



STATE OF ALABAMA

ALABAMA PUBLIC SERVICE COMMISSION
P.O. BOX 304260
MONTGOMERY, ALABAMA 36130-4260

CYNTHIA LEE ALMOND, PRESIDENT

JEREMY H. ODEN, COMMISSIONER, PLACE 1

CHRIS V. BEEKER III, COMMISSIONER, PLACE 2

JOHN A. GARNER, EXECUTIVE DIRECTOR

**PINNACLE WASTEWATER SYSTEMS, LLC, APPLICATION FOR APPROVAL OF
Petitioner, MODIFICATION OF RESIDENTIAL
RATE AND VACANT LOT FEE**

**OFFICE OF THE ATTORNEY GENERAL DOCKET 32606
OF ALABAMA,**

Intervenor.

PROCEDURAL RULING

On December 27, 2024, Pinnacle Wastewater Systems, LLC (“Pinnacle”) filed a request to amend its tariff to increase sewer rates for residential customers and vacant lots. In that filing, Pinnacle supported its request through a reference to the Consumer Price Index (“CPI”). Pinnacle also defended its practice of maintaining and repairing sewer components on customers’ properties. This procedural ruling addresses these topics in Pinnacle’s rate filing to establish expectations for my consideration of the proposal and to promote an efficient hearing of this matter on July 15, 2025.

Consumer Price Index as Basis for Rate Increase

It appears that Pinnacle’s proposed sewer rates are a product of inputs into the CPI Inflation Calculator provided by the U.S. Bureau of Labor Statistics rather than Pinnacle’s actual expenses. Since the initial rate filing, Pinnacle’s responses to Staff’s data request have included the company’s actual expenses. At the hearing, I expect Pinnacle to support its rate request with actual expense information from the company, rather than relying on an inflation calculator.

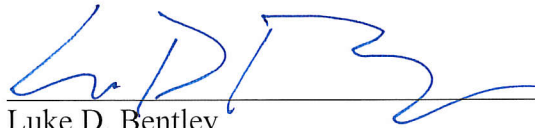
Sewer Components on Customers’ Properties

In the initial rate filing, Pinnacle defended its business practice of maintaining and repairing sewer components on customers’ properties. As recognized by the company, this practice differs from other wastewater management entities regulated by the Commission. If Pinnacle seeks rates based on this practice, the company should support this request with more than the practical arguments described in the initial filing. Specifically, Pinnacle should address its ownership interest in the components on customers’ properties and explain the demarcation line between

Pinnacle's wastewater system and the customers' lines. Pinnacle should be prepared to present any documentation necessary to support its position.

IT IS SO RULED.

Done at Montgomery, Alabama, this 2nd day of July 2025.

A handwritten signature in blue ink, appearing to read 'LDB', is written over a horizontal line.

Luke D. Bentley
Administrative Law Judge

c: All parties of record