

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:)
)
PETITION OF TENNESSEE)
WASTEWATER SYSTEMS, INC. TO) **DOCKET NO. 15-00025**
AMEND ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY)

**THE CONSUMER ADVOCATE’S STATEMENT IN OPPOSITION TO THE
PROPOSED AMENDMENT OF THE CCN**

The Consumer Advocate and Protection Division of the Office of the Attorney General (“Consumer Advocate”) is opposed to the proposed amendment of Tennessee Wastewater Systems, Inc.’s (“TWSI”) Certificate of Convenience and Necessity (“CCN”) to include the area known as The Enclave at Dove Lake in Williamson County (“The Enclave”). The Consumer Advocate respectfully requests that the proposed amendment be denied because (1) TWSI has not shown that it possesses the requisite managerial, technical, and financial ability to warrant amending the CCN; (2) TWSI’s relationships with its unregulated affiliates divert financial resources away from TWSI, thereby threatening its financial health and wellbeing and failing to protect consumers’ interests; and (3) TWSI’s affiliates are the proper entities to apply for the amended CCN and be subject to regulation by the Tennessee Regulatory Authority (“TRA” or “Authority”).

FACTUAL BACKGROUND

In its Petition to Amend Its Certificate of Convenience and Necessity, Docket No. 15-00025 (“Petition to Amend the CCN”), TWSI requests authority to provide wastewater service to approximately 165 residential units at The Enclave. As will be shown, however, TWSI itself

will perform virtually none of the services required at The Enclave—rather, unregulated affiliates will provide those services. For example, unregulated affiliates routinely perform services including facilities operations, onsite maintenance, inspections, and repairs for TWSI.¹ The manner in which TWSI obtains these services is nebulous, as no contracts exist between TWSI and its affiliates.² Nothing in this Docket suggests that TWSI will change its operational practices at The Enclave, thus it cannot be said that TWSI itself will be the entity performing services for customers at that development. The nonexistence of contracts is further evidence that TWSI is merely a shell company to hold a CCN while allowing unregulated entities to perform the utility services for which a CCN may be granted.³

As a shell company, TWSI is unable show that it has the managerial, technical, and financial ability to provide wastewater service at The Enclave. To the extent such ability exists, it appears to exist in various unregulated entities, not TWSI. TWSI's managers and directors receive no salary and are also managers and directors of its affiliate organizations.⁴ TWSI does not indicate employing anyone with technical ability, though its unregulated affiliate Adenus Operations, LLC, employs a technical engineer.⁵ The financial documents that TWSI provided with its Petition to Amend the CCN show a net operating *loss* of \$200,076.⁶ On its face, a net operating loss demonstrates a lack of solid financial ability. It is unclear how TWSI can adequately provide wastewater services or strengthen its financial position without support from

¹ See Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, Nos. 12-13, TRA Docket 14-00136 (June 8, 2015).

² *Id.* at Nos. 31, 55.

³ The Consumer Advocate does not concede that the mere existence of contracts between TWSI and its affiliates would render TWSI eligible for a CCN; rather, any contracts would need to be analyzed to ensure proper regulatory oversight and consumer protections.

⁴ Attachments to Petition to Amend the CCN; Collective Exhibit A.

⁵ See, e.g., In the Matter of Roy C. Denney, P.E.; Water and Wastewater Authority of Wilson County, Tennessee; Adenus Group, LLC; Adenus Operations, LLC; and Adenus Solutions Group, LLC, *Contested Case Hearing, Tennessee Board of Water Quality, Oil and Gas, No. 04.30-128579J*, Contested Case Hearing Transcript (May 28, 2015) at 84-89.

⁶ Attachments to Petition to Amend the CCN.

unregulated affiliates. Therefore, with respect to each of the abilities required to receive the amended CCN for The Enclave, TWSI falls short of the statutory requirements.

Observing that TWSI lacks these abilities, the possible existence of expertise and ability among its unregulated affiliates is no substitute. The corporate relationships between TWSI and its unregulated affiliates impede the TRA's effective and efficient exercise of its regulatory authority. The managerial, technical, and financial decisions affecting The Enclave are performed by unregulated entities that do not answer to the TRA,⁷ limiting the Authority's ability to obtain information and issue orders consistent with its statutory mandate. Moreover, these entangled corporate relationships allow the diversion of funds from TWSI to its unregulated affiliates while preventing appropriate transparency into TWSI's financial operations.⁸ This further skirts regulatory oversight.

Unlike TWSI, other regulated utilities use affiliated entities while maintaining regulatory transparency. Several companies regulated by the TRA have affiliates or are part of a larger holding company structures like Chattanooga Gas Company, which is part of the AGL group of companies, and Atmos Energy Corporation ("Atmos"). Atmos, for example, contracts with its affiliate Atmos Energy Marketing to handle the utility's gas storage and transportation.⁹ Atmos Energy Marketing is effectively regulated because the competitive bids and contracts between itself and Atmos are made available to and approved by the TRA.¹⁰

The Consumer Advocate is unaware, however, of any utility regulated by the TRA that uses *unregulated* affiliates to perform virtually all of the operational work for which the utility

⁷ See Part I, *infra*.

⁸ See Part II, *infra*.

⁹ See Petition for Approval of Contract Regarding Gas Commodity Requirements and Management of Transportation/Storage Contracts, *Order Approving Contract Regarding Gas Commodity Requirements and Management of Transportation/Storage Contracts*, TRA Docket 11-00034 (Feb. 24, 2012).

¹⁰ *Id.*

has received a CCN. To illustrate the risks of this scenario, a hypothetical gas company would have to use a Gas Company Operations Group (unregulated by the TRA) to provide day-to-day work on the gas pipelines, a Gas Company Technology Group (unregulated by the TRA) to design and provide various valves and fittings, and a Gas Company Group (unregulated by the TRA) that would own all the various affiliates, all of this accomplished without written contracts. Such an arrangement would obviously make effective regulation very difficult.

The manifestations of these regulatory concerns are already evident in TWSI's practices. TWSI does not enter into written, verifiable contracts with its unregulated affiliates because they "are under common ownership and control," yet TWSI refuses to disclose details of its transactions with these affiliates regarding the sale of capacity and tap fees on the grounds that the affiliates are unregulated.¹¹ The risks of TWSI's practices include customers overpaying for services at The Enclave, a lack of recourse for unsatisfactory services or breach, the inability to determine which entities are responsible for environmental damages or other regulatory violations, and the inability to obtain a financial recovery from those entities. This lack of transparency effectively renders the TRA unable to ensure that TWSI meets the CCN requirements and is properly using its CCN for the benefit of utility customers.

In light of TWSI's business practices, the Petition to Amend the CCN should be denied.

STATUTORY STANDARD

The TRA requires a public utility to obtain a CCN from the Authority.¹² The statutory authority for requiring a CCN is generally cited as Tenn. Code Ann. § 65-4-201(a). In reviewing applications for a CCN, the TRA considers the managerial, technical and financial ability of the

¹¹ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, Nos. 7, 31, 55, TRA Docket No. 14-00136 (June 8, 2015).

¹² See, e.g., Application of B & W Pipeline, LLC for a Certificate of Convenience and Necessity to Operate a Natural Gas Pipeline System in Pickett, Morgan and Fentress Counties, *Order Granting Certificate of Public Convenience and Necessity*, TRA Docket No. 13-00151 at 3 (Jan. 8, 2015).

utility.¹³ The utility must show that it possesses each of these abilities, and failure to demonstrate any one of these three abilities is grounds to deny its petition.¹⁴

TWSI'S PETITION SHOULD BE DENIED

TWSI has not established that it possesses the requisite abilities to be granted an amendment to the CCN at The Enclave, though its unregulated affiliates may possess such abilities. This is insufficient, however, because TWSI's relationships with its unregulated affiliates are detrimental to its financial wellbeing and fail to protect consumers' interests. These corporate relationships indicate that TWSI's affiliates are the proper entities to apply for an amended CCN and be regulated by the TRA.

I. TWSI HAS NOT SHOWN THAT IT POSSESSES THE REQUISITE MANAGERIAL, TECHNICAL, AND FINANCIAL ABILITY TO WARRANT AMENDING THE CCN.

TWSI has not met its burden to show that that it possesses the requisite abilities for its Petition to Amend the CCN to be granted. Open questions persist regarding the relationships between TWSI and its unregulated affiliates, the agreements among them, the relative amount of work that is performed on behalf of TWSI as opposed to its affiliates, and TWSI's independent abilities, if any.

TWSI by itself appears to be little more than a shell company that holds a CCN and relies on its unregulated affiliates to provide the services for which the CCN is requested. Those affiliates perform these services and receive payment from TWSI without any written, verifiable contracts among them,¹⁵ and there are no assurances that these services will continue or that the

¹³ *Id.*

¹⁴ Tenn. Code Ann. § 65-4-201(a); see TRA Rule 1220-1-2-.16 (the burden of proof is on the party asserting the affirmative of an issue).

¹⁵ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, Nos. 31, 55, TRA Docket No. 14-00136 (June 8, 2015) (discussing the lack of contracts); Attachments to Petition to Amend the CCN (detailing payments from TWSI to its affiliates).

prices charged are appropriate in the marketplace. The tacit agreements between TWSI and its unregulated affiliates could change on a whim without notice or involvement of the TRA. This dynamic does not protect TWSI, as it is dependent on its affiliates, or consumers, who ultimately pay for the services performed at The Enclave.

TWSI has failed to show how such use of unregulated affiliates fulfills the requirements for granting the Petition to Amend the CCN, allows proper transparency for the TRA to fulfill its statutory obligations, and adequately protects consumers. Any suggestion that this use of unregulated affiliates should be permissible in this Docket because TWSI has “always” operated in this manner misses the point. TWSI should be able to demonstrate that it possesses the requisite abilities to operate a wastewater facility at The Enclave at any moment when it is seeking TRA permission to do so, and it presently fails that test. Recent developments in other dockets¹⁶ indicate that now is the appropriate juncture to assess anew TWSI’s managerial, technical, and financial ability.

A. TWSI Lacks Independent Managerial Ability.

The attachments to the Petition to Amend the CCN nominally list the officers and managers of TWSI:

- Charles Hyatt (President)
- Charles Pickney, Jr. (Vice President)
- Robert Pickney (Vice President)
- Thomas Pickney (Vice President)
- William Pickney (Secretary)

¹⁶ *E.g.*, Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, TRA Docket No. 14-00136 (requesting approval for a customer surcharge to make improvements at three wastewater facilities that were subject to TDEC Notices of Violation); Show Cause Proceeding Against TWSI for Material Non-Compliance and/or Violation of State Law and Tenn. R. & Regs. 1220-04-13 et. seq., TRA Docket No. 14-00041; Petition of TWSI to Amend Their CCN to Service a Portion of Williamson County in Tennessee, Currently Known as the Scales Project, TRA Docket No. 14-00006 (the panel “noted its concern in further expanding TWSI’s CCN” and now requires TWSI to file detailed monthly reports about repairs and improvements at its facilities facing TDEC compliance issues).

Although these persons appear to be held out by TWSI as representing its “managerial ability,” it is unclear whether they actually do any work for TWSI. In fact, TWSI lists the salary for these officers and managers as “0.”¹⁷ Given this lack of any remuneration for management services, there are legitimate questions regarding the extent of these persons’ managerial services for TWSI rather than for other affiliates of TWSI.

TWSI is wholly owned by an entity known as Adenus Group, LLC.¹⁸ A review of corporate filings for its affiliates shows that the officers and managers of TWSI are also the officers and managers of its affiliates (collectively “the Adenus companies”):

- Adenus Group, LLC:
 - Members: Charles Hyatt; formerly Charles Pickney, Jr., Robert Pickney, William Pickney, Thomas Pickney
 - Officers: Charles Pickney, Jr., Robert Pickney, William Pickney, Thomas Pickney, Charles Hyatt
 - CEO: Charles Hyatt
- Adenus Capacity, LLC:
 - Member: Charles Hyatt; previously Adenus Group, LLC
 - Officer: Charles Hyatt
 - CEO: Charles Hyatt
- Adenus Operations, LLC:
 - Member: Adenus Utilities Group, LLC (which was dissolved in 2010)
 - Officers: Charles Pickney, Jr., Robert Pickney, William Pickney, Thomas Pickney
 - CEO: Charles Hyatt
- Adenus Solutions Group, LLC:
 - Member: Adenus Group, LLC
 - Officers: Charles Pickney, Jr., Robert Pickney, William Pickney, Thomas Pickney, Charles Hyatt
 - CEO: Charles Hyatt
- Adenus Technologies, LLC:
 - Member: formerly Adenus Group, LLC
 - Officer: Charles Hyatt

¹⁷ Attachments to Petition to Amend the CCN.

¹⁸ *Id.*

- CEO: Charles Hyatt¹⁹

Accordingly, it is reasonable to question whether their managerial services are largely for other unregulated entities rather than for TWSI. Absent clear evidence that these managers are meaningfully contributing proper managerial services to TWSI as a stand-alone entity, TWSI cannot meet its burden to show managerial ability.

B. TWSI Lacks Independent Technical Ability.

TWSI similarly fails the second requirement for a CCN: technical ability. The Petition to Amend the CCN makes no reference to any person with technical knowledge employed by TWSI. Nor does it refer to contractual relationships between TWSI and other entities securing this expertise. On that basis alone the Petition to Amend the CCN should be denied.

TWSI may contend that it contracts with other unregulated entities to provide technical ability, such as its affiliate Adenus Operations. Adenus Operations appears to employ one or more persons with some technical ability.²⁰ One such individual, Mr. Denney, an engineer, stated that he is employed by Adenus Operations but works “interchangeably” for the other Adenus companies:

Q. That’s fine. And where do you currently work, Mr. Denney?
A. I currently work at Adenus.

Q. And in particular if somebody asked you what’s on your W-2 what --
who signs your paycheck?
A. Adenus Operations.

Q. And how long have you worked there?
A. I’ve been there since October of 2013.

Q. Does Adenus have any related entities?

¹⁹ Collective Exhibit A.

²⁰ See, e.g., In the Matter of Roy C. Denney, P.E.; Water and Wastewater Authority of Wilson County, Tennessee; Adenus Group, LLC; Adenus Operations, LLC; and Adenus Solutions Group, LLC, *Contested Case Hearing, Tennessee Board of Water Quality, Oil and Gas, No. 04.30-128579J*, Contested Case Hearing Transcript (May 28, 2015) at 84-89.

A. It's got several.

Q. And are those related entities petitioners in this case?

A. I believe Adenus Group, Adenus Operations, and Adenus Solutions Group.

Q. And do you sometimes work for those related entities?

A. I work interchangeably across all of those entities.

Q. What is your title with Adenus Solutions Group?

A. I am the chief technical officer and that's within all of them but I'm also the principal engineer for Adenus Solutions Group.

Q. Do you have a title with any of the other related entities?

A. Chief technical officer.²¹

Mr. Denney's apparent employer, Adenus Operations, is not regulated by the TRA. The other Adenus companies he mentions are similarly unregulated. The terms and conditions of this "interchangeable" work are not apparent, and because TWSI has no written, verifiable contracts with the Adenus companies,²² the extent to which Mr. Denney or other technically able employees do work for TWSI is unclear.

In a response to a TRA data request, TWSI stated that it has used Adenus Operations as its "certified operator."²³ That is, TWSI appears to acknowledge that it completely outsourced this important function to an unregulated affiliate. In a later response to a TRA data request, TWSI now states that the persons formerly employed by Adenus Operations have been employed by TWSI since June 2014.²⁴ If they are "employees" of TWSI, the evident use of personnel among various unregulated entities presents the familiar problem as to how much operational/technical ability they actually provide TWSI.

²¹ *Id.*

²² Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, Nos. 31, 55, TRA Docket No. 14-00136 (June 8, 2015).

²³ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Data Response*, No. 10, TRA Docket No. 14-00136 (Feb. 5, 2015).

²⁴ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, No. 12, TRA Docket No. 14-00136 (June 8, 2015).

Thus, serious questions also remain about whether ratepayers are inappropriately paying for services provided to unregulated affiliates. This issue becomes more troubling because of the lack of transparency surrounding TWSI's corporate relationships.

TWSI has failed to demonstrate whether the apparent juggling of employees among affiliates will bring statutorily required technical ability to TWSI. Absent such showing, the Petition to Amend the CCN should be denied.

C. TWSI Lacks Independent Financial Ability.

According to the Income Statement attached to the Petition to Amend the CCN, for fiscal year ended December 31, 2013, TWSI has a net *loss* of operating income of two-hundred thousand seventy-six dollars (-\$200,076).²⁵ This is not an indication of financial ability. In fact, exactly the opposite is the case. TWSI's failure to produce sufficient income to meet its expenses reflects financial *inability* at a fundamental level. Accordingly, the Petition to Amend the CCN should be denied.

Further, TWSI has failed to meet its burden to show that it has the financial ability to overcome its net operating loss or otherwise effectively manage its finances. For example, TWSI has failed to show that it has access to financing that would enable it to overcome its inability to pay its expenses. To the extent that such access lies in the hands of unregulated affiliates, TWSI makes no mention of it. If an unregulated affiliate is in a position to cover the financial needs of TWSI, then TWSI should reasonably be expected to provide documented evidence of the affiliate's pledged support. No such support was presented in the Petition to Amend the CCN. The Petition to Amend the CCN contains no description of the way in which the financial deficits of TWSI are to be funded and enforced against an unregulated affiliate to

²⁵ Attachments to Petition to Amend the CCN. TWSI also reported a net operating loss of \$51,763 for fiscal year ended December 31, 2012, in its annual TRA filing.

ensure the protection of ratepayers and the health and wellbeing of TWSI separate and apart from the Adenus companies. As it stands, the affiliates are under no known obligation to come to TWSI's financial relief. TWSI's inability to show financial ability on its own or as part of a group warrants denying the Petition to Amend the CCN.

In sum, TWSI has not demonstrated that it has the requisite managerial, technical, and financial ability, and has failed to meet its burden of proof to show the same. Rather, TWSI has met none of the three critical CCN requirements. Consequently, its Petition to Amend the CCN should be denied.

II. TWSI'S RELATIONSHIPS WITH ITS UNREGULATED AFFILIATES DIVERT FINANCIAL RESOURCES FROM TWSI, THEREBY THREATENING THE FINANCIAL HEALTH AND WELLBEING OF TWSI AND FAILING TO PROTECT CONSUMERS' INTERESTS.

Considering its tangled web of relationships with the Adenus companies, it is unsurprising that TWSI appears to use those affiliates to move financial assets away from the regulated entity. This diversion is not allowed.²⁶ The Tennessee Supreme Court has consistently held that regulated utilities cannot use affiliates to divert resources, noting that "holding otherwise would allow the regulated utility, 'through the device of holding companies, spinoffs, or other corporate arrangements, to place the cream of a utility market in the hands of a parent or an affiliate, and to strip the marketing area of a regulated subsidiary of its most profitable customers.'"²⁷

The unregulated Adenus companies are deriving significant income from TWSI, or from work done for the benefit of TWSI, thus diverting money that would otherwise be used to build up TWSI's financial strength, security, and ability. For example, TWSI pays an annual O & M

²⁶ *BellSouth Adver. & Publ'g Corp. v. Tenn. Regulatory Auth.*, 79 S.W.3d 506, 516 (Tenn. 2002); *Tenn. Pub. Serv. Comm'n v. Nashville Gas Co.*, 551 S.W.2d 315, 321 (Tenn. 1977).

²⁷ *BellSouth*, 79 S.W.3d at 516 (quoting *Nashville Gas*, 551 S.W.2d at 321).

expense to Adenus Operations, of \$853,059.²⁸ But TWSI provides no support to demonstrate the value of services received in exchange for that amount. In addition, the proposed construction of the facility intended to serve The Enclave will be completed by Adenus Solutions for \$940,500.²⁹ Again, TWSI has not offered any evidence of competing bids or other support for the legitimacy of this value. TWSI even arranges for cash transfers to Adenus Group, LLC, apparently unrelated to charges for specific good or services.³⁰ Absent a showing of value received for services performed, the Consumer Advocate questions whether this may be an impermissible diversion of funds to the Adenus companies. As discussed elsewhere herein, the absence of such a showing raises serious questions about the allocation of ratepayers' funds. To the extent that Adenus Operations, Adenus Solutions, or Adenus Group operates at a profit, the Consumer Advocate maintains that an allocation analysis should be performed, and potentially a portion of that profit should be returned to or attributed to TWSI, thus developing its financial ability.

TWSI has also apparently failed to properly report certain transactions with the Adenus companies. In response to the TRA's data request regarding revenue that any entity has collected for tap fee credits or capacity to any On-Site TWSI utility system, TWSI objected that this information was irrelevant because "the sale of wastewater capacity by a non-regulated entity to a developer is not now and has never been considered by the TRA to be a regulated transaction."³¹ TWSI's position contravenes the NARUC Uniform System of Accounts adopted by the TRA, which specifically requires that revenues from these wastewater services be

²⁸ Attachments to Petition to Amend the CCN.

²⁹ *Id.*

³⁰ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, No. 18, TRA Docket No. 14-00136 (June 8, 2015).

³¹ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, No. 7, TRA Docket No. 14-00136 (June 8, 2015).

recorded on the utility books.³² Observing this discrepancy, the Consumer Advocate's expert witness Mr. Novak concluded that TWSI is funneling away revenues to recover higher rates:

It appears that the Company has purposely removed the revenue stream from capacity release and tap fee revenues from the utility books and records. It is very likely that this diversion has caused the current utility rates to be higher than they otherwise would have been.³³

It is without question that the revenue generated from the TWSI facility should directly benefit TWSI and its customers. If this revenue is improperly paid out or diverted to affiliates, as appears to be TWSI's regular practice, then customers will face inflated rates to make up the difference. This is precisely the result that the Tennessee Supreme Court held as impermissible in *BellSouth* and *Nashville Gas*.³⁴ Therefore, the Petition to Amend the CCN should be denied.

III. TWSI'S AFFILIATES ARE THE PROPER ENTITIES TO APPLY FOR THE CCN AND BE SUBJECT TO TRA REGULATION.

Because it appears that TWSI is using the Aenus companies to outsource virtually all of the services and abilities required to obtain a CCN, it is proper for the TRA to exercise jurisdiction over all the Aenus companies that perform such services. The TRA may regulate a public utility without respecting corporate charters and the form of corporate structure.³⁵ In other words, the TRA may conclude that it has jurisdiction over the unregulated affiliates of a regulated utility for the proceeding at issue.³⁶

In this Docket, as explained above, it is evident that (1) the corporate management of the Aenus companies and TWSI are closely intertwined; (2) TWSI itself does not have the requisite managerial, technical, and financial ability to operate a wastewater system without support from

³² Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Supplemental Testimony of William H. Novak*, TRA Docket 14-00136 at 6-7 (June 15, 2015).

³³ *Id.* at 7.

³⁴ *BellSouth Adver. & Publ'g Corp. v. Tenn. Regulatory Auth.*, 79 S.W.3d 506, 516 (Tenn. 2002); *Tenn. Pub. Serv. Comm'n v. Nashville Gas Co.*, 551 S.W.2d 315, 321 (Tenn. 1977).

³⁵ *BellSouth*, 79 S.W.3d at 515-16 (citing *Nashville Gas*, 551 S.W.2d at 319-20).

³⁶ *BellSouth*, 79 S.W.3d at 516 (concluding that the TRA had jurisdiction over BAPCO, an unregulated affiliate of the regulated utility BellSouth in the proceeding at issue).

the Adenus companies; (3) the Adenus companies will provide the services for which TWSI is requesting the amended CCN; and (4) TWSI makes apparently unsubstantiated payments to the Adenus companies that do not remit profits to TWSI.³⁷ These aspects of this Docket demonstrate that properly evaluating TWSI requires complete visibility, and therefore regulation, into the Adenus companies. Without this visibility, the TRA will not be able to effectively perform its important role and enable other parties, such as the Consumer Advocate, to perform their roles in protecting consumers of public utilities.

To that point, the entangled corporate structure between TWSI and the Adenus companies prevents the TRA from accessing the information it needs to investigate and properly regulate TWSI's operations. For example, TWSI's second data response to the TRA Staff in Docket 14-00136 appears to be an attempt to hide the details of certain operating and sales agreements behind this affiliate structure. TWSI explained that no contracts exist between itself and the Adenus companies regarding system operations and installations because they "are under common ownership and control."³⁸ This no-contract practice is especially problematic for the TRA's regulation of the sale of capacity/tap fees. If any of the Adenus companies negotiate to sell capacity/tap fees on TWSI's system, there would be no contract with TWSI because the companies have the same ownership and control. Yet, TWSI simultaneously claims that the TRA cannot review these transactions because the Adenus companies are distinct and unregulated.³⁹ TWSI cannot have it both ways. By failing to differentiate between itself and the Adenus companies for contracting purposes and then claiming that actions involving the Adenus

³⁷ See Parts I-II, *supra*.

³⁸ Petition of TWSI for Approval of Capital Improvement Surcharges and Financing Arrangements, *Response to Data Request Issued on May 15, 2015*, Nos. 31, 55, TRA Docket No. 14-00136 (June 8, 2015).

³⁹ See *id.* at No. 7.

companies are unregulated and beyond the reach of the TRA, TWSI's structure creates the appearance of an evasion of the TRA's regulatory power.

Accordingly, the TRA should require the Adenus companies to appear and be regulated for the purposes of this proceeding. Only by regulating the Adenus companies will the TRA have effective regulatory oversight of TWSI. Notably, while the Adenus companies are the proper parties to petition for an amendment to the CCN, the Consumer Advocate does not concede that they have demonstrated the requisite managerial, technical, and financial ability to provide wastewater service at The Enclave.

IV. CONCLUSION

The Consumer Advocate respectfully requests that the TRA deny TWSI's Petition to Amend the CCN because TWSI has not shown that it possesses the requisite managerial, technical, and financial ability to operate the proposed wastewater system; TWSI's relationships with its unregulated affiliates divert financial resources away from TWSI, threatening its financial wellbeing and consumers' interests; and the TRA should properly exercise jurisdiction over the Adenus companies with respect to the amendment to the CCN at issue in this proceeding.

RESPECTFULLY SUBMITTED,

HERBERT H. SLATERY III
Attorney General and Reporter



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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:

Henry Walker, Esq.
Bradley Arant Boult Cummings, LLP
1600 Division Street, Suite 700
Nashville, TN 37203
615-252-2363

This the 25th day of June, 2015.


Erin Merrick

COLLECTIVE EXHIBIT

A



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 04130767

File online at: <http://TNBear.TN.gov/AR>

FILED: Mar 19, 2014 10:23AM

Due on/Before: 04/01/2014

Reporting Year: 2013

DLN #: A0223-1344.001

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 155030813

SOS Control Number: 537066

Limited Liability Company - Domestic

Date Formed: 01/01/2007

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS GROUP, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES R HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): Director Managed, Manager Managed, Member Managed, Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Charles Pickney	849 AVIATION PARKWAY	SMYRNA, TN 37167
Thomas Pickney	849 AVIATION PARKWAY	SMYRNA, TN 37167
Robert Pickney	849 AVIATION PARKWAY	SMYRNA, TN 37167
William Pickney	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles L. Pickney, Jr.	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Robert Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
William Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Thomas Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 4

This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/19/2014 10:23 AM

(9) Type/Print Name: Charles R Hyatt

(10) Title: CEO



04903576



Tennessee Limited Liability Company Annual Report Form

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File online at: <http://TNBear.TN.gov/AR>

FILED: Mar 27, 2015 9:23AM

Due on/Before: 04/01/2015

Reporting Year: 2014

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

Payment-Credit Card - State Payment Center - CC #: 161495277

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

SOS Control Number: 537066

Limited Liability Company - Domestic

Date Formed: 01/01/2007

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS GROUP, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES R HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): Director Managed, Manager Managed, Member Managed, Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Charles Hyatt	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles L. Pickney, Jr.	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Robert Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
William Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Thomas Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 4

This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/27/2015

(9) Type/Print Name: charles hyatt

(10) Title: ceo

B0075-9229 03/27/2015 9:23 AM Received by Tennessee Secretary of State Tre Hargett



File online at: <http://TNBear.TN.gov/AR>

Due on/Before: 04/01/2014

Reporting Year: 2013

FILED: Mar 19, 2014 10:08AM

DLN #: A0223-1264.001

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 155029908

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

SOS Control Number: 537067

Limited Liability Company - Domestic

Date Formed: 01/01/2007

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS CAPACITY, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES R HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): Director Managed, Manager Managed, Member Managed,
 Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Adenus Group LLC	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles R. Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1
 This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/19/2014 10:08 AM

(9) Type/Print Name: Charles R Hyatt

(10) Title: CEO



04903550



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 04903550

File online at: <http://TNBear.TN.gov/AR>

FILED: Mar 27, 2015 9:20AM

Due on/Before: 04/01/2015

Reporting Year: 2014

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

Payment-Credit Card - State Payment Center - CC #: 161495177

SOS Control Number: 537067

Limited Liability Company - Domestic

Date Formed: 01/01/2007

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS CAPACITY, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES R HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed, ___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Charles Hyatt	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles R. Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1

___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/27/2015

(9) Type/Print Name: Charles Hyatt

(10) Title: CEO

B0075-9215 03/27/2015 9:20 AM Received by Tennessee Secretary of State Tre Hargett



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 03729339

File online at: <http://TNBear.TN.gov/AR>

FILED: Aug 8, 2013 9:52AM

Due on/Before: 09/01/2013

Reporting Year: 2013

DLN #: A0193-2825.001

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 151603243

SOS Control Number: 351495

Limited Liability Company - Domestic

Date Formed: 05/28/1998

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS OPERATIONS, LLC
851 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

851 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES PICKNEY JR
851 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed, ___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles Pickney, Jr.	4914 Timberdale Drive	Nashville, TN 37211
Robert Pickney	307 Patton Drive	Mt. Juliet, TN 37122
William Pickney	7640 River Road Pike	Nashville, TN 37209
Thomas Pickney	1019 Percy Warner Blvd	Nashville, TN 37205

(6) Number of members on the date the annual report is executed: 1

___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 08/08/2013 9:52 AM

(9) Type/Print Name: Charles Hyatt

(10) Title: CEO



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 04441648

File online at: <http://TNBear.TN.gov/AR>

FILED: Aug 21, 2014 2:35PM

Due on/Before: 09/01/2014

Reporting Year: 2014

DLN #: A0263-0047 001

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 157900793

SOS Control Number: 351495

Limited Liability Company - Domestic

Date Formed: 05/28/1998

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS OPERATIONS, LLC
851 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

851 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES PICKNEY JR
851 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed, ___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Adenus Utilites Group LLC	851 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles Pickney, Jr.	4914 Timberdale Drive	Nashville, TN 37211
Robert Pickney	307 Patton Drive	Mt. Juliet, TN 37122
William Pickney	7640 River Road Pike	Nashville, TN 37209
Thomas Pickney	1019 Percy Warner Blvd	Nashville, TN 37205

(6) Number of members on the date the annual report is executed: 1

___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 08/21/2014 2:35 PM

(9) Type/Print Name: Charles Hyatt

(10) Title: CEO



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

TN OFFICE OF THE ATTORNEY GENERAL & REPORTER
PO BOX 20207
NASHVILLE, TN 37202-4015

Request Type: No Fee Certified Copies
Request #: 164317

Issuance Date: 05/29/2015
Copies Requested: 1

Document Receipt

Receipt #: 002076802

Filing Fee: \$0.00

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that **ADENUS UTILITIES GROUP, LLC**, Control # 537065 was formed or qualified to do business in the State of Tennessee on 01/01/2007. ADENUS UTILITIES GROUP, LLC has a home jurisdiction of TENNESSEE and is currently in an Inactive - Dissolved (Administrative) status. The attached documents are true and correct copies and were filed in this office on the date (s) indicated below.


Tre Hargett
Secretary of State

Processed By: Tiffany Washington

The attached document(s) was/were filed in this office on the date(s) indicated below:

<u>Reference #</u>	<u>Date Filed</u>	<u>Filing Description</u>
5903-2424	12/27/2006	Initial Filing
6138-2436	10/03/2007	Registered Agent Change (by Entity)
6285-1018	05/27/2008	Administrative Amendment
ROLL 6325	06/17/2008	Notice of Determination
6335-1732	06/23/2008	2007 Annual Report (Due 04/01/2008)
6438-2112	02/06/2009	2008 Annual Report (Due 04/01/2009)
A0027-1066	06/03/2010	Notice of Determination
A0041-1581	08/08/2010	Dissolution/Revocation - Administrative

LIMITED LIABILITY COMPANY ANNUAL REPORT

Annual Report Filing Fee Due:
 \$50 per member, with a minimum fee of \$300 and a maximum fee of \$3000.
 There is an additional fee of \$20 if any changes are made in block #6 to the
 registered agent/office.

TENNESSEE SECRETARY OF STATE
 Attn: Annual Report
 312 Eighth Ave. N. 6th Floor
 William R. Snodgrass Tower
 Nashville, TN 37243

CURRENT FISCAL YEAR CLOSING MONTH: DECEMBER

THIS REPORT IS DUE ON OR BEFORE: 04/01/2009

(1) SECRETARY OF STATE CONTROL NUMBER: 0537065

(2A) NAME AND MAILING ADDRESS OF RECORD:

ADENUS UTILITIES GROUP, LLC
 851 AVIATION PKWY
 SMYRNA, TN, 37167

(2B) STATE OR COUNTRY OF INCORPORATION:

TENNESSEE

(2C) ADD OR CHANGE MAILING ADDRESS:

(3) A. PRINCIPAL ADDRESS OF RECORD: 851 AVIATION, PARKWAY, SMYRNA, TN 37167-0000

B. CHANGE OF PRINCIPAL ADDRESS: NO CHANGE

Street City State Zip Code +4

(4) This LLC is BOARD MANAGED and its Governors are:

Name	Business Address	City, State Zip Code +4
WILLAM E. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167
ROBERT J. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167
CHARLES L. PICKNEY, JR.	851 AVIATION PARKWAY	SMYRNA, TN 37167
THOMAS R. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act) or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip Code +4
WILLAM E. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167
ROBERT J. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167
CHARLES L. PICKNEY, JR.	851 AVIATION PARKWAY	SMYRNA, TN 37167
THOMAS R. PICKNEY	851 AVIATION PARKWAY	SMYRNA, TN 37167
CHARLES HYATT	851 AVIATION PARKWAY	SMYRNA, TN 37167

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS: CHARLES PICKNEY, JR

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS: 851 AVIATION PARKWAY, SMYRNA, TN 37167-2682

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE

(i.) CHANGE OF REGISTERED AGENT:

(ii.) CHANGE OF REGISTERED OFFICE:

(County)

(7) Number of members on the date the annual report is executed if there are more than six (6) members:

 This LLC is prohibited from engaging in business in Tennessee (check box if applicable)

(8) SIGNATURE ELECTRONIC

(9) DATE: 2/5/2009

(10) TYPE PRINT NAME OF SIGNER SUZANNE CHRISTMAN

(11) TITLE OF FILER: ACCOUNTANT

FILED, Tre Hargett, Tennessee Secretary Of State, 02/06/2009 08:03:25
 CONFIRMATION NUMBER: 1000072165

6438.2112



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 04130734

File online at: <http://TNBear.TN.gov/AR>

FILED: Mar 19, 2014 10:15AM

Due on/Before: 04/01/2014

Reporting Year: 2013

DLN #: A0223-1304 001

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 155030351

SOS Control Number: 508973

Limited Liability Company - Domestic

Date Formed: 01/01/2006

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS SOLUTIONS GROUP, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): Director Managed, Manager Managed, Member Managed,
 Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Adenus Group LLC	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Thomas Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
William Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles L. Pickney, Jr.	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Robert Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1

This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/19/2014 10:15 AM

(9) Type/Print Name: Charles R Hyatt

(10) Title: CEO



04630964

**Tennessee Limited Liability Company Annual Report Form**

AR Filing #: 04630964

File online at: <http://TNBear.TN.gov/AR>

FILED: Jan 26, 2015 12:36PM

Due on/Before: 04/01/2015

Reporting Year: 2014

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 160369222

Annual Report Filing Fee Due:\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office**SOS Control Number:** 508973

Limited Liability Company - Domestic

Date Formed: 01/01/2006

Formation Locale: TENNESSEE

(1) Name and Mailing Address:ADENUS SOLUTIONS GROUP, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582**(2) Principal Office Address:**849 AVIATION PKWY
SMYRNA, TN 37167-2582**(3) Registered Agent (RA) and Registered Office (RO) Address:**CHARLES HYATT
849 AVIATION PKWY
SMYRNA, TN 37167-2582Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed,
___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Adenus Group LLC	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Thomas Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
William Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Charles L. Pickney, Jr.	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167
Robert Pickney	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1

___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 01/26/2015

(9) Type/Print Name: Charles Hyatt

(10) Title: CEO

B0047-3541 01/26/2015 12:36 PM Received by Tennessee Secretary of State Tre Hargett



File online at: <http://TNBear.TN.gov/AR>

FILED: Mar 19, 2014 10:11AM

Due on/Before: 04/01/2014

Reporting Year: 2013

DLN #: A0223-1279.001

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

CC Payment Ref #: 155030102

SOS Control Number: 335756

Limited Liability Company - Domestic

Date Formed: 08/13/1997

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS TECHNOLOGIES, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES PICKNEY JR
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed, ___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip
Adenus Group LLC	849 AVIATION PARKWAY	SMYRNA, TN 37167

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1

___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/19/2014 10:11 AM

(9) Type/Print Name: Charles R Hyatt

(10) Title: CEO



04903462



Tennessee Limited Liability Company Annual Report Form

AR Filing #: 04903462

FILED: Mar 27, 2015 9:12AM

File online at: <http://TNBear.TN.gov/AR>

Due on/Before: 04/01/2015

Reporting Year: 2014

Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000
\$20 additional if changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

Payment-Credit Card - State Payment Center - CC #: 161494914

SOS Control Number: 335756

Limited Liability Company - Domestic

Date Formed: 08/13/1997

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

ADENUS TECHNOLOGIES, LLC
849 AVIATION PKWY
SMYRNA, TN 37167-2582

(2) Principal Office Address:

849 AVIATION PKWY
SMYRNA, TN 37167-2582

(3) Registered Agent (RA) and Registered Office (RO) Address:

CHARLES PICKNEY JR
849 AVIATION PKWY
SMYRNA, TN 37167-2582

Agent Changed: No

Agent County: RUTHERFORD COUNTY

(4) This LLC is (change if incorrect): ___ Director Managed, ___ Manager Managed, X Member Managed, ___ Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent). If governed by the pre-2006 LLC act and board managed, list board members and managers.

Name	Business Address	City, State, Zip

(5) Provide the names and business addresses, including zip codes, of any LLC Officers (if governed by the Revised LLC Act), or their equivalent.

Name	Business Address	City, State, Zip
Charles Hyatt	849 Aviation Parkway, Smyrna, TN 37167	Smyrna, TN 37167

(6) Number of members on the date the annual report is executed: 1
___ This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/27/2015

(9) Type/Print Name: Charles R Hyatt

(10) Title: CEO

B0075-9183 03/27/2015 9:12 AM Received by Tennessee Secretary of State Tre Hargett