

TENNESSEE REGULATORY AUTHORITY



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

MEMORANDUM

15-00125

To: Condo Villas of Gatlinburg Association, Inc.
Company ID#34976

From: Shiva Bozarth, Chief of Compliance Division *sh*

Date: December 16, 2015

Re: Request to appoint a Hearing Officer to determine whether to initiate a show cause proceeding against Condo Villas of Gatlinburg Association, Inc. for violations of the statutes and rules regulating water utilities.

Background:

Tennessee Regulatory Authority Compliance Division ("Compliance Division") staff asserts that Condo Villas of Gatlinburg Association, Inc., ("Condo Villas") has violated the laws regulating water utilities obligation to file the UD-20 Form and pay the appropriate inspection fee.

According to the Tennessee Regulatory Authority records, the Statement of Gross Earnings and Computation of Inspection Fees has not been received from Condo Villas since March 27, 2012.

The Compliance Division sent notice via certified mail on June 2, 2015, advising the company of its obligation to file the UD-20 form and pay the appropriate inspection fee. On September 22, 2015, the Compliance Division sent another notification via certified mail that unless the 2014 Statement with the payment of the inspection fee plus the appropriate penalty is received by October 15, 2015, the Compliance Division will request a show cause hearing for the purpose of imposing civil penalties against Condo Villa.

At this time the full extent of Condo Villa's violations and what if any penalties will be necessary is unknown. However it appears without the discovery mechanisms of a Show Cause proceeding and the enforcement mechanisms of the Authority the Compliance Division will be unable to identify and prosecute these violations

Recommendation:

The Compliance Division respectfully requests that the Authority appoint a hearing officer to determine whether to initiate a Show Cause proceeding against Condo Villa for failure to comply

with various statutory and regulatory requirements of the law outlined above. The Compliance Division further requests that the hearing officer prepare this matter for hearing.