

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

JULY 29, 1999

IN RE:

**PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY**

)
)
)

**DOCKET NO.
99-00357**

**ORDER APPROVING PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY FOR EXPANSION OF
SERVICE AREA**

On June 22, 1999, this matter came before the Tennessee Regulatory Authority (hereafter the "Authority") for a decision on the petition of On-Site Systems, Inc. (hereafter the "Company") to amend its Certificate of Convenience and Necessity for expansion of its service area to include the *Cornerstone of Mitchell Creek* development near Livingston, Tennessee, in Overton County.

Background

On April 6, 1994, in Docket No. 93-09040, the Tennessee Public Service Commission granted the Company a Certificate of Convenience and Necessity to provide sewer collection, treatment, and disposal in a specific development in Maury County, Tennessee. Since that time, through various other dockets, the Company has been granted approval to expand into other

areas of the state, as necessary. The Company's current tariff provides for a monthly rate of \$8.49 for sewer service to all customers that it serves.

Petition to Expand Service Territory

On May 19, 1999, the Company filed a petition with the Authority to expand its service territory to include a portion of Overton County known as the *Cornerstone of Mitchell Creek* development near Livingston, Tennessee. This development is currently within the service territory of the North Overton Utility District. As evidenced by the letters attached hereto as Exhibits A and B, neither the North Overton Utility District, which is the water supplier for this area, nor the Overton County Government has plans to provide sewer service to this area.

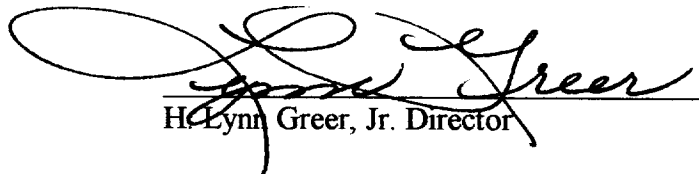
At its regularly scheduled Conference held on June 22, 1999, the Authority considered the petition and pertinent portions of the record and unanimously approved the petition. Pursuant to Tenn. Code Ann. § 65-4-203, the Authority found the petition to be in the public interest due to the reasonable needs of those to be served and the decision of both the North Overton Utility District and the Overton County Government to decline to serve those customers. The Authority further found the petition to be consistent with other requests by the Company for service area expansions.

IT IS THEREFORE ORDERED THAT:

1. The petition of On-Site Systems, Inc. to amend its Certificate of Convenience and Necessity to expand its service territory to the *Cornerstone of Mitchell Creek* development near Livingston, Tennessee, in Overton County, is approved.

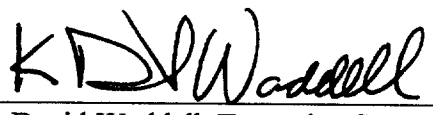
2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from the date of this Order.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr. Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary

North Overton Utility District

110 Hoover Cemetery Ln
P.O. Box 167
Albion, TN 38641
(931) 823-3381

MARCH 12, 1999

MR. CHARLES PICKNEY, JR., P.E.
ON-SITE SYSTEMS, INC.
7638 RIVER ROAD PIKE
NASHVILLE, TENNESSEE 37209-5733

**RE: SEWER SYSTEM - CORNERSTONE AT MITCHELL CREEK
DEVELOPER - DENO CATES**

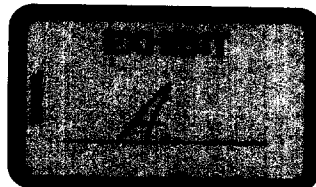
DEAR MR. PICKNEY:

THE NORTH OVERTON UTILITY DISTRICT REVIEWED YOUR REQUEST TO PROVIDE SEWER SERVICE TO THE SUBJECT PROPERTY. OUR DISTRICT PROVIDES WATER SERVICE TO THIS AREA BUT DOES NOT HAVE CURRENT OR FUTURE PLANS TO PROVIDE SEWER SERVICE TO THIS AREA. IT IS OUR UNDERSTANDING THAT *ON-SITE SYSTEMS, INC* OR ITS SUCCESSORS WILL PROVIDE PERPETUAL OPERATION AND MAINTENANCE OF THIS SYSTEM AND WILL COMPLY WITH ALL EXISTING AND FUTURE LOCAL, STATE, AND FEDERAL REGULATIONS REGARDING THE OPERATION AND MAINTENANCE OF THE SEWER SYSTEM INCLUDING THE DISCHARGE OF EFFLUENT AND THE DISPOSAL OF SOLIDS FROM THE SEWER SYSTEM.

SINCERELY,



DONALD WELLS
CHAIRMAN





Overton County Government

Richard M. (Ossie) Mitchell
County Executive

317 University Street
Livingston, TN 38570

Phone: (931) 823-5638
Fax: (931) 823-7036

March 12, 1999

To Whom It May Concern,

Please be advised that the County does not desire and has no plans to provide sewer service within Overton County in the near future.

If you have any questions please call.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard M. Mitchell", is written over a horizontal line.

Richard M. Mitchell
County Executive

