



851 Aviation Parkway
Smyrna, TN 37167

2009.03.17 11:06

T.R.A. 08-00202

March 11, 2009

Mrs. Darlene Standley, Chief
Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Response to letter from Highland Cove Condominium HOA (Docket 08-00202)

Dear Mrs. Standley:

Tennessee Wastewater Systems, Inc. would like to respond to the letter sent to you by the Highland Cove Condominium HOA on March 3, 2009.

It is understandable that the condominium HOA would be concerned about a proposed large increase in sewer rates. Tennessee Wastewater has not requested a rate increase since 1999. Currently, the utility is losing money and its income and expenses are being reviewed by the Tennessee Regulatory Authority and the Consumer Advocate's Office to determine what amount of increase is justified.

Our company has provided reliable sewer service to the homes in Highland Cove every day since sewer service was established in August of 2004. Even though there have been numerous maintenance events to occur, no home was ever without sewer service.

While tank pumping was mentioned in the letter, that is only one small part of the maintenance and operation of the wastewater system. Each year maintenance personnel do an inspection on each tank and the system components in the tank such as the effluent filters to evaluate their condition. Components are cleaned or replaced when necessary. A gauge is used to measure the sludge level in the tanks. When the sludge level reaches a certain height, the tank is scheduled for pumping.

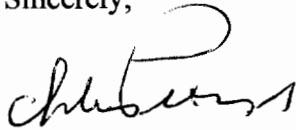
The utility is operating the wastewater system twenty four hours per day, three hundred and sixty five days per year. Each day, electricity is being consumed, and electrical and mechanical components such as switches, valves and pumps are wearing. Intermittent loading on the system resulting from seasonal heavy weekend and holiday overload conditions and other periods of low flow are harder on many of the system components than steady flow. The majority of system maintenance and operating costs have no correlation to water usage.

While it is impractical to cover the entire history of the Highland Cove wastewater system in this letter, in the last 18 months alone two discharge pumps have been replaced, the treatment area storm water drain system was upgraded, the Arkal Filter was repaired, and the remote telemetry unit was replaced. Our maintenance team takes pride in the fact that none of this work disrupted the sewer service of any customer.

We have ongoing maintenance and operation work such as vegetation control on and around the Sand – Gravel treatment system and testing and reporting of the effluent quality leaving the treatment plant in compliance with the permit issued by the State of Tennessee Department of Environment and Conservation and continuous monitoring of the system through the remote telemetry equipment.

In order for us to remain in business we must be able to take in enough revenue to cover the cost of the service we provide. We are doing our best to provide the reliable service that the Highland Cove homeowners have become accustomed to in the most cost effective way that we can.

Sincerely,



Charles Pickney, Jr.
Vice-President

CC:

Highland Cove Condominium
Home Owners Association
P.O. Box 747
Smithville, TN 37166