

TENNESSEE WASTEWATER SYSTEMS, INC.

A PUBLIC UTILITY CO.

March 2, 2007

filed electronically in docket office on 03/05/07

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

Docket No. 07-00055

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Kyle:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Jefferson County in Tennessee, known as Shady Cove. The attached Petition is in support of our request. The proposed updated tariff sheets accompanying this petition are for informational purposes only.

Sincerely,



Matt Pickney, Operations Manager
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**

_____, 2007

**IN RE: PETITION OF TENNESSEE WASTEWATER SYSTEMS,
 INC. TO AMEND ITS CERTIFICATE OF
 CONVENIENCE AND NECESSITY**

DOCKET No._____

Petition of Tennessee Wastewater Systems, Inc.
To amend its Certificate of Convenience and Necessity

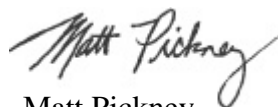
Tennessee Wastewater Systems, Inc. ("TWSI") petitions the Tennessee Regulatory Authority ("TRA") to amend TWSI's Certificate of Convenience and Necessity to expand its service area to include a portion of Jefferson County known as Shady Cove. The project is located off of Douglas Dam Road in Jefferson County. The property includes the area shown in orange on the enclosed tax map 82 (see attached "Exhibit A"). This parcel encompasses approximately 4.6 acres.

We are proposing to provide wastewater service to approximately 7 residential and commercial lots at Shady Cove. The wastewater system will be designed and constructed to serve 7 lots (approximately 1,750 gallons per day) and can be expanded if needed. The TDEC permit was issued on October 3, 2006 (SOP-06022). No contracts have been signed at this point. It is the intention of the parties that TWSI will own the collection, treatment, and dispersal system and will own a permanent easement on the property that the system occupies.

Also enclosed are letters from the Mayor of the Town of Dandridge, Shady Grove Utility District, and the Jefferson County Mayor stipulating that none of these entities will provide sewer service for this parcel. We have also enclosed a letter from the developer, L. Douglas Keene, Jr., requesting TWSI to be the public sewer utility provider for the project.

After approval, the construction of the system, which is comprised of watertight effluent collection, fixed film treatment, and subsurface drip dispersal, will take approximately 60 days to complete. The estimated value of the contribution in aid of construction is approximately \$75,000.00.

Respectfully Submitted,



Matt Pickney
Tennessee Wastewater Systems, Inc.

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:

PETITION OF TENNESSEE WASTEWATER) Docket No.
SYSTEMS, INC. TO AMEND ITS)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY)

SHADY COVE
PRE-FILED DIRECT TESTIMONY OF MATT PICKNEY

Q. State your name for the record and your position with the Petitioner, Tennessee Wastewater Systems, Inc.

A. Matt Pickney. I am the Operations Manager of Tennessee Wastewater Systems, Inc.

Q. What is the business of Tennessee Wastewater Systems, Inc. (the Company)?

A. Providing affordable wastewater service in communities where it is presently unavailable.

Q. When did the Company receive its first certificate from the Authority to operate a sewer system in Tennessee?

A. April 4, 1994.

Q. How many certificates has the Company received from the Authority to provide sewer service across the State of Tennessee?

A. Over 80.

Q. Will Tennessee Wastewater Systems comply with all applicable Tennessee Regulatory rules and regulations?

A. Tennessee Wastewater Systems will comply with all applicable Tennessee Regulatory Authority rules and regulations.

Q. Does the Company have the management, technical and financial ability to provide wastewater service in the area in Rhea County sought in this Petition?

1 A. Yes.

2

3 Q. Is there a stated public need for wastewater service in this area?

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5 A. The public need for this service is reflected in the letter from the developer, L.
6 Douglas Keene, Jr.

7

8 Q. How many customers will be served in this development?

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10 A. Our company expects to serve approximately 7 residential and commercial lots.

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12 Q. Does this conclude your pre-filed testimony?

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14 A. Yes.

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22 I swear that the foregoing testimony is true and correct to the best of my knowledge.

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35 Subscribed and sworn to me this 2nd day of March, 2007.

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Matt Pickney
Operations Manager
Tennessee Wastewater Systems, Inc.

Notary Public 

State of Tennessee

County of Davidson

My Commission Expires My Commission Expires July 25, 2009



CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above and foregoing Pre-Filed Direct Testimony of Matt Pickney has been served upon the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505 on this 2nd day of March 2007 and delivered by hand.


MATT PICKNEY



Jefferson County

Office of the Mayor

Alan Palmieri
County Mayor

P. O. Box 710 • Dandridge, Tennessee 37725

September 27, 2006

Mr. Michael Hines
Tennessee Wastewater Systems, Inc.
PO Box 22771
Knoxville, TN 37933

Dear Mr. Hines:

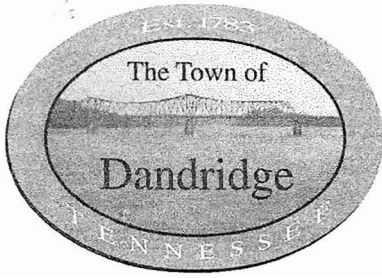
In response to your letter of September 25, 2006 Jefferson County does not have a sewer system it provides. For this reason I do not see how Jefferson County could provide such service in the area you indicated.

Should you require additional assistance please contact our Compliance and Zoning Officer Mr. Tim Seals at 865-397-4414.

Sincerely,

Alan Palmieri
Mayor

CC: Mr. Tim Seals



October 16, 2006

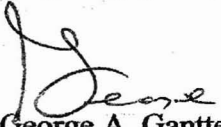
Michael Hines
Tennessee Wastewater Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

Re: Shady Cove Development

Dear Mr. Hines:

In response to your letter of September 25, 2005, the Town of Dandridge has no plans to provide sewer service to the development shown on Control Map 82 of Jefferson County, as shown on the attachment of the above mentioned letter, within the next twelve months.

Very truly yours,



George A. Gantte
Mayor

cc: Mike Norton



SHADY GROVE UTILITY DISTRICT

Of Jefferson & Sevier Counties, Tennessee

P.O. Box 830

DANDRIDGE, TN 37725-0830

September 27, 2006

Michael Hines, M.S., P.E.
Tennessee Wastewater Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

Dear Mr. Hines:

This is in response to your letter dated September 25, 2006, about providing sewer service to Shady Cove Subdivision in Jefferson County. Shady Grove Utility District is strictly a water distribution system. We do not provide any type of sewer service to our customers and have no plans to do so.

If you have additional questions, please let me know.

Sincerely,

Mike Jones, Manager
Shady Grove Utility District

MJ/bh

COMMISSIONERS

Nancy Humbarb
Kent Thomas
John Orr

MANAGER

Mike Jones



FINANCIAL CORPORATION

January 17, 2007

Mike Hines
c/o Tennessee Wastewater Systems
1920 Breezy Ridge Trail
Concord, TN 37922

re: Shady Cove Subdivision, Dandridge, TN

Dear Mr. Hines,

As the developer of the above referenced subdivision, please be advised that I desire Tennessee Wastewater Systems to operate the sewerage system for Shady Cove Subdivision. If you have any questions please feel free to give me a call at 567-0115.

Sincerely,

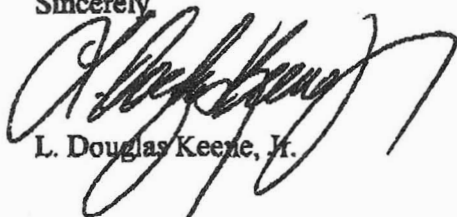

L. Douglas Keene, Jr.

Exhibit "A"

Shady Cove Subdivision



74	75	76
81	82	83
87	88	89

REVISIONS		
1 9-02	5 5-85	11 6/94
2 7-04	7 6-88	12 3/96
3 1-01	8 4-88	13 6-98
4 1-01	9 12-89	14 2/00
5 1-01	10 3-92	15 10-01

JEFFERSON CO., TENN.		MAP NO.
SCALE: 1" = 400'	DISTRICT: 1 & 2	82
DATE OF FILING: MAY, 1966		
DATE COMPILED: MARCH, 1967		

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	Original	5	3	1 st Revised
1	2	2 nd Revised	5	4	1 st Revised
1	3	Original	6	1	Original
1	4	Original	6	2	Original
1	5	Original			
1	6	Original			
1	7	Original			
2	1	Original			
2	2	Original			
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2	6	Original			
2	7	Original			
2	8	Original			
2	9	Original			
3	1	Original			
3	2	Original			
3	3	Original			
3	4	1 st Revised			
3	5	2 nd Revised			
4	1	1 st Revised			
4	2	1 st Revised			
5	1	Original			
5	2	Original			

Issued: March 1, 2007
Issued By: Charles Pickney, Jr.
President
Effective: _____

WASTEWATER UTILITY SERVICE

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket #</u>	<u>Rate Class</u>	
Providence Hills	Sevier	06-00198	RATE CLASS 1	
Sharondel Estates	Blount	06-00204	RATE CLASS 1	
Piney Bay	Rhea	06-00275	RATE CLASS 1	
Mountain Folks Community	Sevier	06-00276	RATE CLASS 1	
Villages At Norris Lake	Campbell	06-00277	RATE CLASS 1	
Blue Sky Bay	Rhea	07-00024	RATE CLASS 1	
Shady Cove (Pending)	Jefferson	07-_____	RATE CLASS 1	(N)

Issued: March 1, 2007**Issued By: Charles Pickney, Jr.
President****Effective: _____**

WASTEWATER UTILITY SERVICE

SECTION 4 – RESIDENTIAL RATES SHEET**RATE CLASS 1**Fixed Film Treatment, Drip Dispersal, Bonding Rate #1 _____ **\$35.55****RATE CLASS 2**Fixed Film Treatment, Drip Dispersal, Franchise Rate #1, Bonding Rate #2 _____ **\$36.61****RATE CLASS 3**Fixed Film Treatment, Drip Dispersal, Bonding Rate #3 _____ **\$46.55****RATE CLASS 4**Fixed Film Treatment, Drip Dispersal, Bonding Rate #4 _____ **\$55.46****RATE CLASS 5**Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #5 _____ **\$31.36****RATE CLASS 6**Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #6, Franchise Rate #2 _____ **\$32.31****RATE CLASS 7**Deep Cell Pond Treatment, Point Discharge Dispersal, Bonding Rate #7 _____ **\$31.54****RATE CLASS 8**Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #8 _____ **\$51.33****RATE CLASS 9**Standard base Collection, Pass-through treatment costs _____ **\$24.24 +**
Treatment Costs**RATE CLASS 10**DCP Treatment, Drip Dispersal, Loan Costs, Lease Costs, Bonding Rate #9 _____ **\$55.66**

Issued: March 1, 2007**Effective: April 1, 2007****Issued By: Charles Pickney, Jr.**
President

WASTEWATER UTILITY SERVICE**RESIDENTIAL RATE SHEET EXPLANATION**

FFR.D:	Standard base Recirculating Sand Filter/Fixed Film Reactor Treatment Rate	\$35.11
B1:	Standard bonding charge of 1.24% of the standard FFR.D Rate	\$0.44
B2:	Bonding charge of 1.24% of the FFR.D Rate with Franchise Fees	\$0.45
B3:	Milcrofton Service Territory Bonding charge of the standard FFR.D rate	\$11.44
B4:	Goose Creek Service Territory Bonding charge of the standard FFR.D rate	\$20.35
F1:	City of Coopertown Franchise Fee of the standard FFR.D rate	\$1.05

FFR.D.B1	=	\$35.55	=	RATE CLASS 1 (35.11 + .44)
FFR.D.B2.F1	=	\$36.61	=	RATE CLASS 2 (35.11 + .45 + 1.05)
FFR.D.B3	=	\$46.55	=	RATE CLASS 3 (35.11 + 11.44)
FFR.D.B4	=	\$55.46	=	RATE CLASS 4 (35.11 + 20.35)

DCP.D:	Standard base Deep Cell Facultative Pond Treatment/Drip Dispersal Rate	\$30.98
DCP.P:	Standard base Deep Cell Facultative Pond Treatment/Point Discharge Rate	\$31.15
LC:	Loan amortization costs for the Southridge treatment facility	\$21.33
LL:	Land Lease costs for the Southridge treatment facility	\$2.67
B5:	Standard bonding charge of 1.24% of the standard DCP.D Rate	\$0.38
B6:	Bonding charge of 1.24% of the DCP.D Rate with Franchise Fees	\$0.40
B7:	Standard bonding charge of 1.24% of the DCP.P Rate	\$0.39
B8:	Goose Creek Service Area Bonding charge of the standard DCP.D Rate	\$20.35
B9:	Bonding charge of 1.24% of the DCP.D.LC.LL Rate	\$0.68
F2:	City of Coopertown Franchise Fee of the standard DCP.D rate	\$0.93

DCP.D.B5	=	\$31.36	=	RATE CLASS 5 (30.98 + .38)
DCP.D.B6.F2	=	\$32.31	=	RATE CLASS 6 (30.98 + .40 + .93)
DCP.P.B7	=	\$31.54	=	RATE CLASS 7 (31.15 + .39)
DCP.D.B8	=	\$51.33	=	RATE CLASS 8 (30.98 + 20.35)
DCP.D.LC.LL.B9	=	\$55.66	=	RATE CLASS 10 (30.98 + 21.33 + 2.67 + .68)

SOU:	Standard base Collection Rate for Southridge Subdivision	\$24.24
TC:	Treatment costs passed through from the city of Clarksville	pass-through amount

SOU.TC	=	\$24.24 + treatment costs	=	RATE CLASS 9
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Fees: Non-Payment – 5% of total bill amount

Disconnection – \$10

Reconnection – \$15

Returned Check (NSF Fee) – \$20

Access Fee – \$84/yr (See Rules and Regulations for Explanation)

Issued: March 1, 2007

Effective: April 1, 2007

**Issued By: Charles Pickney, Jr.
President**

WASTEWATER UTILITY SERVICE

Blue Sky Bay

Rhea

07-00024

Shady Cove (Pending)

Jefferson

07-_____ (N)

Issued: March 1, 2007

Issued By: Charles Pickney, Jr.
President

Effective: _____

WASTEWATER UTILITY SERVICE

SECTION 6 – COMMERCIAL RATES SHEET**without food service**

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, 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 design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%	Reconnection - \$15	City of Coopertown
Disconnection - \$10	Returned Check - \$20	Franchise Fees: 3%

Issued: January 16, 2007

Effective: February 16, 2007

**Issued By: Charles Pickney, Jr.
President**

WASTEWATER UTILITY SERVICE**COMMERCIAL RATES SHEET****with food service**

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$170.00	\$192.00	N/A
<u>Lagoon</u>	\$142.00	\$163.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows.

For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10

Reconnection - \$15
Returned Check - \$20

City of Coopertown
Franchise Fees: 3%

Issued: January 16, 2007

Effective: February 16, 2007

**Issued By: Charles Pickney, Jr.
President**