

CONDO VILLAS OF GATLINBURG ASSOCIATION, INC.
d/b/a FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

DAN MCCORMAC
TENNESSEE REGULATORY AUTHORITY
460 JAMES ROBERTSON PARKWAY
NASHVILLE, TN. 37243-0505

02 SEP 10 PM 4:10

TN REGULATORY AUTHORITY
DOCKET ROOM

PAID T.R.A.	
Chk #	325
Amount	25.00
Rcvd By	JP
Date	9-5-02

RE: MAP OF SERVICE DISTRIBUTION AND PETITION

DEAR MR. MCCORMAC:

Per conversation with Butch Phillips of the Energy and Water Division, enclosed is the request for the distribution service map and the petition, requested on August 28, 2002. The map is posted in mailing tube To your attention.

DOCKET NO.
02-00986

Sincerely,

Earl Baird
EARL BAIRD

3
CONDO VILLAS OF GATLINBURG ASSOCIATION, INC.
d/b/a FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

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Sincerely,

Earl Baird

EARL BAIRD

RECEIVED
TN REG. AUTHORITY

SEP 9 2002

ENERGY & WATER DIVISION

VOUCHER NO. 777 294314
CC 325 SRC. 880.55
AMT. REC. 25.00
DEPOSIT DATE 9/6/02

ENCLOSURES:

RECEIVED

PETITION TO THE COMMISSION -1pg. (3 copies)

'02 SEP 10 PM 4 10

DOCKET NO: 00-00046 -3pgs. (3 copies)

NOTES AND MAP LOCATIONS OF AREA IN REVIEW -4pgs. (3 copies)

IN REGULATORY AUTHORITY
DOCKET ROOM

CURRENT CUSTOMER LISTING BY AFFILIATION -5pgs. (3 copies)

CURRENT DISTRIBUTION SERVICE MAP -1pg. only requested

CONDO VILLAS OF GATLINBURG ASSOCIATION, INC.

Date: AUGUST 29, 2002

IN REF: PETITION TO SERVE AREAS OUTSIDE ALLOWED DISTRIBUTION AREA
REFER TO: DOCKETT NO. 00-00046 TRANSFER OF AUTHORITY/ ORDER OF APPROVAL

PETITION TO THE TENNESSEE REGULATORY COMMISSION

THE APPLICANT:

CONDO VILLAS OF GATLINBURG ASSOCIATION, INC. (CVA), owns and operates a water system under the title of FOOTHILLS WATER PROPERTY, INC. Said system is a class "C", public water system, operated under the approval of the T.R.C. Recent communications with the Regulatory Authority, have brought to our attention the issue of operating outside the approved boundaries of the distribution system. FOOTHILLS original owner was already servicing nine customers at the time of the approved transfer, outside the original distribution area, therefore these customers were inherited at the transfer date.

Since the transfer, only one additional customer outside the distribution area, has been added to the system. This addition was at one time on the system, however the customer at his request was disconnected. The property was sold and the new owner was operating off a well system. In 2001 the owner experienced well problems and requested to be reconnected to the system. FOOTHILLS new owner was not aware of any dis-allowable service area, nor did the new owner intend to circumvent the REGULATORY AUTHORITY.

A recent request to service an area which is under consideration now, has resulted in a complaint against FOOTHILLS, who at this time is reluctant to service the area. Some dispute concerning the property area, more specifically it's boundary as inclusion to the prescribed CVA property areas. This issue is under review now and might require FOOTHILLS to service the area, should the review result in legal directives forcing service procedures.

IN CLOSING:

FOOTHILLS WATER PROPERTY, INC. petitions the TENNESSEE REGULATORY COMMISSION, to grant approval to the system to continue to operate and provide services to those areas already described as outside the distribution area. Also, we ask for approval to provide service to future areas outside the prescribed boundaries, which FOOTHILLS might be legally bound to service.

FOOTHILLS reserves the right to accommodate the prescribed boundaries as allowed by the CCN, however cannot afford to arbitrarily provide service to areas outside those boundaries, possibly diminishing the quality and service within the boundaries. FOOTHILLS will review all service requests with the required managerial means at its' disposal, but asked that the COMMISSION grant approval for the system to provide said service upon that review process.

Questions or replies should be directed to the attention of : EARL BAIRD

MANAGER/AGENT
CONDO VILLAS ASSOCIATION
P.O.BOX 613
GATLINBURG, TN. 37738
865-436-5092

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

October 10, 2000

IN RE:

PETITION OF CONDO VILLAS OF
GATLINBURG ASSOCIATION, INC. TO
ACQUIRE CERTAIN ASSETS OF
FOOTHILLS PROPERTIES, INC.

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DOCKET NO. 00-00046

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before the Tennessee Regulatory Authority (the "Authority") on the Petition (the "Petition") of Condo Villas of Gatlinburg Association, Inc. ("Condo Villas"), pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of authority to provide utility services. This transfer results from the purchase by Condo Villas from Foothills Properties, Inc. ("Foothills") of the right to provide water services to certain Foothills customers.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113 provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113 also provides the standards by which the Authority shall consider an application for transfer of authority, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the

proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Petition

As stated in the Petition, Condo Villas is a corporation organized under the laws of Tennessee, with its principal office in Gatlinburg, Tennessee. Foothills is a corporation organized under the laws of Tennessee, with its principal office in Pigeon Forge, Tennessee. By an Order dated February 28, 1992, the Tennessee Public Service Commission, in Commission Docket No. 90-02584, granted Foothills a certificate of public convenience and necessity to provide water service in Sevier County, Tennessee.

The Petition further states that, pursuant to an Asset Purchase Agreement (the "Agreement") executed on December 18, 1999, a copy of which is attached to the Petition as Exhibit A, Condo Villas agreed to purchase from Foothills the right to provide water services to certain Foothills customers and to receive payments for such services, as well as the right to the rights-of-way of such customers and the rights to certain physical properties of Foothills. The Petition states that, upon approval of the transfer by the Authority, Condo Villas will provide the affected customers with notice of the transfer, a copy of which notice is attached to the Petition as Exhibit B.

The Petition states that Condo Villas possesses the financial, technical, and managerial qualifications to provide service as approved by the Authority. As further stated in the Petition, the proposed transfer of authority from Foothills to Condo Villas will benefit the customers currently receiving service from Foothills because these customers will continue to receive quality water and service at affordable rates without interruption. The Petition further states that after the proposed transfer the utility system will continue to be operated by the same personnel. Thus, according to the Petition, the approval of the transfer of authority will serve the public interest.

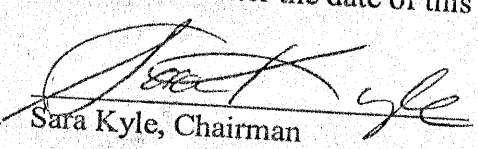
Findings

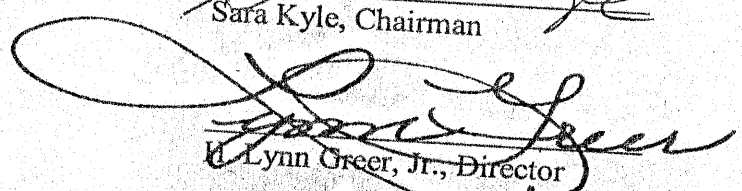
The Directors of the Authority considered this matter at a regularly scheduled Authority Conference held on August 29, 2000. Based upon careful consideration of the Petition and the Exhibits thereto, and of the entire record of this matter, the Authority finds and concludes as follows:

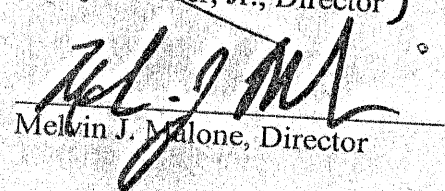
1. That the Authority has jurisdiction over the subject matter of this Petition pursuant to Tenn. Code Ann. § 65-4-113;
2. That Foothills has been granted authority to provide water service in Tennessee;
3. That under the Agreement the authority granted Foothills will be transferred to Condo Villas;
4. That Condo Villas has the suitability, financial responsibility, and capability to perform efficiently the utility service to be transferred to it; and
5. That the transfer of authority will benefit the consuming public.

IT IS THEREFORE ORDERED THAT:

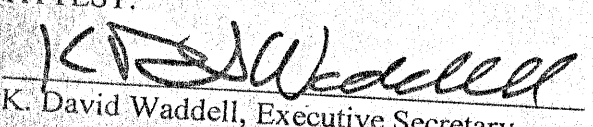
1. The Petition of Condo Villas of Gatlinburg Association, Inc. for approval of the transfer of authority described herein is granted; and
2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from and after the date of this Order.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director

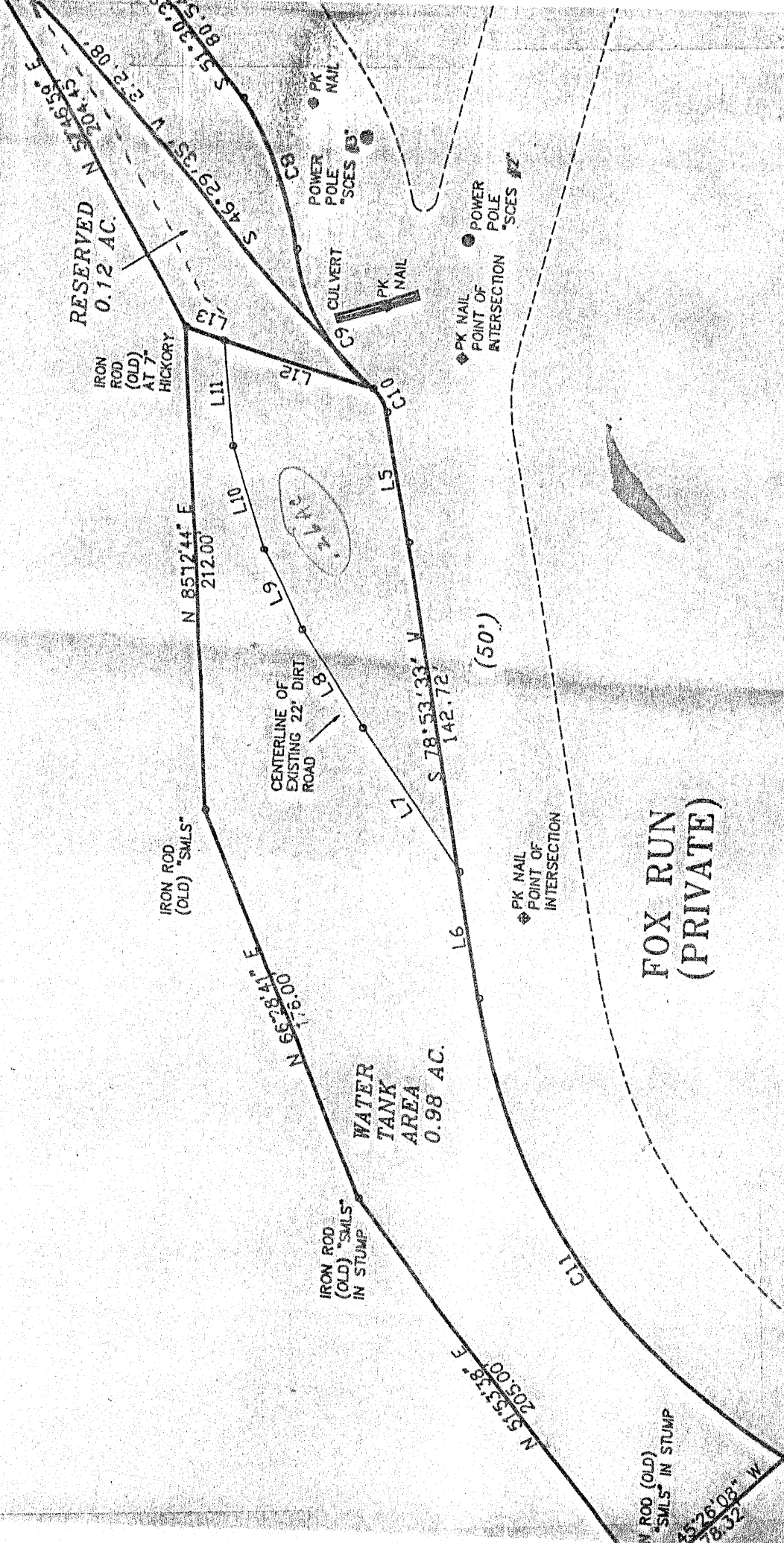

Melvin J. Malone, Director

ATTEST:

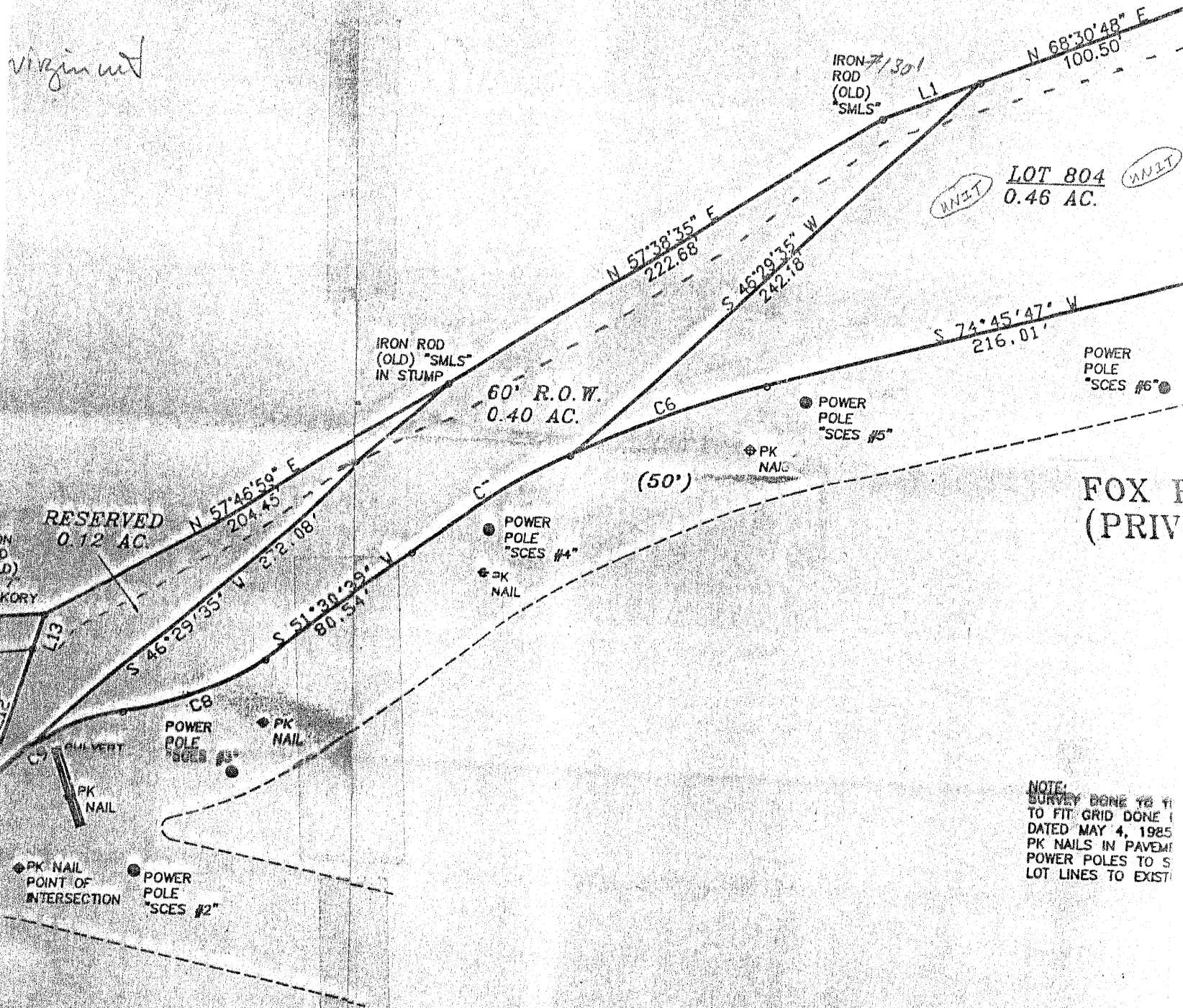

K. David Waddell, Executive Secretary

FOOTHILLS WATER PROPERTIES, INC.

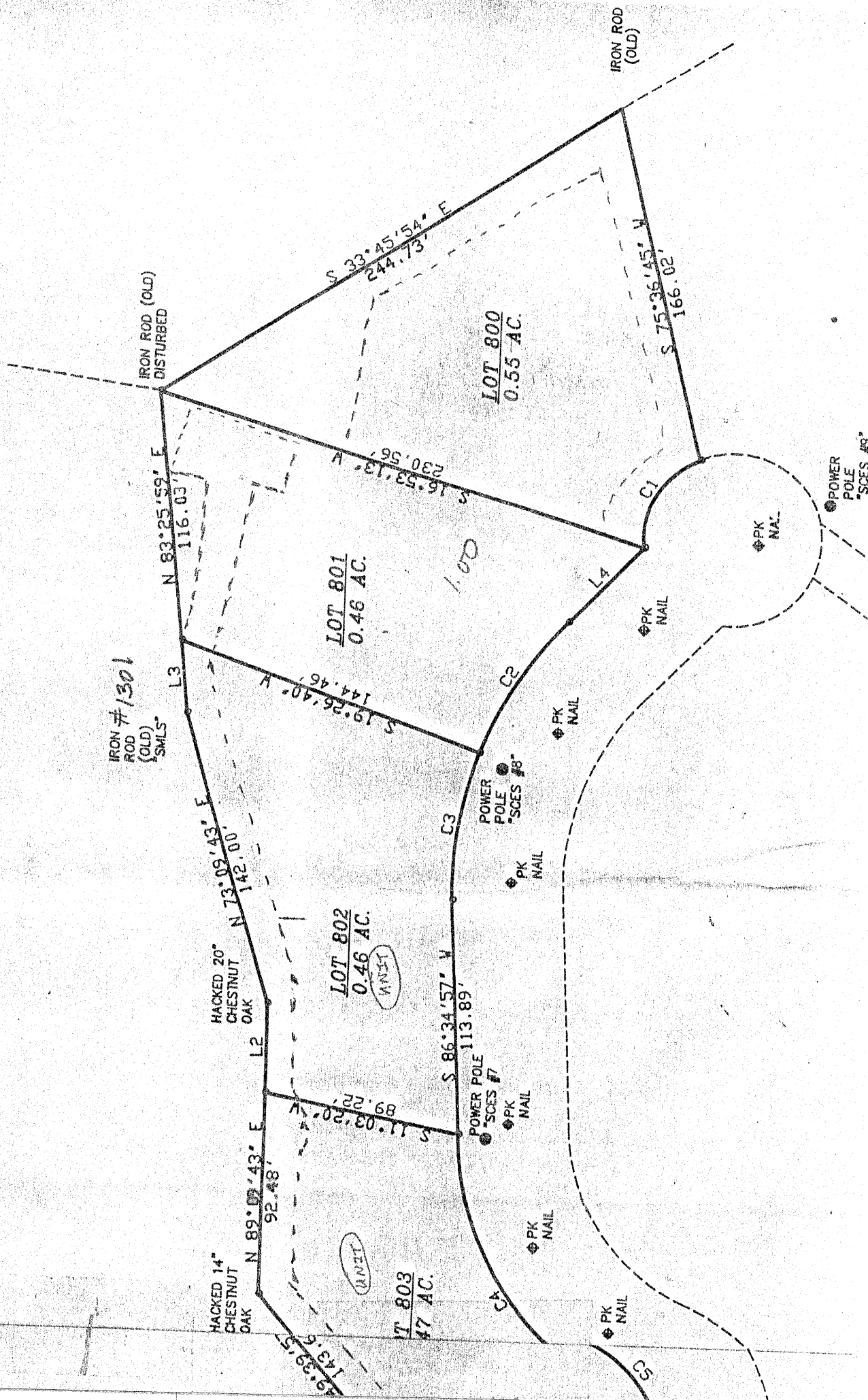
NOTE: The attached maps, when lined up with corresponding boundary lines, are designated as "FUTURE" on the larger water line composite map; also the composite map indicates that the road is called "RED TOP RIDGE". Deeded name and all other maps show road name as FOX RUN...



SKY HARBOR SUBDIVISION
MAP BOOK 17, PAGE 36



HEALTH DEPT.



FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

(ASSOCIATION) CUSTOMER LISTING
(summary-as of 8/13/02)
PAGE 1

ID:

- 006-CAROL & GERALD MUSZIK; 1651 CARDINAL DRIVE GATLINBURG, TN. 37738
- 008-DENISE & AL LAULAND; 7140 PALMS ROAD FAIRHAVEN, MI. 48023
- 011- JUDY & GARY SPIEZIO; 201 PARKWAY GATLINBURG, TN. 37738
- 012- JUDY & GARY SPIEZIO; 201 PARKWAY GATLINBURG, TN. 37738
- 013- CHERYL & CHARLES SCHECH; P.O. BOX 2625 COVINGTON, LA. 70434
- 018- JEAN & BILL ANDERSON; 19600 STAHA LANE GRAVETTE, AK.
- 020- VICTORIA & MIKE SMITH; 834 CRESTMONT DRIVE, RIVERSIDE, OH. 45431
- 021- DON LEONARD; 4406 COLUMBUS ROAD-SUITE A, MACON, GA. 31206
- 023- GAIL & ELLIS AUSTIN; P.O. BOX 572, WETUMPKA, AL. 36092
- 024- JANET & BILL MASON; 3560 TALAHU DRIVE, KNOXVILLE, TN. 37919
- 025- SALLY & ROY MANSFIELD; 3337 BELLEHAVEN, CINCINNATI, OH. 45248
- 036- SANDRA CULBERSON; 7845 LAMPLEY ROAD, PRIMM SPRINGS, TN. 38743
- 037- MILDRED SWAN; 1899 BERRY CHAPEL ROAD, FRANKLIN, TN. 37069
- 038- CALVIN HELTON; 2115 LOWELL BETHESDA ROAD, GASTONIA, N.C. 28056
- 041- JANET & KEITH PRATER; 9278 BODFORD DRIVE, WEST CHESTER, OH. 45069
- 042- MULLBERG PROPERTIES INC.; P.O. BOX 790, GATLINBURG, TN. 37738
- 045- LEIGH AMBROSIO; 9540 DANTEL DRIVE, NEWPORT RICHEY, FL. 34654
- 046- ANN & BRUCE GEORGE; 1120 CRITES COURT, GATLINBURG, TN. 37738
- 047- CRYSTAL LANGFORD; c/o FERRIS, BAKER, WATTS 339 MAIN STREET, CLARKSBURG, W.V.
26301
- 050- CRISTY & BRAD WHITE; 2230 GETTYSBURG DRIVE, AURORA, IL. 60506
- 051- SHERIDAN & TOM STRINGER; 7692 ELIZABETH LAKE ROAD, WATERFORD, MI. 48327
- 052- JOANN & STEVE BARAVELLA; 2 AMERICAN BEAUTY LANE, BEDFORD, N.H. 03110
- 053- BEVERLY & JIM LAWSON; 1002 BLACKBURN COURT, KINGSTON SPRINGS, TN. 37802

FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

(ASSOCIATION) CUSTOMER LISTING
(summary-as of 8/13/02)

PAGE 2

ID:

- 054- JO & RON HARRIS; P.O. BOX 57, UNION HALL, VA. 24176
- 055- JO & RON HARRIS; P.O. BOX 57, UNION HALL, VA. 24176
- 058- SHIRLEY & STEVE SYPHAX; 8168 WITTS MEADOW LANE, CINCINNATI, OH. 45255
- 059- CONNIE & MIKE MOORES; 440 MULE SHED LANE, RICHLAND, KY. 40475
- 060- MARIANN & ANTHONY BRUNO; 1212 SOUTH COVE LANE, BIRMINGHAM, AL. 35216
- 061- MARSHA & BRENT MORRISON; 712 SOUTH 5th AVENUE, PIEDMONT, AL. 36272
- 062- SANDRA & ROBERT FORSTER; 2130 RUIN CREEK ROAD, HENDERSON, N.C. 27536
- 063- SANDRA & BILL PARSHALL; 12205 GLEN MOORE DRIVE, CORAL SPRINGS, FL. 33071
- 064- DANNY OWENS; 348 COLONIAL ROAD, ROGERSVILLE, TN. 37857
- 501- RUDY SANDERS; 10261 CANTERBURY, WEST CHESTER, IL. 60154
- 502- RHONDA & BILL KITE; 10236 SOUTHWEST 53rd STREET, COOPER CITY, FL. 33328
- 503- NORA & GUNTER MODEL; 4136 HUGHES LEA, TUCKER, GA. 30084
- 504- PATRICIA & MIKE MALLARD; 258 MORNING GLORY DRIVE, LAKE MARY, FL. 32746
- 505- PAM GROTZ & HENRY CARRILLO; 2324 WEST GREEN LEAF, CHICAGO, IL. 60645
- 506- PAM GROTZ & HENRY CARRILLO; 2324 WEST GREEN LEAF, CHICAGO, IL. 60645
- 507- NATALIE SIMMONS & JOHN GREGARY; P.O. BOX 3365, NORTH MYRTLE BEACH, S.C. 29582
- 508- KATHERINE & JIM HOLCOMB JR.; 53438 STAR LITE ROAD, SHELBY, MI. 48316
- 509- NATICIA & ROBERT DREXLER; 5605 LAVEL LANE, LOUISVILLE, KY. 40216
- 510- LANNY CAPLINGER; 394 WEST MEADE DRIVE, GRETN, LA. 70056
- 511- BARBARA & ROBERT REINCKE; 3718 BERGSTROM STREET, JOILET, IL. 60431
- 512- LINDA & BILL KATSEDO; 7163 WALNUT CREEK DRIVE, HAMILTON, OH. 45011
- 513- JEANNE & JEFF KIMBLE; 5933 NORTH TURTLE CREEK DRIVE, FAIRFIELD, OH. 45014
- 514- BARBARA & EARL CULVER; 2770 ALABAMA HWY. 21, SYLACAUGA, AL. 35151

FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

(ASSOCIATION) CUSTOMER LISTING
(summary-as of 8/13/02)

PAGE 3

ID:

- 515- CAROLE & BIRCH ANDERSON; 313 RURAL HILL COURT, NASHVILLE, TN. 37217
- 516- JUDY & GARY SPIEZIO; 201 PARKWAY, GATLINBURG, TN. 37738
- 517- RON BROOKS; 107 HALESWOOD CIRCLE, GOOSE CREEK, S.C. 29445
- 601- CHERIE & DON LUTER; 1951 HILDRED AVENUE, ST. LOUIS, MO. 63136
- 602- TERRY & DON POOLE; 1101 NORTH HIMES AVENUE, TAMPA, FL. 33607
- 603- LAURIE LOVEL; 2907 RIDGE ROAD, LANSING, IL. 60438
- 604- JANET & RON BROOKS; 107 HALESWOOD CIRCLE, GOOSE CREEK, S.C. 29445
- 605- GLORIA PAVER; 3644 PAVER LANE, TUSCALOOSA, AL. 35405
- 606- HARRY GEORGE; P.O. BOX 810, GATLINBURG, TN. 37738
- 607- SALLY & DAN HARTMAN; 215 WALLER DRIVE, CRITTENDEN, KY. 41030
- 608- MICKI & MIKE DUNCAN; 166 JOHNSON LANE, CLINTON, TN. 37716
- 609- MULLBERG PROPERTIES INC.; P.O. BOX 790, GATLINBURG, TN. 37738
- 610- ESTER & GREGG SESSIONS; 1431 HAIGS CREEK DRIVE, ELGIN, S.C. 29045
- 611- ANN & DON CROSE; 50 HADLEY ROAD, CINCINNATI, OH. 45218
- 612- JON LEHTINEN; P.O. BOX 72, PELKIE, MI. 49958
- 613- SHEILA & DENNIS COLLETT; 7927 LUNDY COURT, JONESBORO, GA. 30236
- 614- IRA HOLCOMB SR.; 3603 28 MILE ROAD, WASHINGTON, MI. 48094
- 615- PHYLISS & DONALD LAWSON; 5895 PHILLIP DRIVE, TIPP CITY, OH. 45371
- 616- JOSEPH KRETA; P.O. BOX 454, ALLENTOWN, PA. 18105
- 617- ANTHONY SMITH; 702 EAST PARKWAY SUITE 2, GATLINBURG, TN. 37738
- 618- PARTNERSHIP 618; P.O. BOX 1387, PIGEON FORGE, TN. 37868
- 619- DIANE & MILO MACKO; 1445 WOODRIDGE DRIVE, HAMILTON, OH. 45013
- 620- VALERIE & DON JOHANSON; 2606 JOEL AVENUE, SEVIERVILLE, TN. 37876

FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

(ASSOCIATION) CUSTOMER LISTING
(summary-as of 8/13/02)
PAGE 4

ID:

- 701- JUDY & GARY SPIEZIO; 201 PARKWAY, GATLINBURG, TN. 37738
- 702- CHERIE & DON LUTER; 1951 HILDRED AVENUE, ST. LOUIS, MO, 63136
- 703- LOIS & JOSEPH DUBE; 716 MALLARD DRIVE, WINDER, GA. 30680
- 704- JANET BROOKS; 107 HALESWOOD CIRCLE, GOOSE CREEK, S.C. 29445
- 705- BARBARA & DON GOODMAN; 4064 THICKET LANE, JACKSONVILLE, FL. 32777
- 706- SHAWN & BRIAN SPIEZIO; P.O. BOX 1005, GATLINBURG, TN. 37738
- 707- SHAWN & BRIAN SPIEZIO; P.O. BOX 1005, GATLINBURG, TN. 37738
- 708- SHARON & RON REISMILLER; 6392 STATE ROUTE 722, ARCANUM, OH. 45304
- 709- SHEILIA HELTON; 8140 STARRY NIGHT AVENUE, GERMANTOWN, OH. 45327
- 710- GRACE & JAMES MURRAY; 730 CREEKSIDE #406, MT. PROSPECT, IL. 60056
- 711- MARY & MICHAEL NOVAK; 477 SHALIMAR RIDGE, METAMORA, IL. 48455
- 712- DOUG & BRIAN JENNINGS; 7803 ROY WEBB ROAD, PIEDMONT, AL. 36272
- 713- DEBRA & RICKY CARPENTER; 941 THREE SPRINGS ROAD, WHITEHOUSE, TN. 37188
- 714- AUDREY & RON NORKETT; 14624 BROWNS MILL ROAD, HUNTERSVILLE, N.C. 28078

SUMMARY END- ASSOCIATION REPORT
(83 CUSTOMERS)

FOOTHILLS WATER PROPERTY, INC.
P.O. BOX 613
GATLINBURG, TN. 37738

NON-ASSOCIATION CUSTOMER LISTING
(summary-as of 8/13/02)
PAGE 1

ID:

- W 2- FRED MEBBS; 30 EAST CENTRAL PARKWAY SUITE 610, CINCINNATI, OH. 45202
W14- GAIL & JOHN RAPIEN; 3390 BELLEHAVEN COURT, CINCINNATI, OH. 45248
W17- SONYA & DON ROACH; 320 HOLLY HILL ROAD, OLDSMAR, FL. 34677
W19- CHARLES NELSON; 6401 STATEN LANE, KNOXVILLE, TN. 37918
W22- JENNY MURPHY; P.O. BOX 961, GATLINBURG, TN. 37738
W26- CRISSY & TIM HUGHES; 1013 RAST COURT, GATLINBURG, TN. 37738
W27- JUDY & WARD LONG; P.O. BOX 1421, GATLINBURG, TN. 37738
W34- ROBERT FRANK; 6501 CARRIETOWN LANE, TOLEDO, OH. 43615
W48- HOYT CARTER; 1138 HIGHLAND DRIVE, MARIETTA, GA. 30062
W49- OSCAR TUCKER; 3233 PETE SHAW ROAD, MARIETTA, GA. 30066

SUMMARY END - NON ASSOCIATION REPORT
(10 CUSTOMERS)