

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 5, 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 CONTINUING HEARING, SUSPENDING TARIFFS,
DIRECTING RESPONSES TO PETITIONS TO INTERVENE
AND SETTING A STATUS CONFERENCE**

This matter came before Chairman Sara Kyle, Director Eddie Roberson and Director Ron Jones of the Tennessee Regulatory Authority (“Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 26, 2007 for consideration of 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*”) filed by Tennessee Wastewater Systems, Inc. During that Conference, the panel voted unanimously to convene a contested case proceeding and appoint General Counsel or his designee as Hearing Officer for the purpose of preparing this matter for hearing, including handling preliminary matters and establishing a procedural schedule to completion.

BACKGROUND

On October 10, 2006, Tennessee Wastewater Systems, Inc. (“TWS” or the “Company”) filed its *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. The *Petition* states that certain commercial resort properties “were improperly classified as residential developments.”¹ On March 8, 2007, TWS filed several revised tariffs containing effective dates of May 1, 2007.

On March 28, 2007, the Hearing Officer issued a Notice of Hearing setting this matter for hearing before the panel during the Authority Conference scheduled for April 16, 2007. That Notice included a provision permitting any interested person to file a petition to intervene no later than April 9, 2007. On April 4, 2007, the TRA received a *Petition to Intervene* filed by Lynn E. Hedrick, Smokey Cove Log Home Resort and HP Development.

CONTINUANCE OF HEARING

Under TRA Rule 1220-1-2-.06, any party opposing a motion in a contested case must file and serve a response to the motion within seven days of service of the motion. A number of customers of TWS have timely requested intervention in this docket, alleging that the proposed reclassification would result in an increase in rates. Additionally, a number of customers have filed comments regarding the proposed tariff. TWS has seven days from the date of service to respond to any petitions to intervene. The filing of the petition to intervene and the time permitted for responses requires that the Hearing in this docket be continued to permit the parties adequate time to exercise their rights under the Tennessee statutes and TRA rules. For these reasons, the Hearing Officer determines that the Hearing in this docket should be continued from April 16, 2007 and rescheduled at a later date.

SUSPENSION OF TARIFFS

A number of the tariffs filed on March 8, 2007 in support of TWS’s *Petition* are marked with an effective date of May 1, 2007. Because the Hearing and determination of

¹ *Petition*, p. 1 (October 10, 2006).

TWS's proposed increase, change or alteration in tariffs cannot be completed by the proposed effective dates of the tariffs, the Hearing Officer hereby suspends the effectiveness of the tariffs until **July 1, 2007**.

STATUS CONFERENCE

Inasmuch as there has been a request for intervention in this matter, the Hearing Officer hereby sets a Status Conference for **Monday, April 30, 2007** to discuss preliminary matters. A separate Notice will issue setting forth specific matters for consideration during the Status Conference. The Status Conference will commence following the conclusion of the Authority Conference being held at 1:00 p.m. on that date.

IT IS THEREFORE ORDERED THAT:

1. The Hearing in this docket is hereby continued from April 16, 2007 and will be rescheduled at a later date.
2. The *Petition* and the effective dates of the tariffs filed by Tennessee Wastewater Systems, Inc. are hereby suspended through **July 1, 2007**.
3. Tennessee Wastewater Systems, Inc. shall serve a response within seven days after service of any petition to intervene filed in this docket.
4. A Status Conference in this docket will be held following the Authority Conference scheduled at **1:00 p.m. on Monday, April 30, 2007**.


Richard Collier, Hearing Officer