TENNESSEE WASTEWATER SYSTEMS, INC. A PUBLIC UTILITY CO.

July 12, 2006

Filed Electronically in Docket Office on 07/12/06 @ 4:20pm

Honorable Sara Kyle Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: Petition to amend Certificate of Convenience and Necessity

06-00184

Dear Chairman Kyle:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Montgomery County in Tennessee, known as East Montgomery Service Area. 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	CKET 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 Montgomery County known as East Montgomery. The proposed service area is comprised of the East Montgomery Utility District that is within Montgomery County. (see attached map – Exhibit "A") The Southridge service area, which Tennessee Wastewater currently is serving, lies within this proposed new area. As a matter of background information, the residents of Southridge subdivision have been burdened with high sewer bills as a result of numerous, substantial rate increases by the city of Clarksville for treatment of effluent received from the subdivision.

The city has not been willing to make any commitment to moderate the high bills or limit future increases. During the year 2005, the average sewer bill for Southridge homes was over \$70 per month. The best solution to the problem is for the Utility to build a treatment system and disconnect from the city of Clarksville's sewer treatment system.

A site for the treatment system was secured in 2004 and approval and permit for a facility at that site have been approved by TDEC (SOP-02014). This petition is seeking a larger service area that will encompass the new treatment site, the existing Southridge area, and additional service areas where developers have expressed interest in service. Contributions from developers who hook onto the new system will enable the system to be paid for more quickly and result in a lower bill sooner for the customers in Southridge subdivision.

The treatment system that is planned will serve all of the lots in Southridge subdivision (219), as well as other future subdivisions. Until the new system is constructed and we are able to disconnect from the city of Clarksville's sewer treatment system, the existing rate for Southridge must be maintained. Once the new service territory is defined and the commitments of other developers are known, the routes and costs for the force main collection systems will be established. We will then petition the Tennessee Regulatory Authority for approval to fund the construction of the facilities and set the rate at the appropriate amount to pay off the costs of construction. We are in receipt of a letter from the city of Clarksville stating that they have no plans to sewer areas

in the East Montgomery Utility District. East Montgomery Utility District has written us a letter stating that they do not provide wastewater service and support our efforts to better serve the people living in this area.

On November 8th of 2005 we sent a letter to Mr. Doug Weiland (attached) asking if the county wishes to provide service in this area. At present, the County does not provide sewer service, but we have been unable to get a response from Mr. Weiland. Based on interest from developers in the area and our known need to serve 219 homes in Southridge subdivision, we plan to build a facility that is large enough to serve other subdivisions as well. At a minimum, a force main system between the treatment facility and Southridge subdivision will be installed. The final capacity will be determined by need and the cost of construction will be based on collection lines run and treatment capacity constructed.

Respectfully Submitted,

Charles Pickney, Jr.

Tennessee Wastewater Systems, Inc.

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 12th day of July 2006 and delivered by hand.

CHARLES PICKNEY, JR.

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 1	6 \$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

ISSUED: JULY 7, 2006

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

System	Month	ly Charge
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 Fixed Film Treatment – Sheet 20	\$30.98 \$35.11
Eagle Springs Subdivision – Sevier County – 01-00	0445 – 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 + Franchise fee \$35.11 + 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 – G	02-00478 - Sheet 31	\$35.11
Goose Creek Area -Williamson County – 02-00172	2 – Lagoon - Sheet 32 Fixed Film Treatment – Sheet 33	\$51.33 \$55.46
Falling Waters – Sevier County – 02-00782 – Shee	t 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

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

ISSUED: JULY 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 +
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 Fixed Film Treatment – Sheet 44	\$30.98 \$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 Fixed Film Treatment - Sheet 48	\$30.98 \$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	

ISSUED: JULY 7, 2006

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 Fixed Film Treatment –Sheet 64	
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	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 – 3	\$30.98 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

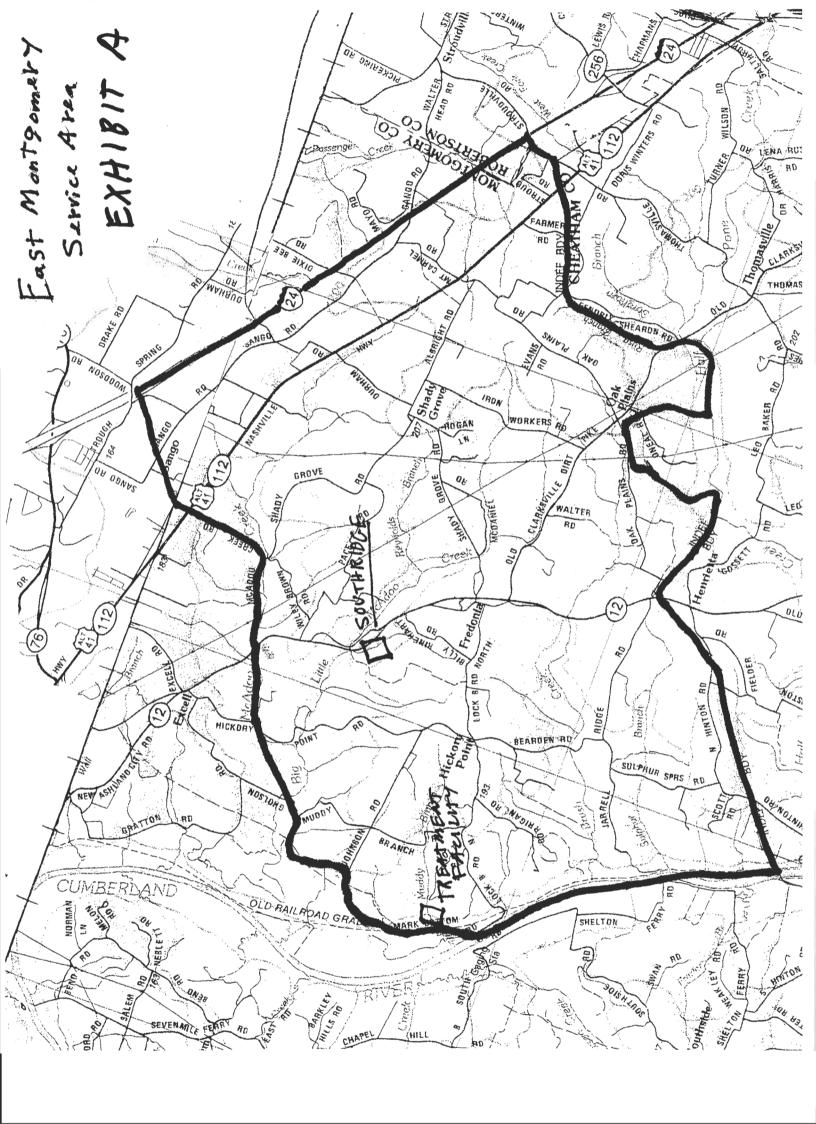
Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthl	y 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 (Pending)		\$35.11
East Montgomery – Montgomery County		\$23.94 + Actual Costs

Fees: Nonpayment – 5%, Disconnection - \$10,

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

ISSUED: JULY 7, 2006



EAST MONTGOMERY UTILITY DISTRICT

4211 HIGHWAY 12 NORTH ASHLAND CITY, TN 37015 Phone: 615-307-3255

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November 14, 2005

Mr. Charles Pickney TENNESSEE WASTEWATER SYSTEMS, INC. 7638 River Road Pike Nashville, Tennessee 37209

Dear Mr. Pickney:

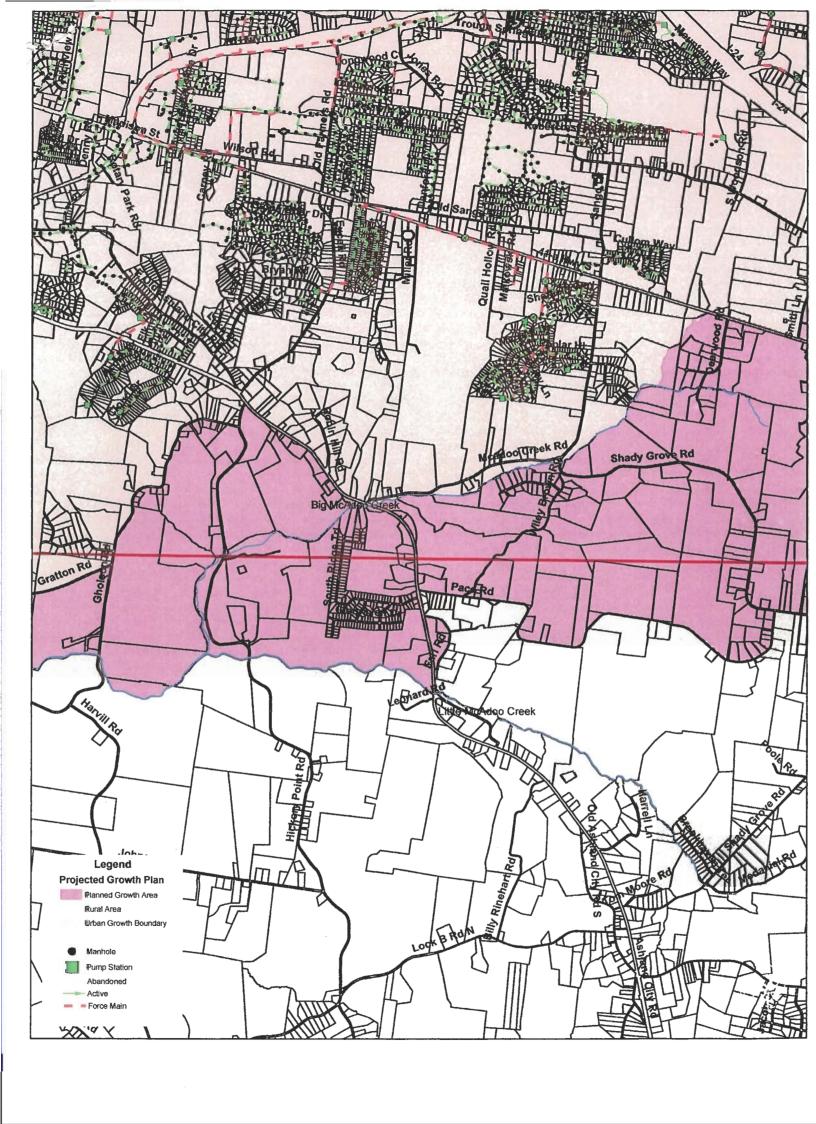
As you and your company are aware East Montgomery Utility District does not provide wastewater services in it's serviceable area and has no desire to do so at the present time. East Montgomery Utility District has recently become aware that Tennessee Wastewater, Inc. is attempting to get permission and regulatory approval for a wastewater lagoon system in the vicinity of South Ridge Subdivision. Currently, East Montgomery Utility District provides convenient one stop sign up services for area residents of that subdivision for water and the wastewater service; furthermore, we provide a usage report for these customers which ultimately determines their wastewater bills. It is the Utility's understanding that these services, provided by the City of Clarksville, Tennessee, are very costly, and that by implementation of this lagoon sewer system, a flat fee system, for wastewater services, will be implemented which should save both of our customer's money on their monthly bills; furthermore, this flat fee system will eliminate the demand for usage reports to determine the monthly wastewater bills for those customers at this time. In addition, it is our understanding that this system would be able to serve others in this part of East Montgomery County which will in turn provide better land use management for the area.

Obviously, this project would be a benefit to the area residents and customers in that if implemented lower wastewater bills, elimination of the necessity for usage reports, and better land use management will result. East Montgomery Utility District wishes you and your company the best of luck in this endeavor and will attempt to work with your goal as feasibly as possible.

Sincerely,

Bobby Gibbs President

BG:ddh



Gateway To The New South.

Clarksville TENNESSEE

December 8, 2005

Charles Pickney, Jr., P.E. Tennessee Wastewater 7638 River Road Pike Nashville, TN 37209 OFFICE OF THE CITY ENGINEER

Re: Sewer Service in the East Montgomery Utility District Area

This letter is in response to your correspondence dated December 6, 2005 regarding sewer service in the East Montgomery Utility District Area. Clarksville Gas & Water (CGW) does not plan to sewer areas in the East Montgomery Utility District at this time. Therefore, we have no objection to Tennessee Wastewater providing Sewer in their jurisdiction for the express purpose of removing the Southridge subdivision from our system.

Attached is a map showing the boundary between our jurisdictions. North of Big McAdoo Creek all sewer will be provided by CGW and you must acquire approval for any additional sewer within our jurisdiction through the City Engineer. It is our current policy to plan for sewer only in areas served by our water distribution system unless otherwise directed by the Public Utilities Committee.

It is our understanding that Tennessee Wastewater plans to construct a new force main along Lock B. Road North with termination at a new packaged treatment facility. A portion of the existing 6" force main along Highway 12 will be utilized for this system revision while the remaining portion of the force main will be abandoned in place. Please note that we are not authorizing any new connections to our existing facilities with this letter.

Please feel free to contact this office with any questions at 931 645-1654.

Sincerely,

Dwight Luton, General Manager

cc: Chris Hammer, City Engineer w/ enclosure

David J. Hoffman, Jr., Wastewater Division Manager w/ enclosure

Rodney Blake, EHS Manager w/ enclosure





7638 RIVER ROAD PIKE NASHVILLE, TN 37209 (615) 356-2880 FAX: (615) 356-7295

November 8, 2005

Mr. Douglas Weiland Montgomery County Mayor P.O. Box 368 Clarksville, TN 37041

RE: Sewer service in the East Montgomery Utility District Area

Dear Mr. Weiland:

Tennessee Wastewater Systems, Inc. is proposing to provide sewer service to the portion of East Montgomery Utility District that is in Montgomery County. As you may know, we have been providing service to the Southridge subdivision in that area since 1998.

In order for us to proceed with a request to the Tennessee Regulatory Authority to serve this area, we need to receive a response from you as to weather the county wishes to provide sewer service to this area or not.

We would appreciate a written response at your earliest convenience. If you have any questions, please call me at 615-356-2880.

Chu- S.C. Tr. Charles Pickney, Jr.

President

1 2		BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE
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4	IN D	
5 6	IN R))
7	PETI	ITION OF TENNESSEE WASTEWATER) Docket No
8	SYST	TEMS, INC. TO AMEND ITS
9		TIFICATE OF CONVENIENCE AND)
10	NEC	ESSITY)
11		
12 13		EAST MONTGOMERY
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	Q.	what is the business of Temiessee wastewater Systems, the. (the Company):
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	٨	April 4, 1994.
31	A.	April 4, 1994.
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	0	
37	Q.	Will Tennessee Wastewater Systems comply with all applicable Tennessee
38 39		Regulatory rules and regulations?
40	A.	Tennessee Wastewater Systems will comply with all applicable Tennessee
41	1 8.	Regulatory Authority rules and regulations.
42		regulatory runners, runes and regulations.
43	Q.	Does the Company have the management, technical and financial ability to
44		provide wastewater service in the area in Montgomery County sought in this
45		Petition?
46		

1 2	A.	Yes.
3 4	Q.	Is there a stated public need for wastewater service in this area?
5 6 7	A.	The public need for this service is a result of needing to lower the sewer bills for Southridge customers and serve additional customers in the area.
8	Q.	How many customers will be served in this area?
10 11 12	A.	Our company expects to serve approximately 219 customers in Southridge subdivision and expects to add to that number.
13	Q.	Does this conclude your pre-filed testimony?
14 15 16 17 18 19 20 21 22	Α.	Yes.
22 23 24 25 26 27 28 29 30 31 32 33	Charles Charles Preside	that the foregoing testimony is true and correct to the best of my knowledge. S Pickney, Jr. ent essee Wastewater Systems, Inc.
34 35 36 37 38 39 40 41 42 43 44 45	Notary State o County	ibed and sworn to me this 12th day of July, 2006. Public Arr M. Klerx f Tennessee of Davidsor mmission Expires My Commission Expires July 25, 2009