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October 23, 2025

VIA ELECTRONIC AND U.S. MAIL:

Electronically Filed in TPUC Docket
Room on October 23, 2025 at 9:08 a.m.

Ectory Lawless, Docket Room Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243
TPUC.DocketRoom@tn.gov

Re: *Integrated Resource Management, Inc.'s Responses to the Consumer Advocate Division's Inquiries Regarding Compliance with Minimum Filing Requirements in Docket No. 25-00075.*

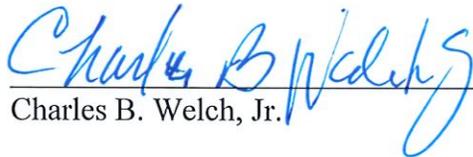
Dear Ms. Lawless:

Please find enclosed Integrated Resource Management, Inc.'s responses to the Consumer Advocate Divisions inquiries regarding IRM's compliance with the TPUC minimum filing requirements in TPUC Docket No. 25-00075.

As required, an original and four copies of this filing will be sent via U.S. Mail. Please contact me if you have any questions concerning this filing or require additional information.

Sincerely,

PHELPS DUNBAR LLP



Charles B. Welch, Jr.

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

1. ***Rule 1220-04-13-.17(2)(a)4.*** The rule states that if applicant has affiliated companies, provide a corporate organization chart showing all affiliate relationships. Describe in detail any transactions, direct or indirect, that occur or are expected to occur between affiliated entities. The Company filed Exhibit 10 and in the Appendix A for this rule they state, “A detailed list of transactions between affiliated entities is included in the Annual Reports.” However, the Annual Report was not filed as part of this Petition. Either file a detailed list of transactions between affiliated entities or a copy of the Annual Report in the Docket.

APPLICANT’S RESPONSE: Please see Confidential Exhibit 14 of IRM’s Amended Petition for IRM’s most recent annual report.

2. ***Rule 1220-04-13-.17(2)(a)8.*** The rule asks for a description of the type of proposed wastewater system to be constructed including the design capacity and the maximum potential number of customers the utility will service in the proposed service area. Indicate the technology used for the system (e.g., membrane, sand filter, wetland cell and/or lagoon). The type of system and design capacity should match the type and design capacity of the associated TDEC permit and permit application. After review of the Petition and Exhibits, the Consumer Advocate found in the Appendix A, 7(v) the Company states “IRM is seeking to provide water and wastewater services.” File confirmation in the Docket if IRM is seeking to provide both water and wastewater or just wastewater.

APPLICANT’S RESPONSE: IRM seeks to provide wastewater services only.

Rule 1220-04-13-.17(2)(c) Managerial Ability

1. ***Rule 1220-04-13-.17(2)(c)4.*** Proof that the party contracted to install the proposed system has a valid and current contractor’s license by the applicable licensing board of the State of Tennessee. After reviewing the Company’s complete filing the Consumer Advocate could not locate the identity of the builder or a contractor’s license. File the name of the contractor and provide its Tennessee license in the Docket.

APPLICANT’S RESPONSE: The contractor for this project is JHH, LLC, ID No. 71493. A copy of JHH, LLC’s Tennessee contractor’s license is attached to the Amended Petition as Exhibit 18.

Rule 1220-04-13-.17(2)(d) 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. The Consumer Advocate could not locate the letter from TDEC referenced in Appendix A of the Company’s filing. After a review of TDEC’s dataviewer the Consumer Advocate could not locate any information as to whether the application was complete or incomplete. Per Appendix A, a Letter from TDEC is included in Exhibit 3. File the missing letter in the Docket.

APPLICANT’S RESPONSE: Please see the plan-approval letter from TDEC attached to the Amended Complaint as Exhibit 5. The application will remain incomplete until it passes the 30-day public notice. After review, a complete application letter will be filed. We need to file the application for now.

2. **Rule 1220-04-13-.17(2)(d)2.** The rule asks for a copy of the State Operator Certificate for the wastewater system operator of record. If the operator is a contract employee of the utility, provide a copy of the employment contract. After review of the Company’s filing and response in Appendix A, it appears this rule was misread. The Company’s answer in Appendix A refers to the SOP (exhibit 3) but this rule is asking for the State Operator Certificate for the individual that will operate the system. File this in required certificate in the Docket.

APPLICANT’S RESPONSE: See the State Operator Certificate attached as Exhibit 19 to IRM’s Amended Petition.

3. **Rule 1220-04-13-.17(2)(d)4.** The rule asks for a list of any complaint(s), notices of violation or administrative action filed with or issued by a regulatory agency. Identify the nature of the complaint notices of violation or administrative action, which agency is involved, and how the issue was or is being resolved. The Company responded to this rule in Appendix A stating that they are not aware of any complaints/notices/actions by any state, federal, or local agency. The Consumer Advocate found no formal admin orders or complaints. However, the Consumer Advocate did locate the following using TDEC’s dataviewer:

1. **SOP-08013 Cove Creek Resort**

- a. Effluent bypassing or discharging from system (1/8/2024); and
- b. cleared up in follow-up visit on (6/21/2024).

2. **SOP-05054 Sterling Springs S/D**

- a. land application is wooded/forest, saturated soils, ponding etc (1/20/2024);
 - b. land application is wooded/forest - see note in doc (8/8/2024); and
 - c. land application is wooded/forest - see note in doc, saturated soils, ponding, overland overflow, etc & see note on doc (12/18/2024)
3. **SOP-18012 Waterside on Douglas Lake** – need fencing and signage (1/29/2024).
 4. **SOP-03034 Spaulding Bed & Breakfast** – land application is wooded/forest (2/2/2024).
 5. **SOP-04012 Emory Point Subdivision** – TDEC does not have monthly operations reports since June 2020-June 2024.

APPLICANT’S RESPONSE: IRM is unsure how to respond to this item as it includes no request warranting a response; this item summarizes the rule, describes IRM’s response, then provides information from the TDEC dataviewer.

To the best of IRM’s knowledge at the time of its original answer and at present, IRM does not have any unresolved or active violations or complaints. It is understood that issues are inevitable. IRM understands TDEC’s concern to be that such issues are resolved in a timely manner. IRM has demonstrated it is committed to timely resolving any violations or issues which may arise, and notes that several of the above-referenced reports themselves indicate that these issues have been resolved.

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

1. ***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 reviewed the Company’s filing, including Exhibit 7, but all the information was not included. File a corrected Exhibit 7 that includes number of customers, the rates, O&M expenses by account number, and basis and/or assumptions used to arrive at said totals in this Docket.

APPLICANT’S RESPONSE: Account numbers cannot be provided as our system is configured to only allow customers who are registered to receive bills. The cost assumptions are simply that costs will be similar to costs incurred to service our other customers. Assumptions regarding the number of customers and wastewater flow are included in the Wastewater Flow Table attached as Exhibit 6 to IRM’s Amended Petition.

2. **Rule 1220-04-13-.17(2)(e)5.** The rule asks for the 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. Appendix A states "IRM is using the most recently approved depreciation rates by the Commission." File the approved depreciation rates in this Docket.

APPLICANT'S RESPONSE:

Treatment and disposal equipment/system – 26 years.
 Flow measuring devices – 10 years.
 Other plant and miscellaneous equipment – 10 years.

The above estimated useful lives were initially determined by Hal Novak, and we have consistently applied them over the years. These estimates recognize that the system has a longer useful life than other plant equipment.

3. **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 Consumer Advocate reviewed the Petition and Exhibit 2 but could not provide a detailed estimate or a total estimate. File a corrected exhibit in the Docket.

APPLICANT'S RESPONSE: Please see the cost breakdown attached as Exhibit 20 to the Amended Petition. As has been stated, the Developer is responsible for the costs to construct the system.

4. **Rule 1220-04-13-.17(2)(e)9.** This rule requires 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. The Consumer Advocate has reviewed the Petition and Exhibits 3, 4, and 5 but could not locate all the answers to this rule. There were no customer projections or financial information by month. Also, per the rule, this information should be shared in excel and there were not any excel documents shared with this Docket. File corrected exhibits to satisfy this rule in the Docket.

APPLICANT'S RESPONSE: There are no definitive projections for Phase II of the buildout provided by the Developer at this time. Phase I, the service area anticipated by this CCN, will include a single customer (the restaurant). Phase II

will be at least two years away, and possibly more. It is not feasible for IRM to accurately predict so far into the future due to several variables which could impact projections. Please see the Excel spreadsheet attached as Exhibit 8 to the Amended Petition.

5. **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.** The Company states this information is on file with the Commission. File the requested information in this Docket.

APPLICANT'S RESPONSE: Please see Exhibit 9 to the Amended Petition.

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

1. **Rule 1220-04-13-.17(2)(f)1. The rule requires the testimony provide evidence that a public need exists for wastewater services in the proposed service area.** In reviewing the Petition, the Consumer Advocate could not find such evidence in the testimony. However, the Company provided a letter from Marion County as Exhibit 11 to the Petition.

APPLICANT'S RESPONSE: IRM maintains that the letter from the Marion County Mayor, which clearly states that the County has no plans to provide wastewater services to that portion of the Development covered by IRM's proposed CCN, is sufficient evidence of a public need for wastewater services in the proposed service area. Wastewater services will be required in the proposed area; if the County is not providing them, someone must.

2. **Rule 1220-04-13-.17(2)(f)3. The rule asks for a statement that the applicant is aware of and will abide by all applicable TN statutes and TPUC Rules.** This was not stated in the Testimony or anywhere in the Company's filing. File corrected Testimony in the Docket.

APPLICANT'S RESPONSE: Please see Q12/A12 in the Amended Pre-Filed Testimony of Jeffrey Cox, Jr., attached as Exhibit 1 to the Amended Petition.

3. **Rule 1220-04-13-.17(2)(f)4. The rule requires the testimony provide a discussion and demonstration of technical, managerial, and financial capability of the applicant to provide the proposed wastewater service.** In reviewing the Petition, the Consumer Advocate could not find such language in the testimony. However, the Company provided a discussion of its technical, managerial, and financial capability in the Petition a PDF pp. 4-5 of 21.

APPLICANT'S RESPONSE: Please see Q8/A8 in the Amended Pre-Filed Testimony of Jeffrey Cox, Jr., attached as Exhibit 1 to the Amended Petition.



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4. **Rule 1220-04-13-.17(2)(f)5.** The rule asks for a statement that the applicant is aware of the requirement of Rule 1220-04-13-.09(7) concerning the completion of the construction of the wastewater system within three years of TPUC's written approval of the CCN. This was not stated in the Testimony or anywhere in the Company's filing. File corrected Testimony in the Docket.

APPLICANT'S RESPONSE: Please see Q11/A11 in the Amended Pre-Filed Testimony of Jeffrey Cox, Jr., attached as Exhibit 1 to the Amended Petition.

5. **Rule 1220-04-13-.17(2)(f)6.** The rule requires the testimony provide 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. In reviewing the Petition, the Consumer Advocate could not find such language in the affidavit. However, there is such a statement in Mr. Cox's testimony on p. 20, Q/A11.

APPLICANT'S RESPONSE: Please see IRM's Amended Petition which contains affidavits pertaining to both the Petition and the pre-filed testimony.