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

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 Sevier County, Tennessee, known as Sugarloaf Ridge 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		
DO	OCKET No Obood		

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 Sevier County known as Sugarloaf Ridge. The project is located five miles northwest of Pigeon Forge in Sevier County. The property includes parcels 151, 151 02, 151 03, 152, 152 08, 152 09, and is show on the enclosed Tax Maps 59 and 70 (see attached "Exhibit A"). This development encompasses approximately 29 acres.

We are proposing to provide wastewater service to approximately 40 residential and commercial cabins at Sugarloaf Ridge. The wastewater system will be designed and constructed to serve 40 cabins (approximately 8,000 gallons per day). The TDEC application for a permit was submitted November 19, 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 Sevier County Mayor and the City Manager of Pigeon Forge stipulating that none of these entities will provide sewer service for these parcels. We have also enclosed a letter from the developer, Ernest Eugene Coldiron 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 \$175,000 00.

Respectfully Submitted,

Charles Pickney, Jr.

Tennessee Wastewater Systems, Inc

System		Monthly Charge
Oakwood Subdivision - Maury County - 99-00393	- Sheet 1	\$35 11
Southridge Subdivision – Montgomery County – 97	7-01104 - Sheet 2	\$23 94 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	3	\$35 11
River Road Utility District - Cheatham County - 9	7-01394 – Sheet 4	\$31 15
Milcrofton Utility District – Williamson County – 9	97-01393 – Sheet 5	\$37 21
Tall Oaks Subdivision - Blount County - 98-00790	- Sheet 6	\$35 11
Yoakum Hollow Dev (Windsor Pt) – Campbell Co	unty - 98-00881 - Sheet 7	\$35 11
Shreibman Development – Cannon County – 98-00	880 – Sheet 8	\$35 11
Cornerstone of Mitchell Creek - Overton County -	99-00357 - Sheet 9	\$35 11
Bolton Area – Shelby County - 99-00724 – Sheet 1	0	\$32 68
Ussery #1- Sevier County – 00-00198 – Sheet 11		\$35 11
Harbor Pointe – Dekalb County – 00-00149 - Shee	t 12	\$35 11
Hidden Springs Resort – Sevier County – 00-00379	- Sheet 13	\$35 11
Eagle Crest Development – Sevier County – 01-002	234 – Sheet 14	\$35 11
Legacy Bay – Hawkins County – 00-00622 - Shee	t 15	\$35 11
Dollywood Project (Dream Catcher Ridge) - Sevier	County – 01-00424 – Sheet 16	\$35 11
Homestead Subdivision – Sevier County – 01-0042	23 – Sheet 17	\$35 11
Rice Property (Blue Water Bay) - DeKalb County -	- 01-00425 – Sheet 18	\$35 11
Fees Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, A	Lagoon – Sheet 19 Fixed Film Treatment – Shee	\$30 98 t 20 \$35 11

System	I	Monthly Charge
Eagle Springs Subdivision – Sevier County – 01-00)445 – Sheet 21	\$35 11
Jackson Bend Subdivision – Blount County - 01-0	0221 – Sheet 22	\$35 11
Browning Subdivision – Knox County – 01-00492	- Sheet 23	\$35 11
Starr Crest II – Sevier County - 01-00755 – Sheet 2	24	\$35 11
City of Coopertown - Robertson County - 00-0112	Lagoon – Sheet 25 3% Fixed Film Treatment – Sheet 26	\$30 98 + 5 Franchise fee 5 \$35 11 + 6 Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – S	heet 27	\$35 11
Eagle Crest II - Sevier County - 01-01128 - Sheet	28	\$35 11
Eagle Crest Resort – Sevier County – 01-00183 – S	Sheet 29	\$35 11
Gnatty Branch Retreat – Sevier County – 02-00055	5 – Sheet 30	\$35 11
Airbase Road Condominiums – Blount County – C	02-00478 - Sheet 31	\$35 11
Goose Creek Area -Williamson County – 02-00172	2 – Lagoon - Sheet 32 Fixed Film Treatment – Sheet 33	\$35 50 \$40 71
Falling Waters - Sevier County - 02-00782 - Shee	et 34	\$35 11
Stewart County West – Stewart County – 02-00477	7 - Sheet 35	\$35 11
Lighthouse Point Condominiums – Jefferson Coun	ty - 02-00732 - Sheet 36	\$35 11
The Highlands – Sevier County – 02-00781 – Shee	et 37	\$35 11
Highland Cove – Dekalb County – 03-00242 – She	eet 38	\$35 11

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

System Monthly 6	Charge
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon - Sheet 39	30 98 +
bone Fixed Film Treatment – Sheet 40	ding costs 35 11+
	ding 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

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 6 Fixed Film Treatment - Sheet 6	
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 6	9 \$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 Fixed Film Treatment –	\$30 98 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

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 (Pending)		\$35 11
Sugarloaf Ridge – Sevier County		\$35 11

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 Hıll Baptıst 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	Sunner County
Arbor Crest Subdivision - 04-00171	Davidson County
Merril Taylor Subdivision - 04-00274	Blount County
Black Bear Ridge Expansion – 04-00045	Sevier County

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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 (Pending)	Jefferson County
Sugarloaf Ridge	Sevier 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

<u>Disposal</u>

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$140 00	\$165 00	N/A
Lagoon	\$116 00	\$140 00	N/A
* Off Site	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 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
l 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 00/1000 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%

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

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$170 00	\$192 00	N/A
Lagoon	\$142 00	\$163 00	N/A
* Off Site	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
l 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%



125 Court Avenue

Suite 201E

Telephone 865 453 6136 Fax 865 453 6830 E mail lwaters@seviercountytn org

Larry Waters County Mayor

December 2, 2005

To Whom It May Concern,

Sevier County does not plan to provide sewer service to the Sugar Loaf Ridge area in the next twelve months The property includes parcels 151, 151 02,151 03,152, and 152 08, 152 09 on Tax Maps 59 and 70 as shown on attached map If anyone has questions, please contact me

Sincerely,

Larry Waters County Mayor

LW/sm

Enclosure



December 9, 2005

Mr Michael Hines, MS, PE Vice President Tennessee Wastewater Systems, Inc PO Box 22771 Knoxville, Tennessee 37933-0771

Re Sugar Loaf Ridge

Dear Mr Hines

This letter serves to advise that the City of Pigeon Forge will not be extending City sewer to the above referenced area within the next twelve (12) months

Thanks for your inquiry Please let me know if I can answer further questions

Sincerely,

CITY OF PIGEON FORGE

Earlene Seaster

Earlene M Teaster City Manager

EMT sgt

'n

c Mark Miller Director of Public Works Theresa, Utility Clerk

November 10,2005

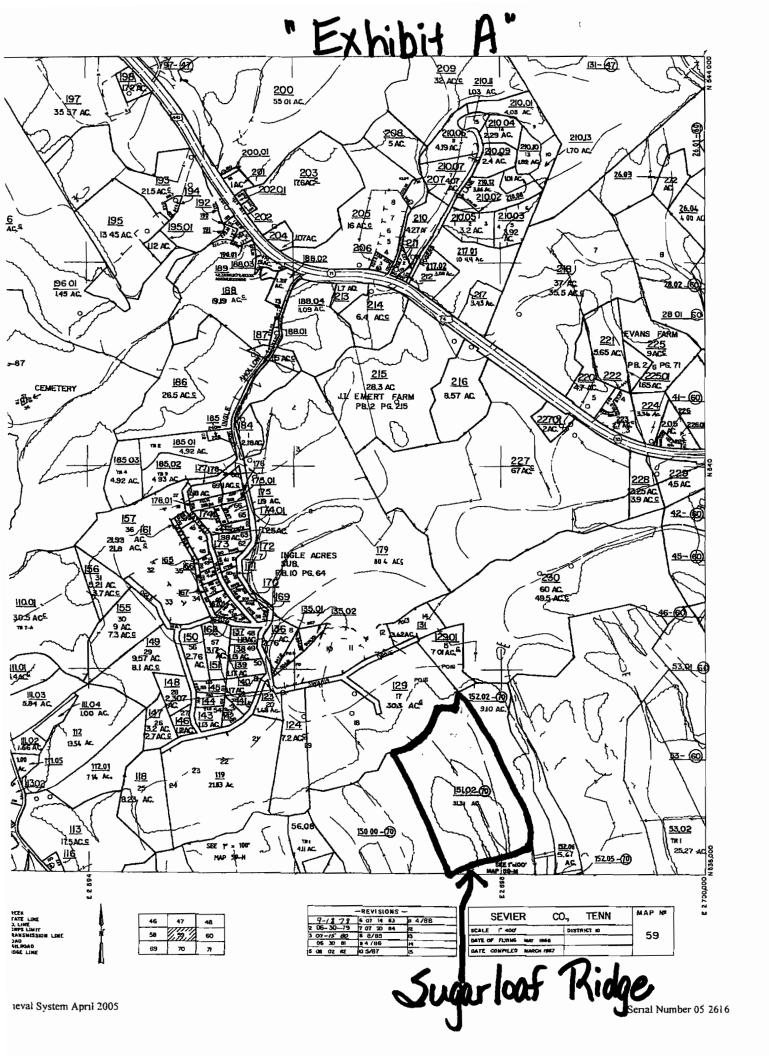
Mr Michael Hines,

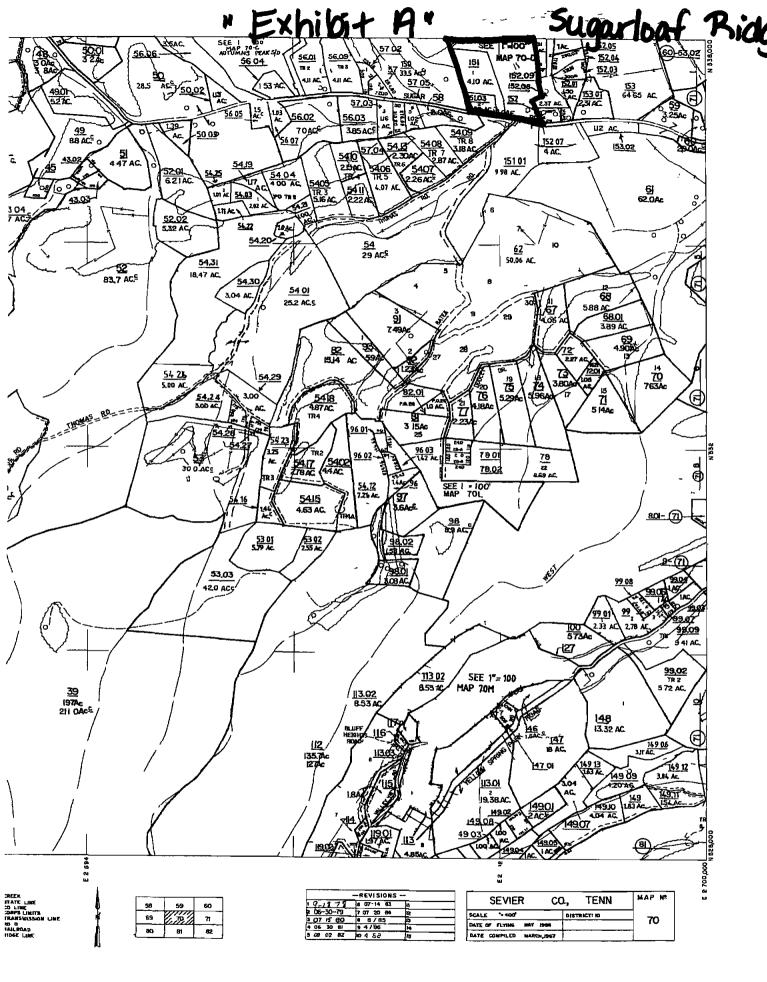
I am developing a subdivision in Sevier County known as Sugarloaf Ridge I request that Tennessee Wastewater Systems Inc provide the sewer utility Service for this development

Thank You, Eugen Collem

Ernest Eugene Coldiron

Jennifer Coldiron





Sugarloaf Ridge Projected Development Build-Out

2007 - 20 cabins 2008 - 20 cabins

Estimated System Costs and Revenues for Five Years

	<u>2007</u>	2008	2009	2010	<u>2011</u>
Costs	12 100	24 300	24 300	24 300	24 300
Revenues	13 200	26 400	26 400	26 400	26 400

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

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TION OF TENNESSEE WASTEWATER DOCKET NO DOCKET
SUGARLOAF RIDGE PRE-FILED DIRECT TESTIMONY OF CHARLES PICKNEY, JR
State your name for the record and your position with the Petitioner, Tennessee Wastewater Systems, Inc
Charles Pickney, Jr I am the president of Tennessee Wastewater Systems, Inc
What is the business of Tennessee Wastewater Systems, Inc (the Company)?
Providing affordable wastewater service in communities where it is presently unavailable
When did the Company receive its first certificate from the Authority to operate a sewer system in Tennessee?
April 4, 1994
How many certificates has the Company received from the Authority to provide sewer service across the State of Tennessee?
Over 50
Does the Company have the management, technical and financial ability to provide wastewater service in the area in Sevier County sought in this Petition?

Α

Q

Yes

27
28 A The public need for this service is reflected in the letter from the developer Ernest
29 Eugene Coldiron

Is there a stated public need for wastewater service in this area?

1 2	Q	How many customers will be served in this development?
3 4	Α	Our company expects to serve approximately 40 residential and commercial cabins
5 6 7	Q	Does this conclude your pre-filed testimony?
8 9 10	Α	Yes

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 2514 day of January 2006 and delivered by hand

CHARLES PICKNEY, JR