TENNESSEE WASTEWATER SYSTEMS, INC.

AN ADENUS UTILITY

August 29, 2007

filed electronically in docket office on 08/29/07

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

Docket No. 07-00195

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Roberson:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Blount County in Tennessee, known as The Reserve on the Tennessee River. 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.

851 Aviation Parkway Smyrna, TN 37167 (615) 220-7202 Fax (615) 220-7209

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE: PETITION OF TENNESSEE WASTEWATER S INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY		
DO	CKET 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 Blount County known as The Reserve on the Tennessee River. The project is located off of Jones Bend Road in Blount County. The property includes parcel 6 and is outlined in yellow on the enclosed Tax Map 008 (see attached "Exhibit A"). This parcel encompasses approximately 78 acres.

We are proposing to provide wastewater service to approximately 35 residential, overnight rental, and commercial lots at the The Reserve on the Tennessee River. The wastewater system will be designed and constructed to serve 35 lots (approximately 11,000 gallons per day) and can be expanded if needed. The TDEC application for a permit was submitted and approved on March 30, 2007 (SOP-07-003). 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 City of Alcoa, the Chief Engineer of the Department of Public Works & Engineering, and the Blount County Mayor stipulating that none of these entities will provide sewer service for these parcels. We have also enclosed a letter from the developer, Bob Woerner of Real Estate Development Trust, LLC, 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 \$210,000.00.

Respectfully Submitted,

Matt Pickney

Tennessee Wastewater Systems, Inc.

1		BEFORE THE TENNESSEE REGUI	
2		NASHVILLE, TENN	IESSEE
3			
4	DIDE		`
5	IN RE	:)
6 7	DETI	TION OF TENNESSEE WASTEWATER) Docket No
8		EMS, INC. TO AMEND ITS) Docket No.
9		IFICATE OF CONVENIENCE AND)
10		SSITY)
11	1,202		,
12			
13		THE RESERVE ON THE TEN	NESSEE RIVER
14		PRE-FILED DIRECT TESTIMONY	Y OF MATT PICKNEY
15			
16			
17	Q.	State your name for the record and your pos	ition with the Petitioner, Tennessee
18		Wastewater Systems, Inc.	
19			
20	A.	Matt Pickney. I am the Operations Manage	r of Tennessee Wastewater Systems,
21		Inc.	
22	0	What is the business of Tonnessee Westerna	on Crystoms Inc. (the Commons)?
23 24	Q.	What is the business of Tennessee Wastewat	er Systems, Inc. (the Company)?
24 25	A.	Providing affordable wastewater service in c	ommunities where it is presently
26	A.	unavailable.	ommunities where it is presently
27		unavanable.	
28	Q.	When did the Company receive its first certi	ficate from the Authority to operate a
29	₹.	sewer system in Tennessee?	around record und remandered to operand u
30			
31	A.	April 4, 1994.	
32		•	
33	Q.	How many certificates has the Company rec	eived from the Authority to provide
34		sewer service across the State of Tennessee?	
35			
36	A.	Over 80.	
37		**************************************	
38	Q.	Will Tennessee Wastewater Systems comply	with all applicable Tennessee
39		Regulatory rules and regulations?	
40	٨	Tannassaa Wastawatar Systams will aamnly	with all applicable Tennesses
41 42	A.	Tennessee Wastewater Systems will comply Regulatory Authority rules and regulations.	with an applicable Tennessee
42		regulatory Authority rules and regulations.	
44	Q.	Does the Company have the management, te	chnical and financial ability to
45	۷٠	provide wastewater service in the area in Sev	•
46		The state of the s	the second season and total and tota

1	A.	Yes.
2 3 4	Q.	Is there a stated public need for wastewater service in this area?
5 6 7	A.	The public need for this service is reflected in the letter from the developer, Bob Woerner of Real Estate Development Trust, LLC.
8 9	Q.	How many customers will be served in this development?
10 11 12	A.	Our company expects to serve approximately 35 residential, overnight rental, and commercial lots.
13	Q.	Does this conclude your pre-filed testimony?
14 15 16 17 18 19 20 21	Α.	Yes.
22 23 24 25 26 27 28 29 30 31 32 33	Matt Pi	that the foregoing testimony is true and correct to the best of my knowledge. What Pulper Constant Co
34 35 36 37 38 39 40 41 42 43 44 45	Notary State of County	Tennessee STATE OF TENNESSEE

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 28th day of August 2007 and delivered by hand.

MATT PICKNEY

The Reserve on the Tennessee River Projected Subdivision Build-Out

Total # of customers

		Residential	Commercial
2008	-	1 customers	10 customers
2009	-	2 customers	20 customers
2010	-	3 customers	32 customers

The expected buildout when the subdivision is completed is 3 residential customers and 32 commercial customers.

Estimated System Costs and Revenues for Five Years

	2008	2009	<u>2010</u>	<u>2011</u>	<u>2012</u>
Costs	6,458	12,917	19,375	19,375	19,375
Revenues	7,020	14,040	21,060	21,060	21,060



STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION 401 CHURCH STREET L & C ANNEX 6TH FLOOR NASHVILLE TN 37243-1534 March 30, 2007

Mr. Michael Hines, M.S., P.E. Vice President Tennessee Wastewater Systems, Inc. 1920 Breezy Ridge Trail Concord, TN 37922

Re: State Operating Permit No. SOP-07003

Tennessee Wastewater Systems, Inc. - The Reserve on the Tennessee River

Alcoa, Blount County, Tennessee

Dear Mr. Hines:

In accordance with the provisions of the "Tennessee Water Quality Control Act" (Tennessee Code Annotated Sections 69-3-101 through 69-3-120) the enclosed State Operating Permit is hereby issued by the Division of Water Pollution Control. The continuance and/or reissuance of this Permit is contingent upon your meeting the conditions and requirements as stated therein.

Please be advised that you have the right to appeal any of the provisions established in this State Permit, in accordance with Tennessee Code Annotated, Section 69-3-110, and the General Regulations of the Tennessee Water Quality Control Board. If you elect to appeal, you should file a petition within thirty (30) days of the receipt of this permit.

If you have questions, please contact the Division of Water Pollution Control at your local Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Hari Akunuri at (615) 532-0650 or by E-mail at Hari Akunuri @state.tn.us.

Sincerely,

Edward M. Polk Jr., P.E. Manager, Permit Section

Edward M. Polk. In

Division of Water Pollution Control

SOP-07003 P/WAT/5S

Enclosure

S.q

cc: Division of Water Pollution Control, Permit Section

Division of Water Pollution Control, Knoxville Environmental Field Office

Mr. Ron L. Graham, Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243

2371-336-338 seniH stinA q36:S0 70 0S guA

TENNESSEEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER POLLUTION CONTROL

6th Floor, L & C Annex 401 Church Street Nashville, TN 37243-1534

Permit No. SOP-07003

PERMIT For the operation of Wastewater Treatment Facilities

In accordance with the provision of Tennessee Code Annotated section 69-3-108 and Regulations promulgated pursuant thereto:

PERMISSION IS HEREBY GRANTED TO

Tennessee Wastewater Systems, Inc. - The Reserve on the Tennessee River Blount County, Tennessee

FOR THE OPERATION OF

Septic tanks, effluent collection system, recirculating packed bed filter and 4.7 acre drip irrigation system located at latitude 35.867944 and longitude -84.007111 in Blount County, Tennessee to serve 164 homes in the The Reserve on the Tennessee River. The design capacity of the system is .041 MGD.

This permit is issued as a result of the application filed on December 18, 2006, in the office of the Tennessee Division of Water Pollution Control and in conformity with approved plans, specifications and other data submitted to the Department in support of the above application, all of which are filed with and considered as a part of this permit, together with the following named conditions and requirements.

This permit shall become effective on: May 1, 2007

This permit shall expire on: March 30, 2012

Issuance date: March 30, 2007

Paul E. Davis

Director

Division of Water Pollution Control

CN-0759

RDAs 2352 & 2366

PART I

A. GENERAL REQUIREMENTS

The treatment system shall be monitored by the permittee as specified below:

<u>Parameter</u>	Sample Type	Daily <u>Maximum</u> Sam	pling Point	Measurement Frequency
Flow	instantaneous	9/ g	*	1/month
BOD₅	grab	45 mg/l	*	1/quarter
Nitrate as N	grab	20 mg/l	*	1/quarter
Ammonia as N	grab	Report	*	1/quarter
E. Coli	grab	23 colonies/100 ml	* .	1/quarter

^{*} Effluent to the drip irrigation plots.

The permittee must disinfect the wastewater in order to meet the above E. Coli limit.

Sludge or any other material removed by any treatment works must be disposed of in a manner which prevents its entrance into or pollution of any surface or subsurface waters. Additionally, the disposal of such sludge or other material must be in compliance with the Tennessee Solid Waste Disposal Act, TCA 68-31-101 et seq. and Tennessee Hazardous Waste Management Act, TCA 68-46-101 et seq.

This permit allows the operation of a wastewater drip irrigation system. The operation should be such that there is no contamination of and no wastewater discharge to any surface or subsurface stream because of collected pools of water called "ponding", irrigation into karst features or because of improper irrigation. Any runoff due to improper operation must be reported in writing to the Division of Water Pollution Control, Knoxville Environmental Field Office within 5 days of the incident. In addition, the drip irrigation system must be operated in a manner preventing the creation of a public health hazard or a public/private nuisance.

B. MONITORING PROCEDURES

Representative Sampling

Samples and measurements taken in compliance with the monitoring requirements specified above shall be representative of the volume and nature of the monitored discharge, and shall be taken at the following location(s):

Effluent to drip irrigation plots.

The Reserve on The Tennessee River, LLC

9316 Emerald Woods Way Knoxville, TN 37922 865-357-0070 www.ReserveonTnRiver.com

August 8, 2007

Mr. Mike Hines Utility Capacity Corporation, Inc. 1920 Breezy Ridge Trail Concord, TN 37922

Dear Mr. Hines,

Please accept this letter as our official notice that we request that Tennessee Wastewater Systems, Inc. provides our project with public utility service.

Should you have any question about this letter, please don't hesitate to contact me.

Sincerely,

Bob Woerner, Managing Member

Real Estate Development Trust, LLC Chief Manager of

The Reserve on The Tennessee River, LLC



DEPARTMENT OF PUBLIC WORKS & ENGINEERING

Sanitation Service Water & Sewer Service Street Service Landfill Service Water Quality Service Engineering Service

"Quality Services for a Quality Community"

1050 SPRINGBROOK ROAD, ALCOA, TENNESSEE 37701

(865) 380-4800 FAX: (865) 380-4803

December 7, 2006

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

Dear Mr. Hines:

The property in question, Map 8 - Parcel 6, on Jones Bend Road for whish you are requesting service information, is located within the City of Alcoa's Urban Growth Boundary. The City currently does not have any plans to serve this area within the next twelve months.

This parcel does have potable water served by the City of Alcoa available along Jones Bend Road.

Sincerely,

Simon deVente, PE

Assistant Director/Chief Engineer

SD/ls

cc: Kenny Wiggins, Director of Engineering & Public Works (e-mail)

Mark Ross, Construction Services Supervisor (e-mail)



JERRY G. CUNNINGHAM Blount County Mayor

JERRY G. CUNNINGHAM

Blount County Mayor

341 Court Street, Maryville, TN 37804-5906 Phone: (865) 273-5700

Fax: (865) 273-5705



DAVID R. BENNETT, CPA, CGFM Assistant County Mayor

July 10, 2007

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

Dear Mr. Hines:

In response to your letter of November 16, 2006, Blount County has no plans to provide sewer service to the proposed The Reserve property (including parcel 6, Tax Map 8) within the next 12 months.

Sincerely,

Jerry G. Cunningham Blount County Mayor

ainc

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	4 th Revised*
1	2	6 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	4 th Revised*			
4	1	3 rd Revised			
4	2	2 nd Revised			
5	1	Original			
5	2	Original		-	_

Effective:

Issued By: Charles Pickney, Jr.

Issued: August 29, 2007

D :1 4

Service Territory Providence Hills	<u>County</u> Sevier	TRA Docket # 06-00198	Rate Class 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	Jefferson	07-00055	RATE CLASS 1	
Estates at Norton Creek	Sevier	07-00087	RATE CLASS 1	
The Reserve on the Tennessee River	Blount	07	RATE CLASS 1	(N)

Issued: August 29, 2007 **Effective:**

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

SECTION 4 – RESIDENTIAL RATES SHEET

DATE CLASS 1	<u>Total</u>	Escrow**
RATE CLASS 1 Fixed Film Treatment, Drip Dispersal, Bonding Rate #1	\$35.52	\$10.13
RATE CLASS 2 Fixed Film Treatment, Drip Dispersal, Franchise Rate #1, Bonding Rate #1	\$36.57	\$10.13
RATE CLASS 3 Fixed Film Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #3	\$46.63	\$10.13
RATE CLASS 4 Fixed Film Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #4	\$47.60	\$10.13
RATE CLASS 5 Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1	\$31.39	\$8.43
RATE CLASS 6 Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1, Franchise Rate #2	\$32.32	\$8.43
RATE CLASS 7 Deep Cell Pond Treatment, Point Discharge Dispersal, Bonding Rate #1	\$31.28	\$7.55
RATE CLASS 8 Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #4	\$43.47	\$8.43
RATE CLASS 9 Standard base Collection, Pass-through treatment costs	\$24.24 + Treatment C	\$6.35 Costs
RATE CLASS 10 DCP Treatment, Drip Dispersal, Loan Costs, Lease Costs, Bonding Rate #1	\$55.39*	\$8.43

Issued: July 13, 2007 Effective: August 14, 2007

Issued By: Charles Pickney, Jr.

^{*}Applies to Southridge once the new treatment facility is placed in service **Escrow amount is included in the Total

Service Territory Cross Plains	<u>County</u> Robertson	TRA Docket # 05-00293
Keene's Island	Jefferson	06-00021
Sugarloaf Ridge	Sevier	06-00022
Griffitts Mill	Blount	06-00076
Parrott's Bay	Jefferson	06-00077
Summit View	Sevier	06-00078
Settlers Ridge	Sevier	06-00081
Happy Creek	Sevier	06-00104
Providence Hills	Sevier	06-00198
Sharondel Estates	Blount	06-00204
Piney Bay	Rhea	06-00275
Mountain Folks Community	Sevier	06-00276
Villages At Norris Lake	Campbell	06-00277
Blue Sky Bay	Rhea	07-00024
Shady Cove	Jefferson	07-00055
Estates at Norton Creek	Sevier	07-00087
The Reserve on the Tennessee River	Blount	07 (N)

Issued: August 29, 2007 **Effective:**

Issued By: Charles Pickney, Jr.

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

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A
* Off Site	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%

All rates are subject to a \$0.41 bonding fee (R) (T)

Issued: June 29, 2007 Effective: August 1, 2007

Issued By: Charles Pickney, Jr.

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

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$170.00	\$192.00	N/A
<u>Lagoon</u>	\$142.00	\$163.00	N/A
* Off Site	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% Reconnection - \$15 City of Coopertown Disconnection - \$10 Returned Check - \$20 Franchise Fees: 3%

Issued: June 29, 2007 Effective: August 1, 2007

ssued By: Charles Pickney, Jr.

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

Treatment

	Drip Irrigation	Point Discharge	Off Site
Fixed Film	\$140.00	\$165.00	N/A
Lagoon	\$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

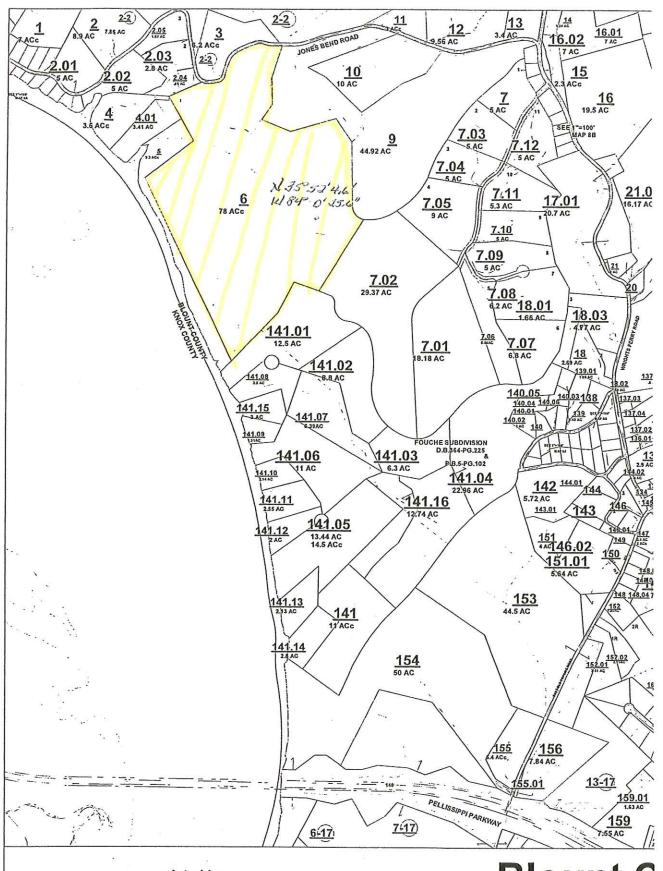
Fees: Nonpayment – 5% Reconnection - \$15 Disconnection - \$10 Returned Check - \$20

All rates are subject to a \$0.41 bonding fee

Issued: July 10, 2007 Effective: August 1, 2007

Issued By: Charles Pickney, Jr.

"EXHIBIT A"



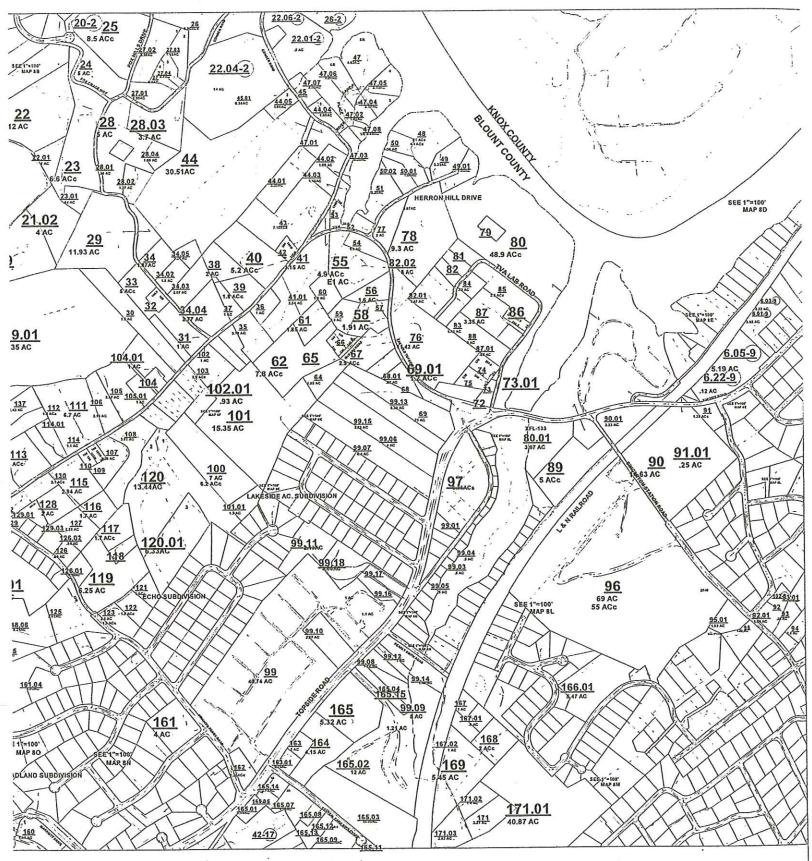
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Courthouse Retrieval System, Inc.



http://www.crsdata.net print date: 09/27/2005

Blount C



ounty, Tennessee

PROPERTY MAPS

SINAL MAP SCALE: 1" = 400'

001	002	003
007	800	009
016	017	018

MAP No. 008