

FROM THE DESK OF
Jason Gilliam

June 21, 2026

Dear Members of the Board,

As a board member of the Maury County Board of Public Utilities and as Chairman of the Maury County Republican Party, it is my obligation to share important observations regarding the loan request being presented by Columbia Power and Water System in the upcoming June 22nd Tennessee Local Development Authority/ Tennessee State Funding Board meeting. It is our fiduciary responsibility to ensure that we are representing our rate payers' best interest, and, in that regard, I share the following concerns.

Columbia Power and Water Systems (CPWS) has been aggressively pursuing a massive \$505 million (and previously estimated as high as \$610 million) Water Supply Program involving a new water intake in the Duck River at Williamsport and upgrades to their treatment facility. When adding projected interest to the project, it rockets to an unbelievable estimate of 1.4 billion dollars, and that is without adding the cost of depreciation. A project which would only provide an additional twelve million gallons of water per day, of which seven million gallons will be directed at Spring Hill. This project is primarily funded through public loans, \$75 million from the State Revolving Fund (SRF), \$316 million via WIFIA, open bond markets, and the balance shifted to ratepayers with the first of multiple increases to come, which was a 149% cumulative rate increase (roughly 20% per year for five years).

This CPWS project reveals a pattern of incomplete planning, shifting numbers, unacquired easements, potential legal challenges, negative environmental impacts, and a failure to adequately consider far cheaper and more collaborative regional alternatives. Particularly opportunities available to other utilities in Maury and surrounding counties, Maury County Water System (MCWS), Spring Hill Water System and Mt. Pleasant Water System will experience the greatest impact since they all currently purchase water from CPWS. CPWS is the only municipality on the Duck River with multiple permitted withdrawals. This gives CPWS the distinct opportunity to control the water treatment and distribution, as well as growth throughout the county putting every other utility at their mercy.

CPWS has presented the project as “shovel-ready,” yet key prerequisites remain unmet. As of today, all the required easements for the pipeline have not been acquired, with remaining property owners expressing strong opposition. Threats of eminent domain have surfaced; landowners have retained legal counsel which raises the likelihood of lawsuits and further delays. Early cost estimates have fluctuated dramatically (e.g., from \$610 million with \$1.5 million monthly increases in May 2025 slides to lower figures later, dismissed as a “misspoke”). Such inconsistencies undermine confidence in the project’s true final cost, which, with interest, could exceed \$1.4 billion in total obligations extending to 2060. Rate-payers, including those served by MCWS, Spring Hill, and Mt. Pleasant, would bear the burden without meaningful input or representation. Relying on these rate increases to secure loans places disproportionate risk on existing customers for what is acknowledged as, at best, a short- to medium-term solution amid ongoing growth.

Critically, CPWS’s approach bypasses more cost-effective regional collaboration. The Duck River Watershed Planning partnership has yet to present a final solution which they believe to be the best option for the Duck River Basin. Another example, Maury County Water System has a lower cost option to increase water supply. MCWS is seeking a permit for an additional three million gallons per day intake, which would directly benefit its customers and integrate seamlessly with the HB&TS pipeline project, which is expected to be completed by September 2026, providing another reliable source. Purchasing or coordinating water from neighboring utilities via existing or easily connected infrastructure represents a fraction of the cost of CPWS’s standalone expansion while reducing environmental strain on the Duck River.

Things to consider. Why prioritize a new CPWS intake when purchasing from other utilities could be less environmentally impactful? Why has no feasibility analysis been advanced for these interconnections, especially given available water capacity in the watershed (thirteen million gallons still noted as available after permitted withdrawals)? Approving massive loans for CPWS locks in an expensive, isolated path when regional partnerships could deliver water sooner, cheaper, and with shared infrastructure, avoiding the need for rate-payers across multiple counties to subsidize redundant capacity.

TDEC has consistently shown an inexplicable bias toward Columbia Power and Water Systems' current intake and treatment facility project. Referring to the City of Columbia's January 6th and 8th as well as February 5th and 12th 2026 City Council meetings will show examples of this bias from TDEC. They are available online for everyone to see. Their bias led to decisions that were made in support of CPWS's project. Five city council members voted for this project which allowed CPWS to put rate increases in place that affect approximately 133,000 citizens in Maury County, the majority of which, have zero representation from that city council and receive no water service from CPWS. They initiated this rate increase before exploring any of the other options that presented themselves as not only cheaper, but timelier options. TDEC has consistently dismissed this mindset by ignoring the opinions and wishes of leaders in both state and local government, including utilities other than CPWS. Those options of collaborative efforts and regionality still exist and should be addressed before lending one cent of taxpayer money to any project which has such an enormous cost with such little gain.

State and federal loan programs like SRF and WIFIA exist to support prudent, well-vetted investments in water infrastructure that serve the public interest without undue burden or haste. CPWS's project fails this standard: it is not fully ready, its costs are uncertain and escalating, its benefits are limited and short-term, and it sidelines demonstrably cheaper regional alternatives that would better serve Maury and surrounding counties.

Approving these loans now would commit public funds and saddle ratepayers with decades of debt for a suboptimal solution. One interesting note, CPWS board members have recently been heard saying that if this board does not approve their funding, CPWS already has alternative means of securing the necessary funding using other resources. Decision-makers should pause funding, require full transparency on costs and easements, and direct resources toward collaborative regional options. Approaches like these would deliver more sustainable, affordable water security without the fiscal overreach evident in the current proposal.

This assessment underscores the need for greater scrutiny before committing taxpayer-backed loans. Columbia Power and Water Systems should not receive such exorbitant funding from state or federal loans when so many other potentially better solutions exist.

In continued service,

Jason Gilliam

Chairman Maury County GOP

Joey Hensley

Joey Hensley (Jun 21, 2026 18:05:05 CDT)

SR

Scott Summers (Jun 21, 2026 20:09:12 CDT)

Scott Cepicky

Scott Cepicky (Jun 22, 2026 09:41:08 CDT)

Glen Stewart

Jim

Kip Capley (Jun 21, 2026 17:44:04 CDT)

Todd Warner

Cindy Hestla

Cindy Hestla (Jun 21, 2026 19:12:21 CDT)

Clay

Clay Doggett (Jun 21, 2026 21:05:33 CDT)

Chris

Chris Todd (Jun 21, 2026 18:54:50 MDT)

Chris Morris

Chris Morris (Jun 21, 2026 20:54:27 CDT)

Angie McClanahan

Kevin

Kevin Markham (Jun 21, 2026 18:57:58 EDT)

Howard House

Kathey Grodi

Danny

Danny Glenn Grooms (Jun 21, 2026 17:56:37 CDT)

David

David G. Grooms (Jun 21, 2026 21:32:21 CDT)

Charlie

Charlie Huffman (Jun 21, 2026 21:59:15 CDT)

Pam Huffman

Pam Huffman (Jun 21, 2026 19:50:07 CDT)

Paul Shultz

Eric

Eric (Jun 21, 2026 20:37:04 CDT)

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