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November 4, 2025

**VIA ELECTRONIC FILING**

Electronically Filed in TPUC Docket Room  
on November 4, 2025 at 5:02 p.m.

Hon. David Jones, Chairman  
c/o Ectory Lawless, Docket Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4th Floor  
Nashville, TN 37243  
[TPUC.DocketRoom@tn.gov](mailto:TPUC.DocketRoom@tn.gov)

**RE: *Application of Two Rivers Utility, LLC for a Certificate of Public Convenience and Necessity, TPUC Docket No. 25-00073***

Dear Chairman Jones:

Attached for filing please find *Two Rivers Utility, LLC's Response to Consumer Advocate's First Set of Discovery Requests* in the above-captioned matter.

Please note that the responses contain **CONFIDENTIAL** information. The responses are being submitted **UNDER SEAL** as **CONFIDENTIAL AND PROPRIETARY**. Both a public version and a nonpublic, **CONFIDENTIAL** version are attached.

As required, copies will follow. Should you have any questions concerning this filing or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP



Melvin J. Malone

clw

Attachments

cc: Craig Chrestman, Two Rivers Utility  
Joey Wimberley, Two Rivers Utility  
Karen H. Stachowski, Esq., Consumer Advocate

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**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
	)	
<b>APPLICATION OF TWO RIVERS UTILITY, LLC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY</b>	) ) ) ) )	<b>DOCKET NO. 25-00073</b>

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**TWO RIVERS UTILITY, LLC’S RESPONSE TO  
CONSUMER ADVOCATE’S FIRST SET OF DISCOVERY REQUESTS**

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Two Rivers Utility, LLC (“Two Rivers”), by and through counsel, hereby submits its Response to First Set of Discovery Requests propounded by the Consumer Advocate Division of the Attorney General’s Office (“Consumer Advocate”).

**GENERAL OBJECTIONS**

1. Two Rivers 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. Two Rivers 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” or “Authority”).
3. The specific responses set forth below are based on information now available to Two Rivers, and Two Rivers reserves the right at any time to revise, correct, add to or clarify the objections or responses and supplement the information produced.

4. Two Rivers 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. Two Rivers objects to each request to the extent it seeks information outside Two Rivers' custody or control.

6. Two Rivers' 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 Two Rivers' 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. Two Rivers 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. Two Rivers 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. Two Rivers does not waive any previously submitted objections to the Consumer Advocate's discovery requests.

## RESPONSES TO FIRST SET OF DISCOVERY REQUESTS

**1-1.** Minimum Filing Requirement.<sup>1</sup> Refer to Petition, Appendix A, I.(2)(a)4. The Company stated that Mr. Wimberley and Mr. Chrestman “co-operate TruFlo Service and Consulting LLC.” Confirm that the Company does not have any affiliates.

**RESPONSE:** Please see Two Rivers’ October 23, 2025, Responses to CAD’s October 3, 2025, letter.

**1-2.** Minimum Filing Requirement. Refer to Petition, Appendix A, I.(2)(a)9. The Company stated that it would begin construction of the system in September 2025, and that the system’s construction would be completed in two months. Confirm that the Company has not begun construction of the system without the approval of the Commission to own or operate the system and without a contractor licensing<sup>2</sup> from the Tennessee Department of Commerce and Insurance.

**RESPONSE:** Please see Two Rivers’ October 23, 2025, Responses to CAD’s October 3, 2025, letter.

**1-3.** Minimum Filing Requirement. Refer to Petition, Appendix A, I.(2)(a)9 and Exhibit 8. The Consumer Advocate found differing dates regarding construction dates between the Appendix (September 2025) and Exhibit 8 (May 2025) of the Company’s filing. Provide clarification of when construction will begin and be completed.

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<sup>1</sup> The Company has failed to respond to the Consumer Advocate’s letter resulting from its review of the Petition’s compliance with the Commission’s rule on Minimum Filing Requirements. As a result, the Consumer Advocate is now asking for this information in its first discovery request. *Consumer Advocate’s MFR Review Letter*, TPUC Docket No. 25-00073 (October 3, 2025) (“CA MFR Letter”).

<sup>2</sup> Licensing will be addressed in Consumer Advocate DR No. 1-5.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

- 1-4.** Minimum Filing Requirement. Refer to Petition, Appendix A, I.(2)(b)2. The Company states that TPUC Rule 1220-04-13-.17(2)(b)2 about franchise agreements is inapplicable. Confirm that Fayette County does not require franchise agreements.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

- 1-5.** Minimum Filing Requirement. Refer to Petition, Appendix A, I.(2)(b)3 and Exhibits 8, 14. The draft permit states that the permittee is Renaissance, LLC. The Company provided a letter from Renaissance, LLC stating it will transfer the deed 11.90 acres to the Company. However, there is no mention of the permit transfer.<sup>3</sup> Provide the written agreement that sets out the specifics and timing of the transfer of the permit, as well as the land from Renaissance, LLC to the Company.

**RESPONSE:** Two Rivers will not receive the requested permit transfer until after its request for a CCN from the Commission is approved.

- 1-6.** Minimum Filing Requirement. Refer to Petition, Appendix A, I.(2)(c)4 and Exhibit 13. Those licenses are for septic tank installation and not a contractor's license. In the CA MFR Letter, the Consumer Advocate provided an example of the appropriate contractor's license. The Tennessee Department of Commerce and Insurance provides a document

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<sup>3</sup> The Draft SOP sets out the requirements for a change in ownership of the system. Further, the Draft SOP sets out the requirements for the "Ownership of the Treatment Facilities." Petition, Exhibit 14, pp. 6, 10-11.

listing the various classifications of contractor's licenses and exam requirements.<sup>4</sup> A copy of this document is attached as Exhibit CA DR 1-5. Provide the name of the contractor installing this system and attach a copy of their license.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

**1-7. Minimum Filing Requirement.** Refer to Petition, Appendix A, I.(2)(e)5. It appears the Company simply restated TPUC Rule 1220-04-13-.17(e)5. Provide the depreciation rates Two River's intends to use on its books for this system. In your answer, also provide the estimated useful life of each account. If Two River's has not performed a depreciation study then include an explanation of the basis for your rates.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

**1-8. Minimum Filing Requirement.** Refer to Petition, Appendix A, I.(2)(e)6 and Exhibits 8, 22. Provide a more detailed breakdown of the cost of construction per phase.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

**1-9. Minimum Filing Requirement.** Refer to Petition, Appendix A, Appendix A, I.(2)(e)9. The Company stated that this exhibit would be filed separately at a later date. Provide the information as required by TPUC Rule 1220-04-13-.17(e)5, which directs the Company:

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<sup>4</sup> *Tennessee Board for Licensing Contractor, Classification Outline with Trade Exam Requirements*, <https://www.tn.gov/content/dam/tn/commerce/documents/regboards/contractors/posts/ClassificationOutlineWeb.pdf>.

Provide 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.

**RESPONSE:** Please see Two Rivers' October 23, 2025, Responses to CAD's October 3, 2025, letter.

**1-10. TDEC.** Refer to Petition, Exhibit 6, *Direct Testimony of Craig Chrestman* at 1:19 -2:12. Although both located "on site," the Tennessee Department of Environment and Conservation ("TDEC") treat Subsurface Sewage Disposal Systems ("SSDS") separately from onsite wastewater systems which require State Operating Permits ("SOP") including separate and permitting processes.<sup>5</sup> It is unclear in Mr. Chrestman's testimony if he or Mr. Wimberly have experience owning and operating wastewater systems which require SOPs from TDEC rather than septic tank systems. Provide the name and SOP number for the wastewater systems that Mr. Wimberly and Mr. Chrestman have either owned or operated.

**RESPONSE:** We have not personally owned any systems permitted under an SOP. We have installed, and currently maintain for other businesses, systems as large or larger than the system proposed for this subdivision. These have been permitted through TDEC as large alternative systems due to having a single owner. We have specialized, as a company,

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<sup>5</sup> The description and regulatory treatment of SSDS or septic tanks are found at TDEC's webpage <https://www.tn.gov/environment/permit-permits/water-permits1/septic-systems-permits.html>. The description and regulatory treatment of Water Quality SOPs are found at TDEC's webpage <https://www.tn.gov/environment/permit-permits/water-permits1/water-quality-state-operation-permit.html>.

in installing large onsite wastewater systems. And specifically, large LPP systems just as this system is designed. We currently provide maintenance for nine large LPP systems that are similar or up to triple the size of the proposed subdivision. We desire to become a utility to provide the same level of service through an SOP that we currently provide to our individual system owners.

**1-11.** Accounting. Refer to the Petition, Appendix A, I.(2)(e)1 and Exhibit 6, *Direct Testimony of Craig Chrestman* at 4:10-14. Respond to the following:

- a. Are TruFlo assets and revenues being pledged as security for the Two Rivers Project?
- b. Provide annual reports for the last three years of TruFlo.
- c. What is the current equity balance in TruFlo?

**RESPONSE:**

- a. TruFlo has not directly pledged assets to Two Rivers Utility.
- b. Two Rivers will supplement these responses with a response to this request as soon as possible.
- c. [REDACTED]

**1-12.** Refer to Petition, Appendix A, I.(2)(e)1 and Exhibit 20. Provide contracts or any other documentation supporting the projection that all 23 lots will have paying customers for all months of the year starting in year 2.

**RESPONSE:** There are no contracts that can be provided, other than projections, regarding the future sale of the 23 lots. The lots cannot currently be offered for sale, as there is no permitted wastewater system. Our projections were drawn from lot sales in the immediate

area in the last year, and based on the fact that there are no competing subdivisions nearby. There is a shortage of available properties in the area of the subdivision. Several (6-8) builders have already verbally committed to purchase lots as soon as they become available. The previous phases of this subdivision also had quick lot sales in the past.

- 1-13.** Refer to Petition, Appendix A, I.(2)(e)1 and Exhibit 20. Provide contracts or any other documentation supporting the projection that all 23 lots will have paying customers for all months of the year starting in year 2.

**RESPONSE:** Request No. 1-13 appears to be a duplicate of Request No. 1-12 requiring no response.

- 1-14.** Refer to Petition, Appendix A, I.(2)(e)11 and Exhibit 19. Provide responses to the following:

- a. Explain in detail the value of the performance bond ensures the construction of the wastewater system;
- b. Explain how the performance bond meets the requirement of TPUC Rule 1220- 04-13-.17(2)(e)11;
- c. Explain in detail how the amount of the performance bond is equal to or greater than the cost of the system, as provided in contracts;
- d. Explain in detail why the cost to complete the company work is more than the contract price and the bond; and
- e. Reconcile the following:
  - The cost to complete of \$250,000;
  - The contract price of \$162,815;
  - The estimated cost to construct of \$320,000 (Exhibit 8), sewer system of \$317,215, (Exhibit 22); and
  - The total contributed capital of \$400,284.

**RESPONSE:**

a.-c. The performance bond obtained by the developer is in the amount of the signed contract. It is our understanding that this bond is the one that guarantees the construction of the onsite disposal system should the developer fail to follow through. The developer has already installed the other components of the wastewater collection system (*i.e.*, the sewer lines that run from each house), and they will become the property of the Utility upon approval of the CCN. This bond guarantees that the contractor can still install the remainder of the wastewater system for the contracted price of \$162,815.00, which includes the tanks, pumps, and disposal field.

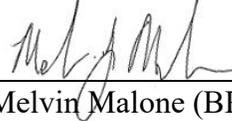
d.-e. The cost to complete the wastewater system and have it approved by TDEC is \$162,815.00. The developer has proposed additional features to be added after completion of the treatment system to promote this project as environmentally friendly, to be paid for at his expense, but to become part of the ownership of Two Rivers Utility. These proposed additions include, but are not limited to, wildlife and pollinator plantings in reserve areas not used for disposal, rainwater harvesting system to supply water for system maintenance and cleaning instead of city water, possible wildlife viewing platform at the edge of the property.

The estimated cost to construct is a combination of the sewer collection system, \$154,400.00 (paid for by the developer) and the cost to construct the disposal system, \$162,815. The \$320,000 is a preliminary estimate.

The total contributed capital is the combined actual cost of construction, plus the appraised value of the land deeded to the Utility, totaling \$400,284.00. That

number is the total amount of the system and property that will be owned by the utility upon completion of the system.

Respectfully submitted,



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*Attorneys for Applicant Two Rivers Utility,  
LLC*

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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This the 4<sup>th</sup> day of November 2025.

  
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Melvin Malone