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Chuck Welch  
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August 19, 2025

**VIA ELECTRONIC AND U.S. MAIL:**

Attention: Ectory Lawless  
Docket Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, Tennessee 37243  
Ectory.r.lawless@tn.gov

Electronically Filed in TPUC Docket  
Room on August 19, 2025 at 11:37 a.m.

**Re: Amended Petition for Withdrawal of Escrow Funds – Docket No. 25-00023**

Dear Ms. Lawless,

Please find enclosed the Amended Petition of Integrated Resource Management, Inc. d/b/a IRM Utility for Approval to Withdraw Escrow Funds in Docket No. 25-00023. If you have questions or need additional information, please do not hesitate to contact me at chuck.welch@phelps.com.

Sincerely,

**PHELPS DUNBAR, LLP**

/s/ Chuck B. Welch, Jr.  
Chuck B. Welch, Jr.

cc: tpuc.docketroom@tn.gov  
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karen.stachowski@ag.tn.gov  
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**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**AMENDED PETITION OF INTEGRATED  
RESOURCE MANAGEMENT, INC. FOR  
APPROVAL TO WITHDRAW ESCROW  
FUNDS**

**DOCKET NO. 25-00023**

**AMENDED PETITION OF INTEGRATED RESOURCE MANAGEMENT, INC. D/B/A IRM  
UTILITY FOR APPROVAL TO WITHDRAW ESCROW FUNDS**

Integrated Resource Management, Inc. (“IRM”) hereby submits its Amended Petition for Approval to Withdraw Escrow Funds (the “Amended Petition”) to the Tennessee Public Utility Commission (“TPUC” or the “Commission”) pursuant to Tenn. Rules and Regs. 1220-4-13-.07(7). To the extent applicable and consistent with this Amended Petition, IRM incorporates by reference the pre-filed testimony and exhibits of Jeffrey Cox, Jr. filed concurrently with IRM’s initial Petition for Approval to Withdraw Escrow Funds on March 28, 2025, in Docket No. 25-00023 (the “Initial Petition”). In support of this Amended Petition, IRM respectfully shows unto the Commission as follows:

**BACKGROUND**

1. IRM is engaged in the business of providing wastewater service to two hundred seventy-four (274) customers via thirteen (13) wastewater systems in the State of Tennessee—one (1) in the Middle Division and twelve (12) in the East Division.

2. As a provider of wastewater services, IRM is subject to regulation and supervision by the Commission pursuant to Title 65, Chapter 4 of the Tennessee Code Annotated (“TCA”). IRM is a “Public Utility” within the meaning of such term as utilized in TCA § 65-4-101(6).

3. IRM requests that all correspondence and communication with respect to this Amended Petition be distributed as follows:

Mr. Billy Cox  
Integrated Resource Management, Inc  
3444 Saint Andrews Drive  
White Pine, Tennessee 37890  
Phone (865) 712-4307  
Email: [irmutility@gmail.com](mailto:irmutility@gmail.com)

With copies forwarded to:

Mr. Charles Welch  
Phelps Dunbar LLP  
414 Union Street, Suite 1105  
Nashville, TN 37219  
Phone: (615) 726-1200  
Email: [Chuck.Welch@Phelps.com](mailto:Chuck.Welch@Phelps.com)

Mr. Joshua Mayorquin  
Phelps Dunbar LLP  
414 Union Street, Suite 1105  
Nashville, TN 37219  
Phone: (615) 687-4243  
Email: [Joshua.Mayorquin@Phelps.com](mailto:Joshua.Mayorquin@Phelps.com)

#### **INITIAL PETITION AND SUBSEQUENT DEVELOPMENTS**

4. IRM filed its Initial Petition on March 28, 2025. The Consumer Advocate Division (“CAD”) filed a Petition to Intervene on April 25, 2025. Discussions ensued between the CAD and IRM regarding which costs included in the Initial Petition qualified as being reimbursable from the escrow account.

5. On July 15, 2025, the CAD and IRM requested that TPUC Party Staff (“Party Staff”) be appointed to aid in the resolution of this Docket. The initial Notice of Designation of Staff Participating as a Party was filed on August 6, 2025, and an Amended Notice of Designation of Staff Participating as a Party was filed on August 12, 2025.

6. On August 14, 2024, in anticipation of a meeting between IRM’s counsel, the CAD, and Party Staff (collectively, the “Parties”), Party Staff distributed a spreadsheet setting forth its position regarding which items included in IRM’s Initial Petition qualified as being reimbursable from the escrow account. That spreadsheet is attached to this Amended Petition as **Exhibit 1**.



7. IRM now submits this Amended Petition to conform its request to the position taken by Party Staff and the understanding of the Parties.

**NATURE OF RELIEF REQUESTED**

8. Tenn. Rules and Regs. 1220-4-13-.07(7) anticipates and allows for the recovery of extraordinary and capital improvement expenses from escrow funds. Specifically, Rule 1220-4-13-.07(7) states as follows:

*Reserve/escrow accounts established by a public wastewater utility shall be limited to paying for or reimbursing the utility for extraordinary expenses of the utility or for necessary capital projects, unless otherwise permitted by the Commission. Extraordinary expenses are those resulting from events which are infrequent and unusual in nature, and unrelated to the utilities' routine service or business activities. The utility must first receive authorization from the Commission via approved petition or, in emergency situations, authorization in writing from the Chairman of the Commission upon written request by a representative of the utility to use such funds. The Commission may require public wastewater utility employees having signature authority over such accounts to obtain a fidelity bond. The public wastewater utility's tariff shall set forth the specific amount charged to customers to fund the reserve/escrow account.*

9. In June 2024, IRM incurred extraordinary, non-routine and/or capital improvement expenses including \$3,315.14 to replace the 1.5 HP dosing pump at Wild Briar Subdivision, \$4,484.38 to replace the control panels for the STEP systems at three separate locations, and \$1,445.07 for an emergency call pump replacement. These extraordinary, non-routine and/or capital improvement expenses for June 2024 totaled \$9,244.59. The itemized invoice is attached as **Exhibit A** to the Initial Petition. This Amended Petition specifically excludes the drip tube and line repairs at Grand View Subdivision (\$941.74) and the pumping of sludge at Wild Briar Subdivision (\$1,425.00) included in the Initial Petition.

10. In July 2024, IRM incurred extraordinary, non-routine and/or capital improvement expenses including \$1,421.43 to replace one STEP pump, \$2,006.63 to upgrade pump vaults at the

Wild Briar Subdivision, and \$1,281.66 to repair a lateral line failure at the Flat Hollow Subdivision. These extraordinary, non-routine and/or capital improvement expenses for July 2024 totaled \$4,709.72. The itemized invoice is attached as **Exhibit B** to the Initial Petition. This Amended Petition specifically excludes the valve box repair (\$137.50) and drip tube repairs (\$1,697.52) included in the Initial Petition.

11. In August 2024, IRM incurred extraordinary, non-routine and/or capital improvement expenses including \$1,753.65 to replace a recirculation panel at the Grand View Subdivision and \$1,294.45 to replace a dosing pump at the Flat Hollow Subdivision. These extraordinary, non-routine and/or capital improvement expenses for August 2024 totaled \$3,048.10. The itemized invoice is attached as **Exhibit C** to the Initial Petition. This Amended Petition specifically excludes the drip field repair (\$448.01) included in the Initial Petition.

12. In October 2024, IRM incurred extraordinary, non-routine and/or capital improvement expenses including \$1,875.00 to replace a recirculation panel at the Grand View Subdivision main plant, \$864.40 to repair damage to Lot 119's tap line caused by a delivery truck driver, \$1,673.45 for a pump replacement, and \$1,541.17 to locate and repair storm-related dripfield and line damage on October 17, 2025 (\$540.82), October 29, 2025 (\$543.45) and October 30, 2025 (\$456.90). These extraordinary, non-routine and/or capital improvement expenses for October 2024 totaled \$5,954.02. The itemized invoice is attached as **Exhibit D** to the Initial Petition. This Amended Petition specifically excludes the non-storm-related drip field repair (\$686.62) and the filter replacement (\$494.67) included in the Initial Petition.

13. This Amended Petition further excludes the request to recover \$636.69 for the November 2024 repair to approximately one hundred (100) feet of drip field line included in the Initial Petition.



14. IRM Utility seeks reimbursement of \$22,956.43 from its escrow reserve fund to recover the aforementioned extraordinary, non-routine and/or capital improvement expenses incurred in June 2024 (\$9,244.59), July 2024 (\$4,709.72), August 2024 (\$3,048.10), and October 2024 (\$5,954.02). The current balance of the escrow reserve fund exceeds \$95,000.00.

15. IRM maintains that the extraordinary, non-routine and/or capital improvement expenses sought to be recovered from escrow herein are infrequent, unusual, and unrelated to IRM's routine services or business activities.

16. In addition, IRM maintains that the cost for these extraordinary, non-routine and/or capital improvement expenses are not included in IRM's base rates; therefore, IRM has no other means to recover these costs.

#### SUPPORTING MATERIALS

17. In support of its Initial Petition, IRM submitted concurrent therewith the pre-filed testimony and exhibits of Jeffrey W. Cox, Jr. To the extent applicable and consistent with this Amended Petition, such pre-filed testimony and exhibits are incorporated by reference herein.

**WHEREFORE**, Integrated Resource Management, Inc., respectfully requests that the Commission review and approve IRM's amended request to withdraw escrow funds.

Respectfully submitted this 18<sup>th</sup> day of August, 2025.

Integrated Resource Management, Inc.,

By: 

Charles B. Welch

Phelps Dunbar LLP

414 Union Street, Suite 1105

Nashville, TN 37219

Phone: (615) 726-1200

Email: [Chuck.Welch@phelps.com](mailto:Chuck.Welch@phelps.com)

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and exact copy of the foregoing has been sent electronically and by U.S. mail, first class, postage prepaid, to the following:

Tennessee Public Utility Commission  
ATTN: Ectory Lawless, Docket Manager  
Ectory.lawless@tn.gov  
Tpuc.docketroom@tn.gov  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, Tennessee 37243

Office of Tennessee Attorney General  
Consumer Advocate Division  
ATTN: Karen H. Stachowski, Deputy Attorney General  
Karen.stachowski@ag.tn.gov  
P.O. Box 20207  
Nashville, Tennessee 37202

Dated: August 19, 2025.

/s/ Charles B. Welch  
Charles B. Welch

# EXHIBIT A

Consumer Advocate

Date of Work	Amount Requested	Non-Routine O&M CA Proposed Amount to Recover	Routine O&M CA Proposed Amount to Excluded from Recovery
Jun-24	\$ 11,611.33	\$ 4,760.21	\$ 6,851.12
Jul-24	\$ 6,544.74	\$ 3,428.06	\$ 3,116.68
Aug-24	\$ 3,496.11	\$ 1,294.45	\$ 2,201.66
Oct-24	\$ 7,135.31	\$ 4,079.02	\$ 3,056.29
Nov-24	\$ 636.69	\$ -	\$ 636.69
Total	\$ 29,424.18	\$ 13,561.74	\$ 15,862.44

Staff

Date of Work	Amount Requested	Staff Escrow	Staff O&M
Jun-24	\$ 11,611.33	\$ 9,244.59	\$ 2,366.74
Jul-24	\$ 6,544.74	\$ 4,709.72	\$ 1,835.02
Aug-24	\$ 3,496.11	\$ 3,048.10	\$ 448.01
Oct-24	\$ 7,135.31	\$ 5,954.02	\$ 1,181.29
Nov-24	\$ 636.69	\$ -	\$ 636.69
Total	\$ 29,424.18	\$ 22,956.43	\$ 6,467.75



[illegible]



# EXHIBIT A

[illegible]

[illegible]



# EXHIBIT A

7/4/2024	\$	1,281.66	Lateral line failure	Routine O&M	Crug Cox Testimony in TPUC Docket No. 24-0073 states that non-routine repairs and maintenance expenses "include expenditures for less routine events, such as pump and vault replacements along with multi-line breaks." pp. 10-11. Mr. Cox could have listed out lateral lines but only identified main line breaks as eligible for recovery from escrow funds. Normal wear and tear are expected to occur with lateral lines so this is routine O&M.	\$	1,281.66	Yes	Escrow		\$	1,281.66	Refer to the explanation in Column T, Row 2 above.	
7/6/2024	\$	1,254.12	Repair drip tube	Routine O&M	IRM acknowledges that "simple drip field repairs are not generally billed as non-routine" but this was addressing serious leaks on multiple points. It is still routine O&M. The amount of leaks does not make it non-routine.	\$	1,254.12	No	Operating & Maintenance Expense		\$	1,254.12	Refer to the explanation in Column T, Row 2 above.	
7/9/2024	\$	443.40	Lower bed fixing breaks drip tube	Routine O&M	IRM acknowledges that "simple drip field repairs are not generally billed as non-routine" but this was addressing serious leaks on multiple points. It is still routine O&M. The amount of leaks does not make it non-routine.	\$	443.40	No	Operating & Maintenance Expense		\$	443.40	Refer to the explanation in Column T, Row 2 above.	
July 2024 Total	\$	6,544.74				\$	3,116.68				\$	1,835.02	\$	4,709.72

# EXHIBIT A

Date of Work	Amount Requested	Description	Consumer Advocate Position	Consumer Advocate Reasoning	CA Proposed Amount to Excluded from Recovery	CA Proposed Amount to Recover	Difference of Position?	Staff Position	Staff Amount Excluded	Staff Proposed Amount to Recover	Staff Reasoning
											<p><b>BACKGROUND FROM 24-00073</b></p> <p>In the IRM Staff Assisted Rate Case (Docket No. 24-00073) party staff examined all charges made to escrow during the test period for purposes of calculating base rates and reviewing the propriety of escrow activity. No unreasonable charges or charges unrelated to providing wastewater service were discovered during staff's review.</p> <p>To calculate going-forward base rates, staff categorized such charges into (1) costs that should be treated as Operations and Maintenance Expense (O&amp;M) and, therefore, recovered through monthly base rates and (2) costs that should continue to be funded from the Escrow Account and, therefore, recovered through Escrow Reimbursements. To guide this analysis, staff considered the nature (capital or operating) and frequency (more or less routine) of anticipated charges, as well as the rate-making objective of maintaining lower monthly base rates.</p> <p>Going forward it was determined that charges for line breaks, panel failures, panel upgrades, plant upgrades, vault replacements, and pump replacements should be funded from the Escrow Account. Thus, no provision for recovery of such expenditures was included in IRM's monthly base rates that became effective Jan 2025. Costs to be categorized as O&amp;M and recovered through monthly base rates included: float repairs, minor pump repairs, sludge pumping, and regular mowing and trimming.</p>
8/5/2024	\$ 448.01	drip field repair (7 leaks)	Routine O&M	IRM acknowledges that "simple drip field repairs are not generally billed as non-routine" but this was addressing serious leaks on multiple points. It is still routine O&M. The amount of leaks does not make it non-routine.	\$ 448.01		No	Operating & Maintenance Expense	\$ 448.01		
8/23/2024	\$ 1,753.65	replaced recirculation panel	Routine O&M	The recirculation panels can last up to 15 years. There is nothing about these panels falling for something other than normal wear and tear (no storm damage, damage from a delivery truck, etc.)	\$ 1,753.65		Yes	Escrow		\$ 1,753.65	Refer to the explanation in Column T, Row 2 above.
8/27/2024	\$ 1,294.45	replaced dosing pump	Non-Routine O&M	Craig Cox' Testimony in TPUC Docket No. 24-0073 states that non-routine repairs and maintenance expenses "include expenditures for less routine events, such as pump and vault replacements along with main line breaks." pp. 10-11.	\$ 1,294.45		No	Escrow		\$ 1,294.45	Refer to the explanation in Column T, Row 2 above.





# EXHIBIT A

Date of Work	Amount Requested	Description	Consumer Advocate Position	Consumer Advocate Reasoning	CA Proposed Amount to Excluded from Recovery	CA Proposed Amount to Recover	Difference of Position?	Staff Position	Staff Amount Excluded	Staff Proposed Amount to Recover	Staff Reasoning
											<b>BACKGROUND FROM 24-00073</b>  In the IRM Staff Assisted Rate Case (Docket No. 24-00073) party staff examined all charges made to escrow during the test period for purposes of calculating base rates and reviewing the propriety of escrow activity. No unreasonable charges or charges unrelated to providing wastewater service were discovered during staff's review.  To calculate going-forward base rates, staff categorized such charges into (1) costs that should be treated as Operations and Maintenance Expense (O&M) and, therefore, recovered through monthly base rates and (2) costs that should continue to be funded from the Escrow Account and, therefore, recovered through Escrow Reimbursements. To guide this analysis, staff considered the nature (capital or operating) and frequency (more or less routine) of anticipated charges, as well as the rate-making objective of maintaining lower monthly base rates.  Going forward it was determined that charges for line breaks, panel failures, panel upgrades, plant upgrades, vault replacements, and pump replacements should be funded from the Escrow Account. Thus, no provision for recovery of such expenditures was included in IRM's monthly base rates that became effective Jan 2025. Costs to be categorized as O&M and recovered through monthly base rates included: float repairs, minor pump repairs, sludge pumping, and regular mowing and trimming.
10/4/2024	\$ 1,875.00	replaced recirculation panel	<b>Routine O&amp;M</b>	<i>The recirculation panels can last up to 15 years. There is nothing about these panels falling for something other than normal wear and tear (no storm damage, damage from a delivery truck, etc.)</i>	\$ 1,875.00		Yes	<b>Escrow</b>		<b>\$ 1,875.00</b>	
10/14/2024	\$ 686.62	drip field repair (7 leaks)	<b>Routine O&amp;M</b>	IRM acknowledges that "simple drip field repairs are not generally billed as non-routine" but this was addressing serious leaks on multiple points. <i>It is still routine O&amp;M. The amount of leaks does not make it non-routine.</i>	\$ 686.62		No	<b>Operating &amp; Maintenance Expense</b>	\$ 686.62		Refer to the explanation in Column T; Row 2 above.
10/17/2024	\$ 494.67	replaced new filter	<b>Routine O&amp;M</b>	Filters to last approximately 15 years. The replacement of filters is anticipated and the utility should be able to prepare to cover the cost in its O&M due to the lifespan of the filters. Routine does not necessarily mean frequent.	\$ 494.67		No	<b>Operating &amp; Maintenance Expense</b>	\$ 494.67		Refer to the explanation in Column T; Row 2 above.

# EXHIBIT A

10/17/2024	\$ 540.82	Lower beds - brush & tree removal; finding and repairing leaks	Non-routine O&M	Damage to dripfield caused by storms so not routine maintenance	\$ 540.82	No	Escrow		\$ 540.82	Refer to the explanation in Column T; Row 2 above.
10/21/2024	\$ 864.40	Lot 119 Tap Repair	Non-routine O&M	The damage done to the Tap Line by a delivery truck is not normal wear and tear.	\$ 864.40	No	Escrow		\$ 864.40	Refer to the explanation in Column T; Row 2 above.
10/29/2024	\$ 543.45	Repairing trip leaks/line breaks	Non-routine O&M	Damage to dripfield caused by storms so not routine maintenance	\$ 543.45	No	Escrow		\$ 543.45	Refer to the explanation in Column T; Row 2 above.
10/30/2024	\$ 456.90	finding and repairing leaks, brush & tree removal	Non-routine O&M	Damage to dripfield caused by storms so not routine maintenance	\$ 456.90	No	Escrow		\$ 456.90	Refer to the explanation in Column T; Row 2 above.

EXHIBIT A

10/31/2024	\$	1,673.45	replacing pump	Non-routine O&M	Craig Cox Testimony in TPRUC Docket No. 24-0073 states that non-routine repairs and maintenance expenses "include expenditures for less routine events, such as pump and vault replacements along with main line breaks." pp. 10-11.	\$	3,056.29	\$	4,079.02	\$	1,673.45	No	Escrow		\$	1,673.45	Refer to the explanation in Column T, Row 2 above.
Oct 2024 Total Costs	\$	7,135.31				\$	3,056.29	\$	4,079.02	\$	1,181.29	\$	5,954.02				



# EXHIBIT A

Date of Work	Amount Requested	Description	Consumer Advocate Position	Consumer Advocate Reasoning	CA Proposed Amount to Excluded from Recovery	Difference of Position?	Staff Position	Staff Amount Excluded	Staff Proposed Amount to Recover	Staff Reasoning
11/1/2024	\$ 636.69	repairing 100 ft of drip field	Routine O&M	Repairing drip field lines seems like general maintenance although it seems this was a large amt at one time.	\$ 636.69	No	Operating & Maintenance Expense	\$ 636.69		<p><u>BACKGROUND FROM 24-00073</u></p> <p>In the IRM Staff Assisted Rate Case (Docket No. 24-00073) party staff examined all charges made to escrow during the test period for purposes of calculating base rates and reviewing the propriety of escrow activity. No unreasonable charges or charges unrelated to providing wastewater service were discovered during staff's review.</p> <p>To calculate going-forward base rates, staff categorized such charges into (1) costs that should be treated as Operations and Maintenance Expense (O&amp;M) and, therefore, recovered through monthly base rates and (2) costs that should continue to be funded from the Escrow Account and, therefore, recovered through Escrow Reimbursements. To guide this analysis, staff considered the nature (capital or operating) and frequency (more or less routine) of anticipated charges, as well as the rate-making objective of maintaining lower monthly base rates.</p> <p>Going forward it was determined that charges for line breaks, panel failures, panel upgrades, plant upgrades, vault replacements, and pump replacements should be funded from the Escrow Account. Thus, no provision for recovery of such expenditures was included in IRM's monthly base rates that became effective Jan 2025. Costs to be categorized as O&amp;M and recovered through monthly base rates included: float repairs, minor pump repairs, sludge pumping, and regular mowing and trimming.</p>
Nov 2024 Total	\$ 636.69				\$ 636.69			\$ 636.69		