Tennessee Wastewater Systems, Inc.
7638 River Road Pike
Nashville, TN 37209
Office: (615) 356-2880
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February 9, 2004

Mr. Hal Novak, Chief
Energy and Water Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Docket No: 03-00329
Petition to amend

04-00045

Dear Mr. Novak:

Enclosed please find an Petition to Amend the above-referenced Petition.

If you have any questions, please feel free to contact me.

Sincerely,

Charles Pickney, Jr.
President

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE: PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY

DOCKET No. 03-00329

AMENDMENT TO PETITION

When this Petition was filed, Tennessee Wastewater Systems, Inc , sought a certificate of public convenience and necessity to serve a portion of Sevier County, Tennessee with the following description.

> All of Sevier County with the exception of (1) the area presently being served by East Sevier Utility District, (2) the area presently within the city limits and urban growth boundaries of Sevierville, Pigeon Forge, Gatlinburg and Pittman Center, (3) Valley Mart Exxon, 3201 Wears Valley Road, Sevierville, Tennessee, and (4) Cove Mountain Realty, 3174 Wears Valley Road, Sevierville, Tennessee

In this original description, the Company excluded the urban growth boundaries of the City of Pigeon Forge However, the Company submitted in support of its Petition a letter from John Jagger, Community Development Director of the City of Pigeon Forge, Tennessee In this letter, Mr. Jagger stated that the City of Pigeon Forge would not support or oppose the grant of the Petition where municipal sewers are not available "including the unincorporated portion of the Pigeon Forge Planning Region " A copy of this letter is attached as Exhibit A This letter was written in response to the Company's letter dated January 10, 2003, in which the Company confirmed with the City of Pigeon Forge, the Company's desire to provide sewer service within the Pigeon Forge urban growth boundaries A copy of this letter is attached as Exhibit B

When the Company was preparing its description for the original Petition, the Company intended to exclude only the present city limits of the City of Pigeon Forge not the area within the urban growth boundaries of the City of Pigeon Forge The Company inadvertently excluded the urban growth boundaries of the City of Pigeon Forge from description of the area sought in the orginal Petition.

The Authority considered this Petition at its Conference on October 21, 2003, and granted the Petition No final order has been issued The Company requests that the Authority allow it to amend the Petition to include the area within the urban growth boundaries of the City of Pigeon Forge as a part of the certificate it is seeking in this matter As amended the Company is requesting a certificate of public convenience and necessity to serve the following portion of Sevier County, Tennessee:

> All of Sevier County with the exception of (1) the area presently being served by East Sevier Utility District, (2) the area presently within the city limits and urban growth boundaries of Sevierville, Gatlinburg and Pittman Center, (3) the area presently within the city limits of Pigeon Forge, (4) Valley Mart Exxon, 3201 Wears Valley Road, Sevierville, Tennessee, and (5) Cove Mountain Realty, 3174 Wears Valley Road, Sevierville, Tennessee

The Company requests that the Authority reconsider the granting of the Petition as amended by this Amendment to Petition at a regularly scheduled Conference

Respectfully submitted,

CHARLES PICKNEY, JR , President

Exhibit A

YEARS OF FORGING PROGRESS

PIGEON FORGE
T·E·N·N·E·S·S·E·E

DEPARTMENT OF PUBLIC WORKS
COMMUNITY DEVELOPMENT DIVISION
JOHN JAGGER
DIRECTOR

February 12, 2003

Mr Michael Hines
Vice President
On-Site Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

RE: OSI request to TRA for exclusive coverage of Sevier County

Dear Mr. Hines·

In your letter of January 10, you informed me that your firm is preparing a petition to the Tennessee Regulatory Agency requesting a Certificate of Convenience and Necessity to cover the remaining areas of Sevier County where municipal or county sewers are not available, including the unincorporated portion of the Pigeon Forge Planning Region. After discussing this issue with the city manager and city attorney, we believe that the City of Pigeon Forge should take a neutral stance on this matter, neither supporting nor opposing the request

Thank you for keeping us informed of your intentions.

Sincerely,

John Jagger

John Jagger
Community Development Director

xc: Earlene Teaster
Jim Gass

P O Box 1350 • Pigeon Forge, TN 37868-1350 • 865-429-7474 • fax 865-429-7322 • email jjagger@pigeon forge tn us

Exhibit B

On-Site Systems, Inc.

P.O. Box 22771
Knoxville, TN 37933-0771
(865) 675-5917

January 10, 2003

Mr. John Jagger
Director of Planning
City of Pigeon Forge
P O. Box 1350
Pigeon Forge, TN 37868-1350

Dear Mr. Jagger:

This letter confirms and augments our discussion yesterday regarding On-Site System, Inc operations in Sevier County. As you know, On-Site Systems, Inc. (OSI) is a Tennessee privately owned, public utility company that provides sewerage services to areas where municipal or county sewers are not available. We currently own and operate three systems in Sevier County and have several more in design or under construction All of OSI's utility activities, including its monthly utility charges, are regulated by the state public service commission, the Tennessee Regulatory Commission (TRC).

In order to serve a development, property, or area, OSI must obtain letters from county and municipal officials that their jurisdictions will not provide sewers to those areas within twelve months. Those letters accompany our petition to the TRC requesting a Certificate of Convenience and Necessity authorizing OSI to provide sewer service to those areas. After review and approval, TRC will grant OSI the certificate that prevents any other privately owned, public utility company from attempting to provide sewer service to those same areas. ***In no way does this certificate affect the rights or authorities of any unit of local government to provide sewer service to those areas at any time current or future.*** Nor does it prevent developers from using conventional septic tank systems if approved by the Sevier County Environmental Health Department.

OSI is preparing to petition the TRC to grant a Certificate of Convenience and Necessity to cover the remaining areas of Sevier County where municipal or county sewers are not available We would like to include the Pigeon Forge growth region in our requested coverage. If approved by the TRC, that action would assist your planning efforts in that public sewer would be available throughout the planning district. This would provide you a useful option in dealing with developers proposing to subdivide using private sewerage systems owned by home owner associations.

Exhibit B

If you concur with our proposed request, we will proceed to the TRC with our petition. Once the certificate is issued, subdivision planning before your planning commission will continue unchanged. When a developer submits a proposal to subdivide property, you will review the proposal for adequacy of sewage disposal. If the city desires to serve the area with municipal sewer service, it can do so regardless of whether the developer has proposed to use individual septic tanks or an OSI system.

Please consider this as OSI's request to the City of Pigeon Forge for concurrence with our petition to the TRC to include the entire planning district outside of the current or future city corporate boundaries as part of a Certificate of Convenience and Necessity. If you or any of the other city officials have questions or would like more detailed discussions, I am available at any time.

Sincerely,

Michael Hines, M S., P E.
Vice President