

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

JANUARY 6, 2012

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T.R.A. DOCKET ROOM
UTILITY DIVISION

IN RE: PETITION OF AQUA GREEN UTILITY INC. TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSTIY

DOCKET NO: ~~10-00145~~ 12-00004

Petition of Aqua Green Utility Inc. to amend its Certificate of Convenience and Necessity

The developer, Stonebridge on Douglas lake LLC (Chip Leonard), has not paid the most recent invoices for the construction of the sewer plant at that development. He will not return phone calls or any other form of communication. I am convinced he is not going to pay the invoices. Per the terms of our contract, he is in breach of contract and Advanced Septic Inc nor Aqua Green Utility Inc. has no obligation to continue working on the sewer. Currently, Stonebridge on Douglas Lake LLC. owes Advanced Septic Inc. in excess of \$170,000.00.

In an attempt to complete the Stonebridge sewer system so the homeowners will have sewer service, I have negotiated with the homeowners association to find an agreeable solution. We would like to offer this solution for the Tennessee Regulatory Authority's consideration and hopeful approval. Aqua Green Utility will collect tap fees then transfer them to Advanced Septic Inc. as the construction is completed.

In order to complete the sewer treatment system, each lot owner will pay a tap fee of \$4250.00.

The cost of the tap fee will increase 6% 90 days after TRA approval and 6% each year thereafter until the tap fee is paid.

Once this agreement is approved by the TRA and if someone decides not to pay the tap fee, Aqua Green Utility Inc will not allow that person to connect to the system. Only 50 homes are currently approved by TDEC. Aqua Green Utility Inc. will accept customers on a first to pay the tap fee basis, up to 50 customers.

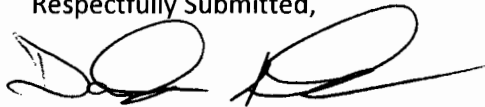
The homeowners association understands once a minimum of 23 tap fees and \$35,000.00 is paid, Advanced Septic Inc. will complete the sewer treatment plant construction. Advanced Septic Inc. agrees to build the sewer treatment plant currently approved by TDEC for 50 homes. Once plant construction is complete, Aqua Green Utility Inc. will assume operation and responsibility (including any pump and haul operations necessary) with ownership of all components of the system and drip field property. The Utility will bill the

homeowners for this service at a rate set and approved by the TRA. The Utility will be responsible for all future costs including electricity, phone line, sludge removal, water, part replacements and certified operator visits. When the sewer plant is complete, Aqua Green Utility Inc. will start charging the \$44.53 per home sewer fee to the 6 completed homes. Any tap fees paid but without a home built will pay the \$120.00 per year access fee.

The \$35,000.00 has been paid by the Homeowners Association to Advanced Septic Inc.

Additionally, in an attempt to help the homeowners get their money back for the cost of the sewer construction, Aqua Green Utility Inc. has agreed not to connect lots 27, 64 or 65 to the sewer system. These lots are owned by Stonebridge on Douglas Lake LLC.(the developer). Once acceptable payment is received by the Homeowners Association from the developer, a letter of release will be sent to Aqua Green Utility Inc. signed by Michael Sorrells. These lots will then be allowed to tie onto the sewer system. A tap fee will be charged on these lots same as all others.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Dart Kendall', with a long horizontal flourish extending to the right.

Dart Kendall
Aqua Green Utility Inc.