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July 9, 2026

Tennessee Public Utility Commission
502 Deaderick St. 4th Floor
Nashville, TN 37243
Attn: Ectory Lawless

In Re: Docket No. 26-00039

Dear Ms. Lawless,

Attached for filing in the above-captioned docket are the responses of Berry's Chapel Utility to the Consumer Advocate's second set of discovery requests in the above-captioned docket. Email me at hwalker@bradley.com if you have any questions.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Henry Walker", written in a cursive style.

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HW/cc

cc: Ryan McGehee

**BERRY'S CHAPEL UTILITY
DOCKET NO. 26-00039
SECOND SET OF DISCOVERY REQUESTS OF THE CONSUMER ADVOCATE**

Responsible Witness: William H. Novak and James Savage

Question:

2.1 Reference: Response to CAD DR 1-1(b) – (c). The response includes the following:

b. Confirmed. The original maturity date of the loan in the “Debt-5” tab is April 12, 2014. However, refer further to the *Judgment* from the Williamson County Chancery Court of May 22, 2015 shown on the “Debt-6” tab of the workpapers, and note the following paragraphs.

1A. That the Trustee is the holder of an Amended Promissory Note dated April 20, 2009 in the principal amount of \$1,200,000 and issued by the predecessor to BCUI (the “2009 Note”) and of a Renewal Promissory Note dated December 12, 2011 in the principal amount of \$250,000 and issued by BCUI (the “2011 Note), both secured by the deed of trust described in paragraph 8 of the Complaint.

5. The Court finds, consistent with the above, and based on the record before it, that no genuine of material fact exists as to any material fact and that the Trustee is entitled to a judgment as a matter of law. Consistent with the findings, the Court hereby GRANTS JUDGMENT in favor of the Trustee, and against BCUI, in the amount of \$1,742,692.92 plus \$384.71 per day from March 31, 2015 through the date this judgment is entered, plus \$14,433.20 in attorney’s fees and costs. All court costs are taxed against BCUI.

In summary, the original loans included on the “Debt-4” tab and “Debt-5” tab have been converted to judgments by the Williamson County Chancery Court with no maturity date.

c. The original loans included on the “Debt-4” tab and “Debt-5” tab have been converted to judgments by the Williamson County Chancery Court with no maturity date.

In light of the Company’s Response to CAD DR 1-1, provide the following:

- a. Explain how the judgment above is interpreted as a loan at 9.95% with no maturity date.
- b. Explain the plan to retire the debt.
- c. Explain how this plan is in the best interest of rate payers.
- d. Has Berry’s Chapel explored other options for paying the judgment? If so, what has been explored and what were the results?

RESPONSE:

BERRY'S CHAPEL UTILITY
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- a. For clarity, the interest rates on the two original loans were at 6.50% and 7.50% as stated in our response to CAD DR 1-1e. The annual interest accrued from these two loans only equates to a 9.98% (not 9.95%) rate when measured against rate base as stated in the response to CAD DR 1-4.

As stated in our response to CAD DR 1-1a, a judgment by the Williamson County Chancery Court was issued against Berry's Chapel Utility after it defaulted on repaying the original loans. The amount of this judgment was for the balance plus interest which is a continuing obligation for the Company.

- b. Currently, the Company has no plans to retire the debt.
- c. The only prudent course of action available is for Berry's Chapel to continue accruing the interest expense on the outstanding judgment as required by the Williamson County Chancery Court, which is done in the best interest of the customers.
- d. Several attempts have been made to negotiate a settlement regarding the loans and the judgement. These attempts were made in January 2024, July 2023, November 2019, February 2018, and January through September 2015. In each attempt negotiations were conducted either directly with the previous owners or through their attorney, Craig Gabbert. No satisfactory agreement could be reached in any of these negotiations.

**BERRY'S CHAPEL UTILITY
DOCKET NO. 26-00039
SECOND SET OF DISCOVERY REQUESTS OF THE CONSUMER ADVOCATE**

Responsible Witness: William H. Novak

Question:

2-2 Reference Responses to CA DRs 1-9(b) and 1-10. The responses include:

1-9b. After this rate case concludes, Berry's Chapel will reevaluate its earnings and decide when to file its next rate case. At this time, no decision has been made about this timeline.

1-10a. T.C.A. § 65-5-103(d)(6)(B) requires that a utility must have engaged in a general rate case pursuant to § 65-5-101 and subsection (a) within the last five years to be eligible to make an election to opt into an annual rate review. At this time, Berry's Chapel Utility intends to file for a rate adjustment plan shortly after this current rate case concludes.

In light of the Company's Responses to CAD DR 1-9b and 1-10a, provide the following:

- a. An estimate of the rate case costs for Berry's Chapel.
- b. An Estimate of the costs associated with a rate adjustment plan filing.

RESPONSE:

- a. Berry's Chapel Utility has no current estimate for the final costs of this rate case.
- b. Berry's Chapel Utility has no current estimate for the costs for a future adjustment plan filing.