

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

August 25, 2025

IN RE:

**PETITION OF INTEGRATED RESOURCE
MANAGEMENT, INC. d/b/a IRM UTILITY FOR
APPROVAL TO WITHDRAW ESCROW FUNDS**

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**DOCKET NO.
25-00023**

**ORDER GRANTING THE PETITION TO INTERVENE FILED BY THE
CONSUMER ADVOCATE**

This matter is before the Administrative Judge of the Tennessee Public Utility Commission (“Commission” or “TPUC”) to consider the *Petition to Intervene* filed by the Consumer Advocate Division of the Office of the Tennessee Attorney General (“Consumer Advocate”).

RELEVANT BACKGROUND

Integrated Resources Management, Inc. (“IRM”) is a public utility regulated by the Commission that provides wastewater service to 274 customers across 13 systems in Tennessee. IRM filed *Petition of Integrated Resource Management, Inc. d/b/a IRM Utility for Approval to Withdraw Escrow Funds* (“*Petition*”) on March 28, 2025, seeking Commission approval to withdraw escrow funds for “Non-Routine Maintenance and necessary equipment replacement.”¹ IRM also requested expedited consideration of its *Petition*. On April 25, 2025, the Consumer Advocate Division of the Office of the Tennessee Attorney General (“Consumer Advocate”) filed a *Petition to Intervene* in the docket. Through email communication between the Administrative Judge, IRM, and the Consumer Advocate, IRM requested additional time to respond to the *Petition*

¹ *Petition*, p. 1 (March 28, 2025).

to Intervene to allow for discussions with the Consumer Advocate regarding the issues in the docket.² After their discussion, the parties requested a pause in the docket to continue to exchange information and attempt to reach an agreement. IRM and the Consumer Advocate began to have informal negotiations and provided updates to the Administrative Judge. On July 15, 2025, the Consumer Advocate informed the Administrative Judge via email that they had not resolved a couple of issues regarding replacing control panels or replacing recirculation panels. The Consumer Advocate requested that Commission Party Staff be appointed to assist in moving the parties to a resolution. The Administrative Judge held a Status Conference on July 17, 2025, and subsequently issued an order requesting that Party Staff be appointed.³ Party Staff was appointed by notices issued on August 6th and 12th.

IRM filed its *Amended Petition of Integrated Resource Management, Inc. d/b/a IRM Utility for Approval to Withdraw Escrow Funds* (“*Amended Petition*”) on August 19, 2025, “to conform its request to the position taken by Party Staff and the understanding of the Parties.”⁴ On August 22nd, the Consumer Advocate filed a letter stating there are no outstanding issues in the docket, and it would not file pre-filed testimony. The parties have concluded the informal settlement discussions, which resulted in IRM reaching agreement with the Consumer Advocate and Party Staff, as reflected in the *Amended Petition*. While IRM does not object to the Consumer Advocate’s intervention, the *Petition to Intervene* requires Commission approval and now that the proceedings are no longer on hold, it is appropriate for the Administrative Judge to consider the *Petition to Intervene*.

² Copies of relevant email correspondence are attached to this Order.

³ See *Order on Status Conference* (July 30, 2025).

⁴ *Amended Petition*, p. 3 (August 19, 2025).

CONSUMER ADVOCATE’S *PETITION TO INTERVENE*

On April 25, 2025, the Consumer Advocate filed a *Petition to Intervene* seeking to intervene in the docket pursuant to Tenn. Code Ann. § 65-4-118, which qualifies the Consumer Advocate to represent the interests of Tennessee consumers of public utility services in proceedings before the Commission. The Consumer Advocate asserts:

The interests of consumers, including without limitation the determination of whether the proposed maintenance costs and legal costs associated with the filing qualify as “extraordinary expenses” or “for necessary capital projects,” may be affected by the determinations and orders made by the Commission with respect to: (1) the interpretation, application, and implementation of TPUC Rule 1220-04-13-.07(7) and other relevant statutory and regulatory provisions; and (2) the review and analysis of the documentation, financial spreadsheets, and materials provided by the Company.⁵

Further, the Consumer Advocate asserts that only by participating in this docket can it adequately represent the interests of Tennessee consumers.⁶ IRM did not oppose the Consumer Advocate’s *Petition to Intervene*.

FINDINGS & CONCLUSIONS

Tenn. Code Ann. § 4-5-310 establishes the following criteria for granting petitions to intervene:

(a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if:

(1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;

(2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the

⁵ *Id.* at 5.

⁶ *Id.*

petitioner qualifies as an intervenor under any provision of law; and

(3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

(b) The agency may grant one (1) or more petitions for intervention at any time, upon determining that the intervention sought is in the interests of justice and shall not impair the orderly and prompt conduct of the proceedings.⁷

Although it is not an automatic or absolute right to participate in proceedings before the Commission, Tenn. Code Ann. § 65-4-118(b)(1) provides a general basis for the qualification of the Consumer Advocate to be permitted to intervene as a party to represent the interests of Tennessee public utility consumers. It provides as follows:

The consumer advocate division has the duty and authority to represent the interests of Tennessee consumers of public utilities services. The division may, with the approval of the attorney general and reporter, participate or intervene as a party in any matter or proceeding before the commission or any other administrative, legislative or judicial body and initiate such proceeding, in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, and the rules of the commission.⁸

IRM's customers have an interest in making sure the escrow funds are being used appropriately and in compliance with TPUC rules. Based on these facts, the Administrative Judge finds there is a sufficient factual basis to find that the legal rights or interests held by those consumers may be determined in this proceeding.

THEREFORE, upon due consideration, the Administrative Judge concludes that the legal rights, duties, privileges, immunities, or other legal interest of Tennessee consumers may be determined in this proceeding. Further, the Administrative Judge finds that the Consumer

⁷ Tenn. Code Ann. § 4-5-310(2021).

⁸ Tenn. Code Ann. § 65-4-118(b)(1) (2022).

Advocate qualifies under law as an intervenor for the purpose of representing those consumer interests, there is no opposition to its intervention, and its *Petition to Intervene* was timely-filed and should not impair the interests of justice or the orderly and prompt conduct of the proceedings. For these reasons, the Administrative Judge concludes that the Consumer Advocate's *Petition to Intervene* should be granted.

IT IS THEREFORE ORDERED THAT:

The *Petition to Intervene* filed by the Consumer Advocate Division of the Office of the Tennessee Attorney General is granted. The Consumer Advocate Division of the Office of the Tennessee Attorney General may intervene and participate as a party in this proceeding and, as such, shall receive copies of any notices, orders, or other documents filed herein.


Monica Smith-Ashford, Administrative Judge



Outlook

Docket No. 25-00023

From Monica Smith-Ashford <Monica.Smith-Ashford@tn.gov>

Date Thu 5/1/2025 3:04 PM

To Chuck Welch <chuck.welch@phelps.com>; Karen H. Stachowski
<Karen.Stachowski@ag.tn.gov>; Shilina B. Brown <Shilina.Brown@ag.tn.gov>; Vance Broemel
(Vance.Broemel@ag.tn.gov) <Vance.Broemel@ag.tn.gov>; Victoria Glover
<Victoria.Glover@AG.TN.GOV>

Counsel,

IRM requested that Docket No. 25-00023 be considered on an expedited basis, and the Consumer Advocate filed an intervention on 4/25/25. Does IRM plan to file a response or object to the Consumer Advocate's intervention?

Thank you



Monica

Administrative Judge
Tennessee Public Utility Commission

[EXTERNAL] RE: Docket No. 25-00023

From Chuck Welch (4230) <chuck.welch@phelps.com>

Date Fri 5/2/2025 12:46 PM

To Monica Smith-Ashford <Monica.Smith-Ashford@tn.gov>; Karen H. Stachowski <Karen.Stachowski@ag.tn.gov>; Shilina B. Brown <Shilina.Brown@ag.tn.gov>; Vance Broemel (Vance.Broemel@ag.tn.gov) <Vance.Broemel@ag.tn.gov>; Victoria Glover <Victoria.Glover@AG.TN.GOV>; Joshua Mayorquin (4243) <Joshua.Mayorquin@phelps.com>

Cc Bill Cox (irmutility@gmail.com) <irmutility@gmail.com>

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Dear Monica,

IRM would like to file a response to the Consumer Advocate's motion to intervene. Before doing so, however, I think it would be helpful to have a conversation between the parties. For this reason, I would like to request until later next week to make such a filing. Thank you for your time and consideration in this matter.

Best,
Chuck

Charles B. Welch

Phelps Dunbar LLP

414 Union Street

Suite 1105

Nashville, TN 37219

Direct: 615-687-4230

Cell: 615-414-5619

Fax: 615-726-1776

Email: chuck.welch@phelps.com





Outlook

RE: Docket No. 25-00023

From Karen H. Stachowski <Karen.Stachowski@ag.tn.gov>

Date Mon 5/5/2025 9:46 AM

To Monica Smith-Ashford <Monica.Smith-Ashford@tn.gov>; Chuck Welch (4230) <chuck.welch@phelps.com>; Shilina B. Brown <Shilina.Brown@ag.tn.gov>; Vance Broemel <Vance.Broemel@ag.tn.gov>; Joshua Mayorquin (4243) <Joshua.Mayorquin@phelps.com>; Terra N. Allen <Terra.Allen@ag.tn.gov>; Clark Kaml <Clark.Kaml@ag.tn.gov>

Cc Bill Cox (irmutility@gmail.com) <irmutility@gmail.com>; Kelly Grams <Kelly.Grams@tn.gov>

Monica and Chuck,

The Consumer Advocate does not object to IRM filing a response later this week.

Karen

Karen H. Stachowski | Deputy Attorney General

Consumer Advocate Division

Office of Tennessee Attorney General

500 Dr. Martin L. King Jr. Blvd., Nashville, TN 37243

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Karen.Stachowski@ag.tn.gov



Our Mission – We are the State’s law office serving Tennessee with principled, independent, and excellent counsel.

From: Monica Smith-Ashford <Monica.Smith-Ashford@tn.gov>

Sent: Monday, May 5, 2025 9:36 AM

To: Chuck Welch (4230) <chuck.welch@phelps.com>; Karen H. Stachowski <Karen.Stachowski@ag.tn.gov>; Shilina B. Brown <Shilina.Brown@ag.tn.gov>; Vance Broemel



Outlook

[EXTERNAL] TPUC Docket No. 25-00023

From Chuck Welch (4230) <chuck.welch@phelps.com>

Date Tue 5/6/2025 6:20 PM

To Monica Smith-Ashford <Monica.Smith-Ashford@tn.gov>

Cc Karen H. Stachowski <Karen.Stachowski@ag.tn.gov>; David Foster <David.Foster@tn.gov>; Joe Shirley <Joe.Shirley@tn.gov>; Bill Cox (irmutility@gmail.com) <irmutility@gmail.com>; Joshua Mayorquin (4243) <Joshua.Mayorquin@phelps.com>

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Dear Monica,

Today, Karen and I had what I consider having been a very productive telephone discussion. I believe we agree in concept as to the best approach for the consideration of requests for permission to expense certain costs to an escrow account. Therefore, we would like to request that this docket be held in abeyance to allow adequate time for IRM and the Consumer Advocate to develop an agreement which could settle any dispute in the instant docket and possibly could be helpful in considering similar petitions in the future. If we are successful in reaching such an agreement, we will submit it to staff for review and comment.

Accordingly, we propose to report the status of our efforts no later than June 2, 2025. By copy of this email, I request that staff extend the time to answer pending data requests until sometime after the parties' status report.

Thank you for your time and consideration in this matter.

Best,
Chuck

Charles B. Welch

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