

TENNESSEE REGULATORY AUTHORITY



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

July 30, 2014

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

RE: Docket No. 14-00006 Petition for Certificate of Convenience and Necessity (CCN) to service a portion of Williamson County in Tennessee known as the Scales Project & Docket No. 14-00062 Petition of Tennessee Wastewater Systems, Inc. to Expand Its Service Area to Include a Portion of Williamson County in Tennessee, Known as Clovercroft Acres.

Dear Mr. Hyatt:

Prior to issuing or amending a certificate of convenience and necessity ("CCN"), the Authority determines whether a petitioning utility has the requisite managerial, technical and financial abilities to operate a utility. In order for Staff to evaluate Tennessee Wastewater System's Inc. ("TWS")' abilities in each of the foregoing areas it is requested that your company provide the answers and/or information to the attached Data Request.

Please provide this response as soon as possible making sure that each answer is complete and informative as to each specific circumstance. In addition, please make the necessary personnel available at the Hearing noticed in this Docket, in the event that additional questions arise from your responses and/or further explanation is needed.

Pursuant to TRA Rule 1220-1-1-.03(4), submit either an electronic response along with an original and four (4) written copies or an original written response and thirteen (13) copies. Please note that the requisite number of written copies of all requested information should be provided to the Docket Manager and electronic responses, if filed, must be in .pdf format. Should you have questions regarding the attached request, please contact Patsy Fulton at (615) 770-6887.

Sincerely,

A handwritten signature in black ink, appearing to read "David Foster".

David Foster
Chief, Utilities Division
C: Docket File

1. Explain the company's reasoning and overall rationale (and specific criteria) for not requiring the Developer/Contractor to install a drip field prior to the Utility accepting ownership to the wastewater system? What are the criteria used in determining when a drip should be built and who makes that decision?
2. Specifically, please discuss the rationale for not installing drip fields at Maple Green and Cedar Hill. Further, would properly installed drip fields have alleviated any of the problems currently being experienced at Maple Green and Cedar Hill.
3. Explain why drip fields are routinely included in the State Operating Permit ("SOP") application and in the Petition for a Certificate of Public Convenience and Necessity (CCN) for a wastewater system if they are not needed initially?
4. Since the drip field requires additional land owned by the wastewater utility, does TWS own land (approved by TDEC) for both Maple Green and Cedar Hill that was reserved for the drip field at each location? If not, please explain. If so, please provide a copy of the deeds.
5. Will the drip field be constructed for the Scales Project prior to TWS accepting transfer of the wastewater system? If not, please explain.
6. Will the drip field be constructed for Clovercroft Acres prior to TWS accepting transfer of the wastewater system? If not, please explain.
7. Provide a list of each drip field, by system, that has been built or is in the process of being built (include an estimated completion date for those in process). For each system that TWS operates and a drip field has not been built, provide a copy of all documentation TWS received from the Developer/Contractor guaranteeing that a drip field will be built (e.g., promissory notes, contracts of completion, etc.).
8. Does TWS own land necessary to build drip fields for all systems where a drip field has not been built. If not, please explain.
9. In general how long does it take to build a drip field?
10. Has TWS requested that the Developer/Contractor of the Cedar Hill wastewater system build the drip field? If so, when will the construction of the drip field be started and when will it be completed? If not, please explain why such a request has not been made.
11. The Petition filed in this Docket states, "it is the intention of the parties that TWSI will own the collection, treatment and dispersal system and will own a permanent easement on the property that the system occupies". Most all other Petitions filed by TWS state the same. Has TWS received documentation (deed or easement) from the Developer/Contractor transferring ownership of the land or easement to TWS for all other wastewater systems that have a CCN approved by the Authority for TWS to operate.
12. In its annual report, Tennessee Wastewater has been including amounts of \$30,000 for Cedar Hill Collection, \$320,000 Cedar Hill Land and \$300,000 for Cedar Hill Treatment (page F-8) in its total for Contribution in Aid of Construction. Are these amounts correct? Please explain your answer.

13. To this date, how much has the Utility spent to “bandaid” the problems with the Lagoon at Cedar Hill? How did the Utility fund any repairs?
14. How much has the Utility spent to “bandaid” the problems with the Lagoon at Maple Green? How did the Utility fund these repairs?
15. The Petition to amend the Certificate of Convenience and Necessity is for an area called The Scales Project; however, the application for the State Operating Permit was filed as Clovercroft Wells Treatment. Please reconcile this discrepancy.
16. How many acres is TWS requesting to be included in the requested area? The Petition filed January 22, 2014 states that the parcel of area requested covers 171 acres of land; however, the Data Response, filed April 17, 2014 states that the 86 lots will encompass 70 acres. Please explain this discrepancy.
17. Please clarify why the TDEC permit application filed for Clovercroft Wells Treatment Facility states that Adenus Operations is the company that will operate the permitted system rather TWS.
18. Are there other systems, in addition to Maple Green and Cedar Hill, that are in immediate need of repairs exceeding \$25,000? If so, please provide a list of the systems in need of such repairs and TWS’ detailed plans to make such repairs, including all timeframes and available funding.
19. Provide an update for TWS’ proposal to repair the Maple Green and Cedar Hill systems. Include all proposed timeframes and available funding.