

11-00155

**TENNESSEE WASTEWATER SYSTEMS, INC.**  
AN ADENUS UTILITY

September 6, 2011

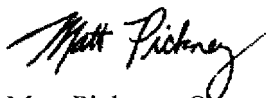
Honorable Eddie Roberson  
Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

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 Montgomery County in Tennessee, known as The Bluff at Bradbury Farms. 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) 220-7207**

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**  
**NASHVILLE, TENNESSEE**  
\_\_\_\_\_, 2011

**IN RE:      PETITION OF TENNESSEE WASTEWATER SYSTEMS,  
              INC. TO AMEND ITS CERTIFICATE OF  
              CONVENIENCE AND NECESSITY**

**DOCKET No. \_\_\_\_\_**

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Petition of Tennessee Wastewater Systems, Inc.  
To amend its Certificate of Convenience and Necessity

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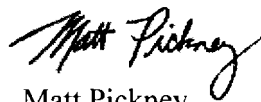
Tennessee Wastewater Systems, Inc. ("TWSI") petitions the Tennessee Regulatory Authority ("TRA") to amend TWSI's Certificate of Convenience and Necessity to expand its service area to include a portion of Montgomery County known as the Bluff at Bradbury Farms. The project is located near Winsome Lane in Montgomery County. The property includes Parcels 6.02 and 12.04 and is outlined in black on the enclosed Tax Map 58 (see attached "Exhibits A1, A2, & A3"). This parcel encompasses approximately 50 acres.

We are proposing to provide wastewater service to approximately 47 residential units at the Bluff at Bradbury Farms. Residential customers will be charged according to residential Rate Class 1, currently set at \$44.53 as of the date of this submittal. The wastewater system will be designed and constructed to serve approximately 50 units (approximately 15,000 gallons per day) and can be expanded if needed. The TDEC application for a permit has been applied for but has not yet been received. 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 the property that the treatment system and disposal system occupy, and will obtain a dedicated easement or a public utility and drainage easement (PUDE) for the collection mains.

Also enclosed are letters from the Operations Manager of the City of Clarksville stipulating that they are not presently willing or able to provide sewer service for these parcels. We have also enclosed a letter from the developer, Mr. Keith Burkhart, requesting TWSI to be the public sewer utility provider for the project.

After approval, the construction of the system, which is comprised of a recirculating trickling filter and subsurface drip dispersal, will take approximately 90 days to complete. The estimated value of the contribution in aid of the construction of the initial wastewater system is approximately \$200,000.

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 )**

**) Docket No.** \_\_\_\_\_

**BLUFF AT BRADBURY FARMS  
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 100.

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 Montgomery County sought in this Petition?

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A. Yes.

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

A. The public need for this service is reflected in the letter from the developer, Mr. Keith Burkhart, owner of Lark Investments.


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

A. Our company expects to serve approximately 47 residential units, with the capacity to serve 50.

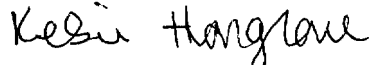
Q. Does this conclude your pre-filed testimony?

A. Yes.

I swear that the foregoing testimony is true and correct to the best of my knowledge.

  
Matt Pickney  
Operations Manager  
Tennessee Wastewater Systems, Inc.

Subscribed and sworn to me this 6<sup>th</sup> day of September, 2011.

Notary Public 

State of Tennessee

County of Rutherford

My Commission Expires 1-19-2015



### **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 6<sup>th</sup> day of September 2011 and delivered by hand.

A handwritten signature in black ink, appearing to read "Matt Pickney", is written over a horizontal line.

MATT PICKNEY

Google maps

To see all the details that are visible on the screen, use the "Print" link next to the map.



Exhibit A1

7-2



Exhibit A2

42



Exhibit A3



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**WASTEWATER UTILITY SERVICE**

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**SECTION 4 – RESIDENTIAL RATES SHEET**

	<u><b>Total</b></u>	<u><b>Escrow**</b></u>
<u><b>RATE CLASS 1</b></u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #1 .....	<b>\$44.53</b>	<b>\$10.13 (I)</b>
<u><b>RATE CLASS 2</b></u>		
Fixed Film Treatment, Drip Dispersal, Franchise Rate #1, Bonding Rate #1 .....	<b>\$45.85</b>	<b>\$10.13 (I)</b>
<u><b>RATE CLASS 3</b></u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #3 .....	<b>\$54.66</b>	<b>\$10.13 (I)</b>
<u><b>RATE CLASS 4</b></u>		
Fixed Film Treatment, Drip Dispersal, Bonding Rate #4 .....	<b>\$51.99</b>	<b>\$10.13 (I)</b>
<u><b>RATE CLASS 5</b></u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1 .....	<b>\$39.52</b>	<b>\$8.43 (I)</b>
<u><b>RATE CLASS 6</b></u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #1, Franchise Rate #2 .....	<b>\$40.69</b>	<b>\$8.43 (I)</b>
<u><b>RATE CLASS 7</b></u>		
Deep Cell Pond Treatment, Point Discharge Dispersal, Bonding Rate #1 .....	<b>\$39.52</b>	<b>\$8.43 (I)</b>
<u><b>RATE CLASS 8</b></u>		
Deep Cell Pond Treatment, Drip Dispersal, Bonding Rate #4 .....	<b>\$46.98</b>	<b>\$8.43 (I)</b>
<u><b>RATE CLASS 9</b></u>		
Standard base Collection, Pass-through treatment costs .....	<b>\$24.32</b>	<b>\$6.35</b>
	+ Treatment Costs	
<u><b>RATE CLASS 10</b></u>		
DCP Treatment, Drip Dispersal, Loan Costs, Lease Costs, Bonding Rate #1 .....	<b>\$55.36*</b>	<b>\$8.43</b>

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

\*\*Escrow amount is included in the Total

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**Issued: May 19, 2009****Effective: May 19, 2009****Issued By: Charles Pickney, Jr.**  
**Vice-President**

## The Bluff at Bradbury Farms

### Projected Subdivision Build-Out

#### Total # of customers

		<b>Residential</b>
2012	-	10 customers
2013	-	20 customers
2014	-	30 customers
2015	-	40 customers
2016	-	47 customers

The expected buildout when the subdivision is completed is 47 residential customers.

#### Estimated System Costs and Revenues for Five Years

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Cost</b>	\$4,996.27	\$9,992.53	\$14,988.80	\$19,985.06	\$23,482.45
<b>Revenue</b>	\$5,343.60	\$10,687.20	\$16,030.80	\$21,374.40	\$25,114.92

**GAS + WATER DEPARTMENT**



June 13, 2011

Re: Sewer availability

To Whom It May Concern.

The Clarksville Gas and Water Department has no sanitary sewer available to serve the forty eight (48) +/- acres identified as cmap 058, parcel 48.71. This property is located north of Bradbury Farms, west and south of Gunn Road and east of the Red River.

There is no indication that the City intends to make sanitary sewer available in any current planning document at this time.

If you have any questions about this information, feel free to contact me at the phone number provided below.

Respectfully,

A handwritten signature in black ink, appearing to read "Wade H. Rudolph". The signature is fluid and cursive.

Wade H. Rudolph  
Operations Manager  
Engineering  
Clarksville Gas and Water  
931-645-7418

# LARK INVESTMENTS

1202 WILLOW BEND DR  
CLARKSVILLE, TN 37043  
931-552-4172 OFFICE & FAX  
931-206-4005 Keith & 931-801-3310 Alan  
BURKHARTLLC@GMAIL.COM

Date: July 6, 2011

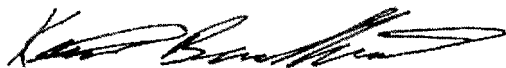
Mr. Charles Hyatt  
President  
Tennessee Wastewater Systems, Inc.  
851 Aviation Parkway  
Smyrna, TN 37167

Dear Mr. Hyatt:

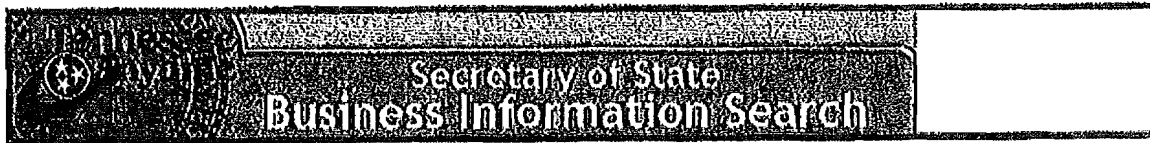
This letter is a request for Tennessee Wastewater Systems, Inc. to provide sewer services for the area(s) near Winsome Lane, Montgomery County, Tennessee. The areas of interest are identified in Montgomery County Tax Maps as: Map 58, parcels 6.02 and 12.04.

We are proposing to develop a residential subdivision, currently known as the Bluff at Bradbury Farms, with approximately 47 single family lots.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Burkhart", with a stylized flourish at the end.

Keith Burkhart  
Lark Investments

[Secretary of State Web Site](#)[Instructions](#)

Name	I.D. Number
TENNESSEE WASTEWATER SYSTEMS, INC.	0203064
Business Type*:	CORPORATION
Profit/Nonprofit:	FOR PROFIT
Status*:	ACTIVE
Date of Formation/Qualification:	03/10/1993
Domestic/Foreign:	DOMESTIC
Place of Incorporation/Organization:	DAVIDSON
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	DECEMBER
Principal Office:	
Address Line 1:	861 AVIATION PKWY
Address Line 2:	
City:	SMYRNA
State:	TN
Zip:	37107
Other than USA:	
Registered Agent:	
Name:	LARRY R. WILLIAMS
Address Line 1:	320 UNION STREET
Address Line 2:	
City:	NASHVILLE
State:	TN
Zip:	372190632
Business Filing History	
* Important Note: Business Filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status.	
Note: This information is current as of three working days prior to today's date.	
<input type="button" value="Search Again"/>	
<a href="#">Report a Technical Issue</a>	

**Class C Water Annual Report  
for the  
Tennessee Regulatory Authority**

**Tennessee Wastewater Systems  
2010**

**Prepared for  
The Energy and Water Division**

Name of Respondent	This Report is:		Date of Report	Year of Report	
Tennessee Wastewater Systems, Inc.	(1) <u>X</u> An Original	(2) A Resubmission	(Mo, Da, Yr) 2/8/11	Dec. 31, 2010	
INCOME STATEMENT					
Account Name (a)	Ref Page (b)	Water (c)	Sewer (d)	Other (e)	Total (f)
<b>Gross Revenue:</b>					
Residential		-	922,645	-	922,645
Commercial		-	308,384	-	308,384
Industrial		-	-	-	-
Multi-Family		-	-	-	-
Other-Access Fees		-	199,700	-	199,700
Other		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Gross Revenue</b>		-	<b>1,430,730</b>	-	<b>1,430,730</b>
Operation & Maint. Expense	W3/S3	-	1,198,372	-	1,198,372
Depreciation Expense	F-5	-	1,533	-	1,533
Amortization Expense		-	-	-	-
Other Expense (Please Specify)		-	-	-	-
Other Expense (Please Specify)		-	-	-	-
Taxes Other Than Income	F-7	-	138,250	-	138,250
Income Taxes	F-7	-	-	-	-
<b>Total Operating Expenses</b>		-	<b>1,338,155</b>	-	<b>1,338,155</b>
<b>Net Operating Income</b>		-	<b>92,575</b>	-	<b>92,575</b>
<b>Other Income:</b>					
Nonutility Income		-	12,800	-	12,800
Interest Earned		-	710	-	710
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Income</b>		-	<b>13,510</b>	-	<b>13,510</b>
<b>Other Deductions:</b>					
Misc. Nonutility Expenses		-	16,647	-	16,647
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Deductions</b>		-	<b>16,647</b>	-	<b>16,647</b>
<b>Net Income</b>		-	<b>89,438</b>	-	<b>89,438</b>

<b>Name of Respondent</b> Tennessee Wastewater Systems, Inc.	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 2/8/11	<b>Year of Report</b> Dec. 31, 2010
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## COMPARATIVE BALANCE SHEET

Account Name (a)	Ref Page (b)	Current Year (c)	Previous Year (d)
<b>ASSETS</b>			
Utility Plant in Service (101-105)	F5/W1/S1	18,857,458	18,857,458
Accum. Depreciation and Amortization (108)	F5/W2/S2	3,618,426	2,939,789
<b>Net Utility Plant</b>		<b>15,239,032</b>	<b>15,917,669</b>
Cash		261,951	355,943
Customer Accounts Receivable (141)		417,968	3,515,830
Land		6,932,880	6,932,880
Other Assets (Please Specify)		0	0
Other Assets (Please Specify)		0	0
Other Assets (Please Specify)		0	0
<b>Total Assets</b>		<b>22,851,830</b>	<b>26,722,322</b>
<b>LIABILITIES AND CAPITAL</b>			
Common Stock Issued (201)	F-6	1,000	1,000
Preferred Stock Issued (204)	F-6	0	0
Other Paid-In Capital (211)		0	0
Retained Earnings (215)	F-6	33,557	24,964
Capital (Proprietary & Partnership-218)	F-6	0	0
<b>Total Capital</b>		<b>34,557</b>	<b>25,964</b>
Long-Term Debt (224)	F-6	0	0
Accounts Payable (231)		325,521	235,220
Notes Payable (232)		80,000	100,000
Customer Deposits (235)		0	0
Accrued Taxes (236)		0	0
Payroll Liabilities		0	0
Accrued Purchases		995	59,863
Escrow		227,619	256,132
Intercompany Liabilities		0	0
Inspection Costs		15,375	36,275
Advances for Construction		0	0
Contributions In Aid Of Const.-Net (271-2)	F-8	22,167,764	22,844,868
<b>Total Liabilities</b>		<b>22,817,274</b>	<b>23,532,358</b>
<b>Total Liabilities &amp; Capital</b>		<b>22,851,831</b>	<b>23,558,322</b>



Name of Respondent Tennessee Wastewater Systems, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 2/8/11	Year of Report Dec. 31, 2010
NET UTILITY PLANT					
Plant Accounts (101-107) Inclusive (a)		Water (c)	Sewer (d)	Other (e)	Total (f)
Utility Plant in Service (101)		0	18,857,458	0	18,857,458
Construction Work in Progress (105)		0	0	0	0
Other (Please Specify)		0	0	0	0
Other (Please Specify)		0	0	0	0
Other (Please Specify)		0	0	0	0
Other (Please Specify)		0	0	0	0
Other (Please Specify)		0	0	0	0
Other (Please Specify)		0	0	0	0
Total Utility Plant		0	18,857,458	0	18,857,458
ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT					
Account 108 (a)		Water (c)	Sewer (d)	Other (e)	Total (f)
Balance First of Year		0	2,939,789	0	2,939,789
Credits During Year:					
Accruals charged to Depreciation Account		0	678,638	0	678,638
Salvage		0	0	0	0
Other Credits (Please Specify):		0	0	0	0
Other Credits (Please Specify):		0	0	0	0
Other Credits (Please Specify):		0	0	0	0
Other Credits (Please Specify):		0	0	0	0
Total Credits		0	678,638	0	678,638
Debits During Year:					
Book/Historical Cost of Plant Retired		0	0	0	0
Cost of Removal		0	0	0	0
Other Debits (Please Specify):		0	0	0	0
Other Debits (Please Specify):		0	0	0	0
Other Debits (Please Specify):		0	0	0	0
Other Debits (Please Specify):		0	0	0	0
Total Debits		0	0	0	0
Balance End of Year		0	3,618,427	0	3,618,427

<b>Name of Respondent</b> Tennessee Wastewater Systems, Inc.	<b>This Report is:</b> (1) <u>X</u> An Original (2) A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 2/8/11	<b>Year of Report</b> Dec. 31, 2010
<b>CAPITAL STOCK (201 - 204)</b>			
	<b>Common Stock</b>	<b>Preferred Stock</b>	
(a)	(b)	(c)	
Par or stated value per share	1	-	
Shares Authorized	1,000	-	
Shares issued and outstanding	1,000	-	
Total par value of stock issued	1,000	-	
Dividends declared per share for year	0	0	
<b>RETAINED EARNINGS (215)</b>			
	<b>Appropriated</b>	<b>Unappropriated</b>	
(a)	(b)	(c)	
Balance first of year	-	64,271	
Changes during year NET INCOME/(NET LOSS)	-	89,438	
Intercompany liabilities	-	(120,152)	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	0	33,557	
<b>PROPRIETARY CAPITAL (218)</b>			
	<b>Proprietor</b>	<b>Partner</b>	
(a)	(b)	(c)	
Balance first of year	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	0	0	
<b>LONG-TERM DEBT (224)</b>			
	<b>Interest Rate</b>	<b>Year End Balance</b>	
(a)	(b)	(c)	
Debt #1	0.00%	-	
Debt #2	0.00%	-	
Debt #3	0.00%	-	
Debt #4	0.00%	-	
Debt #5	0.00%	-	
Debt #6	0.00%	-	
Debt #7	0.00%	-	
Debt #8	0.00%	-	
Debt #9	0.00%	-	
Debt #10	0.00%	-	
Debt #11	0.00%	-	
Debt #12	0.00%	-	
Total Long-Term Debt		0	

<b>Name of Respondent</b> Tennessee Wastewater Systems, Inc.	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 2/8/11	<b>Year of Report</b> Dec. 31, 2010
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**TAXES ACCRUED (236)**

<b>Description (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Other (d)</b>	<b>Total (e)</b>
<b>Balance First of year</b>	-	-	-	0
<b>Accruals Charged:</b>				
Federal Income Tax	-	-	-	0
Local Property tax	-	-	-	0
State ad valorem tax	-	-	-	0
TN State Sales Tax	-	-	-	0
Regulatory Assessment Fee	-	-	-	0
Payroll Tax	-	-	-	0
Other Taxes (Please Specify)	-	-	-	0
Other Taxes (Please Specify)	-	-	-	0
<b>Total Taxes Accrued</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Taxes Paid</b>				
Federal Income Tax	-	-	-	0
Local Property tax	-	-	-	0
State ad valorem tax	-	-	-	0
TN State Sales Tax	-	-	-	0
Regulatory assessment fee	-	-	-	0
Payroll Tax	-	-	-	0
Franchise & Excise	-	-	-	0
Penalties, etc.	-	-	-	0
<b>Total Taxes Paid</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Report all info concerning rate, management, construction, advertising, labor relations, or other professional services rendered to the Utility for which total payments during the year to any Corp, Ptnshp, indiv, or organization of any kind, amounted to \$500 or more.

<b>Name of Recipient</b>	<b>Amount</b>	<b>Description of Service</b>
All Terrain Landscaping	1,050	Landscaping services
Southeast Environmental Engineering	994,757	Management, maintenance, and inspection service of systems
Adenus Operations	232,105	Management, maintenance, and inspection service of systems
Bradley, Arant, Boult, Cummings, LLP	23,211	Professional services (Legal)
Dempsey Vantrease & Pollis	1,021	Professional services (Accounting)
EGL Consultants	600	Testing Services
Stites & Harbison PLLC	15,368	Professional services (Legal)
City of Clarksville	112,550	Purchased wastewater treatment
Rochelle, McCulloch & Aulds, PLLC	2,436	Professional services (Legal)
Russell Landscaping Group, Inc	3,770	Landscaping services
Lawn Masters	500	Landscaping services
TN One Call	2,178	Professional services

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