

TENNESSEE REGULATORY AUTHORITY

Tre Hargett, Chairman
Eddie Roberson, Director
Sara Kyle, Director
Mary Freeman, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

October 24, 2008

VIA FACSIMILE AND US MAIL

Chip Leonard, President
The Pennisulas on Douglas Lake, LLC
9131 Cross Park Dr., Suite 100
Knoxville, TN 37923

Re: Your letter of September 23, 2008
Docket No. 06-00077

Dear Mr. Leonard:

Enclosed please find a copy of my letter to Charles Pickney, Jr., of Tennessee Waste Systems, Inc. ("TWS") requesting a response from TWS to your letter of September 23, 2008. Mr. Pickney has been directed to file a response to the allegations in your letter no later than October 31, 2008 and serve a copy of that response on you. As indicated in your conversations with Ms. Darlene Standley, a copy of the contract which was referenced in your letter of September 23, 2008 was not attached to that letter. Please provide to the Authority as soon as practicable a copy of that contract and any other documentation you have which supports the allegations in your letter.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

J. Richard Collier
General Counsel
(615) 741-3191 Ext. 170

cc: Charles Pickney, Jr.
Docket File No. 06-00077

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2008 OCT 24 P.M. 5:59
T.R.A. BOOKING ROOM

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460 James Robertson Parkway
Nashville, Tennessee 37243-0505

October 24, 2008

VIA FACSIMILE AND US MAIL

Mr. Charles Pickney, Jr., President
Tennessee Wastewater Systems, Inc.
851 Aviation Parkway
Smyrna, Tennessee 37167

Re: *Petition of Tennessee Wastewater Systems, Inc. to Expand Its Service Area to
Include a Portion of Jefferson County, Tennessee, Known as Parrott's Bay*
Docket No. 06-00077

Dear Mr. Pickney:

Enclosed please find a copy of a letter received from Chip Leonard on September 23, 2008 requesting that the Tennessee Regulatory Authority ("TRA") revoke the Certificate of Public Convenience and Necessity ("CCN") issued to Tennessee Wastewater Service, Inc. ("TWS") in the above captioned docket. The TRA was informed by Mr. Leonard that he would provide a copy of this letter to you. At this time, the TRA has not received a response from TWS.

TWS is hereby requested to file its response, with a copy thereof served on Mr. Leonard, no later than October 31, 2008. In its response, TWS should inform the TRA of the status of any State Operating Permit requested by TWS from the Tennessee Department of Environment and Conservation for the area covered by the Certificate of Public Convenience and Necessity issued in this docket. The response should also set forth whether TWS has provided any wastewater treatment service within the certificated area. Please respond directly to the factual allegations in Mr. Leonard's letter.

Very truly yours,

A handwritten signature in black ink that reads "J. Richard Collier". The signature is written in a cursive style with a large, stylized "J" and "C".

J. Richard Collier
General Counsel

cc: Chip Leonard
Docket No. 06-00077



SouthEastern

DEVELOPMENT GROUP INC.

REC-11777

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VIA HAND DELIVERY

Ms. Darlene Standley, Chief
Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: Revocation of CCN in Docket # 06-00077

Dear Ms. Standley:

We respectfully request that the TRA revoke the CCN now held by TWS.

We have purchased this development, and understand that the previous owners desired TWS to become the sewer provider, as documented in Docket 06-00077. However, we have never signed a contract with TWS, nor have they constructed any of the wastewater system at our development.

We have numerous issues regarding the business practices of TWS, two of which we will address in this letter per your request.

A primary reason we choose not to do business with TWS is because they have informed us that they will not operate a system that their affiliates do not sell or construct. By doing this they have forced us to purchase goods and services from their affiliates at above market rates. We wish to deal with a utility that does not self deal with its own affiliates.

A secondary reason is attached in the contract they tendered to us to sign. Please refer to page two, paragraph four in the attached contract. This paragraph stipulates and contemplates that TWS charge and we pay 800 hundred dollars to TWS connecting into a system that we just paid them for. We have searched the tariff of TWS and do not see, nor do we understand this \$800.00 per platted lot charge.

We wish to find another utility who wants to serve our community, rather than the community serving the utility and its affiliates. We expect that one of our options would be to have another utility petition the TRA for our subdivision in the near future.

Respectfully Requested

Chip Leonard, President
The Pennisulas on Douglas Lake, LLC

Cc: Senator Mae Beavers