

January 23, 2023

Electronically Filed in TPUC Docket Room on  
January 27, 2023 at 10:53 a.m

Karen H. Stachowski  
Senior Assistant Attorney General  
Financial Division, Consumer Advocate Unit  
Office of the Attorney General  
P.O. Box 20207  
Nashville, TN 37202

VIA Email: [karen.stachowski@ag.tn.gov](mailto:karen.stachowski@ag.tn.gov)

RE: Docket No. 22-00139 - *Petition of Tennessee Wastewater Systems, Inc. to Amend its Certificate of Convenience and Necessity to Include Meadowside Subdivision*

Dear Ms. Stachowski,

The following are responses to your MFR letter dated January 5, 2023, related to the CCN Petition in the above referenced docket.

**Rule 1220-04-13-.17(2)(a)** – Higher resolution maps have been electronically filed in this docket.

**Rule 1220-04-13-.17(2)(d)1** – A clearer copy of the SOP Application has been electronically filed in this docket.

**Rule 1220-04-13-.17(2)(d)2** – A copy of the renewed operator's license has been electronically filed in this docket.

**Rule 1220-04-13-.17(2)(d)4** -


- (i) I have followed up with the TDEC office in East TN and they were not aware of the complaint. They are following up and will update the record in their database.
- (ii) TPUC was already aware of Mr. McCabe's complaint as a docket has been opened to address his concerns. His letter to TDEC does fall within the scope of the TPUC rule.

**Rule 1220-04-13-.17(2)(e)** – TWSI and the Consumer Advocate have discussed and resolved this concern. An updated Exhibit 31 (confidential filing) has been electronically filed.

**Rule 1220-04-13-.17(2)(e)8** – Updated tariff pages have been electronically filed in this docket.

Please let me know if you have any outstanding questions or concerns relating to this matter.

Kind regards,



Jeff Riden  
General Counsel

cc: Patsy Fulton – [patsy.fulton@tn.gov](mailto:patsy.fulton@tn.gov)  
Cole McCormick – [cole.mccormick@tn.gov](mailto:cole.mccormick@tn.gov)  
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STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

I.D. NO.

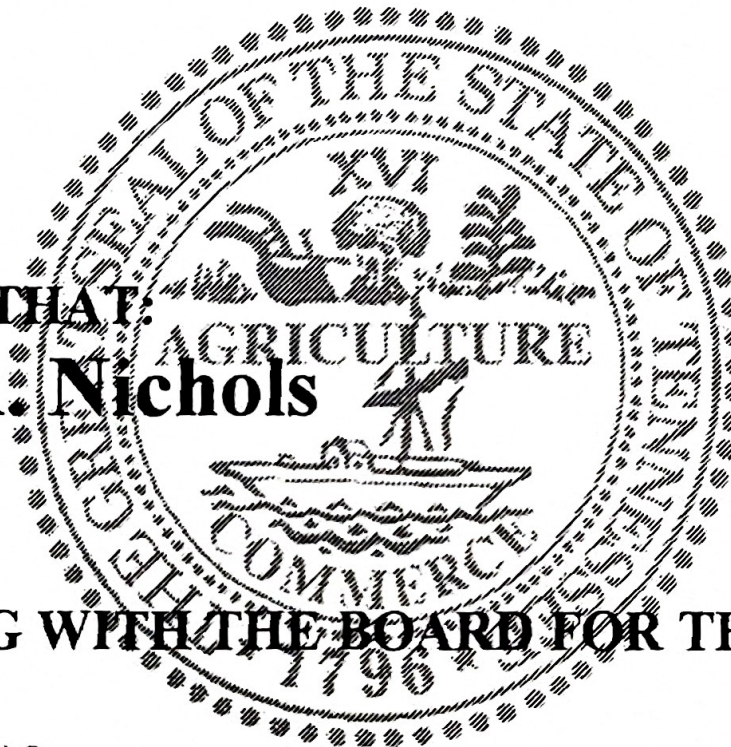
**15046**

EXPIRATION DATE

**12/31/2023**

THIS IS TO CERTIFY THAT:

**Tracy A. Nichols**



IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS  
LISTED:

**BNS, CS2**

**WASTEWATER UTILITY SERVICE****SECTION 4 – RESIDENTIAL RATES SHEET**

	<b>Base</b>	<b>Escrow</b>	<b>Bonding</b>	<b>Environmental Rider (D)</b>	<b>Total</b>
<b>Rate Class 1</b>	\$ 40.48	\$ 7.27	\$0.14	\$0.00	\$ 47.89(R)
<b>Rate Class 2</b>	\$ 40.48	\$ 7.27	\$0.14	\$0.00	\$ 47.89(R)
<b>Rate Class 5</b>	\$ 36.66	\$ 5.69	\$0.14	\$0.00	\$ 42.49(R)
<b>Rate Class 6</b>	\$ 36.66	\$ 5.69	\$0.14	\$0.00	\$ 42.49(R)
<b>Rate Class 9</b>	\$ 20.55	\$ 3.39	\$0.14	\$0.00	\$ 24.08*(R)

\* Southridge customers will have a pass-through treatment cost assessed to their monthly bill. The pass-through treatment cost is calculated using the water meter readings as provided to TWSI by the East Montgomery Water Co. and the multiplier charged to TWSI by Clarksville Gas and Water to provide wastewater treatment. This cost will be filed annually with TPUC in June and effective upon approval. The current pass through treatment cost is 0.0096296082 per gallon.

\*\* Each condominium unit will be billed as a residential customer and be individually billed.

\*\*\* Customers in the City of Coopertown will be billed a 3% franchise fee (applied to the base rate only).

\*\*\*\* The bonding fee will be updated with an annual filing with TPUC in August and effective upon approval.

**Fees:**

Non-Payment – 5% of total bill amount

Disconnection – \$40

Reconnection – \$50

Returned Check (NSF Fee) – \$25

Returned ACH - \$25

Capacity Reservation Fee – \$10 per month (See Rules and Regulations for Explanation)

Credit Card Convenience Fee: 2.45% with a \$1.25 minimum fee (R)(N)

City of Coopertown Franchise Fees: 3%

**Issued: December 13, 2022**

**Effective: December 13,  
2022**

**Issued by: Matthew Nicks, President**

Meadowside Subdivision

15-Dec-22

REVISED January 19, 2023

Projected Income Statement

Line No.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
	Number of Sewer Customers	40	80	120	167	167
	<u>Access Fees</u>					
	Number of lots with sewer access but no customer	127	87	47	0	0
	Access fee revenue (\$120 x lots)	\$ 15,240.00	\$ 10,440.00	\$ 5,640.00	\$ -	\$ -
	<u>Operating Revenue</u>					
1	Service Revenue	\$ 22,977.60	\$ 45,955.20	\$ 68,932.80	\$ 95,931.48	\$ 95,931.48
2	Re-connect Fees	\$ -	\$ -	\$ -	\$ -	\$ -
3	Returned Check Charge	\$ -	\$ -	\$ -	\$ -	\$ -
4	Late Payment Charge	\$ -	\$ -	\$ -	\$ -	\$ -
5	Total Operating Revenue (sum of Line 1 through 4)	\$ 22,977.60	\$ 45,955.20	\$ 68,932.80	\$ 95,931.48	\$ 95,931.48
	<u>Operating Expenses</u> <sup>1</sup>					
6	Total salaries and wages and payroll taxes (employees only)	\$ 1,000.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
7	Outside labor expenses (non-employee)	\$ -	\$ -	\$ -	\$ -	\$ -
8	Administrative and office expenses	\$ 600.00	\$ 900.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00
9	Maintenance and repair expense <sup>2</sup>	\$ 1,000.00	\$ 1,200.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
10	Purchased water	\$ -	\$ -	\$ -	\$ -	\$ -
11	Purchased sewerage treatment	\$ -	\$ -	\$ -	\$ -	\$ -
12	Electric power expense <sup>3</sup>	\$ 800.00	\$ 1,000.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00
13	Chemical expense	\$ -	\$ -	\$ -	\$ -	\$ -
14	Testing fees	\$ 1,200.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
15	Transportation expense	\$ 500.00	\$ 600.00	\$ 700.00	\$ 800.00	\$ 900.00
16	Other operating expense	\$ -	\$ -	\$ -	\$ -	\$ -
17	Telemetry	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00
18	Total operation and maintenance expenses (sum of Line 6 through Line 17)	\$ 6,420.00	\$ 8,020.00	\$ 9,520.00	\$ 9,620.00	\$ 9,720.00
19	Annual depreciation expense	\$ 54,596.15	\$ 54,596.15	\$ 54,596.15	\$ 54,596.15	\$ 54,596.15
20	Property taxes paid on utility property	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
21	Franchise (gross receipts tax)	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
22	Annual NCUC regulatory fee	\$ 976.55	\$ 1,953.10	\$ 2,929.64	\$ 4,077.09	\$ 4,077.09
23	Total operating expenses (sum of Line 18 through Line 22)	\$ 66,492.70	\$ 69,069.25	\$ 71,545.79	\$ 72,793.24	\$ 72,893.24

24 Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
25 State income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
26 Federal income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
27 Total income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
28 Net operating income	\$ (28,275.10)	\$ (12,674.05)	\$ 3,027.01	\$ 23,138.24	\$ 23,038.24
29 Interest expense	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
30 Net income	\$ (29,275.10)	\$ (13,674.05)	\$ 2,027.01	\$ 22,138.24	\$ 22,038.24

1. Expenses were estimated using comparisons to known expenses from similar sewer systems.
2. It is assumed that maintenance expense will increase due to more homes sending wastewater flow into the sewer system.
3. It is assumed that electric power expense will increase due to the sewer system treating more wastewater flow.