

TENNESSEE WASTEWATER SYSTEMS, INC.

A PUBLIC UTILITY CO

January 25, 2006

Honorable Ron Jones
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

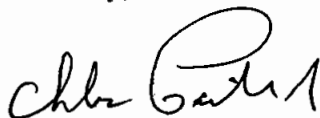
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TRA DOCKET ROOM

RE Petition to amend Certificate of Convenience and Necessity

Dear Chairman Jones

Tennessee Wastewater Systems, Inc desires to expand its service area to include a portion of Jefferson County, Tennessee, known as Keene's Island. The attached Petition is in support of our request

Sincerely,



Charles Pickney, Jr., President
Tennessee Wastewater Systems, Inc

7638 River Road Pike Nashville TN 37209-5733
(615) 356-2880 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2006

**IN RE PETITION OF TENNESSEE WASTEWATER SYSTEMS,
INC TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY**

DOCKET No 0600021

Petition of Tennessee Wastewater Systems, Inc
To amend its Certificate of Convenience and Necessity

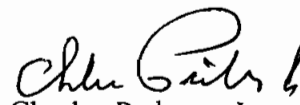
Tennessee Wastewater Systems, Inc ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Jefferson County known as Keene's Island. The project is located off of Sims Chapel Road in Jefferson County. The property includes parcel 50 and is shown on the enclosed Tax Map 95 (see attached "Exhibit A"). This parcel encompasses approximately 1.5 acres.

We are proposing to provide wastewater service to six residential and commercial lots at Keene's Island. The system will be designed and constructed to serve six condominiums (approximately 1,500 gallons per day). The TDEC application for a permit was submitted December 8, 2005. No contracts have been signed at this point. It is the intention of the parties that TWS will own the collection, treatment, and dispersal system and will own a permanent easement on the property that the system occupies.

Also enclosed, are letters from the Jefferson County Mayor, the City of Dandridge Mayor, and the Manager of the Shady Grove Utility District stipulating that none of these entities will provide sewer service for this parcel. We have also enclosed a letter from the developer, L. Douglas Keene, Jr., requesting TWS to be the public sewer utility provider for the project.

After approval, the construction of the system, which is comprised of a recirculating sand filter and subsurface drip dispersal, will take approximately 60 days to complete. The estimated value of the contribution of aid in construction is approximately \$60,000.00.

Respectfully Submitted,



Charles Pickney, Jr
Tennessee Wastewater Systems, Inc

Keene's Island
Projected Development Build-Out

2007 - 6 Condominiums

Estimated System Costs and Revenues for Five Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Costs	4 050	4 050	4 050	4 050	4 050
Revenues	4 400	4 400	4 400	4 400	4 400

**Tennessee Wastewater Systems, Inc
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Oakwood Subdivision – Maury County – 99-00393 - Sheet 1	\$35 11
Southridge Subdivision – Montgomery County – 97-01104 - Sheet 2	\$23 94 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	\$35 11
River Road Utility District – Cheatham County – 97-01394 – Sheet 4	\$31 15
Milcrofton Utility District – Williamson County – 97-01393 – Sheet 5	\$37 21
Tall Oaks Subdivision – Blount County – 98-00790 - Sheet 6	\$35 11
Yoakum Hollow Dev (Windsor Pt) – Campbell County – 98-00881 – Sheet 7	\$35 11
Shreibman Development – Cannon County – 98-00880 – Sheet 8	\$35 11
Cornerstone of Mitchell Creek – Overton County – 99-00357 – Sheet 9	\$35 11
Bolton Area – Shelby County - 99-00724 – Sheet 10	\$32 68
Ussery #1- Sevier County – 00-00198 – Sheet 11	\$35 11
Harbor Pointe – Dekalb County – 00-00149 - Sheet 12	\$35 11
Hidden Springs Resort – Sevier County – 00-00379 - Sheet 13	\$35 11
Eagle Crest Development – Sevier County – 01-00234 – Sheet 14	\$35 11
Legacy Bay – Hawkins County – 00-00622 - Sheet 15	\$35 11
Dollywood Project (Dream Catcher Ridge) - Sevier County – 01-00424 – Sheet 16	\$35 11
Homestead Subdivision – Sevier County – 01-00423 – Sheet 17	\$35 11
Rice Property (Blue Water Bay) – DeKalb County – 01-00425 – Sheet 18	\$35 11
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 \$30 98
	Fixed Film Treatment – Sheet 20 \$35 11
Fees Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Eagle Springs Subdivision – Sevier County – 01-00445 – Sheet 21	\$35 11
Jackson Bend Subdivision – Blount County - 01-00221 – Sheet 22	\$35 11
Browning Subdivision – Knox County – 01-00492 – Sheet 23	\$35 11
Starr Crest II – Sevier County - 01-00755 – Sheet 24	\$35 11
City of Coopertown - Robertson County - 00-01128	
Lagoon – Sheet 25	\$30 98 +
	3% Franchise fee
Fixed Film Treatment – Sheet 26	\$35 11 +
	3% Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – Sheet 27	\$35 11
Eagle Crest II - Sevier County – 01-01128 – Sheet 28	\$35 11
Eagle Crest Resort – Sevier County – 01-00183 – Sheet 29	\$35 11
Gnatty Branch Retreat – Sevier County – 02-00055 – Sheet 30	\$35 11
Airbase Road Condominiums – Blount County – 02-00478 - Sheet 31	\$35 11
Goose Creek Area -Williamson County – 02-00172 – Lagoon - Sheet 32	\$35 50
Fixed Film Treatment – Sheet 33	\$40 71
Falling Waters – Sevier County – 02-00782 – Sheet 34	\$35 11
Stewart County West – Stewart County – 02-00477 - Sheet 35	\$35 11
Lighthouse Point Condominiums – Jefferson County – 02-00732 – Sheet 36	\$35 11
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35 11
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35 11
Fees Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon – Sheet 39	30 98 +
Fixed Film Treatment – Sheet 40	bonding costs 35 11+
	bonding costs
Black Bear – Sevier County – 03-00192 – Sheet 41	\$35 11
Sunnybrook – Robertson County – 03-00307 – Sheet 42	\$35 11
Sevier County – Sevier County – 03-00045 Lagoon – Sheet 43	\$30 98
Fixed Film Treatment – Sheet 44	\$35 11
Smoky Cove Subdivision – Sevier County – 03-00377 – Sheet 45	\$35 11
King Branch Road – Sevier County – 03-00386 – Sheet 46	\$35 11
Paris Landing - Henry County – 03-00544 – Lagoon Treatment – Sheet 47	\$30 98
Fixed Film Treatment – Sheet 48	\$35 11
Walnut Grove – Giles County - 04-00054 – Sheet 49	\$35 11
Turner’s Landing – Hamblen County – 04-00053 – Sheet 50	\$35 11
Spring Creek Ranch – Shelby County – 04-00123 - Sheet 51	\$35 11
Marion Womack Property (Creekview Estates) – Sumner County – 04-00170 – Sheet 52	\$35 11
Arbor Crest Subdivision – Davidson County – 04-00171 – Sheet 53	\$35 11
Merril Taylor Subdivision – Blount County - 04-00274 – Sheet 54	\$35 11
Black Bear Ridge Expansion – Sevier County – 04-00045 – Sheet 55	\$35 11
Legacy Laurel Branch – Sevier County – 04-00045 – Sheet 56	\$35 11
Legacy Mountain – Sevier County – 04-00045 – Sheet 57	\$35 11

**Fees Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr**

**Tennessee Wastewater Systems, Inc
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Legacy the Preserve – Sevier County – 04-00045 – Sheet 58	\$35 11
Starr Crest II Phase 4 – Sevier County – 04-00045 – Sheet 59	\$35 11
Trailhead – Sevier County – 04-00045 – Sheet 60	\$35 11
Wyndsong Subdivision – Blount County – 04-00395 – Sheet 61	\$35 11
Huffines Development – Robertson County – 04-00393 – Sheet 62	\$35 11
Williamson County West - Williamson County – 04-00394-Lagoon –Sheet 63	\$35 50
Fixed Film Treatment –Sheet 64	\$40 71
Trillium Cove Condominiums – Blount County – 05-00030 – Sheet 65	\$35 11
Marvin Keys RV Park – Cocke County – 05-00071- Sheet 66	\$35 11
Blackberry Ridge Subdivision – Bedford County – 05-00111 – Sheet 67	\$35 11
Steve Jones Subdivision – Union County – 05-00116 – Sheet 68	\$35 11
Grainger’s Landing Condominiums – Grainger County – 05-00117 – Sheet 69	\$35 11
German Creek Marina and Resort – Grainger County – 05-00138 – Sheet 70	\$35 11
Smoky Village Subdivision – Sevier County - 05-00145 – Sheet 71	\$35 11
Fentress Service Area – Fentress County – 05-00162 – Lagoon – Sheet 72	\$30 98
Fixed Film Treatment – Sheet 73	\$35 11
Emerald Pointe –Cocke County – 05-00200 – Sheet 74	\$35 11
Elk Springs Resort – Sevier County –05-00211 – Sheet 75	\$35 11
Cedar Hill Area – Robertson County - 05-00212 – Sheet 76	\$35 11
Fees Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Brigadoon Resort – Roane County – 05-00241 – Sheet 77	\$35 11
Cross Plains – Robertson County – 05-00293 – Sheet 78	Lagoon \$30 98
Lowe’s Ferry Landing – Blount County – 05-00339 – Sheet 79	\$35 11
Riversedge Subdivision Phase II – Decatur County – 05-00340 – Sheet 80	\$35 11
Keene’s Island – Jefferson County	\$35 11

**Fees Nonpayment – 5%, Disconnection - \$10,
 Reconnection - \$15, Return Check - \$20, Access - \$84/yr**

Tennessee Wastewater Systems, Inc
Sewer Systems with Commercial Customers

System	County
Townsend Town Square – 99-00659	Blount County
Coopertown - 00-01128	Robertson County
East Stewart – 01-00229	Stewart County
Highway 31 Project (Herndon's BP) - 01-00446	Robertson County
Lyles Texaco - 01-00756	Hickman County
Topside Business Park – 01-00220	Blount County
Stewart County West - 02-00477	Stewart County
Cedar Hill Baptist Church – 03-00287	Robertson County
Tims Ford Area – 03-00286	Franklin County
Sunnybrook - 03-00307	Robertson County
Sevier County - 03-00045	Sevier County
Smoky Cove Subdivision – 03-00377	Sevier County
King Branch Road – 03-00386	Sevier County
Weigel's Convenience Store – 03-00519	Roane County
Paris Landing Area – 03-00544	Henry County
Turner's Landing – 04-00053	Hamblen County
Spring Creek Ranch – 04-00123	Shelby County
Marion Womack Property (Creekview Estates) – 04-00170	Sumner County
Arbor Crest Subdivision – 04-00171	Davidson County
Merril Taylor Subdivision - 04-00274	Blount County
Black Bear Ridge Expansion – 04-00045	Sevier County

**Tennessee Wastewater Systems, Inc
Sewer Systems with Commercial Customers**

System	County
Legacy Laurel Branch - 04-00045	Sevier County
Legacy Mountain – 04-00045	Sevier County
Legacy the Preserves – 04-00045	Sevier County
Starr Crest II Phase 4 – 04-00045	Sevier County
Timber Tops Rental Center – 04-00045	Sevier County
Trailhead – 04-00045	Sevier County
Wyndsong Subdivision – 04-00395	Blount County
Huffines Development – 04-00393	Robertson County
Williamson County West - 04-00394	Williamson County
Trillium Cove Condominiums – 05-00030	Blount County
Tennessee State Bank-Wears Valley Branch - 05-00042	Sevier County
Marvin Keys RV Park – 05-00071	Cocke County
Brownlee Commercial Building – 05-00078	Blount County
Grainger's Landing Condominiums – 05-00117	Grainger County
German Creek Marina and Resort – 05-00138	Grainger County
Fentress Service Area - 05-00162	Fentress County
Emerald Pointe – 05-00200	Cocke County
Elk Springs Resort – 05-00211	Sevier County
Cedar Hill Area – 05-00212	Robertson County
Brigadoon Resort 05-00241	Roane County

**Tennessee Wastewater Systems, Inc
Sewer Systems with Commercial Customers**

System

County

Cross Plains – 05-00293

Robertson County

Keene's Island

Jefferson County

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1,000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1,000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district.

Fees

- Nonpayment – 5%
- Disconnection - \$10
- Reconnection - \$15
- Returned Check - \$20
- City of Coopertown Franchise Fees 3%

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$170.00	\$192.00	N/A
<u>Lagoon</u>	\$142.00	\$163.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district.

Fees	Nonpayment – 5%
	Disconnection - \$10
	Reconnection - \$15
	Returned Check - \$20
	City of Coopertown Franchise Fees 3%



KEENE CORPORATION

November 15, 2005

Tennessee Wastewater Systems, Inc
c/o Michael Hines
1920 Breezy Ridge Trail
Concord, Tennessee 37922

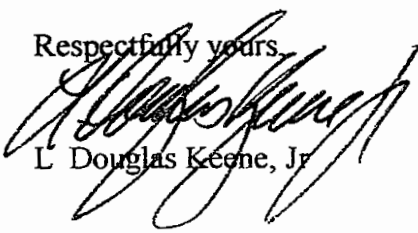
re Douglas Lake island project

Dear sirs,

Please be advised that are developing an island on the Sevierville side of Douglas Lake City sewer is not available at this location We desire for you to provide the sewerage service to our project which is expected to contain six lots

Please contact me if you have any questions

Respectfully yours,


L. Douglas Keene, Jr



JEFFERSON COUNTY, TENNESSEE

GARY W HOLIWAY, COUNTY EXECUTIVE

P O Box 710
Dandridge Tennessee 37725
Phone 865 / 397-3800

December 6, 2005

Michael Hines, M S , P E
Tennessee Wastewater Systems, Inc
P O Box 22771
Knoxville, TN 37933-0771

Dear Mr Hines

In response to your request for sewerage service to the proposed Keene's Island, Jefferson County does not provide sewer service

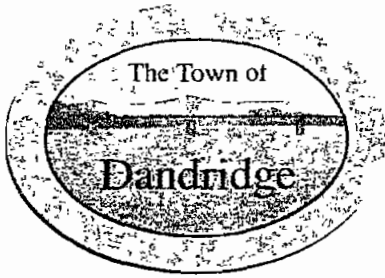
If you have any questions, please call me

Sincerely,

A handwritten signature in black ink, appearing to read "Gary W. Holway", written over a horizontal line.

Gary W Holway
County Mayor

GWH ks



November 14, 2005

Michael Hines, M S , P E
Tennessee Wastewater Systems, Inc
PO Box 22771
Knoxville TN 37933-0771

Dear Mr Hines

In response to your letter dated November 4, 2005 in regards to providing sewerage service to Keene's Island located in Jefferson County, the Town of Dandridge does not plan to expand its sewer coverage outside the town limits within the next twelve months

If I can be of further assistance please feel free to call

Sincerely,


Mayor George Gantte



SHADY GROVE UTILITY DISTRICT

Of Jefferson & Sevier Counties Tennessee

P O Box 830

DANDRIDGE, TN 37725-0830

November 9, 2005

Michael Hines, M S ,P E
Tennessee Wastewater Systems, Inc
P O Box 22771
Knoxville, TN 37933-0771

Dear Mr Hines

Since Shady Grove Utility District is strictly a water distribution system, we will not be providing any sewer to the Keene's Island development

If you need any other information concerning this question, please advise

Sincerely,

A handwritten signature in black ink that reads "Mike Jones".

Mike Jones, Manager
Shady Grove Utility District

MJ/bh

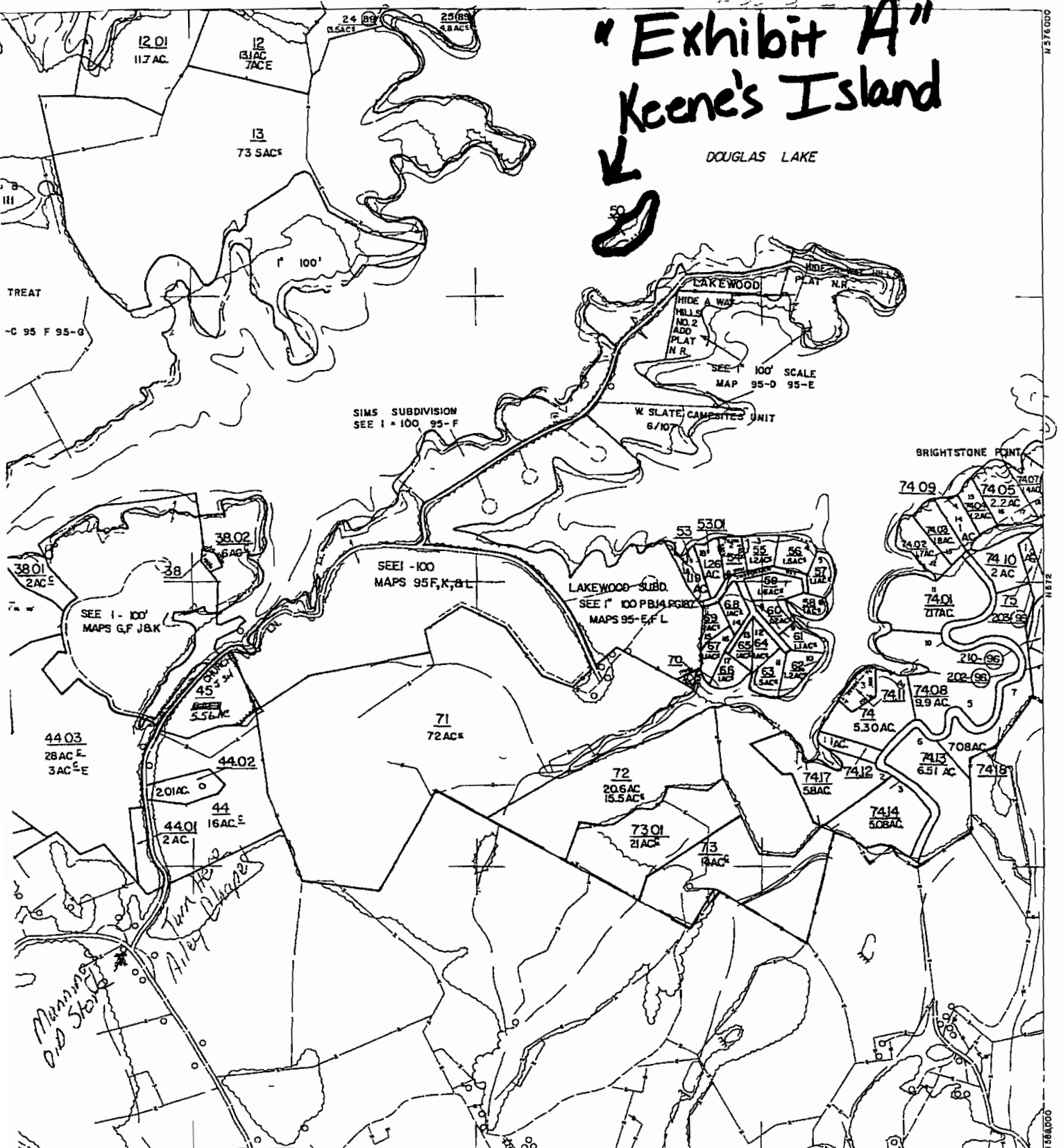
COMMISSIONERS

Nancy Humbard
Kent Thomas
John Orr

MANAGER

Mike Jones

"Exhibit A" Keene's Island



CREEK
 STATE LINE
 CO. LINE
 CORPS LINE
 TRANSMISSION LINE
 ROAD
 RAILROAD
 RIDGE LINE

88	89	90
94	95	96
99	100	101

-REVISIONS-			
13-02	6 2/83	31 6/94	
27-04	7 5/85	42 3-96	
3	8 6/86	53 6/98	
4	9 4/88	64 2/00	
5	10 12/88	75 10-01	

JEFFERSON CO, TENN		MAP NO
SCALE 400	DISTRICT 8	95
DATE OF FLYING MA 1966		
DATE COMPLETED MARCH 1967		

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE)
)
PETITION OF TENNESSEE WASTEWATER) Docket No _____
SYSTEMS, INC TO AMEND ITS)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY)

**KEENE'S ISLAND
PRE-FILED DIRECT TESTIMONY OF CHARLES PICKNEY, JR**

1 Q State your name for the record and your position with the Petitioner, Tennessee
2 Wastewater Systems, Inc
3
4 A Charles Pickney, Jr I am the president of Tennessee Wastewater Systems, Inc
5
6 Q What is the business of Tennessee Wastewater Systems, Inc (the Company)?
7
8 A Providing affordable wastewater service in communities where it is presently
9 unavailable
10
11 Q When did the Company receive its first certificate from the Authority to operate a
12 sewer system in Tennessee?
13
14 A April 4, 1994
15
16 Q How many certificates has the Company received from the Authority to provide
17 sewer service across the State of Tennessee?
18
19 A Over 50
20
21 Q Does the Company have the management, technical and financial ability to
22 provide wastewater service in the area in Jefferson County sought in this Petition?
23
24 A Yes
25
26 Q Is there a stated public need for wastewater service in this area?
27
28 A The public need for this service is reflected in the letter from the developer L
29 Douglas Keene
30
31

1 Q How many customers will be served in this development?

2

3 A Our company expects to serve approximately 6 condominiums

4

5 Q Does this conclude your pre-filed testimony?

6

7 A Yes

8

9

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above and foregoing Pre-Filed Direct Testimony of Charles Pickney, Jr has been served upon the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505 on this 25th day of January 2006 and delivered by hand



CHARLES PICKNEY, JR