



BOULT ■ CUMMINGS[®]
CONNERS ■ BERRY PLC

Henry Walker
(615) 252-2363
Fax: (615) 252-6363
Email: hwalker@boultcummings.com

July 10, 2007

Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Pkwy
Nashville, TN 37243-0505

filed electronically in docket office on 07/10/07

Re: *Petition of Tennessee Wastewater Systems, Inc. to Amend its Certificate of Convenience and Necessity*
Docket No. 06-00259

Dear Chairman Roberson:

Tennessee Wastewater Systems, Inc. ("TWS") proposes to amend its existing commercial tariff by adding a new sub-category of commercial properties: overnight rentals. As shown on the attached tariff, the revised tariff includes the following changes.

- ❖ The minimum bill (for average daily usage up to 300 gallons per day) will be \$55.00.
- ❖ Usage charges above the minimum amount will be based on the customer's usage, rather than on the designed capacity of the system serving the customer.
- ❖ The paragraph on capital improvements is clarified to indicate that a customer may only be charged for capital improvements on that portion of the plant designed and dedicated to serve only that customer.

TWS also agrees that it will initially apply the minimum bill to all overnight rentals but will increase the bill based on usage as the usage is measured by TWS.

Finally, TWS agrees that in its next general rate case, scheduled to be filed no later than December 31, 2007, TWS will not propose to change the \$55.00 minimum bill for overnight rental properties nor will it propose to change the method of billing overnight rental properties based on usage, as opposed to designed capacity.

TWS has agreed with Starr Crest Resort, an intervenor in this case, that if this proposed settlement and tariff are approved by the Authority, Starr Crest will withdraw from these proceedings.

July 10, 2007

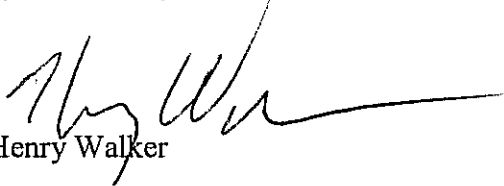
Page 2

Robert Wheeler, counsel for Starr Crest, has reviewed this letter and accompanying tariff and has authorized me to state that this letter and tariff accurately describe the settlement and that Starr Crest will withdraw upon approval of this agreement.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:


Henry Walker

HW/djc

Enclosure

cc: All parties

WASTEWATER UTILITY SERVICE

CHECK SHEET

Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

SECTION	SHEET	REVISION	SECTION	SHEET	REVISION
1	1	1 st Revised	5	3	3 rd Revised
1	2	4 th Revised*	6	1	1 st Revised
1	3	1 st Revised*	6	2	1 st Revised
1	4	Original	6	3	Original*
1	5	Original			
1	6	Original			
1	7	Original			
2	1	Original			
2	2	Original			
2	3	Original			
2	4	Original			
2	5	Original			
2	6	Original			
2	7	Original			
2	8	Original			
2	9	1 st Revised			
3	1	Original			
3	2	Original			
3	3	Original			
3	4	1 st Revised			
3	5	3 rd Revised			
4	1	2 nd Revised			
4	2	2 nd Revised			
5	1	Original			
5	2	Original			

Issued: July 10, 2007

Effective: August 1, 2007

Issued By: Charles Pickney, Jr.
President

WASTEWATER UTILITY SERVICE

TABLE OF CONTENTS

Section 1 – Title Page	1
Check Sheet	2
Table of Contents	3
Definitions	6
Section 2 – Rules and Regulations	1
Section 3 – Residential Sewer Service Territories	1
Section 4 – Residential Rates	1
Rate sheet explanation	2
Section 5 – Commercial Sewer Service Territories	1
Section 6 – Commercial Rate (without food)	1
Commercial Rate (with food)	2
Commercial Rate (overnight rental)	3 (T)

WASTEWATER UTILITY SERVICE

SECTION 6 – COMMERCIAL RATES SHEET**Overnight Rental Units**

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$55 per month will be charged for up to the first 300 gallons per day of average daily flow. For each additional 100 gallons per day of average daily flow, 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 average daily flows over 1,000 gallons per day, the following additional monthly charges per 1,000 gallons of average daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Fixed Film</u>	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer

Fees: Nonpayment – 5% Reconnection - \$15
 Disconnection - \$10 Returned Check - \$20
 All rates are subject to a \$0.41 bonding fee

Issued: July 10, 2007**Issued By: Charles Pickney, Jr.**
President**Effective: August 1, 2007**