

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 2, 2001

Mr. Charles Pickney
On-Site Systems, Inc.
638 River Road
Nashville, TN 37209

Re: Docket # 00-01128 – Petition of On-Site Systems, Inc. to amend its Certificate of Convenience and Necessity – City of Coopertown

Dear Mr. Pickney:

For clarity on some issues presented by the staff, we have developed some questions that are listed on the attached sheet for you to answer. Please send your response by May 9, 2001.

If you should have any questions, you may contact me at (615) 741-2904, ext. 142.

Sincerely,

A handwritten signature in black ink, appearing to read "David Waddell", is written over a horizontal line.

David Waddell
Executive Secretary

Enclosure

c: Michael Horne
Butch Phillips

POSTED
5/2/01

Questions for On-Site – Coopertown – Dkt. # 00-01128

Franchise:

Describe the Coopertown System and how the utility will serve the area? How much construction does this require, and when will On-Site complete it?

Will On-Site be able to accommodate growth in the Town over the next 25 years?

Franchise Fee:

The franchise agreement assesses a fee to all potential customers. How will the franchise fee be billed?

Will On-Site ensure that the fee applies only to customers in Coopertown?

Does anything prevent On-Site from applying a single rate to all customers?

How was the franchise fee determined and what is the basis for the amount?

Why is there a difference in fees for different classes of customers?

Rate change:

Explain the reason for the rate change?

1. How was the current rate determined?
2. How was the new rate determined?
3. Do you have any customers paying the current rate?
4. What is the reason for the adjustment?
5. What effect will the adjustment have on On-Site's revenues?