

STATE OF TENNESSEE

Office of the Attorney General



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May 15, 2025

Electronically Filed in TPUC Docket  
Room on May 15, 2025 at 10:16 a.m.

Dart Kendall  
Aqua Green Utility, Inc.  
3350 Galts Rd  
Acworth, GA 30102  
Email: [dart@aquagreenutility.com](mailto:dart@aquagreenutility.com)

Re: Tennessee Public Utility Commission ("TPUC" or the "Commission"), Docket No. 25-00030, *Aqua Green Utility, Inc. Petition to Amend its Certificate of Convenience and Necessity to Include A Portion of Maury County in Tennessee Known as The Firefly Project Located on Louisburg Pie at the Corner of Ash Hill Road in Spring Hill, Tennessee*

Mr. Kendall:

The Consumer Advocate has reviewed the *Petition* filed by Aqua Green Utility, Inc. ("Aqua Green") in the above-referenced CCN amendment Docket.

The *Petition* requests that the Commission "extend the company's service area to include the additional service area" described in the *Petition* and located in Maury County, Tennessee. Accordingly, the Consumer Advocate has reviewed Aqua Green's compliance with the minimum filing requirements set forth in TPUC Rule 1220-04-13-.17 regarding CCN amendments.

The Consumer Advocate appreciates the time and effort that Aqua Green put into compiling the *Petition*, as well as their attention to the Commission's minimum filing requirements. As set forth in "Attachment A," the Consumer Advocate highlighted documents that could not be located; documents are illegible; or clarification on filings that are necessary. Please note that this is not a discovery request by the Consumer Advocate, but a review of Aqua Green's compliance with TPUC's minimum filing requirements. Please note, the Commission has the authority and responsibility for determining the sufficiency of a CCN petition.

The Consumer Advocate would like to thank Aqua Green in advance for its attention to this letter. If you have questions, please contact me at (615) 741-2370.

Respectfully,

A handwritten signature in blue ink that reads "Karen H. Stachowski".

Karen H. Stachowski  
Deputy Attorney General

cc: David Foster, TPUC  
Kelly Cashman-Grams, TPUC

## ATTACHMENT A – CCN Amendment MFRs

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### Rule 1220-04-13-.17(2)(a) General Information

1. *Rule 1220-04-13-.17(2)(a)4.* The rule requires a corporate organization chart showing all affiliates. In addition, the Company must provide details of any transactions, direct or indirect, that occur or are expected to occur between affiliated entities. **It appears that Advance Septic and IRM C&C Company are affiliates under TPUC Rule 1220-04-13-.16. Provide information and an organizational chart for all affiliates. The Company described the work from its affiliate Advanced Septic but there is no information about the work of the affiliate IRM CC Company. Please provide these details and description.**
2. *Rule 1220-04-13-.17(2)(a)10.* The rule asks for the portions of the wastewater system will be built in phases, state how many phases and the number of houses or units to be connected in each phase. **The Petition is clear about Phase 1 but does not include the number of other phases and estimated timelines. Please provide the full breakdown of phases for the project and estimated timelines.**

### Rule 1220-04-13-.17(2)(b) General Information

1. *Rule 1220-04-13-.17(2)(b)2.* The rule asks for, as applicable, a copy of any application for a franchise and the franchise agreement issued by a city or county. **The Petition states that Aqua Green has no franchise agreement with Maury County. Please confirm that a franchise agreement is not required in Maury County.**
2. *Rule 1220-04-13-.17(2)(b)3.* The rule asks for all contracts or agreements between the builder(s) of the treatment and/or collection system, the utility, and the property and/or subdivision developer that show entitlement or ownership to the land, system specifications, costs for the wastewater system, timeline for the system to be built, and rights to the system once it is completed. Documents presented by the applicant should be signed by all parties and bear marks or stamps, such as those provided by notaries or public officials, as necessary. **Please file the contracts(s) between the utility and the builder and/or developer.**

### Rule 1220-04-13-.17(2)(d) Sufficient Technical Capability

1. *Rule 1220-04-13-.17(2)(d)1.* The rule asks for a copy of the application for the State Operating Permit (SOP) filed with TDEC. Include letter from TDEC indicating the receipt of a complete application. Include any engineering and/or design reports submitted to TDEC, such as the Design Development Report and the Detailed Soils Investigation Report. If an operating permit has been issued, provide a copy of the permit. The utility shall file a copy of the TDEC permit in the docket file prior to providing service. **After a review of Petition, the Consumer Advocate found the SOP Application and the Engineer report but not a copy of the letter from TDEC indicating receipt of the application. Please confirm that the Company has not yet received this letter but will file a copy of this TDEC once it receives the letter.**

Rule 1220-04-13-.17(2)(e) Financial Information

1. *Rule 1220-04-13-.17(2)(e)1.* The rule asks for financial statements for the applicant covering the most recent year-ended. Include a balance sheet, income statement, and a statement of cash flows. **The Consumer Advocate could not locate a balance sheet, income statement, and cash flow statement. Please provide these documents. Also, provide any spreadsheets in the native excel format.**
2. *Rule 1220-04-13-.17(2)(e)2.* The rule asks for pro forma income statements for the wastewater utility for the first three (3) years of operations or for an expanded amended CNN, the first three years after the latest year-end financials. In the calculations of utility revenues show the number of consumers and the rates used in the calculations. Show operation and maintenance expenses by account number and provide the basis and/or assumptions used to arrive at these amounts. **The Consumer Advocate could not locate a prof forma income state for the first three years of operation. Please provide this document. Also, provide any spreadsheet in the native excel format.**
3. *Rule 1220-04-13-.17(2)(e)3.* The rule asks for a chart of accounts for the wastewater utility, following the NARUC Uniform System of Accounts (USA) for wastewater utilities. **The Consumer Advocate could not locate a chart of accounts. Please provide this document.**
4. *Rule 1220-04-13-.17(2)(e)4.* The rule asks for a list of all plant-in-service account numbers with account names and estimated account balances as of the state of operations. **The Consumer Advocate could not locate a list of all plant in-service account numbers with account names and estimated account balances. Please provide this document with this information.**
5. *Rule 1220-04-13-.17(2)(e)5.* The rule asks for depreciation rates the applicant intends to use for each plant account that will be on the wastewater utility's books. Include the estimated useful life of each account. If no depreciation study has been performed, explain the basis for these rates. **It appears there is a table of depreciation in the Petition, but it is illegible. Please provide a clear copy of the table.**
6. *Rule 1220-04-13-.17(2)(e)6.* The rule asks for the total estimated detailed cost of construction of the wastewater system to be constructed for the proposed service area. If the wastewater system will be constructed in phases, provide detailed construction cost estimates for each phase. Indicate whether the developer or the applicant will pay for the construction of the system. **The affiliate of IRM called Advanced Septic Inc will build the system according to the Petition. The developer will pay for the system and then will deed it to the Company. In the Petition, the Company references a contract with developer. Provide a copy of the contract.**
7. *Rule 1220-04-13-.17(2)(e)9.* The rule asks for estimates of costs and customers added by month for the first five (5) years based upon the construction build-out schedule for developers in the service area of the proposed wastewater system. For each year, by month, provide an estimated number of customers by customer class anticipated to be served by the wastewater system. Include the utility's basis and assumptions used for this projection. Provide this information in a spreadsheet in Microsoft Excel format with all assumptions

clearly documented. Provide the basis and assumptions for the 5-year estimates of the construction build-out. Provide the spreadsheet in its native excel format.

8. *Rule 1220-04-13-.17(2)(e)10.* The rule asks for documentation describing bonding requirements imposed by municipal governments for the proposed wastewater system. The Consumer Advocate could not locate a copy of bond which satisfies the local government's requirement. Please provide a copy of the bond or confirm that the local government does not require such a bond.
9. *Rule 1220-04-13-.17(2)(e)11.* The rule asks that the Company demonstrate that the applicant has acquired a performance bond from the developer or builder of the wastewater system made payable to the Utility to ensure construction of the wastewater system. The performance bond should be for an amount equal to or greater than the cost of the system as provided in contracts between builder, developer and/or utility. The Consumer Advocate could not locate a copy of a performance bond. Please provide a copy of the performance bond.
10. *Rule 1220-04-13-.17(2)(e)12.* The rule asks for a list all funding sources available to the applicant for the wastewater system proposed by the applicant. In the Petition, it states the developer will pay for the construction of the system and then will deed it to the Company. Please provide the contract referenced on Petition PDF pg. 6.
11. *Rule 1220-04-13-.17(2)(e)13.* The rule asks for information demonstrating compliance with the financial security requirement of Rule 1220-04-13-.07. After reviewing the Petition, the Consumer Advocate located a copy of a \$50,000 letter of credit. However, in TPUC Docket No. 17-00036, the Commission required a \$90,000 letter of credit as an alternative under Rule 1220-04-13-.07(5). Please explain this discrepancy.

Rule 1220-04-13-.17(2)(f) Sworn Testimony

1. *Rule 1220-04-13-.17(2)(f)6.* The rule states that a signed affidavit stating that all information submitted concerning the wastewater CCN application is true and correct to the best of the witness' knowledge and belief. The affidavit filed with the Petition and Testimony only states that the Testimony is true and correct and does not mention the Petition. File a corrected affidavit in the record.