

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

August 31, 2007

IN RE:

PETITION OF TENNESSEE WASTEWATER
SYSTEMS, INC. TO RECLASSIFY SPECIFIC
RESORT AREAS IN SEVIER COUNTY FROM
RESIDENTIAL TO COMMERCIAL

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DOCKET NO.
06-00259

ORDER RESUSPENDING TARIFFS THROUGH SEPTEMBER 24, 2007

On October 10, 2006, Tennessee Wastewater Systems, Inc. ("TWS" or the "Company") filed the *Petition of Tennessee Wastewater Systems, Inc. to Amend Its Certificate of Convenience and Necessity to Correct the Rate Structure for Commercial Resort Properties* ("Petition") in which the Company seeks to reclassify certain properties from a residential to a commercial classification, which would effectively result in an increase in rates for those customers who are reclassified. Several tariffs were filed by TWS which support and contain revisions pertaining to the request in the *Petition*. Most recently these tariffs have been suspended through August 31, 2007, as a result of the continuance of the Hearing on the *Petition*.¹

On July 9, 2007, the Tennessee Regulatory Authority ("Authority") held a public hearing on the *Petition* during which TWS and Starr Crest Resort II and Ussery #1 ("Starr Crest"), one of the intervening parties in this docket, announced to the Authority a settlement agreement. The other intervenors, Lynn E. Hedrick, Smokey Cove Log Home Resort and HP Development, did not participate in the settlement agreement.

¹ See *Order Continuing Hearing, Suspending Tariffs, Directing Responses to Petitions to Intervene and Setting a Status Conference* (April 5, 2007) and *Order Re-Suspending Tariffs through August 31, 2007* (June 28, 2007).

The *Proposed Settlement Agreement and Tariff* was filed by TWS on July 10, 2007 and was approved on August 20, 2007 by a majority of the voting panel assigned to this docket. The tariff filed on July 10, 2007 became effective upon approval but is applicable only to Starr Crest. A public hearing is scheduled for September 10, 2007 to determine whether the reclassification and rate set forth in that tariff should be applied to all overnight rentals receiving wastewater service from TWS.

Because the Authority will conduct a public hearing on September 10, 2007 and will make a determination regarding the applicability of the tariffs filed in this docket, the Hearing Officer hereby re-suspends the effectiveness of all tariffs filed with or in support of the *Petition* in this docket through September 24, 2007.

IT IS THEREFORE ORDERED THAT:

The *Petition* and the effective dates of all tariffs, other than the tariff applicable to Starr Crest as referenced herein, are hereby re-suspended through **September 24, 2007**.


Gary Hotvedt, Hearing Officer