

TENNESSEE WASTEWATER SYSTEMS, INC.

AN ADENUS UTILITY

October 11, 2007

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

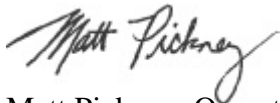
Docket No. 07-00235

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 Sevier County in Tennessee, known as Smokey Mountain Reflections RV Park. 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**

_____, 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

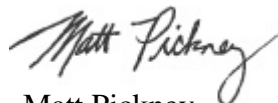
Tennessee Wastewater Systems, Inc. ("TWSI") petitions the Tennessee Regulatory Authority ("TRA") to amend TWSI's Certificate of Convenience and Necessity to expand its service area to include a portion of Sevier County known as Smokey Mountain Reflections RV Park. The project is located off of Old Birds Creek Road in Sevier County. The property includes parcels 81.26, 81.27, and 81.32 and is outlined in yellow on the enclosed Tax Map 96 (see attached "Exhibit A"). This parcel encompasses approximately 12.5 acres.

We are proposing to provide wastewater service to approximately 66 residential, overnight rental, and commercial slots, a commercial clubhouse, and a commercial office at Smokey Mountain Reflections RV Park. The wastewater system will be designed and constructed to serve approximately 66 slots and two lots (approximately 9,000 gallons per day) and can be expanded if needed. The TDEC application for a permit was submitted August 2, 2007 and has been placed on Public Notice as State Operating Permit SOP 07-063. 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 Gatlinburg City manager and the Sevier County Mayor stipulating that neither of these entities will provide sewer service for these parcels. We have also enclosed a letter from the developer, Matthew Naas of Horsin' Around, 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 \$160,000.00.

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)

**SMOKEY MOUNTAIN REFLECTIONS RV PARK
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 Sevier County sought in this Petition?

1 A. Yes.

2
3 Q. Is there a stated public need for wastewater service in this area?

4
5 A. The public need for this service is reflected in the letter from the developer,
6 Matthew Naas of Horsin' Around, LLC.

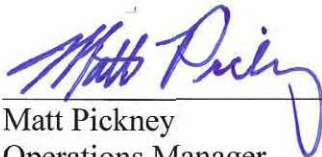
7
8 Q. How many customers will be served in this development?

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10 A. Our company expects to serve approximately 66 residential, overnight rental, and
11 commercial lots.

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

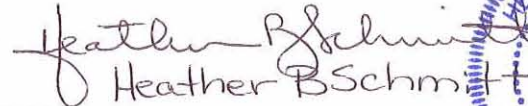
14
15 A. Yes.

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23 I swear that the foregoing testimony is true and correct to the best of my knowledge.
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30 Matt Pickney
31 Operations Manager
32 Tennessee Wastewater Systems, Inc.

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36 Subscribed and sworn to me this 11th day of October, 2007

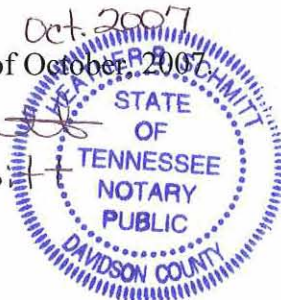
37
38 Notary Public 

39
40 State of Tennessee

41
42 County of Davidson

43
44 My Commission Expires

MY COMMISSION EXPIRES:
May 23, 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 11th day of October 2007 and delivered by hand.


MATT PICKNEY

Smokey Mountain Reflections RV Park

Projected Subdivision Build-Out

<u>Total # of customers</u>			
		Residential	Overnight Rental
2008	-	1 customers	10 customers
2009	-	2 customers	20 customers
2010	-	3 customers	32 customers
2011	-	5 customers	44 customers
2012	-	7 customers	59 customers

The expected buildout when the subdivision is completed is 7 residential customers and 59 overnight rental customers.

Estimated System Costs and Revenues for Five Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Costs	6,505.76	1,311.52	20,740.08	28,860.44	38,814.98
Revenues	7,071.48	14,142.96	22,543.56	31,370.04	42,190.20



OFFICE OF CITY MANAGER

August 10, 2007

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

Re: City Sewer Availability Response

Dear Mr. Hines:

Please accept this correspondence in response to your letter dated August 6, 2007 requesting information regarding possible City sewer service to the following Sevier County properties:

Smoky Mountain Reflections RV Park Tax Map 96, Parcels 81.26, 81.27 and 81.32

The City of Gatlinburg will not be providing sewer service to the above property in the next twelve months. Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in cursive script that reads "Cindy C. Ogle".

Cindy Cameron Ogle
City Manager

CCO/am

cc: Ron Greene, Assistant City Manager/Public Services Director
Dale Phelps, Utilities Manager

HORSIN' AROUND, LLC


P.O. BOX 6820 • SEVIERVILLE, TN 37876 • OFFICE: (865) 774-0671 • FAX: (865) 774-8398

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

To Whom It May Concern:

As the chief member for Horsin' Around, LLC in Sevier County, Tennessee, I request that Tennessee Wastewater Systems, Inc. be the sewer service provider for the project titled "Smokey Mountain Reflections RV Park", also in Sevier County, Tennessee.

Sincerely,



Matthew Naas
Member
Horsin' Around, LLC
Phone: (865) 654-3118
Email: cabininvestment@hotmail.com

Telephone 865.453.6136
Fax 865.453.6830
E-mail: lwaters@seviercountyttn.org



125 Court Avenue
Suite 201E
Sevierville, TN 37862

Larry Waters *County Mayor*

August 9, 2007

Michael Hines
Tennessee Wastewater Systems, Inc.
P.O. Box 227771
Knoxville, TN 37933-0771

Dear Mr. Hines:

In response to your letter of August 6, 2007, Sevier County has no plans to provide sewer to the proposed Smokey Mountain Reflections RV Park site, which includes Parcels 81.27,, 81.27, and 81.32, Tax Map 96. Sevier County has no plans to provide sewer to this area within the next 12 months. .

Sincerely,

A handwritten signature in black ink that reads "Larry Waters". The signature is written in a cursive, slightly slanted style.

Larry Waters
Sevier County Mayor



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
401 CHURCH STREET
L & C ANNEX 6TH FLOOR
NASHVILLE TN 37243-1534

August 22, 2007

Mr. Michael Hines, M.S., P.E.
Vice President
Tennessee Wastewater Systems, Inc. - Smokey Mountain Reflections R.V. Park
1920 Breezy Ridge Trail
Concord, TN 37922

Subject: Notice of Complete Application and Public Notice Requirements
Permit Tracking No. SOP-07063
Tennessee Wastewater Systems, Inc. - Smokey Mountain Reflections R.V. Park
, Sevier County, Tennessee

Dear Mr. Hines:

The Division of Water Pollution Control (the division) acknowledges the receipt of a permit application in our office on August 15, 2007. Our review of the individual SOP permit application showed that you have submitted all the information required to initiate processing of the application. You are advised that this notice of complete application does not imply that the application will be approved or that a permit will be issued. Also, in accordance with rules of the Tennessee Department of Environment and Conservation, Division of Water Pollution Control, Chapter 1200-4-5-.05 (2):

"This provision does not preclude the commissioner from later requesting additional material that subsequent to the notice of completeness is determined to be necessary for permit processing."

If this is an application to renew an existing permit and your complete application was mailed to our office 180 days prior to the current permit expiration date, and the permit is not reissued by this date, discharges from the facility will be automatically authorized through administrative extension of the current permit.

If this is an application for a new or expanded discharge, please find attached a template of a public notice you must complete and post for a period of 30 days. This is required in accordance with Chapter 1200-4-5-.06 (1), which states:

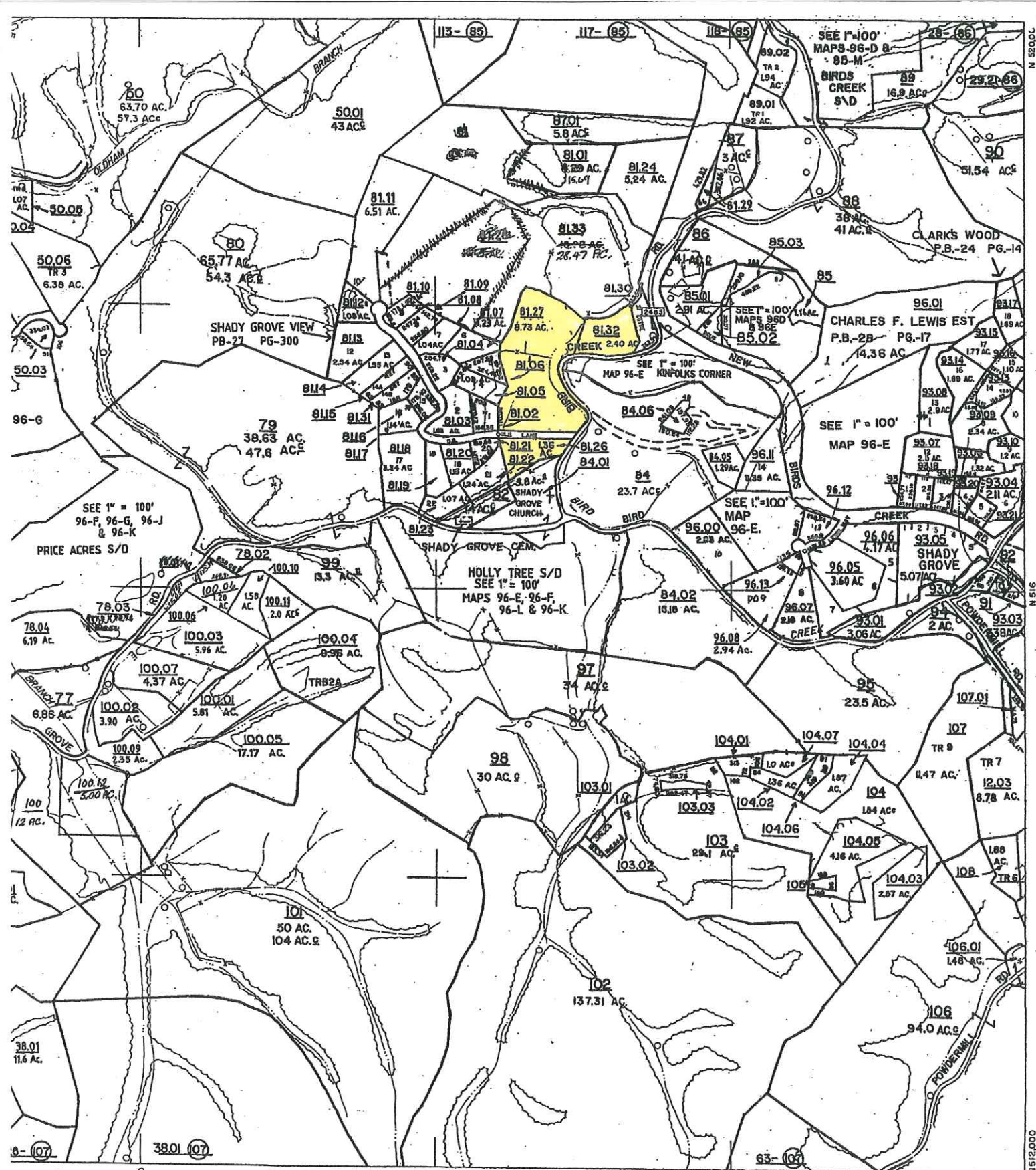
"For an individual application for a new or expanded discharge, the applicant shall notify the public of the application by posting a sign near the point of entrance to such facility and within view of a public road. The sign shall contain provisions as specified by the commissioner. The sign shall be of such size that is legible from the public road. Also the sign shall be maintained for at least thirty days following submittal of the application to the division."

If you have questions, please contact the division at your local 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.

Edward M. Polk, Jr., P.E.
Manager, Permit Section
Division of Water Pollution Control



84	85	86
95	96	97
106	107	108

- REVISIONS -		
1 9-18-78	8 07-14-83	11
2 06-30-79	7 07-20-84	12
3 07-15-80	6 6-86	13
4 06-30-81	9 4-88	14
5 08-02-82	10	15

SEVIER CO., TENN.		MAP No
SCALE: 1" = 400'	DISTRICT: 13	96
DATE OF FLYING: 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	1 st Revised	5	3	5 th Revised*
1	2	8 th Revised*	6	1	2 nd Revised
1	3	1 st Revised	6	2	2 nd 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	6 th Revised*			
4	1	4 th Revised			
4	2	3 rd Revised			
5	1	Original			
5	2	Original			

Issued: October 5, 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	Jefferson	07-00055	RATE CLASS 1
Estates at Norton Creek	Sevier	07-00087	RATE CLASS 1
The Reserve on the Tennessee River (Pending)	Blount	07-00195	RATE CLASS 1
Serenity Point (Pending)	Franklin	07-00233	RATE CLASS 1
Smokey Mountain Reflections RV Park	Sevier	07-002__	RATE CLASS 1 (N)

Issued: October 11, 2007**Issued By: Charles Pickney, Jr.
President****Effective:**

WASTEWATER UTILITY SERVICE**SECTION 4 – RESIDENTIAL RATES SHEET**

	<u>Total</u>	<u>Escrow**</u>
<u>RATE CLASS 1</u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #1_____	\$35.49	\$10.13
<u>RATE CLASS 2</u>		
Fixed Film Treatment, Drip Dispersal, Franchise Rate #1, Bonding Rate #1_____	\$36.53	\$10.13
<u>RATE CLASS 3</u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #3_____	\$42.30	\$10.13
<u>RATE CLASS 4</u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #4_____	\$84.24	\$10.13
<u>RATE CLASS 5</u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1_____	\$31.36	\$8.43
<u>RATE CLASS 6</u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1, Franchise Rate #2_____	\$32.29	\$8.43
<u>RATE CLASS 7</u>		
Deep Cell Pond Treatment, Point Discharge Dispersal, Bonding Rate #1_____	\$31.25	\$7.55
<u>RATE CLASS 8</u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1, Bonding Rate #4 _____	\$80.11	\$8.43
<u>RATE CLASS 9</u>		
Standard base Collection, Pass-through treatment costs_____	\$24.32	\$6.35
	+ Treatment Costs	
<u>RATE CLASS 10</u>		
DCP Treatment, Drip Dispersal, Loan Costs, Lease Costs, Bonding Rate #1_____	\$55.36*	\$8.43

*Applies to Southridge once the new treatment facility is placed in service

**Escrow amount is included in the Total

Issued: September 25, 2007**Effective: October 1, 2007****Issued By: Charles Pickney, Jr.
President**

WASTEWATER UTILITY SERVICE

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket #</u>
Cross Plains	Robertson	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 (Pending)	07-00195
Smokey Mountain Reflections RV Park	Sevier	07-002__ (N)

Issued: October 11, 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%
All rates are subject to a \$0.38 bonding fee		(R) (T)

Issued: September 25, 2007

Effective: October 1, 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%

Reconnection - \$15

City of Coopertown

Disconnection - \$10

Returned Check - \$20

Franchise Fees: 3%

All rates are subject to a \$0.38 bonding fee

(R) (T)

Issued: September 25, 2007

Effective: October 1, 2007

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

WASTEWATER UTILITY SERVICE

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.

<u>Treatment</u>	<u>Disposal</u>		
	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Fixed Film</u>	<u>Point Discharge</u>	<u>Off Site</u>
	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A

Each customer will be billed the minimum monthly charge unless TWS determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, TWS will measure the customer's actual usage at least once every ninety days using one of the methods described above. In any month in which TWS does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days TWS will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

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. For purposes of this section, TWS must measure actual usage for three consecutive months using one of the methods described above.

If TWS determines that a customer's usage meets the criteria described above, TWS will notify the customer in writing of any proposed construction work, the reasons for the work, and the estimated cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37253. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

Fees: Nonpayment – 5% Reconnection - \$15
 Disconnection - \$10 Returned Check - \$20
 All rates are subject to a \$0.38 bonding fee

Issued: October 1, 2007

Effective: October 1, 2007

Issued By: Charles Pickney, Jr.
President