

TENNESSEE WASTEWATER SYSTEMS, INC.
A PUBLIC UTILITY CO.

July 6, 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

06-00179
T.R.A. DOCKET NO. 06-00179
JUL 10 7 AM '06
PROPERTY

Dear Chairman Jones:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Humphreys County in Tennessee, known as Richland. 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. _____

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

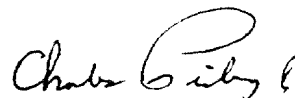
Tennessee Wastewater Systems, Inc. ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Humphreys County known as Richland. The project is located off of Richland Harbor Road near the Tennessee River in Humphreys County. The property consists of parcel #1 of tax map 31 ("Exhibit A"). This development encompasses approximately 220 acres.

We are proposing to provide a wastewater system that will be designed and constructed to serve 150 lots (approximately 45,000 gallons per day) and can be expanded later if needed. The TDEC application for a permit is being prepared. 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, as well as the property that the system occupies.

Also enclosed are letters from the County Executive of Humphreys County, Jaycee Rawlings, and Mayor David Vaughn of the city of Waverly stipulating that neither of these entities will provide sewer service for this parcel. We have also enclosed a letter from the developer, Mark Sears of McKeough Land Company, Inc., requesting TWS to be the public sewer utility provider for the project.

After approval, the construction of the system, which is comprised of an effluent collection system, recirculating sand filter and subsurface drip dispersal, will take approximately 90 days to complete. The estimated value of the contribution of aid in construction is approximately \$699,000.00.

Respectfully Submitted,



Charles Pickney, Jr.
Tennessee Wastewater Systems, Inc.

**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	\$46.55
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
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
East Stewart – Stewart County – 01-00229	
Lagoon – Sheet 19	\$30.98
Fixed Film Treatment – Sheet 20	\$35.11
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	\$51.33
Fixed Film Treatment – Sheet 33	\$55.46
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

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

ISSUED: JULY 7, 2006
ISSUED BY: CHARLES PICKNEY, JR., PRESIDENT

EFFECTIVE: AUGUST 7, 2006

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

System	Monthly Charge
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35.11
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35.11
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon – Sheet 39	30.98 + bonding costs
Fixed Film Treatment – Sheet 40	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
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 Laurel Branch – Sevier County – 04-00045 – Sheet 56	\$35.11
Legacy Mountain – Sevier County – 04-00045 – Sheet 57	\$35.11
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

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

ISSUED: JULY 7, 2006
ISSUED BY: CHARLES PICKNEY, JR., PRESIDENT

EFFECTIVE: AUGUST 7, 2006

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

System	Monthly Charge
Elk Springs Resort – Sevier County –05-00211 – Sheet 75	\$35.11
Cedar Hill Area – Robertson County - 05-00212 – Sheet 76	\$35.11
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 – 06-00021 – Sheet 81	\$35.11
Sugarloaf Ridge – Sevier County – 06-00022 – Sheet 82	\$35.11
Griffitts Mill – Blount County – 06-00076 – Sheet 83	\$35.11
Parott’s Bay – Jefferson County – 06-00077 – Sheet 84	\$35.11
Summit View – Sevier County – 06-00078 – Sheet 85	\$35.11
Settlers Ridge – Sevier County – 06-00081	\$35.11
Happy Creek – Sevier County (pending)	\$35.11
Richland – Humphreys County	\$35.11

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

ISSUED: JULY 7, 2006

ISSUED BY: CHARLES PICKNEY, JR., PRESIDENT

EFFECTIVE: AUGUST 7, 2006

Richland
Projected Subdivision Build-Out

		<u>Total # of homes</u>
2008	-	10 homes
2009	-	20 homes
2010	-	30 homes
2011	-	40 homes
2012	-	50 homes

Estimated System Costs and Revenues for Five Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Costs	3,900	7,700	11,600	15,500	19,300
Revenues	4,200	8,400	12,600	16,800	21,000



June 28, 2006

RE: Sewer System in Humphreys County TN Tax ID 31-1.0

To Whom It May Concern:

McKeough Land Company, Inc. requests that Tennessee Wastewater Systems, Inc. be the sewer provider for the referenced parcel.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Sears", is written over a horizontal line.

Mark Sears, P.E.
McKeough Land Company, Inc.
(270) 604-2870

Date: 6/13, 2006

To Whom It May Concern:

City of Waverly does not provide sewer service to the property located at
Richland Harbor Rd, and does not have any plans to provide sewer service to this
property.

Sincerely,



MAYOR

Date: 6-15, 2006

To Whom It May Concern:

Humphreys Co does not provide sewer service to the property located at
Tax Map 31 Parcel 1.0 and does not have any plans to provide sewer service to this
property.

Sincerely,


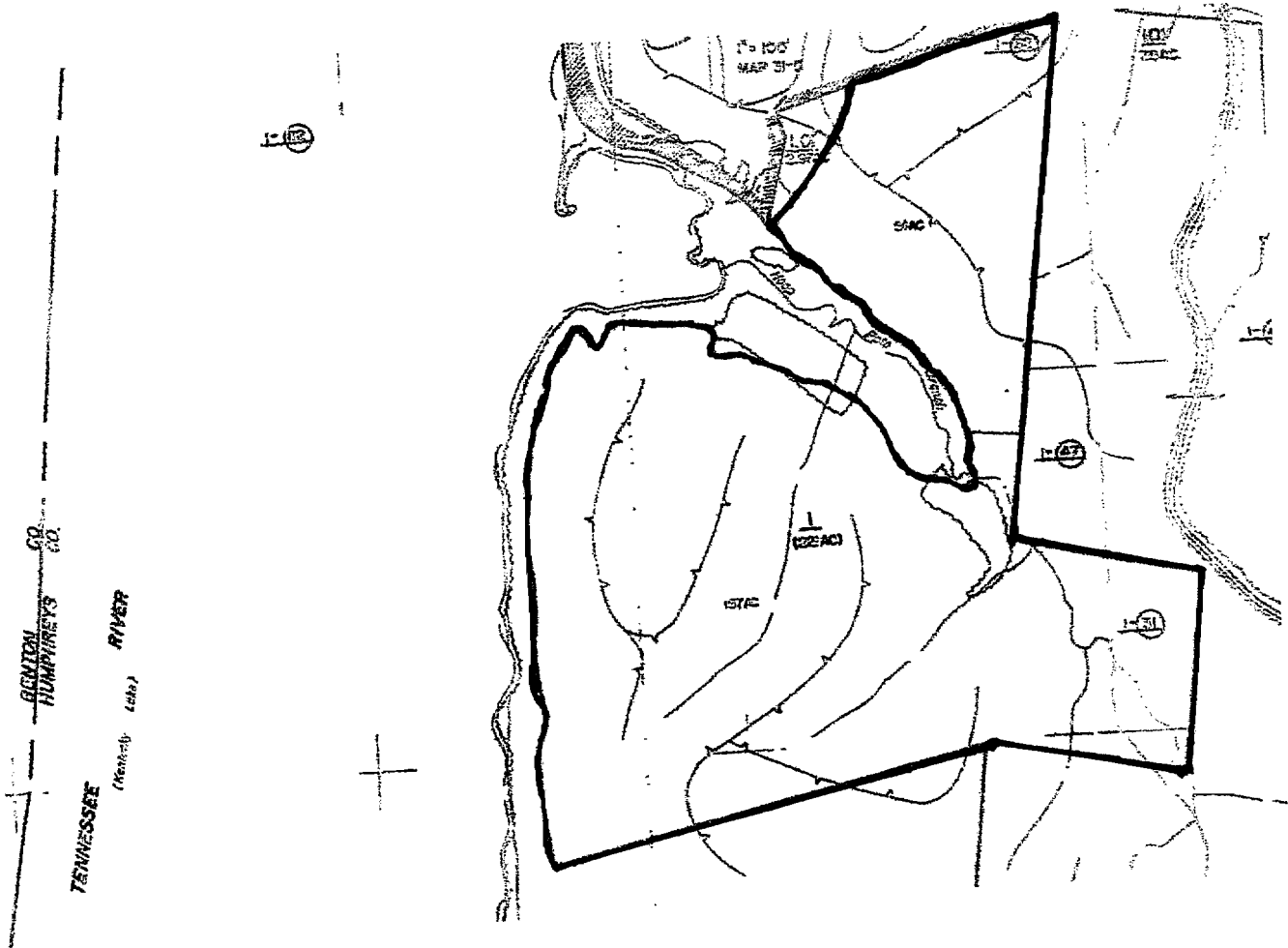

County Executive

EXHIBIT "A"



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

3
4
5 **IN RE:**

6)
7 **PETITION OF TENNESSEE WASTEWATER) Docket No. _____**
8 **SYSTEMS, INC. TO AMEND ITS)**
9 **CERTIFICATE OF CONVENIENCE AND)**
10 **NECESSITY)**

11
12
13 **RICHLAND**
14 **PRE-FILED DIRECT TESTIMONY OF CHARLES PICKNEY, JR.**

15
16
17 Q. State your name for the record and your position with the Petitioner, Tennessee
18 Wastewater Systems, Inc.

19
20 A. Charles Pickney, Jr. I am the president of Tennessee Wastewater Systems, Inc.

21
22 Q. What is the business of Tennessee Wastewater Systems, Inc. (the Company)?

23
24 A. Providing affordable wastewater service in communities where it is presently
25 unavailable.

26
27 Q. When did the Company receive its first certificate from the Authority to operate a
28 sewer system in Tennessee?

29
30 A. April 4, 1994.

31
32 Q. How many certificates has the Company received from the Authority to provide
33 sewer service across the State of Tennessee?

34
35 A. Over 70.

36
37 Q. Will Tennessee Wastewater Systems comply with all applicable Tennessee
38 Regulatory rules and regulations?

39
40 A. Tennessee Wastewater Systems will comply with all applicable Tennessee
41 Regulatory Authority rules and regulations.

42
43 Q. Does the Company have the management, technical and financial ability to
44 provide wastewater service in the area in Humphreys County sought in this
45 Petition?
46

1 A. Yes.

2

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

4

5 A. The public need for this service is reflected in the letter from the developer Mark
6 Sears of McKeough Land Company, Inc.

7

8 Q. How many customers will be served in this development?

9

10 A. Our company expects to serve approximately 150 residential lots.

11

12 Q. Does this conclude your pre-filed testimony?

13

14 A. Yes.

15

16

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21

22 I swear that the foregoing testimony is true and correct to the best of my knowledge.

23


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29 
Charles Pickney, Jr.

30 President

31 Tennessee Wastewater Systems, Inc.

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35 Subscribed and sworn to me this 6th day of July, 2006.

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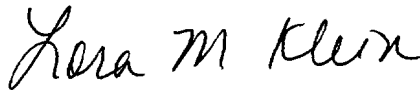
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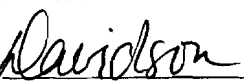
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Notary Public



State of Tennessee

County of



My Commission Expires

~~My Commission Expires July 25, 2009~~



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 7th day of July 2006 and delivered by hand.

A handwritten signature in cursive script, reading "Charles Pickney, Jr.", positioned above a horizontal line.

CHARLES PICKNEY, JR.