

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TN

IN RE:)	
)	
PETITION OF TENNESSEE)	
WASTEWATER SYSTEMS, INC.,)	DOCKET NO. 18-00053
TO POST ALTERNATIVE FINANCIAL)	
SECURITY)	

**PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC.,
TO POST ALTERNATIVE FINANCIAL SECURITY**

Tennessee Wastewater Systems, Inc. ("TWSI") petitions the Tennessee Public Utilities Commission ("Commission" or "TPUC"), pursuant to Tenn. Comp. R. & Regs. 1220-4-13-.07(5), to accept a bond in the amount of \$300,000 as adequate financial security to comply with the Commission's financial security rules.

Current TPUC financial security rules¹ require wastewater utilities to provide financial security in the form of a bond or letter of credit equal to its annual revenues as represented on its UD-20 form, filed with the Commission. In April of 2017 the Commission voted to adopt new rules pertaining to wastewater utilities, including a change to the financial security requirement. Under the newly adopted rules, the Commission will accept as adequate financial security an

¹ TPUC Rule 1220-4-13-.07

amount equal to 50% of a wastewater utility's annual revenue with a minimum amount set at \$20,000 and a cap set at \$300,000.

TWSI currently has on file with the Commission a bond in the amount of \$300,000. The Commission found in Docket 17-00034 that this amount is in the public interest as it meets the Commission's goal of ensuring sufficient funds are available in the event a wastewater system fails or becomes insolvent². TWSI's recently filed UD-20 shows revenues of \$1,9953,067.00 (Exhibit A) which under the existing rules will require it to file a bond for the same amount. TWSI is not asking to be treated under the new rules as they are not yet effective, however TWSI requests the Commission to use its discretion under the current rules to determine a bond of \$300,000 as adequate alternative financial security as it previously determined in the aforementioned docket and adopted in its new rules.

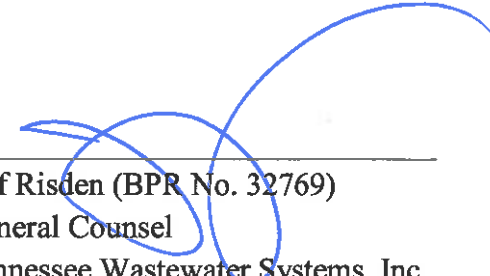
Lastly, TWSI requests that the Commission, as it has in the past, find that although the form of the bond TWSI maintains is not identical to that prescribed for wastewater utilities under TPUC Rule 1220-04-013-.08, it is in substantial compliance with the rules and is sufficient to meet statutory and regulatory requirements under Tenn. Code Ann. §65-4-201(e) and TPUC Rule 1220-04-13-.07.

Therefore, TWSI respectfully requests that this petition be granted and that the Commission approve alternative financial security in the amount of \$300,000, determining the amount reasonable and in the public interest in accordance with the Commission's financial security requirements and that the form of the bond remains in substantial compliance with statutory and regulatory requirements.

² Docket 17-00034 Order at Pages 3 and 4.

Respectfully submitted,

By:



Jeff Riden (BPR No. 32769)
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TENNESSEE PUBLIC UTILITY COMMISSION
STATEMENT OF GROSS EARNINGS AND COMPUTATION OF INSPECTION FEE
DUE DATE: April 1, 2018COMPANY ID #: #N/A
COMPANY NAME:

State the gross receipts from all sources of the utility for the calendar year 2017 per T.C.A. § 65-4-303:

Energy & Water Gross Receipts IN TENNESSEE:

Gas Revenues	
Electric Revenues	
Water Revenues	
Wastewater Revenues	\$ 1,953,067.00
Miscellaneous	

<u>TOTAL TENNESSEE INTRASTATE GROSS RECEIPTS</u>	<u>\$ 1,953,067.00</u>
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COMPUTATION OF FEE

1. Tennessee Intrastate Gross Receipts	\$ 1,953,067.00
2. Less Exemption	\$ (5,000)
3. Net Tennessee Gross Receipts (Line 1 minus Line 2)	<u>\$ 1,948,067</u>
4. Computed Fee (Line 3 x 0.425%)	<u>\$ 8,279.28</u>
5. <u>TOTAL INSPECTION FEE</u> (THE GREATER OF LINE 4 OR \$100)	<u>\$ 8,279.28</u>

NOTE: A PENALTY OF 10% PER MONTH OR FRACTION THEREOF, PURSUANT TO T.C.A. § 65-4-308,
WILL BE ASSESSED FOR LATE PAYMENT IF NOT PAID ON OR BEFORE APRIL 1st.

I attest that I have the authority to submit this form on behalf of the regulated entity and that the figures above accurately state the gross receipts from all sources of the utility in Tennessee for the Calendar Year 2017.

NAME: <u>Charles Hunt</u> (Please Print)	SIGNATURE: <u>a p. v. s</u>
TITLE: <u>PRESIDENT</u>	TELEPHONE: <u>615-220-7200</u>
DATE: <u>2-15-18</u>	EMAIL: _____

2017

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Please Remit Form To:
Tennessee Public Utility Commission
4th Floor, Andrew Jackson Building
Nashville, TN 37243-0001

Post Marked ____/____/____