

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

BIO-FLOW, INC.,

Petitioner,

OFFICE OF THE ATTORNEY GENERAL OF ALABAMA,

APPLICATION FOR RENEWAL AND MODIFICATION OF CERTIFICATE OF FINANCIAL VIABILITY

DOCKET 31182

Intervenor.

ORDER

On July 28, 2025, Bio-Flow, Inc. ("Bio-Flow"), a wastewater management entity, petitioned for renewal of its certificate of financial viability and to modify that certificate. The proposed certificate modification consisted of a request for approval to divest certain assets and customer service responsibilities, specifically those related to the Glynmere Wastewater Treatment Plant ("WWTP") (40 customers), the Willow Glynn WWTP (108 customers), and the Willows at Willow Point systems (77 customers). The customers served by these facilities would be served by Alexander City. As proposed, Bio-Flow would continue to provide wastewater services to The Ridge (447 customers) and to any vacant lots within The Ridge. On August 7, 2025, Bio-Flow amended its petition to include the proposed transfer of real property and other assets that would not be needed to serve The Ridge.

A hearing was held on September 23, 2025, in which the Petitioner, the Office of the Attorney General ("Attorney General"), and Commission Staff participated. Two witnesses

testified in support of Bio-Flow's petition: Steve Forehand, Vice President of Bio-Flow, and Evan Wright, Comptroller for Russell Lands. During direct examination, Mr. Forehand explained that Bio-Flow is a wholly owned subsidiary of Russell Lands Communities, which in turn is a wholly owned subsidiary of Russell Lands. He provided a summary of Russell Lands' operations, represented that "Russell Lands is certainly financially solvent," and that they had the ability and commitment to continue to serve the remaining customers if the divestment were approved. Mr. Forehand outlined the reasons and terms for the proposed divestiture, stating that Bio-Flow's customers would not experience any changes in the operation of their sewer service.

On cross-examination by the Attorney General, Mr. Forehand testified that, if the divestment were approved, Bio-Flow would have the financial means to make the necessary repairs and updates to the sewer system. He also stated that, as a result of the divestment, there would not be an impact on the rates for Bio-Flow's customers.

During the direct examination of Mr. Wright, the witness testified that the expenses of Bio-Flow's sewer system would not materially increase on a per customer basis by virtue of this divestment. He opined that Bio-Flow is due for a rate increase because it has not requested one in approximately 17 years, but he asserted that this analysis would not change with or without approval of the proposed divestment.

Based on the evidence presented at the hearing, it appears that the proposed divestiture would not result in upward pressure on customer rates and that the Applicant would remain financially viable. Therefore, the proposed divestiture is due to be approved. Bio-Flow is directed to provide monthly reports on the divestiture to Commission Staff, with a final report due when the service for all applicable customers has been transferred to Alexander City. Further, Bio-Flow

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remains financially viable, and its certificate is therefore due to be renewed. Bio-Flow customers remain subject to its current tariff and rates.

IT IS THEREFORE ORDERED that the proposed amendment to the Certificate of Financial Viability of Bio-Flow, Inc., including the proposed divestiture of assets, real property, and customer service responsibilities, is hereby approved.

IT IS FURTHER ORDERED that the Certificate of Financial Viability for Bio-Flow, Inc. is hereby renewed.

IT IS FURTHER ORDERED that jurisdiction in this cause is retained for whatever Order or Orders deemed appropriate by this Commission.

IT IS FURTHER ORDERED that this Order is effective as of the date hereon.

DONE at Montgomery, Alabama, this 9th day of October, 2025.

ALABAMA PUBLIC SERVICE COMMISSION

Cynthia Lee Almond, President

Jeremy H. Oden, Commissioner

Chris V. Beeker, III, Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary