

TENNESSEE REGULATORY AUTHORITY

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Ron Jones, Chairman
Deborah Taylor Tate, Director
Pat Miller, Director
Sara Kyle, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

January 12, 2006

Mr. Charles Pickney, Jr., President
Tennessee Wastewater Systems, Inc.
7638 River Road Pike
Nashville, Tennessee 37209-5733

RE: Tennessee Wastewater Systems, Inc.'s Petition to Amend Certificate of Public Convenience and Necessity to Provide Wastewater Utility Services (Docket No 05-00293).

Dear Mr. Pickney:

In order for the Authority to complete its review of Tennessee Wastewater Systems, Inc.'s ("TWS") amendment to its Certificate of Convenience and Necessity ("CCN") to provide wastewater utility services to a portion of Robertson County known as Cross Plains, you are requested to provide the following additional, clarifying information. **It is important for your responses to be complete and precise, using all information that is available to you.** This docket will then proceed based on the information provided.

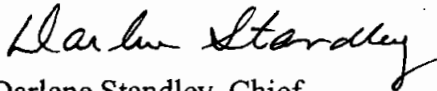
1. Please define the term "capacity credit" in the system as used in your Data Response of December 22, 2005, response to number 4.
2. How much capacity credit will B&P Investments ("B&P") receive for its contribution of the 60 acres of land to the Utility? What method is used to determine how much capacity credit B&P will receive?
3. How much capacity credit will Pickney Brothers, Inc. ("Pickney") receive for the contribution of funds to construct the system? What method is used to determine how much capacity credit Pickney will receive?
4. What benefits will B&P and Pickney receive from these capacity credits? Under what circumstances could each use the value of their credits?
5. Will there be any capacity credit remaining in the system once B&P and Pickney are allocated their shares?
6. Will Pickney receive any other compensation for the construction of the wastewater system? Or is the capacity credit in lieu of cash payment? Please explain.
7. What is the estimated total cost to construct the system?

8. Of the \$650,000 estimated contribution in aid of construction, how much is attributable to the appraised value of the land?
9. Response #10 from the Data Response dated December 22 stated that "The terms and conditions mentioned in the letter pertain to the fact that Tennessee Wastewater Systems, Inc makes no guarantees that service will be provided unless a service territory is granted by the TRA, and a SOP is issued by TDEC." Are these the only terms and conditions?
10. Please provide a copy of the contract and / or negotiated agreement between the City of Cross Plains and TWS.

It is requested that this information be provided no later than 2:00 P.M. on Friday, January 20, 2006 and you reference Docket No. 05-00293 on the response. In accordance with TRA rules, submit either thirteen (13) written copies of your response or four (4) written copies and an electronic version

Should you have any questions regarding this request, please contact Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,



Darlene Standley, Chief
Utilities Division

C: Docket File