

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:

**PETITION OF TENNESSEE
WASTEWATER SYSTEMS, INC. TO
POST ALTERNATIVE FINANCIAL
SECURITY**

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DOCKET NO. 10-00086

**PETITION OF TENNESSEE WASTEWATER SYSTEMS
TO POST ALTERNATIVE FINANCIAL SECURITY**

Tennessee Wastewater Systems (“TWS”) petitions the Authority, pursuant to Rule 1220-4-13-.07(5), to allow TWS to post financial security from an institution other than a commercial bonding or insurance company. TWS further petitions the Authority to consider, in determining the amount which TWS must post, both the revenue which TWS receives from operations in Williamson County and the amount held by TWS in its reserve/escrow account.

River Road “LP”, is a Tennessee limited partnership located at 7638 River Road, Nashville, Tennessee 37209. The partnership owns a large amount of land and three rental properties in Tennessee. As shown by the attached, confidential financial information, the partnership has adequate resources to issue a bond or letter of credit to the Authority in the amount requested by TWS.

According to the most recent UD20 Authority Form filed by TWS, the utility’s reported annual revenue is \$1,342,161. From that amount TWS asks that it be allowed to deduct the revenue earned from operations in Williamson County or \$156,520. The utility’s operations in that county are covered by a separate bond requirement. TWS further asks that the financial

security amount required under Rule 1220-4-13-.07(2)(a) be also reduced, as provided in subsection (2)(c), by \$256,131, the amount held by TWS in the reserve/escrow account which the company maintains pursuant to Rule 1220-4-13-.07(g).

Therefore, taking into account both the revenue received from Williamson County operations and the amount in the reserve/escrow account, TWS asks that the Authority accept as sufficient financial security for TWS a bond or letter of credit from River Road "LP" in the amount of \$929,510 and find further that the issuance of such financial security is in the public interest because it will protect the customers of TWS while greatly reducing the costs to those customers of obtaining that security.

Respectfully submitted,

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**CONFIDENTIAL FINANCIALS TO BE FILED
UNDER SEAL WITH THE AUTHORITY**