

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

August 10, 2017

IN RE:

**PETITION OF TENNESSEE WASTEWATER
SYSTEMS, INC. FOR APPROVAL OF
FINANCING ARRANGEMENT**

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DOCKET NO. 17-00042

ORDER APPROVING FINANCING ARRANGEMENT

This matter came before Chairman David F. Jones, Vice Chairman Robin L. Morrison and Commissioner Kenneth C. Hill of the Tennessee Public Utility Commission (the “Commission” or “TPUC”), the voting panel assigned to this docket, at the regularly scheduled Commission Conference held on July 10, 2017, for hearing and consideration of the *Petition for Approval of Financing Arrangements* (the “*Petition*”) filed on May 15, 2017, by Tennessee Wastewater Systems, Inc. (“Petitioner,” “TWSI” or “Company”) requesting approval to participate in certain financing arrangements.

RELEVANT BACKGROUND

TWSI is a public utility that provides wastewater services in Tennessee and is subject to the regulatory jurisdiction of the TPUC. On May 15, 2017, the Petitioner filed the *Petition* requesting approval of financing arrangements for the purchase of equipment. Specifically, TWSI has negotiated a loan with Wilson Bank and Trust for \$100,386.04 for the purchase of two (2) Kubota loaders. According to TWSI, the loaders are necessary for system operators to perform operational and maintenance duties.

HEARING ON THE MERITS

The Hearing in this matter was held before the voting panel of Commissioners during the regularly scheduled Commission Conference on July 10, 2017, as noticed by the Commission on June 30, 2017. Appearing for the Company was Charles Hyatt, President of Tennessee Wastewater Systems, Inc. During the Hearing, Mr. Hyatt ratified and summarized his pre-filed testimony and was subject to questioning before the panel. No person sought intervention in the proceedings. Members of the public were given an opportunity to offer comments, but no one sought recognition to do so.

FINDINGS AND CONCLUSIONS

Tenn. Code Ann. § 65-4-109 provides:

No public utility shall issue any stocks, stock certificates, bonds debentures, or other evidences of indebtedness payable in more than one (1) year from the date thereof, until it shall have first obtained authority from the authority for such proposed issue. It shall be the duty of the authority after hearing to approve any such proposed issue maturing more than one (1) year from the date thereof upon being satisfied that the proposed issue, sale and delivery is to be made in accordance with law and the purpose of such be approved by the authority.

Following the conclusion of the hearing, the panel voted unanimously to approve the *Petition* and made the following findings:

1. The proposed financing transactions are subject to Commission approval pursuant to Tenn. Code Ann. § 65-4-109.
2. The proposed financing transactions are being made in accordance with laws enforceable by this agency.
3. The proposed debt instruments support purchases that are not uncommon in the utility and wastewater industries.
4. The proposed financing transactions are in the public interest.

5. Approval of the *Petition* does not guarantee TWSI's recovery from its customers of expenses resulting from the transactions.

IT IS THEREFORE ORDERED THAT:

1. Tennessee Wastewater Systems, Inc. is authorized to enter into the proposed transactions as described in the *Petition* and discussed herein.

2. The authorization and approval given hereby shall not be used by any party, including but not limited to, any lending party, for the purpose of inferring an analysis or assessment of the risks involved.

3. This decision is not intended to create any liability on the part of the Tennessee Public Utility Commission, the State of Tennessee or any political subdivision thereof.

Chairman David F. Jones, Vice Chairman Robin L. Morrison and Commissioner Kenneth C. Hill concur.

ATTEST:



Earl R. Taylor, Executive Director