

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Eddie Roberson, Director
Pat Miller, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

NOTICE OF HEARING

DOCKET: 06-00259

IN RE: Petition of Tennessee Wastewater Systems, Inc. to Reclassify Specific Resort Areas in Sevier County from Residential to Commercial

DATE: August 24, 2007

On July 9, 2007, the Tennessee Regulatory Authority ("Authority") held a public hearing on the *Petition of Tennessee Wastewater Systems, Inc. to Reclassify Specific Resort Areas in Sevier County from Residential to Commercial*. During the July 9th hearing on the reclassification issue, Starr Crest Resorts ("Starr Crest"), one of the intervening parties, and Tennessee Wastewater Systems, Inc. ("TWS"), the petitioner in this docket, proposed to the Authority a settlement agreement which was filed with a proposed tariff. At an Authority Conference held on August 20, 2007, the Authority approved the settlement agreement between TWS and Starr Crest. A public hearing is now scheduled for September 10, 2007 to determine whether the reclassification and rate set forth in that settlement agreement should be applied to all other overnight rentals receiving wastewater service from TWS.

Property that you own may be affected by certain decisions relative to this *Petition* that the Authority will make at the public hearing on September 10, 2007.

The new tariff creates a new sub-category of commercial rates, which would be called "commercial overnight rentals." "Overnight rentals" is defined by Tenn. Code Ann. § 67-4-702(a)(11) as:

rental of a vacation lodging to one (1) or more individuals for temporary human lodging not to exceed a period of one hundred eighty (180) consecutive days; provided, however, that a tenancy or lease to an individual who has no other place of residence or abode during the lease period to which such individual may return after the lease terminates is not "overnight rentals."

The tariff specifies that the rate for "commercial overnight rentals" will be a minimum of \$55.00 per month 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: Fixed Film – Drip Irrigation / \$140.00, Point Discharge / \$165.00; Lagoon – Drip Irrigation / \$116.00, Point Discharge / \$140.00. TWS has proposed that the new tariff be applied to all other similarly situated "commercial overnight rentals."

Any owner of property that may be reclassified as "commercial overnight rental" may file written comments with the Chairman of the Authority (at the above address / please refer to Docket No. 06-00259) and/or attend and make public, oral comments at the next **Authority Conference**, which is scheduled for **1:00 p.m.** (central daylight time) on **Monday, September 10, 2007**, at the **Authority's Hearing Room, 460 James Robertson Parkway, Nashville, Tennessee.**

Participants with disabilities who require special accommodations or alternate communications formats should contact the Tennessee Regulatory Authority ADA-EEO/AA Coordinator/Officer at 460 James Robertson Parkway, Nashville, Tennessee 37243-0505, 1-800-342-8359 or TDD 741-3930 so that reasonable accommodations can be made.

FOR THE TENNESSEE REGULATORY AUTHORITY:

A handwritten signature in black ink, appearing to read "G. Hotvedt", written over a horizontal line.

Gary Hotvedt, Deputy General Counsel
as Hearing Officer

Original filed in Docket No. 06-00259

c: Parties of Record
 Interested Parties