

October 13, 2009

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VIA E-MAIL AND OVERNIGHT DELIVERY

Sharla Dillon, Docket & Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

filed electronically in docket office on 10/13/09

RE: **Petition of Tennessee Water Service, Inc.
to Change and Increase Certain Rates and Charges
TRA Docket No. 09-00017**

Dear Ms. Dillon:

Pursuant to the Order Approving Settlement Agreement issued September 15, 2009 in the above-referenced docket, enclosed are the original and four (4) copies each of the tariff for Tennessee Water Service, Inc., ("TWS") and the Rules, Regulations and Conditions of Service, both effective November 3, 2009, along with a copy of the Public Notice filed pursuant to TRA Rule 1220-4-1-05. Copies of this entire submission in *pdf* format were also submitted to you by e-mail concurrent with the date of this letter.

Also included for filing is a CD containing TWS' report on Tennessee deposit refunds in electronically searchable format as required by paragraph 15(b) of the Settlement Terms set forth in the *Proposed Settlement Agreement Between TWS and the Consumer Advocate and Protection Division* on August 17, 2009. **Please file and maintain this report under seal, as it contains customers' personally identifiable information.**

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,



Christopher J. Ayers
Attorney for Tennessee Water Service, Inc.

/mkl

Enclosures

cc: Office of Attorney General, Consumer Advocate and Protection Division (*via U.S. Mail*)
J. Keith Coates, Jr., Esq. (*via e-mail*)

TENNESSEE WATER SERVICE

FIFTH SHEET NO. 1

CANCELLING FOURTH SHEET NO. 1

Applies to Chalet Village North

WATER SERVICE

METERED SERVICE

Base Facility Charge per month \$18.70
0 – 1000 gallons usage per month

All usage over 1000 Gallons per month \$13.30 per 1000 gallons

MINIMUM CHARGE: \$18.70 per month

DELAYED PAYMENT CHARGE:

An additional charge amounting to ten per cent (10%) of net bill will be added to all water bills under the foregoing schedule, if not paid within twenty-one (21) days of the billing date.

NEW ACCOUNT CHARGE:

Each new account shall pay a one-time service fee of \$20 at the time application for service is filed with the Company.

RECONNECTION CHARGE:

If water service cut off by utility for good cause: \$35.00
If water service discontinued at customer's request: \$35.00

(Customers who ask to be reconnected within 9 months of disconnection will be charged the base facility charge for the service period they were disconnected.)

FREQUENCY OF BILLING:

Bills will be rendered monthly in arrears.

NSF CHECK CHARGE:

A charge of \$10 will be applied to customers whose check is returned by the bank due to non-sufficient funds (one charge per check each time it is returned).

October 4, 2009
Issued ~~August 24, 2009~~

November 3, 2009
Effective: ~~September 23, 2009~~

Issued by  CEO
Issuing Officer Title

2335 Sanders Road, Northbrook, Illinois 60062
Address of Officer

Applies to Chalet Village North**RULES, REGULATIONS AND CONDITIONS OF SERVICE****Section XV. CLEAR NOTICE OF RETURNED CHECK FEES**

48. The Company shall provide a clear and conspicuous notice of any returned check fee charge and other charges and fees, including the amount of the charge, on its monthly billings to customers.

Section XVI. ABILITY TO WAIVE FEES

49. The Company shall implement and establish a process to permit waiving all fees associated with late payment including, but not limited to, disconnection, reconnection, and late fees, in special circumstances such as financial distress or for disabled customers, family members of customers or customers with a unique situation.

Section XVII. PROMPT RECONNECTION

50. The Company shall provide prompt and timely reconnection service for all customers within no more than two (2) days of receiving the first installment payment from the past due customer.

Section XVIII. ALTERNATE ADDRESS NOTIFICATION

51. The Company shall establish and implement a process to permit and notify customers of the opportunity to provide an alternate address for notification of a potential disconnection. If a customer has provided such an alternate address, the Company shall be required to provide the required notice of disconnection to that address in addition to the customer's primary billing address.

Issued October 4, 2009
~~August 24, 2009~~

Effective: November 3, 2009
~~September 23, 2009~~

Issued by  CEO
Issuing Officer Title

2335 Sanders Road, Northbrook, Illinois 60062
Address of Officer

STATE OF TENNESSEE
COUNTY OF SEVIER

SS:

Joi Whaley, being duly sworn, says that she is the Advertising
Director of:

THE MOUNTAIN PRESS
&
GOOD NEWS IN THE SMOKIES

newspapers printed and published in Sevier County and that
the Notice, of which the annexed is a printed copy, has been
regularly published

1 times as follows: 10-4
_____, 20 09

Sworn to before me this 5 day of Oct, 2009

J. Manning

MY COMMISSION EXPIRES:
June 26, 2012



PUBLIC NOTICE

On September 18, 2009, in Docket No. 09-00017 the Tennessee Regulatory Authority (TRA) approved an increase in the water rates for Tennessee Water Service, Inc for its Chalet Village public water utility system.

The new rates will become effective 30 days from the date of this posting and will be phased in with three phases over the next 12 months.

	Base Facilities Charge	Usage Charge per 1,000 gals
Current (bi-monthly)	\$28.04 (includes first 2,000 gallons)	\$6.61
New Phase I rate (mos. 1-6)	\$16.36 (includes first 1,000 gallons)	\$10.37
New Phase II rate (mos. 7-12)	\$17.53 (includes first 1,000 gallons)	\$11.84
New Phase III rate (mos. 13+)	\$18.70 (includes first 1,000 gallons)	\$13.30

Based on average monthly usage of 4,047 gallons, the monthly bill under each phase will be:

	Bill Amount	Percentage Increase
Current	\$34.16	N/A
Phase I (mos. 1-6)	\$47.95	40.37%
Phase II (mos. 7-12)	\$53.59	11.76%
Phase III (mo. 13 and forward)	\$59.24	10.54%

In addition, the facilities charge of \$468.75 has been eliminated and customers will now be billed on a monthly basis rather than every two months. A complete copy of the tariff changes and the reasons for them are on file with the Tennessee Regulatory Authority at <http://www.tn.gov/tra> and are open to public inspection. You may also contact the company at 1-800-525-7990 if you have questions.

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

IN RE:

**PETITION OF TENNESSEE WATER SERVICE, INC.
FOR APPROVAL TO AMEND ITS RATES AND CHARGES**

DOCKET NO. 09-00017

CONFIDENTIAL

**TENNESSEE WATER SERVICE, INC.
REPORT ON DEPOSIT REFUNDS**

Filed October 13, 2009