariffs for Commission approval upon 30 days' notice to implement a decrement or an increment each January 1 and April 1. Along with the tariff filing, the Company will include a copy of the computation of the new rate adjustment. The Company will simultaneously copy the Consumer Advocate on this filing.

10. Public Interest Review

Nothing herein shall be construed to eliminate or otherwise restrict the opportunity of the Consumer Advocate or any other interested party from seeking a review of this Rider, as permitted by law and the rules and regulations of the Commission, for a reconsideration of whether it remains in the public interest.

(T) Denotes Change in text

CLASSIFICATION OF SERVICE

SAFETY AND ENVIRONMENTAL COMPLIANCE – RIDER

1. Applicability

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Safety and Environmental Compliance Program ("SEC") Rider will apply to customers in all service areas.

The above rider will be recomputed annually and be adjusted periodically to incorporate the Annual Reconciliation Factor.

2. Definitions

For the purposes of this Rider:

"Actual SEC Investment Amount" means the amount of actual capital investment and associated operating expenses of the Company for the Safety and Environmental Compliance Program and not otherwise included in current base rates. At the time of the Company's next general rate case proceeding, all prudently incurred Actual SEC Investment Amounts associated with this Rider shall be included in base rates.

"Annual Reconciliation Factor" means an adjustment factor to true-up rates from forecasted costs to the actual costs incurred through application of 1) the Budget-to-Actual Adjustment and 2) the Over-Under Collection Adjustment, and the 3) Earnings Test Adjustment, as adjusted for Interest.

"Annual Review Period" means the twelve-month period between the annual adjustments of the SEC Percentage Rate. For the first year beyond the attrition year of the base rate case, this review period may be shorter or longer than a twelve-month period to cover expenditures between the attrition year and the start of the subsequent calendar year.

"Commission" means the Tennessee Public Utility Commission.

(T) Denotes Change in Text

"Budget-to-Actual Adjustment" means the adjustment to SEC for the applicable coming annual period due to the difference between the Forecasted SEC Investment and Expense Amount and the Actual SEC Investment and Expense Amount.

"Consumer Advocate" means the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General.

"Forecasted SEC Investment Amount" means the amount of forecasted capital investment of the Company for the Safety and Environmental Compliance Program and not otherwise included in current base rates.

(T) (T) (T) **"Over-Under Collection Adjustment"** means the adjustment to SEC for the applicable coming annual period due to the net amount of over or under collections. . This will include over-under collections from the annual review period EDI and any remaining balance of the over-under collection from the prior reconciliation of the EDI.

"Relevant Rate Order" means the final order of the Commission in the most recent rate case of the Company fixing the rates of the Company or the most recent final order of the Commission specifically prescribing or fixing the factors and procedures to be used in the application of this Rider.

3. General Description

SEC allows the Company to recover outside of a rate case its qualifying incremental non-revenue producing plant infrastructure investment and expenses. For purposes of this Rider, qualifying SEC investment includes the following:

Distribution and Production Infrastructure – Distribution, production, and other infrastructure that may be identified as being for the purpose of safety and environmental compliance.

Safety and Environmental Expenses – Operational expenses similar to other expenses authorized in previous rate cases that are specifically new expenses for safety and environmental compliance or to support safety and environmental compliance utility plant.

SEC Investment is to be identifiable on the Company's books and segregated into the following general accounts:

Account 331 – Transmission & Distribution Mains;
Account 333 – Services;
Account 334 – Meters & Meter Installations;

(T) Denotes Change in Text

Account 335 – Hydrants;
Account 320 – Water Treatment Equipment, Non-Media;
Account 311 – Pumping Equipment;
Account 303 – Land and Land Rights;
Account 304 – Structures and Improvements;
Account 306 – Lake, River and Other Intakes;
Account 307 – Wells and Springs;
Account 309 – Supply Mains;
Account 310 – Power Generation Equipment
Account 330 – Distribution Reservoirs and Standpipes; and
Account 330003 – Capitalized Tank Painting.

4. Determination of the Safety and Environmental Compliance Program Percentage Rate

(A) The SEC percentage shall be expressed as a percentage carried to two (2) decimal places. The SEC percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The SEC percentage shall be calculated on an annual prospective basis as follows:

FORECASTED SEC Investment Amount
Less SEC Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Forecasted SEC Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Forecasted SEC Pre-Tax Return
Plus Depreciation Expense
Plus Property Taxes
Plus Franchise Taxes
Plus Safety and Environmental Compliance Operational Expenses
Subtotal Forecasted SEC Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:

(T) Denotes Change in Text

Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Forecasted SEC Revenue Requirement

Divided by Relevant Rate Order Volumetric & Metered Revenue

SEC Percentage Rate

Where:

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted SEC plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC.

Accumulated Deferred Income Taxes = An average of the forecasted accumulated deferred income taxes related to qualified forecasted SEC investment at the beginning and end of the year.

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of forecasted SEC infrastructure.

Depreciation Expense = Forecasted cumulative qualified SEC investment net of retirements and CIAC, multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Forecasted SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Forecasted cumulative qualified SEC investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

Gross Receipts Tax Rate = Forecasted SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

(T) Denotes Change in Text

Property Taxes = Forecasted cumulative qualified SEC investment multiplied by composite property tax rate approved in the Relevant Rate Order.

SEC Plant Retirements = Forecasted SEC plant removed from service net of any associated cost of removal and salvage.

Forecasted SEC Investment Amount = Average forecasted SEC additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

Safety and Environmental Compliance Expenses = the incremental operational expenses similar to other expenses authorized in previous rate cases that are specifically for safety and environmental compliance or to support safety and environmental compliance utility plant.

Uncollectible Expense = Forecasted SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(C) The total amount to be recovered through the SEC is the SEC Percentage Rate as adjusted for the Annual Reconciliation Factor Percentage Rate.

5. Determination of the Annual Reconciliation Factor Percentage Rate

(A) The Annual Reconciliation Factor Percentage shall be expressed as a percentage carried to two (2) decimal places. The Annual Reconciliation Factor Percentage shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The Annual Reconciliation Factor Percentage Rate will be computed as follows:

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment

(T) Denotes Change in Text

Plus Earnings Test Adjustment
Plus Interest
Annual Reconciliation Amount

Divided by 9/12 of the Relevant Rate Order Volumetric & Metered Revenue

Annual Reconciliation Factor Percentage Rate

(C) Computation of the Budget-to-Actual Adjustment.

The Budget-to-Actual Adjustment will be computed as follows:

ACTUAL SEC Investment Amount for the Annual Review Period
Less SEC Plant Retirements (Net of Cost of Removal & Salvage)
Less Contributions in Aid of Construction
Less Accumulated Depreciation
Less Accumulated Deferred Income Taxes
Net Actual SEC Qualifying Investment

Multiplied by the Pre-Tax ROR set forth in the Relevant Rate Order

Allowed Actual SEC Pre-Tax Return
Plus Depreciation Expense
Plus Property Taxes
Plus Franchise Taxes
Plus Safety and Environmental Compliance Operational Expenses
Subtotal Actual SEC Revenue Requirement Before Revenue Tax

Divided by 1 minus the following:

Forfeited Discounts Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Actual SEC Revenue Requirement

Less Total Forecasted SEC Revenue Requirement

Budget-to-Actual Adjustment

(T) Denotes Change in Text

Where:

Accumulated Depreciation = Accumulated depreciation calculated by debiting for Forecasted SEC plant removed from service, and crediting for new accumulations using rates approved in the Relevant Rate Order on new investments, less retirements and CIAC

Accumulated Deferred Income Taxes = An average of the actual accumulated deferred income taxes related to actual SEC investment at the beginning and end of the year.

Contributions in Aid of Construction = Non-investor supplied funds used in the construction of actual SEC infrastructure.

Depreciation Expense = Actual cumulative qualified SEC investment net of retirements and CIAC multiplied by depreciation rates approved in the Relevant Rate Order.

Forfeited Discount Rate = Actual SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Franchise Taxes = Actual cumulative qualified SEC investment multiplied by composite franchise tax rate approved in the Relevant Rate Order.

Gross Receipts Tax Rate = Actual SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Property Taxes = Actual cumulative qualified SEC investment multiplied by composite property tax rate approved in the Relevant Rate Order.

SEC Plant Retirements = Actual SEC plant removed from service net of any associated cost of removal and salvage.

Actual SEC Investment Amount = Average actual SEC additions to plant infrastructure as described in Section 3, computed by use of average of 12 end-of-month balances.

(T) Denotes Change in Text

Safety and Environmental Compliance Expenses = the incremental operational expenses similar to other expenses authorized in previous rate cases that are specifically for safety and environmental compliance or to support safety and environmental compliance utility plant.

Uncollectible Expense = Actual SEC Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

Volumetric & Metered Revenue = the revenues authorized in the Relevant Rate Order for volumetric water sales, meter charges, and private fire service charges.

(D) Computation of the Over-Under Collection Adjustment.

The Company will identify and record the total amount of the SEC Collected from Customers for the Annual Review Period. The difference between the Total SEC Collected from Customers and the Total Budgeted SEC Revenue Requirement shall constitute the Over-
(T) Under Collection Adjustment. This adjustment shall include any remaining Over-Under
(T) amount from the prior period reconciliation during the Annual Review Period in addition to
(T) the Over-Under collection amount for the EDI during the Annual Review Period.

(E) Computation of the Earnings Test Adjustment.

If the earnings attained by the Company for the Annual Review Period exceed the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then any such earnings difference shall constitute the Earnings Test Adjustment. If the earnings attained by the Company for the Annual Review Period are less than the earnings allowed for the Annual Review Period by applying the overall rate of return authorized in the Relevant Rate Order, then no Earnings Test Adjustment shall be recognized.

Any Earnings Test Adjustment shall be allocated among the Qualified Infrastructure Improvement Program Rider, the Economic Development Investment Rider, and the Safety and Environmental Compliance Rider based on the pro-rata revenues collected under these riders for the Annual Review Period for purposes of computing new rate adjustments.

(F) Computation of Interest.

Interest will be computed as follows:

(T) Denotes Change in Text

Budget-to-Actual Adjustment
Plus Over-Under Collection Adjustment
Plus Earnings Test Adjustment

Total Amount Subject to Interest
Interest Rate Multiplied by 50%

Total Interest

Where "Interest Rate" equals the prime rate value published in the "Federal Reserve Bulletin" or in the Federal Reserve's "Selected Interest Rates" for the most recent preceding month.

6. New Base Rates

The SEC rider will be reset at zero upon the establishment of new base rates to customer billings that provide for the prospective recovery of the annual costs that had theretofore been recovered under the SEC. Thereafter, only the costs of new SEC eligible plant additions that have not previously been reflected in the Company's rate base, would be reflected in new annual prospective SEC filings.

7. Annual SEC Percentage Rate Filing

On or before December 1 of each year, the Company shall submit to the Commission a calculation of the SEC Percentage Rate for the following calendar year. The Annual SEC Percentage Rate Filing shall be verified by an officer of the Company. The Annual SEC Percentage Rate Filing shall include a calculation to adjust revenue to recover costs related to the Forecasted SEC Investment Amount, with such revenue adjustment applied through the SEC Percentage Rate. The SEC Percentage Rate shall become effective on January 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual SEC Percentage Rate Filing the following information at a minimum: (a) computation of the SEC Percentage Rate, including the detailed calculation of each component, (b) a budget of the Forecasted SEC Investment Amount and Forecasted Safety and Environmental Compliance Operational Expenses adopted by the Company's Board of Directors, (c) any related Strategic Capital Expenditures Plans, (d) statements demonstrating how each projected capital investment comprising the Forecasted SEC Investment Amount and each projected operational expense comprising the Forecasted Safety and Environmental Compliance Operational Expenses meet the requirements for recovery under this Rider set forth in Section 3, and (e) such other information as the Commission may direct.

(T) Denotes Change in Text

The Company will simultaneously copy the Consumer Advocate on its Annual SEC Percentage Rate Filing.

8. Annual Reconciliation Filing with the Commission

On or before March 1 of each year, the Company shall submit to the Commission a reconciliation of the results of the operation of the SEC for the previous Annual Review Period. The Annual Reconciliation Filing shall be verified by an officer of the Company. The annual reconciliation shall include a calculation to adjust revenue collected under this SEC Rider in effect for the prior Annual Review Period to an amount equivalent to the actual level of prudently-incurred SEC cost for the prior Annual Review Period, with such revenue adjustment applied through the Annual Reconciliation Factor Percentage Rate. The Annual Reconciliation Factor Percentage Rate shall become effective on April 1 of each year and be applied as an adjustment to Customers' bills for the remainder of the calendar year.

The Company will include in its Annual Reconciliation Filing the following information at a minimum: (a) a schedule of all journal entries made related to this Rider for the Annual Review Period, including any related general ledger support, (b) actual billing determinants by month as used in the computation of the Total SEC Collected from Customers for the Annual Review Period, (c) capitalization policy effective for the Annual Review Period, (d) computation of the Annual Reconciliation Factor Percentage Rate, including the detailed calculation of each component, (e) schedules of the Actual SEC Investment Amount and Actual Safety and Environmental Compliance Operational Expenses, including related general ledger support, (f) a schedule of any proposed prior period adjustments, (g) an affirmative statement of whether the Company is aware of any changes in market conditions or other factors that may affect whether the Rider is still in the public interest, including the identification of such factors if they exist, (h) the cumulative amount of SEC collected from customers under this Rider, and (i) such other information as the Commission may direct.

The Company will simultaneously copy the Consumer Advocate on its Annual Reconciliation Filing.

9. Notice Requirements

The Company will file revised tariffs for Commission approval upon 30 days' notice to implement a decrement or an increment each January 1 and April 1. Along with the tariff filing, the Company will include a copy of the computation of the new rate adjustment. The Company will simultaneously copy the Consumer Advocate on this filing.

10. Public Interest Review

(T) Denotes Change in Text

Nothing herein shall be construed to eliminate or otherwise restrict the opportunity of the Consumer Advocate or any other interested party from seeking a review of this Rider, as permitted by law and the rules and regulations of the Commission, for a reconsideration of whether it remains in the public interest.

(T) Denotes Change in Text

ISSUED: **October 3, 2017** **EFFECTIVE: November 2, 2017**

BY:

Valoria V. Armstrong
PRESIDENT

109 Wiehl Street
Chattanooga, Tennessee 37403

CLASSIFICATION OF SERVICE

PRODUCTION COSTS AND OTHER PASS-THROUGHS ("PCOP") RIDER

1. Applicability

In addition to the other charges provided for in this Tariff under Service Classifications Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, and Private Fire, a Production Cost and Other Pass-Through ("PCOP") Rider will apply to customers in all service areas.

The above rider will be recomputed annually and will be adjusted to incorporate the Over-Under Collection Adjustment.

2. Definitions

For the purposes of this Rider:

"Adjusted Review Period PCOP Costs" means the Review Period PCOP Costs net of the Over- Under Collection Adjustment.

(T) **"Commission"** means the Tennessee Public Utility Commission

"Base Period PCOP Costs" means the amount of annual expenses of the Company for purchased power expenses, purchased chemical expenses, purchased water expenses, wheeling charges, waste disposal expenses and TPUC inspection fees reflected in the Relevant Rate Order.

(T)

"Consumer Advocate" means the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General.

"Over-Under Collection Adjustment" means the adjustment to the PCOP Percentage Rate applicable to the coming Review Period for the net amount of over or under collections for the prior Review Period, as adjusted for Interest.

(T) **"Relevant Rate Order"** means the final order of the Commission in the most recent rate case of the
(T) Company fixing the rates of the Company or the most recent final order of the Commission specifically prescribing or fixing the factors and procedures to be used in the application of this Rider.

(T) Denotes Text Change

"Review Period" means the twelve month period on which the Review Period PCOP Costs are calculated.

"Review Period PCOP Costs" means the amount of actual annual expenses of the Company for purchased power expenses, purchased chemical expenses, purchased water expenses, (T) wheeling charges, waste disposal expenses, and TPUC inspection fees, as adjusted for the (T) Commission's water loss policies.

3. General Description

PCOP allows the Company to recover outside of a rate case its incremental cost for purchased power expenses, purchased chemical expenses, purchased water expenses, wheeling charges, waste (T) disposal expenses and TPUC inspection fees, as adjusted for the Commission's water loss policies. (T)

Review Period PCOP Costs are to be separately identifiable on the Company's books and segregated into the following general accounts:

Accounts 510000000 - 51099999 – Purchased Water Expense;
Accounts 51510000 - 51599999 – Purchased Power Expense;
Accounts 51800000 - 51899999 – Purchased Chemical Expense;
Accounts 51110000 - 51115000 – Waste Disposal Expense; and
(T) Account 68545000 – TPUC Inspection Fee.

4. Determination of the Annual Production Cost and Other Pass-Throughs Percentage

(A) The PCOP Percentage Rate shall be expressed as a percentage carried to two (2) decimal places. The PCOP Percentage Rate shall be applied to the total amount billed to each Customer based on the Company's otherwise applicable rates and charges.

(B) The PCOP Percentage Rate shall be calculated on an annual historical basis as follows:

Base Period PCOP Costs from the Relevant Rate Order
Divided by Relevant Rate Order Sales Volume in 100 Gallons
Base Period PCOP Costs per 100 Gallons

(T) Review Period PCOP Costs Subject to Commission's Water Loss Policies
Plus Over-Under Collection Adjustment
Review Period PCOP Costs Adjusted for Over-Under Collections

(T) Denotes Text Change

Divided by Relevant Rate Order Sales Volume in 100 Gallons
Adjusted Review Period PCOP Costs per 100 Gallons

Incremental Change in PCOP Costs per 100 Gallons
Multiplied by Relevant Rate Order Sales Volumes in 100 Gallons
PCOP Net Deferred Cost
Less Forfeited Discount Rate
Plus Uncollectible Expense Rate
Plus Gross Receipts Tax Rate
Total Deferred PCOP Costs
Divided by Relevant Rate Order Water Sales Revenue
PCOP Percentage Rate

Where:

Forfeited Discount Rate = PCOP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite forfeited discount factor approved in the Relevant Rate Order.

Gross Receipts Tax Rate = PCOP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite gross receipts tax rate approved in the Relevant Rate Order.

Uncollectible Expense = PCOP Revenue Requirement before gross receipts taxes, uncollectible expense and forfeited discounts multiplied by composite uncollectible factor approved in the Relevant Rate Order.

(C) The total amount to be recovered through the PCOP is the PCOP Percentage Rate.

5. Computation of the Over-Under Collection Adjustment

The Company will identify and record the total amount of the PCOP Collected from Customers under this Rider for the Review Period. The difference between the Total PCOP Collected from Customers for the Review Period and the Total Deferred PCOP Costs authorized for the Review

Period as determined in Section 4, as adjusted for Interest, shall constitute the Over-Under Collection Adjustment.

(A) The Over-Under Collection Adjustment shall be computed as follows:

Total PCOP Costs Collected from Customers for the Review Period
Less Total Deferred PCOP Costs Authorized for the Review Period
Subtotal of Over-Under Collection Adjustment
Plus Interest Adjustment
Total Over-Under Collection Adjustment

(B) Computation of Interest Adjustment.

Interest will be computed as follows:

Subtotal of Over-Under Collection Adjustment
Multiplied by (Interest Rate Multiplied by 50%)Interest Adjustment

Where "Interest Rate" equals the prime rate value published in the "Federal Reserve Bulletin" or in the Federal Reserve's "Selected Interest Rates" for the most recent preceding month.

6. New Base Rates

The PCOP rider will be reset at zero upon the establishment of new base rates to customer billings that provide for the prospective recovery of the annual costs that had theretofore been recovered under the PCOP rider. Thereafter, only the costs of new PCOP incremental costs that have not previously been reflected in the Company's base rates would be reflected in new annual prospective PCOP filings.

7. Annual Filing with the Commission

(T) Within 45 days of the end of the most recently authorized Attrition Year set forth in the Relevant Rate Order, and every twelve months subsequent to the end of that Attrition Year, the Company shall submit to the Commission an annual filing calculating the PCOP Percentage Rate. The annual filing shall be verified by an officer of the Company. The PCOP Percentage Rate shall become effective 30 days after the annual filing is submitted to the Commission and shall be applied as an adjustment to Customers' bills for the twelve month period following the effective date of the PCOP Percentage Rate. The Company shall file one single adjustment each year to include both the new percentage rate based on the annual production expenses and the reconciliation of the Over-Under Collections Adjustment.

(T) Denotes New Text

The Company will include in its annual filing the following information at a minimum: (a) a schedule of all Review Period PCOP Costs, including any related general ledger support, (b) actual billing determinants by month as used in the computation of the PCOP Collected from Customers, (c) computation of the PCOP Percentage Rate, including the detailed calculation of each component, (d) a schedule of any proposed prior period adjustments, (e) an affirmative statement of whether the Company is aware of any changes in market conditions or other factors that may affect whether the Rider is still in the public interest, including the identification of such factors if they exist, (f) the cumulative amount of PCOP Costs collected from customers under this Rider, and (g) such other information as the Commission may direct. (T)

The Company will simultaneously copy the Consumer Advocate on this annual filing.

8. Notice Requirements

(T) The Company will file revised tariffs for Commission approval upon 30 days' notice to implement a decrement or an increment to the PCOP Percentage Rate. Along with the tariff filing, the Company will include a copy of the computation of the new PCOP Percentage Rate. The Company will simultaneously copy the Consumer Advocate on this tariff filing.

9. Public Interest Review

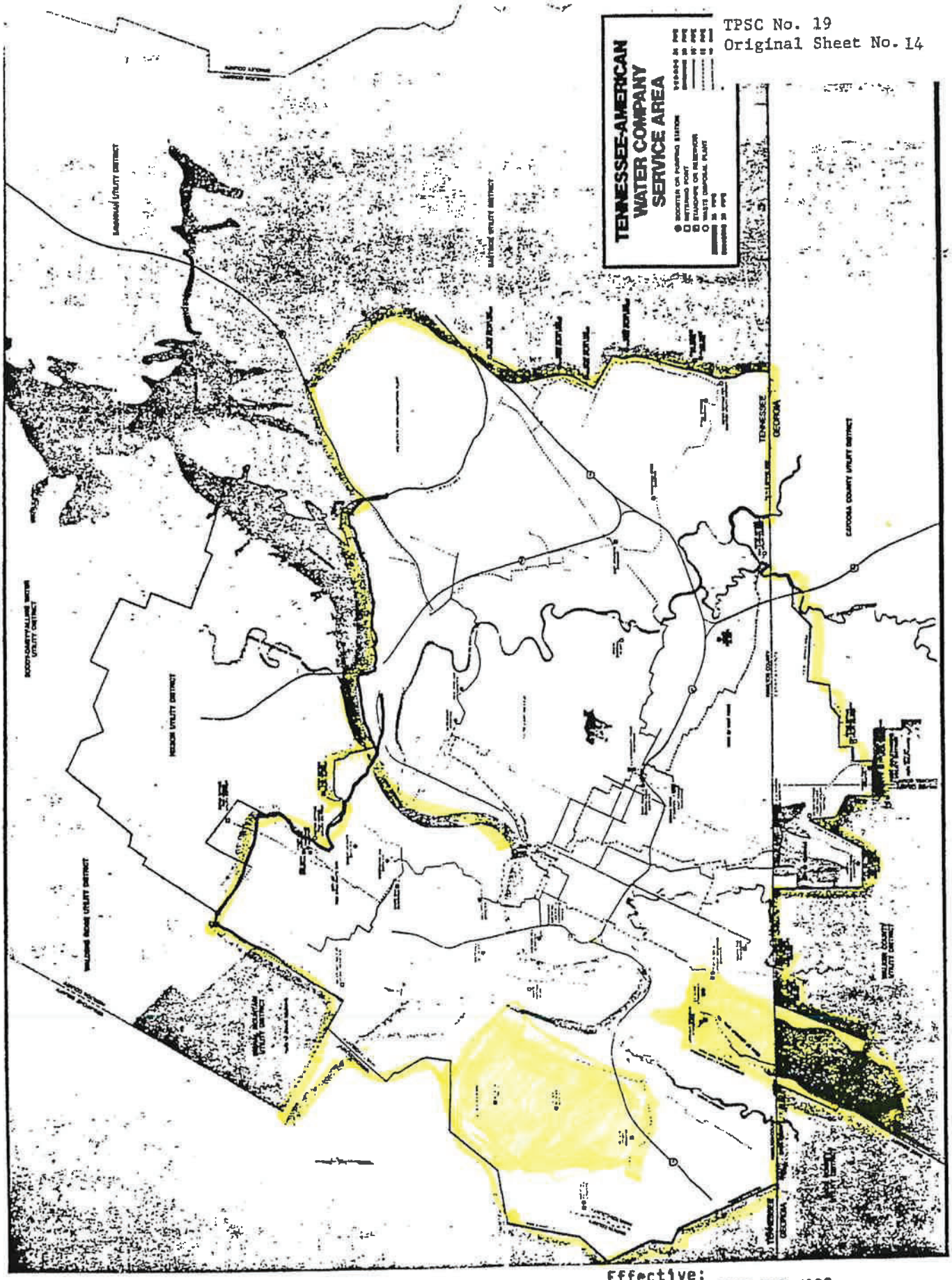
Nothing herein shall be construed to eliminate or otherwise restrict the opportunity of the Consumer Advocate or any other interested party from seeking a review of this Rider, as permitted by law and the rules and regulations of the Commission, for a reconsideration of whether it remains in the public interest. (T)

(T) Denotes Text Change

Issued: March 18, 1988
Issued By: E. W. Limbach, President
1101 Broad Street
Chattanooga, Tennessee

Effective: MAR 23 1988
Issued in compliance with the Order
of the TPSC
Commission dated 3/17, 1988
12-87-7534

TPSC No. 19
Original Sheet No. 14



Issued: March 18, 1988
Issued By: E. W. Limbach, President
1101 Broad Street
Chattanooga, Tennessee

Effective: MAR 23 1988
Issued in compliance with the Order
of the TPSC
Commission dated 3/17, 1988

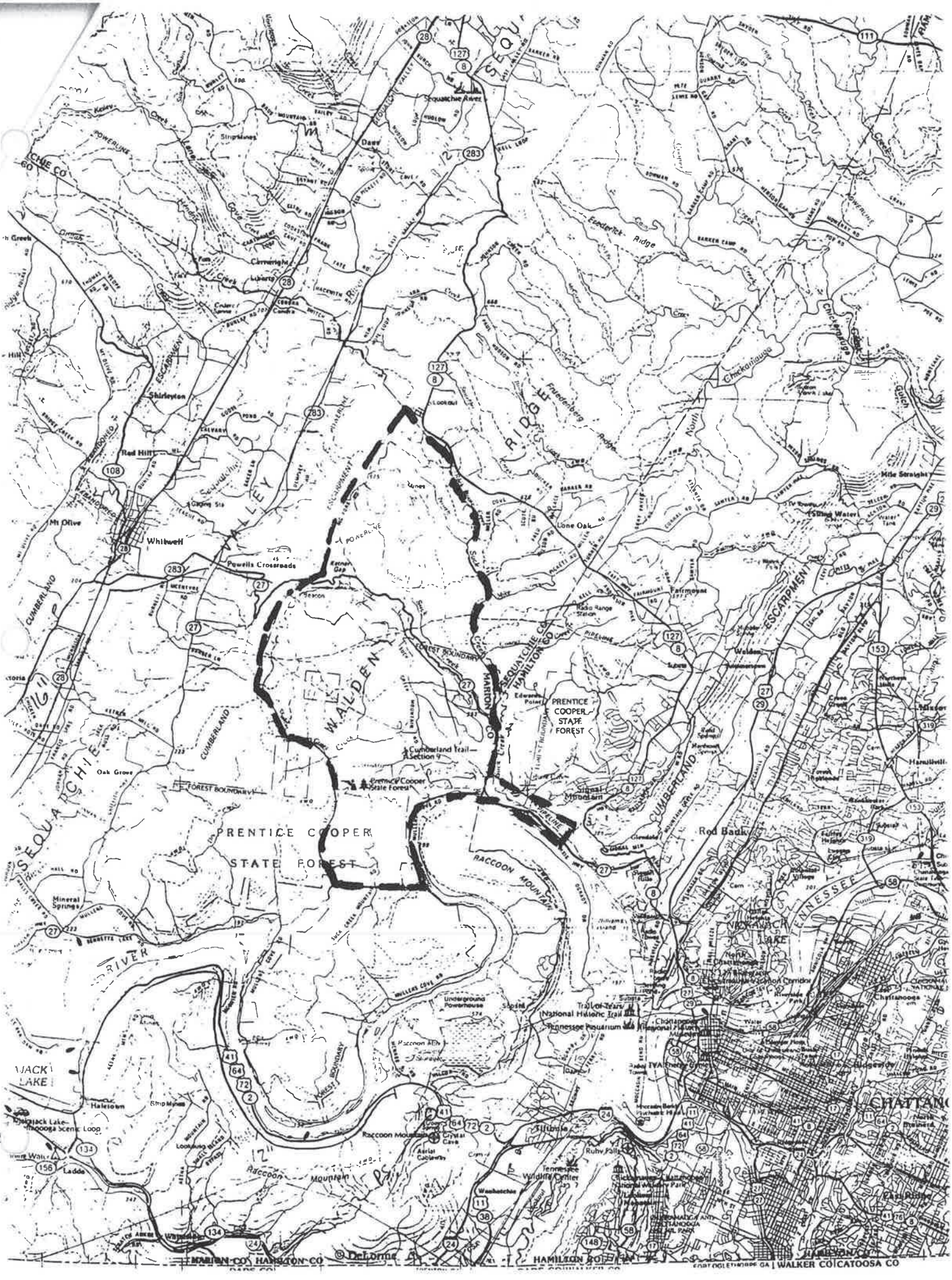
EXHIBIT 1
TO
OPERATIONS AND MAINTENANCE AGREEMENT

Legal Description and Map of Suck Creek Water System

Legal Description:

Beginning on the North bank of the Tennessee River where Shoal Creek enters the River in Hamilton County, Tennessee; thence extending along the right bank looking downstream, to Ritchie Hollow in Marion County; thence west across Walden's Ridge to Mullens Creek; thence North along Mullens Creek to Shelton Creek; thence northwest along Shelton Creek to the Cumberland Escarpment at Ditch Gap; thence northeast along the Escarpment to the Marion-Sequatchie County Line; thence southeast along the Marion-Sequatchie County Line to the junction of the Marion-Sequatchie-Hamilton County Line; thence south along the Marion-Hamilton County Line to a point one half mile from the Bank of the Tennessee River at "The Suck"; thence southeast to the southwest corner of the Town of Signal Mountain, Tennessee; thence along the south boundary of the Town of Signal Mountain to Shoal Creek; thence southwest along Shoal Creek to the north bank of the Tennessee River at the point of beginning.

Map: Attached.


PRENTICE COOPER STATE FOREST
PRENTICE COOPER STATE FOREST
WALDEN RIDGE
SEQUATCHIE VALLEY
Cumberland Trail—Section 9
Prentice Cooper State Forest
Raccoon Mountain
Lookout Mtn.
Signal Mtn.
Red Bank
Chattanooga
Whitwell
Powells Crossroads
Shirleyton
Red Hill
Mt Olive
Oak Grove
Mineral Springs
Haleytown
Nickajack Lake
Nickajack Lake-Chickamauga Scenic Loop
Ladds
Suck Creek
Marion Co
Hamilton Co
Walker Co
Catoosa Co
Tennessee River
Tennessee Aquarium
Ruhy Falls
Tennessee Wildlife Center
Underground Powerhouse
Trail of Tears National Historic Trail
Lone Oak
Fairmount
Walden
Edwards Point
Cumberland
Escarpment
Powerline
Forest Boundary
Lookout
Sequatchie Valley
Sequatchie River
Eastern Ridge
Frazier Ridge
Frundenberg Ridge
Chickamauga Creek
Nickajack Lake
Raccoon Mountain
Aerial Cableway
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RULES, REGULATIONS AND CONDITIONS OF WATER SERVICE

1. RATES, RULES AND REGULATIONS GOVERN RENDERING OF WATER SERVICE

1.1 A copy of all Rates, Rules, Regulations and Conditions of Water Service is on file with the Tennessee Public Service Commission and may be inspected by the public in the office of the Company.

1.2 All Water Service furnished by the Company shall be subject to these Rates, Rules, Regulations and Conditions of Water Servie, and are made a part of all applications or contracts (both oral and written) for service (except when modified by special contract approved by the Tennessee Public Service Commission). They are subject to revision, change, modification or cancellation by the Company, subject to the approval of the Tennessee Public Service Commission, or by the Commission through utility industry orders. The failure of the Company to enforce any of the terms of these Rates, Rules, Regulations and Conditions of Water Service shall not diminish or sacrifice its right to do so.

1.3 Upon request by an Applicant or Customer, the Company shall supply, without charge, a copy of applicable rate schedules.

2. DEFINITIONS

(a) An "Applicant" is any person, firm, corporation or Governmental Unit making application for Water Service.

(b) A "Battery Setting of Meters" is a system of pipe, valves and fittings designed to accomodate two or more meters.

(c) A "Combination Service" means a Service Pipe which is used to provide both General Water Service and Private Fire Protection Service.

(d) The "Commission" is the Tennessee Public Service Commission and "Commission Rule" means any rules or regulations duly adopted by the Commission and applicable to water utilities under the Commission's jurisdiction.

(e) The "Company" is the Tennessee-American Water Company acting through its Officers, Manager or other duly authorized employees or agents.

(f) "Company Service Pipe" means the portion of the General Water Service Pipe, extending from the Distribution Main to and including the curb cock, or the outlet connection of the meter setting when installed at or near the curb or property line at the cost and expense of the Company.

(g) A "Customer" is any person, firm, corporation or Governmental Unit taking Water Service from the Company.

(h) "Residential Customer" means a person taking Water Service exclusively for personal use at a single family residence.

(i) "Customer's Service Pipe" means the portion of General Water Service Pipe from the end of the Company's Service Pipe to the Customer's place of consumption, installed at the cost and expense of the Customer.

(j) "Distribution Main" means water pipe owned, operated, or maintained by the Company and used for the purpose of distribution of water, and to which Service Lines are connected.

(k) "General Water Service" means the provision or use of Water Service for any purpose other than fire extinguishment.

(l) A "Governmental Unit" is any municipality or other political subdivision or agency of a state or the federal government.

(m) A "Hidden Leak" is a leak occurring on the Customer's property not obviously detectable by sight or sound.

(n) A "Premises" is:

I. A single structure owned or leased by a Customer and used as one residence or place of business; or

II. A combination of structures owned or leased by a Customer, which is located on a single site, and such Customer constructs, operates and maintains on the site a secondary distribution system. Such site may be composed of one or more connecting or adjacent parcels of land, not separated by public streets or highways; or

III. Each unit or a multiple unit building wherein each unit is under separate ownership or lease; or

IV. Each unit of a multiple unit building wherein the Customer's Service Pipe for each unit is connected to a separate Company Service Pipe; or

V. A building owned or leased by a Customer, having two or more apartments, residences, offices, or suites of offices; or

VI. A trailer park, area or site in which space is rented or leased for the parking and occupancy of trailers or mobile homes.

(o) A "Private Fire Protection Service" is a Service Line for a single Customer and Premises to which fixtures are attached and water may be taken only for the extinguishment of fire or for the testing of such fixtures.

(p) "Service Pipe" or "Service Line" is the pipe between the Distribution Main and the Customer's place of consumption, and includes all pipe, fittings, valves and other necessary fixtures.

(q) A "Temporary Service Connection" is a service line with necessary fittings, valves and fixtures, including meter, which is installed for the temporary use of water on a site abutting a Distribution Main.

(r) "Termination of Service" is disconnection of Water Service at Customer request.

(s) "Discontinuance of Service" is disconnection of Water Service not at Customer request.

(t) "Water Service" is the supply of water and accompanying services in which the company is engaged in behalf of the Customer.

(u) A "Depositor" is any person, firm, corporation or Governmental Unit making a deposit with the Company under an agreement providing for the construction of a main extension and related facilities in accordance with the Extension of Distribution Mains rule herein.

3. COMMENCEMENT OF WATER SERVICE

3.1 GENERAL

(a) A prospective Customer shall not connect or reconnect service, nor employ any person to do so, without authorization by the Company.

(b) The Company shall not be under any duty to permit connection or to supply Water Service to any Customer whose Premises does not abut on a Distribution Main.

(c) Requests by Governmental Units for public fire protection service will be governed by these rules.

(d) All persons, firms, corporations, or Governmental Units desiring Water Service must make application to the Company in a form prescribed by the Company, setting forth all purposes for which water will be used.

(e) Applications for Water Service, when accepted by the Company, shall cover only the Premises and uses applied for.

(f) The Customer, in accepting conditions for Water Service, is responsible for all Water Service furnished until the Customer notifies the Company to terminate the service for his account or until the Company has accepted a new Water Service application for the Premises.

(g) Any change in the identity of a Customer will require new application, and the Company may, after notice, discontinue Water Service until such new application has been made and accepted.

4. SPECIAL APPLICATIONS FOR WATER SERVICE

4.1 Water Service for the following purposes must be specially applied for, and the special terms and conditions applicable must be agreed to in writing by the Applicant:

(a) Condominiums, cooperative apartments and housing developments.

(b) Water Service to multiple Premises under common ownership located on a single site undivided by public streets, and requiring service to each individual Premises through a secondary distribution system not owned or operated by the Company.

(c) Private Fire Protection Service.

(d) Construction or temporary purposes.

(e) Shopping centers.

(f) Trailers and trailer courts.

(g) Water for resale.

4.2 If a Company Service Pipe installation is made for construction or temporary service, the Applicant shall reimburse the Company for the cost of such installation and its removal.

4.3 In an emergency, the Company may authorize temporary Water Service in any manner appropriate to the circumstances and consistent with sound engineering practice and will charge, during the period of emergency, the minimum charge prescribed in the Company's rate schedules for the size of meter through which the Customer would normally receive Water Service.

5. PRIVATE FIRE PROTECTION SERVICE

5.1 Private Fire Protection Service for the purpose of supplying water for the extinguishment of fire shall be installed after approval in writing by the Company and is subject to the terms and conditions contained in the Application for Private Fire Protection Service. A copy is on file in the Company's office. All applications shall be submitted for written approval of the Chief of the Fire Department having jurisdiction and such approval shall offer the opinion that the public fire protection will not be adversely affected by the proposed connection.

5.2 Application for Private Fire Protection Service will not be approved unless there is suitable water volume and pressure available in the Distribution Main abutting the Premises to be supplied.

5.3 The Applicant shall furnish, as part of the application, three complete sets of drawings approved by the Insurance Services' Office or comparable agency approved by the Company showing the pipes, valves, hydrants, tanks, openings and fixtures contemplated. Such drawings must also show any other water supply system and pipe lines and fixtures existing on the Premises.

5.4 The Company determines the size and location of any new connections made to its Distribution Mains for Private Fire Protection Service, and will, at the cost and expense of the Customer, install and maintain the connection to its Distribution Main. The Customer shall install and maintain the Service Pipe from the Distribution Main to the property line.

5.5 Once in operation, the Customer must obtain, in advance, the approval of the Company for any change, alteration or addition in the fixtures, openings and uses specified in the application.

5.6 The extent of the rights of the Private Fire Protection Service Customer is to receive at times of fire such supply of water as shall then be available from the Company's Distribution Main. The Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fire or to protect any Customer, persons or property against loss or damage by fire or otherwise. The Company shall be free and exempt from any and all liability on account of any injury to property or persons by reason of fire, water, failure to supply water pressure, or for any other cause whatsoever.

5.7 No pipe or fixtures connected with a Private Fire Protection Service served by the Company shall be connected with pipes or fixtures supplied with water from any other source, unless specifically approved in writing by the Company.

5.8 Unless otherwise provided in a written agreement between the Applicant and the Company, Service Lines for Private Fire Protection service shall be distinct and separate from the General Water Service Line. A Private Fire Protection Service connection is furnished for the sole purpose of supplying water for the extinguishment of fires, and the use of water from such a connection for any other purpose, other than testing, is absolutely forbidden.

5.9 Where one Service Pipe is used for both General Water Service and Private Fire Protection Service, separate charges will be made for each type of use, in accordance with the applicable tariff, the charge for Private Fire Protection Service being based on the size of the Service Pipe supplying the Premises and that the General Water Service being based on the consumption through, and the size of, the meter or meters installed. The responsibility for installation and maintenance of such a Combination Service pipe shall be the same as that provided for Private Fire Protection Service.

5.10 Private Fire Protection Service shall be furnished through a line guarded by an approved fire line meter or detector device which shall be furnished and installed by the Customer at his cost and expense. The fire line meter or detector device shall be located at a point approved by the Company. The fire line meter or detector device will be maintained at the cost and expense of the Customer, subject to the inspection and approval of the Company. The by-pass meter only, used with the detector device, shall be furnished, installed and maintained by the Company at its cost and expense.

5.11 The rates for Private Fire Protection Service include only the water used for the extinguishment of fires and necessary for the testing of fire protection facilities on the Premises. Unauthorized use of water for purposes other than those specified will subject the Customer, after notice, to discontinuance of Private Fire Protection Service.

5.12 The introduction of anti-freeze or any other substance not specifically approved by the Environmental Protection Agency as non-detrimental to the public water supply is not permitted in sprinkling systems or any other part of Applicant's Private Fire Protection Service system.

5.13 The Customer's Private Fire Protection Service system shall be subject to the inspection, test and approval of the Company before the service is made effective, and afterwards as deemed necessary or appropriate by the Company. The Customer shall be solely responsible for the design, adequacy, function and maintenance of its Private Fire Protection Service System.

5.14 Hydrants and other fixtures connected with a Private Fire Protection System may be sealed by the Company, and such seals may not be broken except in case of fire or as specially permitted by the Company for testing or other approved purposes. The Customer shall immediately notify the Company of the breaking of any such seal.

5.15 Whenever a Private Fire Protection Service System is proposed to be tested, the Customer shall notify the Company at least two (2) business days in advance of such proposed test. The Company may elect to have an inspector present during the test.

5.16 Private fire hydrants may be painted any color other than that adopted by the Company for public fire hydrants.

5.17 A gate valve with post indicator controlling the entire supply shall be placed at the curb or property line of the street in which the main is located or at such other point as may be approved by the Company, and shall be furnished, installed and maintained by and at the expense of the Customer. Unless otherwise approved by the Company, the valve shall be installed in a valve pit or vault also furnished, installed and maintained by and at the expense of the Customer.

6. INSTALLATION AND MAINTENANCE OF SERVICE LINES

6.1 Where Company Distribution Mains are or may be installed, the Company will install the Company Service Pipe provided the Service Pipe is required for General Water Service to Premises abutting such mains.

6.2 Service Pipes for construction or temporary service shall be installed and removed at the Customer's expense.

6.3 A Customer Service Pipe shall not extend from one dwelling, building, structure or parcel of real estate to another dwelling, building, structure or parcel of real estate across a public street or across a property line unless the property line crossed is located within a building complex described in Rule 2(n)(II).

6.4 The Company will make all connections to its Distribution Mains and will specify the size, kind, quality and location of all materials used in the Service Line.

6.5 The Company Service Pipe shall be furnished, installed and maintained only by the Company and shall remain under its sole control and jurisdiction.

6.6 Service Pipes for Private Fire Protection Service from the Distribution Main to the curb or property line shall be installed and maintained in accordance with Rule 5.

6.7 The Customer's Service Pipe shall be installed and maintained by the Customer, free from leaks and other defects, at his own expense and risk, and for failure to do so, Water Service may be discontinued. The Customer's Service Pipe shall be installed in accordance with applicable governmental regulations and Company specifications below the frost line on firm and continuous earth so as to give unyielding and permanent support.

6.8 For new Service Lines, the Customer shall install his Service Pipe to the curb or property line at a point approved by the Company, after which the Company will install its Service Line from the Distribution Main to the Customer's Service Line.

6.9 Where the Company's Service Pipe is already installed to the curb or property line, the Customer shall connect with the Company Service Pipe as installed.

6.10 The Customer shall make all changes in the Customer's Service Pipe required on account of changes of grade or other causes.

6.11 No fixture shall be attached to, or any branch made in, the Service Pipe between the meter and the Distribution Main, other than by authorized employees of the Company.

6.12 There shall be no more than one Service Pipe supplying a single Premises, unless otherwise approved by the Company.

6.13 If a Customer, occupant, owner, or any of his agents should damage Company property, repairs shall be made only by the Company, but at the Customer's expense.

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6.14 The Customer shall install and properly maintain on his Service Pipe a stop and waste valve approved by the Company. It shall be in an accessible location, protected from freezing and adequate to shut off and drain all plumbing. Further, where a Customer's Service Pipe is branched or arranged to supply more than one building, additional valves shall be installed in such manner that service to one of the buildings may be shut off without shutting off service to other buildings. A drawing showing the layout of branched Customer Service Pipes and valves shall be submitted to and approved by the Company prior to installation of the Customer Service Pipe and valves.

6.15 A Customer Service Pipe which is irregularly located because there was not a Distribution Main abutting the Premises at the time the Customer Service Pipe was installed, shall, at the Customer's expense, be relocated and connected to the Distribution Main abutting the Premises when replacement becomes necessary.

7. SERVICES INSTALLED IN ADVANCE OF PAVING

7.1 Owners of lots required to install Service Pipes from the Distribution Main to the curb or property line in advance of street or highway paving, shall pay the Company the cost of installing such Service Pipes. The Company will install such pipes and will refund such cost, without interest, to the depositing party when Water Service is commenced to such lots.

8. METERS

8.1 Water shall be supplied to all Customers by meter measurement only, excepting sales of water to tank trucks of known capacity and those Customers receiving public fire protection service and Private Fire Protection Service. The Company shall have the right to place a meter on any Service Pipe and charge for Water Service by meter measurement.

8.2 All meters, except fire service line meters, shall be furnished, installed, maintained, tested, repaired, removed and replaced only by the Company and shall remain its property. In case of damage to any meter by reason of any act, neglect or omission on the part of the Customer (such damages occasioned by fire, hot water, accident or misuse), the Customer shall reimburse the Company for the cost of repairing or replacing the meter.

8.3 The Company reserves the right to determine the kind, size and type of meter that shall be placed on any Service Pipe.

8.4 Meters may be located either in an outdoor meter box or vault, or inside the Customer's building or structure, at the option of the Company.

8.5 If the meter or Battery Setting of Meters is to be installed inside, it shall be located in a clean, dry, safe place not subject to wide temperature variations so that the meter may easily be examined, read or removed. The Customer shall, at his expense, provide suitable pipe connections and shut-off valves, one each at the inlet and outlet sides of the meter or Battery Setting of Meters, and other appropriate fittings designed by the Company.

8.6 If the meter or Battery Setting of Meters is to be installed in a meter box or vault, it shall be located in a convenient and readily accessible location at or near the street right-of-way line. Meter boxes or vaults for settings for single meters and Battery Settings of Meters shall be furnished, installed and maintained by the Company. The Company shall at its expense, provide suitable pipe connection and shut-off valves, and such other fittings as may be designated by the Company. Upon a request by the Customer before the original installation is made, the meter box or vault will be located at the point requested, if feasible under proper utility standards. The meter box or vault may be constructed to protect the meter from freezing and damage by vehicular traffic, and its location and design shall prevent, as far as possible, the inflow of surface water.

8.7 Separate Premises shall be separately metered and billed, and only one Premise shall be supplied through one meter or Battery Setting of Meters.

8.8 The Company reserves the right to put seals on all meters or meter couplings.

8.9 No Customer shall remove or cause or permit the removal of a meter by his agents once it has been installed by the Company, and any change in location of the meter desired by the Customer shall first be approved by the Company in writing, but shall be made by the Company at the Customer's expense.

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Commission dated 3/17, 1988
Docket No. U-87-7534

8.10 If a Customer requests an additional self-serving meter or meters for his Premises (i.e. lawn sprinkling or swimming pool), the Company will make the requested installation at the expense of the Customer and billing will occur as provided in Rule 9.

8.11 The Company may at any time, remove the meter for routine tests, repair, or replacement.

8.12 Meters may register in either U.S. gallons or cubic feet. Meter readings in units of hundred cubic feet may be converted to units of thousand gallons for billing purposes if the existing schedule of charges is stated in gallon units. The factor used for making a conversion from hundred cubic feet to thousand gallons shall be based on the use of
(C) one cubic foot as being equivalent to seven and forty-eight hundredths (7.48) U.S. gallons.

9. MULTIPLE METER SETTINGS

9.1 When more than one meter setting is installed at a Customer's Premises because of conditions warranted and determined by the Customer, each meter setting shall be treated separately as if it belonged to a separate Customer, and the registrations of such meters will not be combined.

9.2 When more than one meter setting is installed on a Customer's Premises because of conditions warranted and determined by the Company, the registration of all such meters shall be combined and the minimum charge shall be the sum of the individual minimum charges for all such meters.

10. DISPUTED BILLS

10.1 When a Customer disputes a bill, the Company will not terminate service for nonpayment so long as the Customer (i) pays the undisputed portion of the bill, (ii) pays all future bills by the due date, and (iii) enters into bona fide discussions with the Company to settle the dispute.

(C) Change

10.2 In instances where the Customer and Company cannot agree as to what portion of a bill is undisputed, it shall be sufficient that the Customer pay an amount equal to his average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the Customer shall pay an amount equal to 1/12 of the estimated annual cost of service.

10.3 If the Company and the Customer arrive at a mutually satisfactory settlement of a disputed bill, the Company may enter into a settlement agreement providing for payment of the outstanding balance in installments over a reasonable period of time. Such an agreement shall be limited to the bill in dispute or the delinquent account.

10.4 A settlement agreement may be in writing and signed by the Customer or his representative and an authorized representative of the Company. A settlement reached by telephone may be confirmed by the Company in writing and mailed to the Customer, with instructions to sign a confirming copy and return it to the Company.

10.5 The Company shall not be required to enter into concurrent settlement agreements relating to the same Water Service account.

10.6 The Company shall not be required to enter into a subsequent agreement with a Customer who defaults upon the terms and conditions of a previous agreement entered into within the previous twelve (12) months.

10.7 If the Customer fails to comply with the terms and conditions of a settlement agreement, the Company may discontinue Water Service without further notice to the Customer.

10.8 If agreement cannot be reached on settlement of the dispute, the Customer may register his dispute with the Commission.

11. ADJUSTMENT OF BILLS

11.1 Water Service bills which are incorrect due to meter or billing errors shall be adjusted in accordance with Commission Rules and to the known date of error or one (1) year, whichever is shorter.

11.2 Adjustment for Hidden Leaks (as defined on page 14, item (M) may be given as follows:

Adjustment for Hidden Leaks will be 50 percent of the charge for wasted water estimated from the beginning date of the leak to the date of repair, which period shall not exceed two regular reading periods unless extended by missed scheduled meter reading. Wastage will be considered as the excess consumption over normal usage, obtained by reference to the Customer's consumption record. If there is no consumption record, the average consumption for the previous calendar year for the appropriate Customer classification will be used as the normal consumption. An adjustment will be given only after the Customer has corrected the condition and verification has been presented to the Company that proper repairs have been made. Adjustments for Hidden Leaks will be limited to (1) one per Customer, per year, or (2) the adjustment amount set forth above unless occurring under unusual or extenuating circumstances.

12. METER TESTING

12.1 The Company will make a test of the accuracy of registration of a meter upon written request by a Customer. The Customer will be required to bear the full cost of any subsequent test of his meter if requested at less than eighteen (18) months after the preceding test, and accuracy of the meter is found to be in compliance with rules of the Commission. The results of such tests will be reported to the customer in writing within ten (10) days after the test is complete or the customer shall be given the opportunity of being present at such requested tests.

12.2 Upon written application and payment of the required fee to the Commission by any Customer, a test will be made of the Customer's meter under the supervision of a representative of the Commission in accordance with rules of the Commission.

13. DEPOSIT TO INSURE PAYMENT OF BILLS

13.1 The Company will not require a cash deposit as a condition of new Water Service unless the Customer has a prior Water Service account which remains unpaid with the Company. Water Service is considered new if the Customer has not been a Customer of the Company within the last 12 months.

13.2 The Company will not require a cash deposit as a condition of continued Water Service unless the Water Service of a Customer has been discontinued for nonpayment.

13.3 A cash deposit will be required under the following terms and conditions:

(a) A deposit will be required as a condition of new Water Service if the Applicant has a prior outstanding account. Such deposit shall not exceed an amount equal to two (2) times the estimated monthly bill for Water Service at the Customer's Premises. The Company may also require payment of the prior outstanding account, if due and owing to the Company, as a condition of new Water Service.

(b) A deposit will be required as a condition of continued Water Service if the Customer's service has been discontinued for nonpayment. Such deposit shall not exceed an amount equal to two (2) times the actual or estimated monthly bill for Water Service at the Customer's Premises. The Company may also require payment of the prior outstanding account as a condition of continued Water Service.

(c) Interest at the rate of 6% per annum, or at such other percentage per annum established by the Commission shall be payable on all deposits. Interest shall be paid upon the return of the deposit; however, a refund made within three (3) months from the date of deposit shall bear no interest.

(d) Deposits shall not earn interest after the date full payment is made to the Customer by mail or personal delivery, or after the date Water Service is terminated.

(e) Upon termination of Water Service, the deposit, with any accrued interest, shall be credited to the final bill and any balance returned promptly to the Customer. A change of Customer's address within the Company's service area will not be considered Termination of Service.

(f) The deposit and accrued interest shall be refunded by the Company upon satisfactory payment by the Customer of all proper charges for Water Service for twelve (12) successive months. Payment is satisfactory if made prior to issuance of a notice of discontinuation of Water Service for nonpayment of an account.

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13.4 For each deposit, the Company will provide a written receipt and maintain a record showing (1) the name of the Customer, (2) the current address of the Customer so long as he maintains an active account with the Company in his name, (3) the amount of the deposit, (4) the date the deposit was made, and (5) a record of each transaction affecting the deposit. If a Customer requests a refund of his deposit, but is unable to locate his receipt, and the Company's record reflects that the deposit was made and the Customer is entitled to the refund, the Company will make the refund based on a written statement from the Customer reciting that he made a deposit and requests the refund.

13.5 Any deposit remaining unclaimed for the applicable statutory period after the Company has made diligent efforts to locate the Customer shall be presumed abandoned and, after making any lawful deductions, will be treated in accordance with the provisions of the applicable unclaimed property laws.

14. TERMS AND CONDITIONS OF BILLING AND PAYMENT

14.1 All water sold shall be on the basis of meter measurement. Meters shall be scheduled to be read at not greater than quarterly intervals. The Company shall have the option to issue interim estimated monthly bills to Customers whose meters are read bi-monthly. Estimated bills shall not be less than a minimum bill as prescribed in the Company's current tariffs.

14.2 Private Fire Protection Service charges shall be payable quarterly in advance.

14.3 Public Fire Protection Service charges will be payable monthly in arrears.

14.4 Special charges shall be payable on demand.

14.5 All bills for Water Service are due on or before the due date printed on the bills, and considered delinquent if not paid by such date. The due date will be at least twelve (12) days after the postmarked date of the bill, if mailed, or the date of delivery if delivered by other means.

14.6 All bills will be sent to the address entered in the application unless the Company is otherwise notified by the Customer.

14.7 Customers are responsible for furnishing the Company with their correct addresses. Failure to receive bills will not release Customer from payment obligations.

14.8 The use of water by the same Customer at different Premises or localities will not be combined for billing.

14.9 The Company may estimate the bill of any Customer for good cause, including, but not limited to: request of Customer; inclement weather; labor or union disputes; inaccessibility of a Customer's meter; other circumstances beyond the control of the Company or its agents and employees; and, a billing period with a varying meter reading schedule; or the Company may render an estimated bill when a meter is found to be not registering. In such cases, the Company shall estimate the charge for the water used by averaging the amount registered over a similar period preceding or subsequent to the period of nonregistration or for corresponding period in previous years, adjusting for any changes in the Customer's usage.

14.10 The Company may include charges for special services with charges for Water Service on the same bill if such charges are identified.

15. DISCONTINUANCE OF WATER SERVICE

15.1 Upon Customer's Request

(a) The Customer shall notify the Company at least three (3) days in advance of the desired termination day and shall remain responsible for payment of all service until service is terminated pursuant to such request. The Company shall terminate service within three (3) working days of the requested termination date. The Customer shall not be liable for any service rendered to such address or location after the expiration of these three (3) days.

15.2 Without Customer's Request

(a) The Company may disconnect service without request by the Customer and without prior notice only:

I. If a condition dangerous or hazardous to life, physical safety or property exists; or

II. Upon order by any court, the Commission or other duly authorized public authority; or

III. If fraudulent or unauthorized use of water is detected and the Company has reasonable grounds to believe the affected Customer is responsible for such use; or

IV. If the Company's regulating or measuring equipment has been tampered with and the Company has reasonable grounds to believe that the affected Customer is responsible for such tampering; or

V. If a Customer violates the terms of a settlement agreement described in Rule 10, Disputed Bills.

(b) The Company may discontinue Private Fire Protection Service immediately after written notice to such Customer and the appropriate Fire Department for leakage within such Private Fire Protection Service system and until such leaks are repaired.

(c) In all other instances, the Company, upon providing the Customer with seven (7) days prior written notice, may disconnect Water Service for any of the following reasons:

I. The Customer fails to repair any leak in the Customer Service Pipe or other plumbing fixtures.

II. The Customer vacates the Premises or fails to pay his water bills or other charges related to his Water Service installations or facilities in accordance with these rules and the Company's rate schedules, or otherwise violates any of these rules.

III. Nonpayment of a Water Service bill based on estimated consumption after the estimated meter reading has been verified.

IV. The Customer fails to provide free and non-hazardous access to the Premises and meter so that the Company's representatives may make meter readings and necessary inspections and maintain, replace or remove the meter, or fails to maintain Customer-owned meter settings, including pits and vaults.

V. The Customer installs a new Service Pipe and other fixtures or alters or removes an existing Service Pipe or other fixtures, including the meter, without the Company's consent.

VI. The Customer fails to remedy a condition or use on his Premises which, in the Company's engineering judgment, endangers the Company's distribution system.

VII. Misrepresentation of identity of Applicant for the purpose of obtaining Water Service.

VIII. A Customer selling or providing water to other Premises not specifically included in the accepted application.

IX. Where two or more Premises are supplied through a single Service Pipe, any violation of the Rates, Rules, Regulations and Conditions of Water Service of the Company shall be deemed a violation as to all, and the Company may enforce compliance with these rules and regulations by discontinuing service. Such action, however, will not be taken until the Customer not in violation has been given reasonable notice to acquire a separate Company Service Pipe.

X. The Customer fails to pay for any sewer service charge and discontinuance of Water Service is duly authorized by the appropriate Governmental Unit.

XI. A Customer occupies a Premises already receiving Water Service without making application and fails to pay for Water Service used prior to the Company accepting such Customer's application.

15.3 Prohibited Disconnection

(a) Except as otherwise provided in subsection 15.1 and 15.2, the Company shall postpone disconnection of residential service for twenty (20) days if, prior to the disconnect date specified in the disconnect notice, the Customer provides the Company a medical statement from a licensed physician or public health official stating that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the Customer.

(b) The Company may not disconnect service to the Customer:

I. Upon failure to pay for goods or services not approved by the Commission.

II. Upon failure to pay for concurrent Water Service received at a separate Premises. However, if Water Service is discontinued or terminated at the separate Premises, any unpaid balance may be transferred to the other account on the next regular billing.

III. Upon failure to pay for a different class of Water Service received at the same or different locations; or

IV. Upon failure to pay for Water Service provided in the name of another Customer.

(c) If a Customer proceeds with a complaint before the Commission pursuant to Commission Rules and complies with Rule 10, Disputed Bills.

15.4 Notice and Procedure for Involuntary Disconnection

(a) Except as otherwise provided in Section 15.2(a) and (b), service to any Customer shall not be disconnected for a violation of any rule or regulation of the Company or for the nonpayment of a bill, except after seven (7) days prior written notice to such Customer.

(b) The Company may discontinue Water Service to a Customer on the date specified in the notice of discontinuation, or within a reasonable time thereafter, only between the hours of 8:00 a.m. and 4:00 p.m.

(c) Water Service shall not be discontinued on a day, or a day immediately preceding a day, when the services of the Company are not available to the general public for the purpose of reconnecting discontinued Water Service.

16. RECONNECTION OF WATER SERVICE AFTER DISCONTINUANCE

16.1 When service has been discontinued because of violations of the Rates, Rules, Regulations and Conditions of Water Service or because

of nonpayment, a reconnection charge will be made as set forth in the schedule of the rates and charges of the Company.

16.2 The Company will reconnect service within the one (1) working day after it is requested provided:

(a) The conditions, circumstances or practices which caused the disconnection have been corrected;

(b) Satisfactory settlement of all delinquent charges owed the Company by the Customer and any deposit authorized by these rules has been made; and

(c) A responsible person is present in the Premises to see that all water outlets are closed to prevent damage from escaping water.

16.3 No Customer whose Water Service has been discontinued by the Company shall re-establish service or cause service to be re-established except by the Company.

17. MODIFICATION OF FACILITIES AT CUSTOMER'S EXPENSE

17.1 If a Customer requests for his convenience, or by his actions requires, that the Company's facilities be relocated or modified, compatible with water utility construction practices, the Company will require reimbursement for the full cost of performing such service.

17.2 Where such changes become necessary due to altered or additional use on the Customer's part, such as the causing of pressure fluctuations which affect service to other Customers or damage to the Company's system, the Customer shall bear the cost of such changes in the facilities in question.

18. CUSTOMERS REQUIRING UNINTERRUPTED SUPPLY

18.1 The Company will endeavor to give reasonable Water Service, however, customers are cautioned to provide sufficient storage of water where an absolutely uninterrupted supply at uniform pressure must be assured, such as for steam boilers, hot water systems, gas engines, fire service, etc.

18.2 Customers installing fixtures or devices taking a supply of water directly from the Service Pipe, dependent upon the working pressure of the distribution system, will do so at their own risk. The Company will not be responsible for any accidents or damages to which such fixtures or devices are subject.

19. REQUIREMENTS FOR PEAK DEMAND CUSTOMERS

19.1 Customer usages requiring a large quantity of water within a short period of time will not be permitted except through intercepting or intermediate storage tanks, unless approved by the Company in writing. Customer Service Pipes or Private Fire Protection Service connections shall not be connected to the suction side of pumps, unless approved by the Company in writing.

19.2 The inlet connection for tanks attached directly or indirectly to the Customer's Service Pipes or Private Fire Protection Service connections shall discharge at a point no less than three (3) times the diameter of the inlet pipe above the overflow of such tanks. Such connections must be approved by the Company in writing.

20. REQUIREMENTS FOR VALVES AND OTHER DEVICES

20.1 Check valves, relief valves, flush valves and vacuum breakers required or recommended by this rule must be installed and maintained by, and at the cost and expense of the Customer.

20.2 Check and relief valves will be required for Customers having boilers, hot water heaters (heating systems) connected directly or indirectly with the Distribution Mains of the Company. The check valve must be in the supply pipe to any heating system and a relief valve between the check valve and heating system.

20.3 As a precaution against collapse of boilers, a vacuum valve should be installed in the steam line in case the water supply is interrupted.

20.4 The Company is not responsible for accidents or damages resulting from imperfect action or failure of check, relief or vacuum valves or failure of the Customer to provide necessary safety devices.

20.5 Any Customer desiring or requiring a pressure reducing device for Water Service to his Premises shall install and maintain such device at his cost and expense.

21. PLUMBING REGULATIONS AND WORK

21.1 All plumbing work shall be done in accordance with the plumbing code of the Governmental Unit or units applicable in the Company's service area and/or regulations adopted by any duly constituted board or commission having jurisdiction.

21.2 All plumbing work connected to the Company's Distribution Mains shall be submitted for Company inspection before being covered.

21.3 If the Company determines plumbing work to be defective, though not necessarily in direct violation of these rules and regulations, the Company may insist it be corrected before Water Service is initiated.

21.4 Except where the plumbing is a simple extension or additional fixture on a service in use, the plumber shall turn off the water after completion testing.

21.5 No plumber, or any other person, shall initiate Water Service without permission from the Company.

21.6 No plumber, or any other person, shall connect to the Company's Distribution Main or to any Service Pipe or extend pipe to any Premises for the purpose of securing a supply of water until application has been made and accepted by the Company as provided in these Rates, Rules, Regulations and Conditions of Water Service.

22. CROSS CONNECTIONS

22.1 A cross-connection is any physical connection whereby the Company's public water supply is connected with any other water supply, whether public or private, either inside or outside of any building or buildings, in such manner that a flow of water into the Company's public water supply is possible either through the manipulation of valves or because of ineffective check or back-pressure valves, or because of any other arrangement.

22.2 By-pass arrangements, jumper connections, removable sections, swivel or change-over devices, and other temporary or permanent devices through which, or because of which, backflow can occur, are considered to be cross-connections.

22.3 No cross-connection will be permitted unless an acceptable form of protection against contamination by backflow into the water distribution system is provided. An acceptable form of protection is one which meets the approval of the Tennessee Department of Public Health, or any successor agency or organization, and the local regulating health agency. The required protective device or system shall be provided and installed by the Customer and maintained by him in good working condition at his own cost and expense and shall be subject to the inspection, test and approval of the Company before being placed in service, and at such times thereafter as may be deemed necessary by the Company.

22.4 Any cross-connection in violation of this rule shall immediately be removed or corrected in a manner acceptable to the Tennessee Department of Public Health, or any successor agency or organization, and the local regulation health authority, and the Company. Failure to do so may result in discontinuance of Water Service.

22.5 The Customer's Service Pipe and all connections and fixtures attached on a Customer's Private Fire Protection Service system shall be subject to the inspection of the Company to determine compliance with its cross-connection rule before water will be turned on, and all Premises receiving a supply of water and all Service Pipes, meters and fixtures, including any and all fixtures within the Premises, shall at all reasonable hours be subject to inspection by any duly authorized employee(s) of the Company.

23. EXTENSION OF DISTRIBUTION MAINS

23.1 The Company will extend its Distribution Mains and related facilities from the end of existing mains under the terms and conditions of this rule, unless otherwise approved by the Commission.

23.2 The Company, upon written request, from an applicant(s) in an established neighborhood, shall extend mains and connect Customer(s) in accordance with Rule 23.4. All other requests for service requiring main extensions shall be subject to either Rule 23.6 or Rule 23.7 at the option of the applicant(s). Rule 23.4 is for main installations necessary to serve existing Premises owned or occupied by the applicant(s) to be served. Rules 23.6 and 23.7 are for main installations necessary to serve new subdivisions or developments involving speculation or the prospect of new Customers.

23.3 (a) Upon application for an extension of a Distribution Main, the Company will determine the necessary size, location and characteristics of the main and related facilities and make an estimate of the cost. Such estimate shall include all pipe, valves, fittings and other fixtures and materials and all other costs such as labor, permits, etc., including the Company's expense for supervision, engineering, (E) insurance, tools, equipment, accounting, and overhead.

(b) Main extensions under Rule 23.4 shall terminate at a point perpendicular to the center of the Customer's residence fronting on the street in which the extension is to be made.

(c) Main extensions under either Rule 23.6 or Rule 23.7 shall terminate at a point equidistant from the side property lines of the last lot or parcel for which facilities for Water Service are to be provided.

(d) The size of pipe for extensions shall be eight-inch (8") unless a larger or smaller pipe, as determined by the Company, is reasonably necessary to serve the requirements of the proposed Customer(s), including fire protection service. If, for the Company's future extension plans it proposes to install a pipe larger than that which is reasonably necessary to meet the applicants' service requirements, the Company will pay the additional cost of such larger pipe.

23.4 Upon receipt of a signed application for permanent Water Service which shall commence upon completion of the Company's main extension, an extension shall be provided as follows:

(a) Where the length of extension required does not exceed 100 feet for each applicant to be served, the Company will install the required amount of mains at no cost to the applicant(s) provided, the Company has on file a written application for Service from each applicant to be served.

(E) Eliminate Text

(b) If the length of main required to provide service to each applicant or group of applicants exceeds 100 feet per applicant, such extension will be made only if the applicant(s) shall contract with the Company for such extension and deposit in a manner mutually agreed to in writing between the applicant(s) hereinafter called Depositor (s) and the Company, the total estimated cost of the extension less a credit equal to the amount produced by multiplying the estimated unit cost per foot of main by 100 and by then multiplying that result by the number of applicants.

(c) If within a ten (10) year period beginning with the date the main extension is completed, service is provided directly from said extension to any Premises which has not previously received water service from the Company, the Company will
(E) refund to the Depositor(s) an amount equal to the actual completed cost of 100 feet of main installed under the contract. In no event shall the aggregate refund made to any Depositor(s) exceed the amount of that Depositor's original deposit. No refunds shall be required to be made by the Company until the number of Customers actually connecting to the extension equals the number of applicants used in computing the deposit required for the extension.

(d) When more than one Depositor is involved, the amount of the advance deposit may be divided equally among the Depositors, unless otherwise agreed to by the Depositors.

(E) (e) Should the actual cost of the extension be less than the estimated cost, the Company will refund the difference as soon as the actual cost has been ascertained. Should the
(E) actual cost of the extension exceed the estimated cost, the Company may require the original Depositor(s) to pay for the additional cost. The final cost of the extension shall be reflected in a supplemental memorandum to the original extension and deposit agreement.

23.5 For the purposes of main extensions Rules 23.6 and 23. 7 and all agreements entered into by the company for the extension of water mains in accordance with this Rule 23.5, the following definitions shall apply:

(E) Eliminate Text

(a) Bona Fide Prospective Customer - Any owner or lessee who is or will be the occupant of a developed Premises having a curb line abutting on that part of a street or public highway in which there is, or is to be, located a Distribution Main of the Company, and who shall have filed with the Company a signed application for permanent Water Service to begin immediately after installation of a Service Line to such Premises.

(b) Prior Main - A Distribution Main not a Branch Main installed under an Extension Deposit Agreement for the purpose of serving a new development having one or more Bona Fide Prospective Customers.

(c) Branch Main - A lateral Distribution Main installed under an Extension Deposit Agreement for the purpose of serving one or more Bona Fide Prospective Customers whose Premises are located in an area not contiguous to a street in which water mains have been installed under unexpired prior Extension Deposit Agreements.

(d) Unit Cost Per Foot of Main - An amount, to be determined by the Company as soon as possible after installation of the requested main, consisting of the Company's average completed cost per foot of all mains installed pursuant to the specific Extension Deposit Agreement. For the purposes of determining the initial deposit to be made by the applicant(s), the Company will estimate the Unit Cost Per Foot of Main in accordance with Rule 23.3.

23.6 (a) The Company will extend existing Distribution Mains in dedicated public streets or highways where the ground surface has been conformed to the established grade or sub-grade of the street, a distance of forth-five (45) feet for each Bona Fide Prospective Customer making application for Water Service therefrom. Such extension will be made without cost to the applicant(s) for service, except for such connection charge, if any, as may be applicable to such customer.

(b) When an extension greater than forty-five (45) feet in length for each Bona Fide Prospective Customer is required or requested, such extension will be made, in dedicated public streets or highways where the ground surface has been conformed to the established grade or sub-grade of the street, under the terms of an Extension Deposit Agreement as hereinafter set forth:

Issued in compliance with the Order of the TRA Commission dated 10/31, 19 96, No. 96-00095

(C) Change

(I) The applicant (hereinafter the Depositor) shall deposit with the Company an amount equal to (i) the estimated number of feet or pipe to be installed multiplied by the estimated Unit Cost Per Foot of Main, plus the estimated cost of other facilities (excluding fire hydrants, hydrant laterals, service lines and meters), which the Company shall have determined are necessary to
(E) render adequate service, less (ii) a credit equal to the amount produced by multiplying the results of such computation by the number of Bona Fide Prospective Customers whose Premises abut said extension and will be directly connected thereto.

(II) Upon completion of the extension and compilation of actual costs, should the actual completed Unit Cost Per Foot of Main and/or the actual number of feet of pipe installed be more, or less, than the original estimate, the Depositor shall immediately deposit with the Company, or receive from the Company, an amount equal to the difference between the estimated footage multiplied by the estimated Unit Cost Per Foot of Main and the actual footage multiplied
(E) by the completed Unit Cost Per Foot of Main.

(III) Deposits made pursuant to this rule shall be subject to refunds within the period of ten (10) years from the actual date of deposit as follows:

(i) For each additional bona fide Customer for whom a Service Line has been made to the extension in question, the Company shall refund to the Depositor an amount equal to the completed Unit Cost Per Foot
(E) of Main used in calculating the final deposit multiplied by forty-five (45); and

(ii) If any Branch Mains are connected to the Prior Main within a period of five (5) years from the date said Prior Main was installed, the Company shall refund to the Depositor, or to the Depositor and all other parties who may have participated in the cost of the main in question, his or their proportionate share of the supplemental deposit required for such a Branch Main connection as provided in Rule 23.6 (b) IV hereof.

(E) Eliminate Text

(IV) When a Distribution Main is installed under an Extension Deposit Agreement and such main passes through undeveloped property where future Branch Mains may be connected thereto, the persons for whom such Branch Mains are installed within a period of five (5) years from the date the Prior Main was installed shall be required to share proratably in the cost of such Prior Main from its beginning point to the point of connection of the Branch Main. This shall be accomplished by requiring each person for whom such a Branch Main is to be installed to make a supplemental deposit with the Company in an amount equal to his proportionate share of the then un-refunded balance of the deposit which was established to secure the installation of such Prior Main to the point of connection of the Branch Main. Such supplemental deposit shall be paid over by the Company, promptly after receipt thereof, to the original Depositor and to all others who have made deposits on that portion of the Prior Main. The allocation thereof to such parties shall be in proportion to their respective percentage participations in the un-refunded balance of the deposit relating to the installation of the Prior Main to the point of connection of the Branch Main. No such supplemental deposit shall be required if a lateral main is being installed and connected to the Prior Main by the Company at its own expense, or by the Company at the request of an applicant for a main extension which does not require a deposit from such applicant.

23.7 (a) The Company will extend existing Distribution Mains in dedicated public streets or highways where the ground surface has been conformed to the established grade or sub-grade of the street, without cost to the applicant(s) if the estimated cost of the extension is not greater than forty (40) percent of the company's estimate of revenue to be received the first three (3) years from Bona Fide Prospective Customer(s).

(b) When an extension with an estimated cost greater than forty (40) percent of the Company's estimate of three (3) years' revenue from Bona Fide Prospective Customer(s) is required or requested, such extension will be made, in dedicated public streets or highways where the ground surface has been conformed to the established grade or sub-grade of the street, under the terms of an Extension Deposit Agreement as hereinafter set forth:

Issued in compliance with the Order of the TRA Commission dated 10/31, 1996 No. 96-00059

(C) Change

ISSUED: October 31, 1996 EFFECTIVE DATE: June 13, 1996

ISSUED BY: R. J. Gallo
1101 Broad Street
Chattanooga, Tennessee 37401

(I) The Applicant (hereinafter the Depositor) shall deposit with the Company an
(E) amount equal to (i) the estimated cost of the extension, less (ii) a credit equal to forty (40) percent of the Company's estimate of three (3) years' revenue to be received from Bona Fide Prospective Customer(s) whose Premises abut said extension and will be directly connected thereto.

(II) Upon completion of the extension and compilation of actual costs of the extension, the Depositor(s) shall immediately deposit with the Company, or receive from the Company, if the cost is less than estimated, an amount equal to the difference between the estimated cost and the actual completed cost of
(E) the extension.

(III) Deposits made pursuant to this rule shall be subject to refunds within the period of ten (10) years from the actual date of the deposit as follows:

(i) Upon completion of the first year's service to Bona Fide Prospective Customer(s) for whom credit was given in establishing the deposit, the Company will refund to the Depositor an amount equal to forty (40) percent of the difference between the first three (3) years' revenue originally estimated by it and the actual revenue received, provided the actual revenue is greater than the estimated revenue. If the actual revenue is less than the estimated revenue, the difference will be used as an off-set against revenues which would otherwise become the basis for refund pursuant to (ii) below.

(E) Eliminate Text

(ii) During the period of ten (10) years from the actual date of deposit, the Company shall at the end of each year refund to the Depositor an amount equal to forty (40) percent of the actual annual revenue received for water Service from Customers whose Service Line is directly connected to the main covered by the Extension Deposit Agreement. Such refunds shall be paid annually within forty-five (45) days of each contract year covering refunds owing from Water Service revenues received during the preceding contract year; provided, however, that the first three (3) years' revenue from Bona Fide Prospective Customer(s) for whom credit was given in establishing the deposit shall be excluded from refunds to be paid under this provision (ii).

(iii) If any Branch Mains are connected to the Prior Main within a period of five (5) years from the date said Prior Mains was installed, the Company shall refund to the Depositor, or to the Depositor and all other parties who may have participated in the cost of the main in questions, his or their proportionate share of the supplemental deposit required for such a Branch Main connection as provided in Rule 23.7(b) IV hereof.

IV. When a Distribution Main is installed under an Extension Deposit Agreement and such main passes through undeveloped property where future Branch Mains may be connected thereto, the persons for whom such Branch Mains are installed within a period of five (5) years from the date the Prior Main was installed, shall be required to share proratably in the cost of such Prior Main from its beginning point to the point of connection of the Branch Main. This shall be accomplished by requiring each person for whom such a Branch Main is to be installed to make a supplemental deposit with the Company in an amount equal to his proporationate share of the then unrefunded balance of the deposit which was established to secure the installation of such Prior Main to the point of connection of the Branch Main. Such supplemental deposit shall be paid over by the Company, promptly

after receipt thereof, to the original Depositor and to all others who have made deposits on that portion of the Prior Main. The allocation thereof to such parties shall be in proportion to their respective percentage participations in the unrefunded balance of the deposit relating to the installation of the Prior Main to the point of connection of the Branch Main. No such supplemental deposit shall be required if a lateral main is being installed and connected to the Prior Main by the Company at its own expense, or by the Company at the request of an applicant for a main extension which does not require a deposit from such applicant.

23.8 The aggregate refunds made by the Company under any Extension Deposit Agreement shall not exceed the total deposit made under such Agreement.

23.9 No interest will be paid by the Company on any main extension deposits or on any unrefunded balances.

23.10 All mains, Branch Mains and related facilities installed in accordance with this Rule 23 shall be and remain the sole property of the Company.

23.11 The Company shall have the right to further extend its mains from and beyond any main extension made under this Rule 23. The Depositor(s) shall not be entitled to any refund from Customers connected to further extensions from the original main extension except for the Branch Main provisions of Rules 23.6 and 23.7.

23.12 Before Distribution Mains will be installed in accordance with this Rule 23, the following conditions must specifically be met by the requesting party:

(a) The road surface shall be brought to the established subgrade, properly compacted; and

(b) The Applicant or Depositor shall furnish the Company with a right-of-way agreement suitable to the Company if such main extension or any part is to be installed in other than dedicated public streets or highways.

23.13 Any main extension agreement made pursuant to this Rule 23 and the right to refund thereunder shall not be assigned by any Depositor without the prior written consent of the Company.

23.14 Special contracts, subject to the approval of the Tennessee Public Service Commission, may be entered into by the Company and the party or parties requesting main extensions in those instances where:

(a) The prospects are that the patronage and demand will not be of such permancy as to warrant the capital expenditure involved, or

(b) There are industrial installations requiring extensive utility investment and the demand for Water Service is expected to be slight, irregular or of unknown quantity, or

(c) Where extensive plant additions are required before Customers can be attached and/or served, or

(d) Other abnormal or extraordinary circumstances are present.

24. PUBLIC FIRE HYDRANTS

24.1 Public fire protection service shall be provided to any Governmental Unit requesting same within the Company's service

area in accordance with the Company's tariff and the terms and conditions set forth in an agreement between the Company and the requesting party. Public fire hydrants shall only be installed on Company-owned mains six inches (6") or larger in internal diameter.

24.2 Except in the City of Ridgeside, all public fire hydrants shall be furnished, installed and maintained by the Company.

24.3 The use of fire hydrants shall be restricted to the taking of water for the extinguishing of fires and at such times, is under the control of authorized representatives of the Fire Department. Water shall not be taken from any fire hydrant for construction purposes, sprinkling streets, flushing trenches, sewers, or gutters or for any other use, unless specifically authorized in writing by the Company.

24.4 Any expense for repairs or damage caused by persons operating fire hydrants, shall be paid for by such persons.

25. INTERRUPTIONS IN OR CURTAILMENT OF WATER SUPPLY

25.1 Interruptions in Water Supply

The Company reserves the right at any time to shut off the water in the Distribution Mains in case of accident or emergency, or for the purpose of making connections, extensions, improvements, alterations, repairs, changes, or for other proper business or utility reasons, and may restrict the use of water to reserve a sufficient supply in its reservoirs for public fire service or other emergencies whenever the public welfare may so require in accordance with Rule 25.2.

25.2 Curtailment of Service and/or Usage

(a) When, in the judgment of the Company, sufficient supplies of water are not available to meet existing and anticipated demands or to preserve and replenish water storage in amounts sufficient to provide fire protection, the Company shall have the right to restrict, limit, curtail or interrupt Water Service to any Customer or Customers. The Company shall not be liable for any damage by reason of any such restriction, limitation, curtailment or interruption.

(b) During any period of Company imposed restricting or curtailing Water Service, the Company shall not supply new service or additional service to any Customer, except for residential Premises occupied for which application for service has previously been made.

(c) When feasible, prior to the application of this rule, the Company shall use its best efforts to inform the public of the emergency nature of its water supply situation and request voluntary curtailment of water usage by all Customers. If, in the judgment of the Company, such voluntary curtailment is not sufficient to protect the health and safety of its Customers or to preserve and replenish its reservoir storage for fire protection, it shall proceed under the provisions of paragraph (d) of this rule.

(d) The Company shall endeavor to maintain a supply of water to provide for the sanitary and health requirements of its residential and human needs Customers (hospitals, medical centers, nursing homes, and apartments) and its fire protection service. The Company shall first order curtailment of usage by all Customers for sprinkling, decorative fountains, swimming pools and other similar nonessential usage. Thereafter, the Company shall curtail or limit on a pro rata basis water usage to all Customers whose average daily volume of water purchased during the preceding calendar year exceeded 100,000 gallons for any billing month during such period; provided, the Company reserves the right to order temporary, limitation or interruption of water usage for any Customer without regard to any priority of service when in its judgment such temporary, limitation or interruption is necessary to forestall injury to life or property. If any Customer fails to comply with any mandatory restriction, limitation or interruption of service imposed under this paragraph (d), the Company may discontinue service to such Customer.

(e) Company notice to Customers may be given by written notice or it may be given orally by any authorized agent of the Company. The notice shall be considered given when actually communicated in the case of oral notice or deposited in the United States Mail, if written.

26. RESPONSIBILITY OF COMPANY

26.1 The Company will undertake to use reasonable care and diligence to prevent and avoid interruptions and fluctuations in Water Service and to maintain reasonable pressure on the distribution system, but it cannot and does not guarantee to furnish at all times any given quantity for fire or general purposes or that interruptions or fluctuations in service will not occur. In the event there occurs any excess or deficiency in the pressure, volume or supply of water for any cause whatsoever, other than willful default or neglect on the part of the Company, the Company shall not in any way or under any circumstances be held liable or responsible to any person, firm, corporation or Governmental Unit for any resulting loss or damage.

26.2 Unless due to willful default or neglect on the part of the Company, the Company shall not be liable for any damages resulting from the breaking of mains or Service Pipes, interruption of the supply of water or cutting off water for necessary repairs or maintenance, or from any other act, omission or event.

26.3 The Company shall not be considered an insurer of property or persons, or to have undertaken to extinguish fire or to protect any persons or property against loss or damage by fire, or otherwise. The Company agrees only to furnish and provide such supply of water as shall then be available.

27. OWNERSHIP OF PROPERTY

27.1 Unless otherwise agreed to, all pipe, fittings, equipment, meters or other fixtures installed at the expense of the Company shall at all times be and remain the property of the Company and may at any time during reasonable hours be inspected by the Company and/or removed by it for repairs or replacements, or upon the Discontinuance of Service.

28. GENERAL

28.1 No electric wires shall be grounded on the mains of the Company or on any Service Pipes or pipes or fixtures of any kind which have a metallic connection with the mains of the Company. The Company assumes no responsibility for continuity of electrical grounding systems.

APPLICATION FOR PRIVATE FIRE PROTECTION SERVICE

This Application made in triplicate this _____ day of _____, 19___, by _____ (a corporation
(APPLICANT)
of the State of _____ hereinafter called the "Applicant", to the Tennessee-American Water Company (a corporation of the State of Tennessee), doing business in the City of Chattanooga hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for private fire protection service consisting of the right to connect a _____ inch service pipe to the street main of the Water Company on _____ Street, between _____ Street and _____ Street in the City of _____ and attach to said service pipe the following fixtures and openings:

_____

_____

_____

All of which fixtures and openings to be located within or upon the premises of the applicant abutting the street on which the said main of the Water Company is located.

In consideration for which privilege, the Applicant agrees to be bound by all the terms and conditions of this application and to pay the Water Company for private fire protection service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

FIRST: That this application and the acceptance thereof by the Water Company is subject to the prior approval of the fire department having jurisdiction of the premises to be served.

SECOND: That the entire private fire protection service system on Applicant's premises shall be subject to the inspection, test and approval of the Water Company, and the Water Company by its representatives, shall have the right to enter the premises of the Applicant at any reasonable time for the purpose of making such reasonable inspections as it may deem necessary, and to insure compliance with the terms and conditions of this application.

THIRD: That all pipes and appurtenances shall be constructed and maintained in good condition by and at the expense of the Applicant.

FOURTH: That a fire line meter or detector device approved by both the Water Company and the fire underwriters, will be required on the service at a location approved by the Water Company. Such meter or device shall be installed and maintained by and at the cost and expense of the Applicant, but subject to the inspection and approval of the Water Company. The by-pass meter only, used with the detector device, shall be furnished, installed and maintained by the Water Company at its cost and expense.

FIFTH: That a gate valve with post indicator controlling the entire supply shall be placed at the curb or property line of the street in which the main is located or at such other point as may be approved by the Water Company, and shall be furnished, installed and maintained by and at the expense of the Applicant, and unless otherwise approved by the Water Company, said valve shall be installed in a valve pit or vault which shall also be furnished, installed and maintained by and at the expense of the Applicant.

SIXTH: That all hydrants and other fixtures connected to the private fire protection service system shall be kept closed and sealed, and not opened or used except during times of fire or testing. Upon extinguishment of each fire or following each test, the Applicant shall immediately close such fixtures and notify the Water Company so that they may be sealed. Whenever a private fire protection service system is to be tested, the Applicant shall notify the Water Company at least two (2) business days in advance of such proposed test, requesting approval of the method, day and hour on which it is to be made.

SEVENTH: That no anti-freeze or any other substance, not specifically approved by the Environmental Protection Agency as non-detrimental to the public water supply, shall be introduced into sprinkling systems or into any pipe, fixture, appurtenance or other portion of the Applicant's private fire protection service system.

EIGHTH: That the Applicant understands and agrees that the extent of the rights of the Applicant under this application is to receive, but only at times of fire on said premises, such supply of water as shall then be available and no other or greater quantity. The Applicant further acknowledges and agrees the Water Company shall not be considered in any way or manner an insurer of property or persons, or to have undertaken to extinguish fire or to protect any persons or property against loss or damage by fire, or otherwise, and the Water Company shall be free and exempt from any and all claims for damages on account of any injury to property or persons

by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever.

NINTH: That this application does not contemplate uses of fixtures other than those herein stated. Any waste of water or use of water through this connection for purposes other than testing or the extinguishment of fire, shall be deemed a violation of the terms and conditions of this Application and of the rules, regulations and conditions of service of the Water Company.

TENTH: That if private fire hydrants are included as part of this Application, they shall be painted any color other than that adopted by the Water Company for public fire hydrants.

ELEVENTH: That the Applicant shall furnish, attach and make a part hereof, three (3) complete sets of drawings showing the pipes, pumps, valves, hydrants, sprinkler systems, hose outlets and connections, standpipes, tanks and other openings and appurtenances contemplated in this application. Such drawings, which shall be stamped "Approved" by the Insurance Services Office or other comparable agency approved by the Water Company, must also show all other water supply systems and pipe lines and appurtenances which are proposed or which may exist on the premises to be served.

TWELFTH: That no pipe, fixtures or appurtenances connected with the private fire protection service served by this application shall be connected with any pipe, fixtures, or appurtenances supplied with water from any other source, unless specifically approved in writing by the Company.

THIRTEENTH: That the Applicant agrees to obtain in advance the approval of the Water Company for any change, alteration, addition or deduction contemplated in the pipes, fixtures, openings and appurtenances and uses herein specified. Notwithstanding the approval of the Water Company, Applicant agrees that, except for those facilities which the Water Company has specifically agreed to provide and maintain, Applicant is and will be solely responsible for the design, adequacy, function and maintenance of its private fire protection service system referred to in this application.

FOURTEENTH: That the Water Company has the right to discontinue or disconnect the service pipe herein applied for, and to terminate service under this application, after due written notice to the Applicant, for failure to pay any bill when due, for leakage within Applicant's system, for violation of any of the terms and conditions of this Application, or for any violation of its rules, regulations and conditions of service; and the Water Company also has the right to shut off all or any part of its facilities and discontinue the service without notice when deemed necessary by the Water Company (1) if a

condition dangerous or hazardous to life, physical safety or property exists, (2) under order by any court, the Public Service Commission or other duly authorized public authority, (3) if fraudulent or unauthorized use of water by Applicant is detected, or if the Water Company's regulating or measuring equipment has been tampered with by Applicant.

FIFTEENTH: That upon acceptance of this Application by the Water Company and the completion of the installation of the service pipe applied for, this Application shall be in full force and effect as a contract and shall continue as such until cancelled by written notice given thirty (30) days in advance by the Applicant to the Water Company, except as otherwise provided in numbered paragraph (14) above.

SIXTEENTH: The acceptance of this Application by the Water Company must be executed by its Manager and President or Vice President before same becomes effective.

IN WITNESS WHEREOF, the Applicant has executed this Application as the day and year first above written.

_____

WITNESS:

_____ _____
(APPLICANT)

APPROVED this _____ day of _____, 19_____.

WITNESS:

_____ _____
(CHIEF OF FIRE DEPARTMENT)

IN WITNESS WHEREOF, the Company hereby accepts the foregoing Application this _____ day of _____, 19_____.

WITNESS:

_____ TENNESSEE-AMERICAN WATER COMPANY

_____
(MANAGER)

WITNESS:

_____ _____
(PRESIDENT OR VICE PRESIDENT)

Issued: March 18, 1988

Effective: MAR 23 1988

Issued By: E. W. Limbach, President
1101 Broad Street
Chattanooga, Tennessee

Issued in compliance with the Order of the TPSC Commission dated 3/17, 1988 Docket No U-87-7534

REC'D TN REGULATORY AUTH.
OCT 16 PM 12 17
OFFICE OF THE EXECUTIVE SECRETARY

ECONOMIC DEVELOPMENT RIDER
RIDER EDR

Purpose

The purpose of this Economic Development Rider is to encourage industrial and commercial development in Tennessee.

Availability

Water service under this rider is only available in conjunction with local, regional, and state governmental economic development activities where incentives have been offered and accepted by a customer who is requesting service, in conjunction with the location of new or expanding facilities, in the Company's service areas.

Water service under this rider is only available to customers otherwise qualified for service under the following Company's service classifications:

- Industrial
- Commercial

Water service under this rider is not available in conjunction with service provided pursuant to any other special contract agreements.

Applicability

This Rider is applicable to a new customer, or the additional separately-metered facilities of an existing customer, who will be served under one or more of the above service classifications and who meet the following criteria:

1) The annual load factor of the new customer or additional facilities is reasonably projected to equal or exceed fifty-five percent (55%) during the entire term of application of this rider. The projected annual customer load factor shall be determined using the following relationship: Projected Annual Water Consumption, Expressed as MGD, divided by Maximum Summer Monthly Billing Demand, Expressed as MGD.

2) The average annual billing demand on the new customer or additional facilities is projected to be at least 0.5% of the total Company consumption during each contract year under this rider.

ECONOMIC DEVELOPMENT RIDER
RIDER EDR (Continued)

REC'D TN REGULATORY AUTH. '00 OCT 16 10 14

3) The customer's new or additional facilities must create new permanent jobs within the facilities qualifying for this rider. The number of jobs created must be 0.1% of the total population of the service area.

Requests for service under this Rider must be submitted prior to the customer having committed to moving into or expanding within the Company's service territory and shall be accompanied by sufficiently detailed information to enable the Company to determine whether the new customer or additional facilities meet the above criteria.

Services under this Rider shall be evidenced by a contract between the customer and the Company in the general form as that contained in the following sheets, which shall be filed within ten days of execution with the Tennessee Regulatory Authority ("TRA") for information purposes.

Customer must notify Company in writing of the date at which customer would like the provisions of this Rider to commence. Such commencement date must be within twelve (12) months of the execution of the contract.

This Rider shall only be available if adequate capacity is available to meet the additional load throughout the year.

Incentive Provisions

Amount of Discount

Subject to the provisions below, the discount during the first contract year shall be thirty percent (30%); during the second contract year, twenty-five percent (25%); during the third contract year, twenty percent (20%); during the fourth contract year, fifteen percent (15%); and during the fifth contract year, ten percent (10%). After the end of the fifth contract year, no other discount pursuant to this Rider shall be applied to the customer's bill and the applicability of this Rider and its associated contract to the particular facilities shall cease.

Calculation

At the conclusion of the first contract year (i.e., 12 full monthly billing periods after the effective data of the contract), the Company shall review customers annual load factor and calculate an average monthly billing demand. If the customer has demonstrated at least a fifty-five percent (55%) annual load factor and at least an annual consumption level of 0.5% of total consumption for the Company, then a bill credit shall be issued to apply the thirty percent (30%) discount for the first contract year, as set out below.

ECONOMIC DEVELOPMENT RIDER
RIDER EDR (Continued)

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Calculation Continued:

The same review shall be made at the end of each succeeding year during the five-year period and the applicable discount amount applied as a credit for that year if the criteria were met.

If the customer fails to meet the criteria for a particular year, the applicable discount for that one year shall be forfeited by the customer but the contract shall remain in effect and the customer shall remain eligible for the discounts that would be applicable during the remainder of the five-year period.

If the customer fails to meet the criteria in both the first and the second year, or in any two successive years during the five-year period, service to the customer under this Rider shall terminate and the contract for service under the Rider shall be void.

Application of the Discount:

Since the discount is to be calculated at the end of the year after determination that all criteria have been met, the customer will have been billed for the otherwise applicable rate schedule and been charged for the appropriate taxes (e.g., sales and other gross receipts or franchise taxes). To afford the customer the full benefit of the discount (e.g., thirty percent (30%) for the first year) to the amount the customer paid for water service pursuant to the otherwise applicable rate schedule for the previous twelve billing periods, not including taxes. The discount will be given to the customer by that amount being applied as a credit on the next bill, prior to the calculation of taxes. No discount will be applied to items on the bill that are otherwise required to be charged to a customer by statute or rule of the TRA.

Revenue Determination:

The pre-tax revenues under this Rider shall be determined by reducing otherwise applicable charges, associated with the rate schedules. The discount, where applicable, will be determined based on service rendered to customer during the Company's designated and applicable billing periods of each contract year and shall be as follows:

	Discount
First Contract Year	30%
Second Contract Year	25%
Third Contract Year	20%
Fourth Contract Year	15%
Fifth Contract Year	10%

After the conclusion of the fifth contract year, these discounts shall cease. All other billing, operational and related provisions of the aforementioned shall remain in effect.

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OFFICE OF THE EXECUTIVE SECRETARY

ECONOMIC DEVELOPMENT RIDER
RIDER EDR (Continued)

Form of Contract

This Agreement is entered into as of this _____ day of _____, _____ by and between Tennessee-American Water Company and _____ (Customer).

WITNESSETH:

Whereas, Company has on file with the State of Tennessee Regulatory Authority, a tariff providing for an Economic Development Rider (Rider), and;

Whereas, Customer is a new customer, or has acquired additional separately metered facilities within the Company's service territory; and;

Whereas, Customer has furnished sufficient information to the Company to demonstrate that its new facilities or additional separately metered facilities (Facilities) satisfied the Availability and Applicability provisions of the Rider, and;

Whereas, Customer wishes to take water service from the Company, and the Company agrees to furnish water service to the Customer under this Rider and pursuant to all other applicable tariffs of the Company;

Now, therefore, the Company and Customer agree as follows:

1. Service to the Customer's Facilities shall be pursuant to the Rider, all other applicable tariffs, and the Company's General Rules and Regulations applying to water service, as may be in effect from time to time and approved by the TRA.

2. Customer acknowledges that this Agreement is not assignable voluntarily by Customer, but shall nevertheless inure to the benefit of and be binding upon the Customer's successors by operation of law, so long as the successor continues to meet the criteria of the Rider.

3. Customer will furnish additional information, as requested by the Company, to assure the continued eligibility for service under the Rider.

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ECONOMIC DEVELOPMENT RIDER
RIDER EDR (Continued)

Customer acknowledges that all information provided to the Company for the purpose of determining whether the Customer is eligible for service under the Rider shall be retained by the Company and shall be subject to inspection and disclosure under Chapters 386 and 393, RSMO 1986, as amended from time to time. Should the customer designate any of such information proprietary or confidential, Company shall notify customer of any request for inspection or disclosure, and shall use good faith efforts to secure an agreement or TRA order protecting the proprietary or confidential nature of such information.

5. This Agreement shall be governed in all respects by the laws of the State of Tennessee (regardless of conflict of law provisions), and by the orders, rules and regulations of the TRA as they may exist from time to time. Nothing contained herein shall be construed as divesting, or attempting to divest, the TRA of any right, jurisdiction, power or authority vested in it by law.

In witness whereof, the parties have signed this Agreement as of the date first above written.

Tennessee-American Water Company

By: _____

_____
Customer

By: _____

RULES, REGULATIONS AND TARIFFS

FOR

LIMESTONE WATER UOC, LLC

(Candlewood Lakes)

1630 Des Peres Road, Suite 140

St. Louis, MO 63131

A. STATEMENT OF PURPOSE

The general purpose of these rules and regulations are:

1. To establish procedures for furnishing water services on uniform bases to customers within the service area boundary of the Candlewood Lakes Service Area.

2. To provide standards and procedures operation.

3. Establish rates and other charges.

B. DEFINITION OF TERMS

1. COMPANY:	The word COMPANY shall mean Limestone Water UOC.
2. ENGINEER:	The word ENGINEER shall mean the consulting engineer of the COMPANY.
3. CUSTOMER:	The word CUSTOMER shall mean any person, firm, corporation, association, or government unit furnished services by the COMPANY.
4. PROPERTY:	The word PROPERTY shall mean all facilities owned and operated by the COMPANY.
5. COMMISSION:	The word COMMISSION shall mean Tennessee Public Service Commission.
6. WATER MAIN:	The words WATER MAIN shall mean all lines and appurtenances, including valves, meters, and fittings required to transport water through and including the individual service meters.

B. DEFINITION OF TERMS CONT..

7. WATER SERVICE LINE: The words WATER SERVICE LINE shall mean those lines extending from the Customer's service meter to his place of business or residence.

8. OWNER: The word OWNER, whenever the same appears herein, means the person, firm, corporation or association having the sole interest in any premises or property which is, or is about to be supplied with services by the Company, and the word OWNERS means all so interested.

9. TENANT: The word TENANT, whenever the same appears herein means anyone occupying a premises or property under lease, oral or written, from the Owner and obtaining services from the Company with the consent of his landlord.

10. **CUSTOMER:** The word CUSTOMER as used herein shall mean the party contracting for services.

B. AUTHORIZATION OF RULES AND REGUATIONS:

The Company, which is organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and necessity issued by the Tennessee Public Service Commission on Docket No. 21-00059, submits the following statement of its rules and regulations in compliance with Rule 602.2.

C. EFFECT OF RULES AND REGULATIONS:

All provisions of these rules and regulations shall be incorporated in each contract with each Customer of the Company.

D. UTILITY ITEMS ON PRIVATE PROPERTY:

The Company shall not furnish or maintain any items or appurtenances for services on the Customer's premise without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of Customers. The Building Sewer and water service line shall be maintained by the Customer.

E. **APPLICATIONS FOR SERVICES:**

All applications for services must be made on written forms provided by the Company. Upon acceptance thereof and payment to Company of any Commission-approved tap-on fee, such applications shall constitute a contract between the applicant as a Customer and the Company.

F. APPLICATIONS FOR SERVICES CONT.

A new application must be made upon any change in tenancy where the tenant has contracted for the services or by the new Owner upon any change in ownership where the Owner has contracted for services. Where more than one tenant is supplied through a meter, the application for the water service must be made by the Owner of the property.

When an application is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit. Any such deposit so made shall be subject to such terms and conditions as may be required by order of regulation of the Tennessee Public Service Commission.

No contract for services will be entered into by the Company with any applicant until all arrears and charges due by such applicant for services to any premises then or theretofore owned or occupied by him shall have been paid.

G. RULES GOVERNING SERVICE:

When the supply of water is to be temporarily shut off, advance notice will be given by the Company when practicable to all Customers affected by the shutting off, stating the probable duration of the interruption of service.

The Company will not permit its mains or services to be connected on any premises with any service pipe or piping which is connected with any other source of supply. The Company will not permit its mains or services to be connected in any way to any piping, tank, vat or other apparatus which contains liquids, chemicals, or any other matter which may flow back into the Company's service lines or mains.

The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure but reserves the right at any time, without notice to shut off the water in its mains for the purpose of making repairs or extensions or for other purposes.

The Company shall not be liable for a deficiency or failure, regardless of cause, in the supply of water or in the pressure nor for any damage caused thereby or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having broilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse, and all damage occasioned by any such collapse must be borne exclusively by the Customer.

The Company shall require all new Customers who desire both regular water service and fire protection to install separate service lines, one of which is to be used solely for private fire protection. The Company will not permit the use of water from separate fire protection lines except for the extinguishing of fires or fire drills.

The Company shall have the sole right to determine the size of meters, number of meters, valves, service line and connections necessary to give the service applied for.

G. RULES GOVERNING SERVICE CONT.

All applications for service connections must be made in writing on forms furnished by the Company by the person or parties desiring the same, must state the correct lot(s), block and street number of the property to be supplied, and must be signed by the Owner of the premises or his duly authorized agent.

A service line or building sewer shall not be used to supply more than a single property without the consent of the Company. The minimum earth cover of the Customer" service pipe installation shall be three (3) feet.

Service lines or building sewer shall not be installed where any portion must pass through lands, buildings or parts of buildings which are not the property of applicant, unless applicant assumes the liability therefor, in writing.

Meters will be maintained by the Company as far as ordinary wear and tear are concerned, but damage due to freezing hot water or external causes shall be paid for by the Customers (except for outside meter settings).

Rules and regulations regarding meter accuracy, meter testing and frequency of meter tests shall be as contained in the Tennessee Public Service Commission's Rules and Regulations Governing Public Utilities as from time to time revised.

No person other than a Company agent or employee shall take water from any fire hydrant except for fire fighting purposes, and no fire hydrant except for fire fighting purposes, and no fire hydrant shall be used for sprinkling streets, flushing sewers or gutters or for any other purpose except with the advance approval of the Company in writing.

Where water is to be used for steam boilers or other uses where a stoppage of water supply might cause damage, Customers are cautioned that it is impossible for the Company to guarantee a continuous supply of water and that the Customer should, therefore, arrange for adequate storage capacity.

Title to the main, service connections from the main up to and including the meter, stop cocks or values, buffalo boxes, meters and meter installations is vested in the Company, and shall not be trespassed upon or interfered with in any way.

Curb stops shall not be used by the Customer for turning on or shutting off the water supply. Control of the water supply by the Customer shall be by means of a valve located on the property where the Customer is provided with water service.

Where two or more Customers are supplied through a single service pipe, any violation of the rules and regulations of the Company by either or any of such Customers shall be considered as a violation by all, and the Company may take such action as may be taken for a single Customer committing the violation.

All employees of the Company whose duty compels them to enter the Customer's premises shall, upon request, show their credentials or other evidence of authority.

G. RULES GOVERNING SERVICE CONT.

If the Company finds that a meter seal or cover has been broken of any bypass inserted or there is evidence that the meter or meter seal or cover has been tampered with, the water will be shut off and not turned on again until the Customer has paid for the estimated quantity of water which has been used for the preceding four (4) month period and not registered plus the cost to restore the meter to proper working order and other expense incurred by the Company, plus the reconnection fee hereinabove specified.

It is specifically understood that the Company does not hold itself out to render private fire protection service.

The Company does not hold itself out to furnish public fire protection service.

Automatic lawn sprinklers or sprays or other attachments requiring large quantities of water will be permitted only when water is furnished by meter measurement. The Company reserves the right to restrict lawn sprinkling by Customers whenever in its judgment there is not an adequate supply of water available for such purposes.

A supply of water for construction or other special purposes must be applied for in writing, and the Company reserves the right to require a suitable deposit from the applicant. Water so supplied shall be discharged through a hose or pipe directly upon the material to be wet or into a barrel or other container and not upon the ground or into or through a ditch or trench, and all use of water by other than the applicant or for any purposes or upon any premises not described or stated in the application must be prevented by the applicant.

H. BILLS AND PAYMENT OF SERVICES:

Customers are liable for payment for all water used on the premises or property until notice has been received at the Company's office that the use of water is no longer desired. Customers are liable for all water shown to have passed through the meter whether by use, wastage or leakage.

A Customer's bill will not be considered past due unless it remains unpaid subsequent to the due date printed on the bill. This due date will be twenty-one (21) days after the bill is mailed.

H. BILLS AND PAYMENT OF SERVICES CONT.

Bills for metered service shall be rendered monthly unless otherwise specified in the rate schedule then in effect, and shall show the readings of the meter at the beginning and end of the period for which the bill is rendered as well as consumption for the period.

Bills for water service will be mailed or delivered to the Customer's last address as shown by the records of the Company when due, but failure to receive a bill will not relieve the Customer from the obligation to pay the same. All bills and other accounts must be paid at the office of the Company.

In case the meter cannot be read for any cause, the Company will require a payment of account equal to the estimated bill for the period involved.

In cases where for any cause the meter cannot be read for a period of two (2) billing periods, the Company will turn off the water upon (5) days written notice (8 days, if mailed) unless the Customer provides access to the meter immediately.

Where a meter has ceased to register or is registering improperly, the quantity of water for which the bill will be rendered will be determined by the average registration of the meter for the prior three (3) billing periods.

I. DISCONTINUANCE OF SERVICE:

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as herein set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company as filed with the Commission.
8. For disconnecting or reconnecting service by any party other than a duly authorized agent of the Company without the consent of the Company.
9. For discharge of high strength or toxic effluent without pre-treatment.
10. For waste of water due to leakage.

I. DISCONTINUANCE OF SERVICE CONT.:

11. For cross-connecting the Company's supply with any other source of supply, or with any apparatus which may endanger the quality or health standard of the Company's water supply.

If a Customer whose service has been discontinued for non-payment of bills or for violation of the rules and regulations of the Company desires a reconnection, such reconnection will only be made after the Customer:

(a) has made a deposit to insure future payment of bills (in cases only where no deposit was originally made or where such deposit has been applied to payment of the Customer's delinquent account);

(b) has paid all unpaid bills and other charges;

(c) had paid a reconnection fee;

(d) and has corrected any condition found objectionable under rules and regulations of the company.

J. SECURITY DEPOSITS:

Each new Customer, before connection or reconnection of the service, may be required to make a refundable deposit to secure payment of Customer. Interest of six percent (6%) will be paid on any such refundable deposit. Deposits shall be refunded when service is terminated, unless the deposit is used to satisfy last bill requirements.

K. ENGINEERING, MATERIALS, AND CONSTRUCTION STANDARDS:

All sewerage systems added to the Company system shall meet the Company Requirements.

A prospective Customer shall submit one (1) copy of a preliminary plan of any proposed service system to the Engineer.

Upon approval of the preliminary plans, a prospective Customer shall submit three (3) copies of a final set of plans to the Engineer.

The final plans shall contain a note that all construction is to conform to the technical specifications of the company.

A set of final plans with the approval stamp of the Engineer shall be present at the site of the construction at all times during construction.

One set of "As-Built" plans shall be submitted to the Engineer and one to the Company upon completion.

The Company shall be given 24 hours notice of construction in order to provide adequate inspection.

SCHEDULE OF RATES & CHARGES

Monthly Water Service:	
Flat Charge	$40
Service Connection Charges:	$500.00
Miscellaneous Charges:	
Late Fee	$5.00
Reconnect Fee	$35.00
Disconnect Fee	$35.00

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 53 – Capital Investment

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 57 – 923 Support

CONFIDENTIAL

Limestone Water
9 Series Mapping

Account Name	Administrative Expense 1976 NARUC USOA	Water Expenses 1996 NARUC USOA	Sewer Expenses 1996 NARUC USOA	Description
Cust Record Collect (Billing)	903	675	775	Miscellaneous Expenses
Customer Collection Expenses	903	675	775	Miscellaneous Expenses
Cust Record Collect (Bank Fees)	903	675	775	Miscellaneous Expenses
Uncollectible Accounts	904	670	770	Bad Debt Expense
Office Exp - Meals and Travel	921	675	775	Miscellaneous Expenses
Office Exp - Communication	921	675	775	Miscellaneous Expenses
Admin Expenses Transferred	922	634	734	Contractual Services - Management Fees
OSS - Bank Fees	923	675	775	Miscellaneous Expenses
OSS - Legal	923	633	733	Contractual Services - Legal
OSS - Audit and Accounting	923	632	732	Contractual Services - Accounting
OSS - MGMT Consult	923	634	734	Contractual Services - Management Fees
OSS - IT	923	636	736	Contractual Services - Other
Property Insurance - Commercial	924	657	757	Insurance - General Liability
Regulatory Expense - DNR	928	675	775	Miscellaneous Expenses
Regulatory Expense - Other	928	675	775	Miscellaneous Expenses
Misc. General Exp	930	675	775	Miscellaneous Expenses

Company/Vendor	Limstone Request	Notes
Veolia	RFP Requested	Veolia did not have the resources in the area to support the project at this time
Inframark	RFP Requested	No Response
Woodard & Curran	RFP Requested	No Response
H2O Innovation	RFP Requested	H2O did not have the resources in the area to support the project at this time
Alliance Water Resources	RFP Requested	No Response
Strickland Engineering	RFP Requested	No Response
Dove Environmental	RFP Requested	No Response
Patterson Water Group	RFP Requested	Patterson did not have the resources in the area to support the project at this time
U.S. Water Services Corporation	RFP Requested	U.S. Water declined to bid
Clearwater Solutions	RFP Requested	Bid Awarded

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 66 – Acquisition Adjustment

CONFIDENTIAL

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 67 – Transaction Costs

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		A/	B/	C/		D/	C/			factors from filing	
		Before Allocation- Limestone Test Period GL Totals	Limestone Sewer Test Period BT-3.1	Calculation: Limestone Sewer Test Period @ 77% split	Difference: Sewer	Limestone Water Test Period BT-3.2	Calculation: Limestone Sewer Water Period @ 23% split	Difference: Water	Reason	76.96% Recacluation Sewer	23.04% Recacluation Water
	Expenses										
	G&A - General & Admin:										
408100	Taxes	2,692	2,072	2,073	(1)	620	619	1	rounding	2,072	620
903200	Customer Collection Expenses	307	236	237	(1)	71	71	0	rounding	236	71
903280	Cust Record Collect (Bank Fees)	20,019	15,407	15,415	(8)	4,612	4,604	8	rounding	15,407	4,612
904000	Uncollectible Accounts	6,453	4,966	4,969	(3)	1,487	1,484	3	rounding	4,966	1,487
922000	Admin Expenses Transferred	392,895	302,373	302,529	(156)	90,522	90,366	156	rounding	302,373	90,522
923100	OSS - Bank Fees	25,378	19,531	19,541	(10)	1,664	5,837	(4,173)	this is the balance for the audit and accounting account 923.500	19,531	5,847
923600	OSS - MGMT Consult	6,304	4,851	4,854	(3)	1,452	1,450	3	rounding	4,851	1,452

A/ Limestone Confid. Response to MFG 8
B/ Limestone UOC Exhibits Submission, BT-3.1
C/ Informal Discovery Request a
D/ Limestone UOC Exhibits Submission, BT-3.2

Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 75 – Monthly Limestone Financials

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Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 77 – Monthly CSWR, LLC Financials

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Limestone Water Utility Operating Company

Docket No. 24-00044

Limestone DR 88 – Customer Call Log

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BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

PETITION OF LIMESTONE WATER UTILITY OPERATING COMPANY, LLC TO INCREASE CHARGES, FEES AND RATES AND FOR APPROVAL OF A GENERAL RATE INCREASE AND CONSOLIDATED RATES	)	**DOCKET NO. 24-00044**

VERIFICATION

STATE OF MISSOURI)

COUNTY OF ST. LOUIS)

I, Aaron Silas, being duly sworn, state that I am authorized to testify on behalf of Limestone Water Utility Operating Company, LLC, in the above-referenced docket, that if present before the Commission and duly sworn, verifies that the data requests and discovery responses are accurate to the best of my knowledge.

Sworn to and subscribed before me
this 31st day of October, 2024.

Roshawne Vallandingham
Notary Public

ROSHAWNE VALLANDINGHAM
Notary Public - Notary Seal
Jefferson County - State of Missouri
Commission Number 23414639
My Commission Expires Apr 10, 2027

My Commission expires: 04-10-2027

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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Consumer Advocate Division
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This the 31st day of October 2024.

Katherine Barnes