

Cartwright Creek Utility Co.

2033 Richard Jones Road
Nashville, TN 37215

REGULATORY UNIT

01 SEP 6 PM 2 05

August 30, 2001

OFFICE OF THE
EXECUTIVE SECRETARY

Tennessee Regulatory Authority
C/O David Waddell
460 James Robertson Pkwy
Nashville, TN 37243

Dear Mr. Waddell:

01-00777

I am writing you to formally petition, on Cartwright Creek's behalf, the Tennessee Regulatory Authority for a new tariff. Reasons for this request are numerous and I have listed a few of these below:

- Cartwright Creek's current rate of return for the year 2000 was a negative -0.18% and my forecasted rate for 2002 remains negative at -1.31%.
- Our facility is over twenty-five years old and repairs are being incurred and more are waiting at our door to be done.
- Inflation of operating costs has increased dramatically since our last rate case in 1996.
- Funds right now are not available for either any large capital improvements or major repairs to the plant.

Our current tariff provides for a residential tap fee of \$2,750, non-residential tap fee of \$7.86 and "set" monthly sewer rates for customers to pay to have the right to use the sewer. These monthly rates are as follows:

Residential:

1 – Bedroom	\$20.35
2 – Bedroom	\$25.71
3 – Bedroom	\$29.99
4 – Bedroom	\$34.82
5 – Bedroom	\$39.10

Non – Residential:

Charge per 1,000 gallons per month (actual or assumed flow)	\$3.31
Minimum monthly charge	\$6.00

With our petition, Cartwright Creek is requesting all current fees increase by 14.0 percent each year for three years beginning in year 2002. In doing so, this would translate into the following rates for the first year:

Residential Tap Fee	\$3,140.15
Non-Residential Tap Fee	\$8.97 per gallon per day

Monthly Fees:

1 – Bedroom Residential	\$23.19
2 – Bedroom Residential	\$29.31
3 – Bedroom Residential	\$34.19
4 – Bedroom Residential	\$39.70
5 – Bedroom Residential	\$44.57

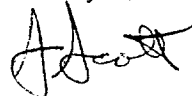
In addition to these new operating rates, we would also like to petition for the following:

- Connection fee of \$100
- Deposit of \$50
- Returned check fee of \$25

Enclosed are thirteen copies of our petition along with a copy of current tariff in effect and a check in the amount of \$25 made payable to TRA. The name of our attorney representing Cartwright Creek in this petition will be Gail Pigg. Mrs. Pigg may be contacted at 244-0001 should you need any direct inquiry.

If you need additional information related to Cartwright Creek Utility Company, Inc., please contact me at 383-9070.

Thank you,



Jason Scott

Controller

cc: Gail Pigg, Esquire

rtwright Creek Utilities
 Actual Income Statement
 For Period Ending December 31, 2000

	TOTALS	AVG
Income		
Residential Revenues	166,248	13,854
Commercial Revenues	56,017	4,668
Other Sewer Revenues	1,474	123
Total Income	223,739	18,645
Expenses		
Sludge Removal Expense	45,113	3,759
Purchased Power	18,013	1,501
Chemicals	1,801	150
Materials and Supplies	24,910	2,076
Cont serv - engineering	29,700	2,475
Cont serv - management	16,700	1,392
Cont serv - accounting	3,000	250
Cont serv - repairs and maint	5,926	494
Rent	2,400	200
Insurance expense	359	30
Regulatory commission exp.	1,258	105
Bad Debts	40	3
Misc expense	956	80
Total Expenses	150,176	12,515
OPERATING PROFIT/(<LOSS>)	73,563	6,130
Other Income and Expenses		
Depreciation	(52,799)	(4,400)
Taxes other than income	(10,612)	(884)
Interest and dividends	11,214	935
Misc nonutility expense	(13)	(1)
Charitable Donations	(100)	(8)
Interest expense	(22,060)	(1,838)
Total Other Income and Expenses	(74,370)	(6,198)
PROFIT/(<LOSS>) BEFORE TAX	(807)	(67)
Income Taxes	8,682	
NET PROFIT/(<LOSS>)	(9,489)	

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek Utility Co.	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 04/26/01	2000
SUPPLEMENTAL FINANCIAL DATA TO THE ANNUAL REPORT			
Rate Base			
Additions:			
Plant In Service		762,746	
Construction Work in Progress			
Property Held For Future Use			
Materials & Supplies			
Working Capital Allowance			
Other Additions - Common Plant Alloc from Parent Company			
Other Additions (Please Specify)			
Total Additions to Rate Base		762,746	
Deductions:			
Accumulated Depreciation		438,973	
Accumulated Deferred Income Taxes			
Pre 1971 Unamortized Investment Tax Credit			
Customer Deposits		(19)	
Contributions in Aid of Construction		1,077,293	
Other Deductions (Please Specify)			
Other Deductions (Please Specify)			
Total Deductions to Rate Base		1,516,247	
Rate Base		(753,501)	
Adjusted Net Operating Income			
Operating Revenues:			
Residential		166,162	
Commercial		56,017	
Industrial			
Public Authorities			
Multiple Family			
Fire Protection			
All Other		1,474	
Total Operating Revenues		223,653	
Operating Expenses:			
Operation		150,188	
Depreciation		52,799	
Amortization			
Taxes Other Than Income Taxes		10,611	
Income Taxes		8,682	
Total Operating Expense		222,280	
Net Operating Income		1,373	
Other (Please Specify)			
Other (Please Specify)			
Adjusted Net Operating Income		1,373	
Rate of Return (Line 49 / Line 25)		-0.18%	
All amounts should be calculated in a manner consistent with the last Rate Order Commission for this Company.			

Cartwright Creek Utilities
 Budgeted Income Statement
 For Period Ending December 31, 2001

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTALS	AVG
Income														
Residential Revenues	13,920	14,137	14,266	14,119	14,339	14,235	14,250	14,300	14,350	14,400	14,450	14,450	171,216	14,268
Commercial Revenues	4,689	4,689	4,689	4,689	4,649	4,648	4,648	4,648	4,648	4,648	4,648	4,648	55,941	4,662
Other Sewer Revenues	-	(4)	478	(132)	(7)	384	300	300	300	300	300	300	2,519	210
Total Income	18,609	18,822	19,433	18,676	18,981	19,267	19,198	19,248	19,298	19,348	19,398	19,398	229,676	19,140
Expenses														
Sludge Removal Expense	373	3,540	3,525	7,069	6,760	7,585	7,250	7,250	6,750	3,500	3,500	3,000	60,102	5,009
Purchased Power	1,743	1,536	1,563	1,435	1,539	1,821	1,820	1,820	1,650	1,600	1,600	1,600	19,727	1,644
Chemicals	-	468	-	-	572	204	210	210	-	200	-	200	2,064	172
Materials and Supplies	394	2,123	1,661	1,848	1,867	2,656	1,750	1,750	2,000	2,000	2,000	2,000	22,049	1,837
Cont serv - engineering	3,888	2,700	2,700	2,700	3,151	2,700	5,000	4,000	500	500	500	500	28,839	2,403
Cont serv - management	1,167	1,167	1,167	1,167	1,167	3,267	3,267	3,467	3,467	3,467	3,467	3,467	29,704	2,475
Cont serv - accounting	250	250	250	250	250	250	250	250	250	250	250	250	3,000	250
Cont serv - repairs and maint	-	150	1,124	655	6,340	4,072	6,000	4,000	2,500	1,500	1,500	2,500	30,341	2,528
Rent	200	200	200	200	200	200	200	200	200	200	200	200	2,400	200
Insurance expense	44	44	44	44	44	44	44	44	44	44	44	44	528	44
Misc expense	77	62	(133)	19	(5)	-	20	20	20	20	20	20	140	12
Contributions for conventions	-	-	50	-	-	-	50	-	-	-	50	-	150	13
Total Expenses	8,136	12,240	12,151	15,387	21,885	22,799	25,861	23,011	17,381	13,281	13,131	13,781	199,044	16,587
OPERATING PROFIT/(LOSS)>	10,473	6,582	7,282	3,289	(2,904)	(3,532)	(6,663)	(3,763)	1,917	6,067	6,267	5,617	30,632	2,553
Other Income and Expenses														
Depreciation	(3,471)	(3,471)	(3,471)	(3,471)	(3,471)	(3,471)	(3,471)	(3,471)	(6,404)	(6,404)	(6,404)	(6,404)	(53,384)	(4,449)
Taxes other than income	(767)	(842)	(787)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(9,299)	(775)
Interest and dividends	894	808	874	722	1,018	895	900	900	900	900	900	900	10,611	884
Misc nonutility expense	-	-	-	-	-	(335)	-	-	-	-	-	-	(335)	(28)
Interest expense	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(22,056)	(1,838)
Total Other Income and Expense:	(5,182)	(5,343)	(5,222)	(5,354)	(5,058)	(5,516)	(5,176)	(5,176)	(8,109)	(8,109)	(8,109)	(8,109)	(74,463)	(6,205)
PROFIT/(LOSS)> BEFORE TAX	5,291	1,239	2,060	(2,065)	(7,962)	(9,048)	(11,839)	(8,939)	(6,192)	(2,042)	(1,842)	(2,492)	(43,831)	(3,653)

Cartwright Creek Utilities
 Budgeted Income Statement
 For Period Ending December 31, 2002

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTALS
Income													
Residential Revenues	16,479	16,479	16,535	16,671	16,728	16,786	16,843	16,900	16,957	17,013	17,013	17,013	201,417
Commercial Revenues	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	63,108
Other Sewer Revenues	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Total Income	21,863	21,863	21,919	22,055	22,112	22,170	22,227	22,284	22,341	22,397	22,397	22,397	266,025
Expenses													
Sludge Removal Expense	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	60,300
Purchased Power	1,775	1,600	1,600	1,500	1,600	1,850	1,850	1,850	1,700	1,650	1,650	1,650	20,275
Chemicals	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Materials and Supplies	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	25,200
Cont serv - engineering	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Cont serv - management	4,050	4,050	4,050	4,050	4,050	4,050	4,050	4,050	4,050	4,050	4,050	4,050	48,600
Cont serv - accounting	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Cont serv - repairs and maint	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	12,960
Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Insurance expense	50	50	50	50	50	50	50	50	50	50	50	50	600
Misc expense	20	20	20	20	20	20	20	20	20	20	20	20	240
Contributions for conventions	-	-	50	-	-	-	50	-	-	-	50	-	150
Total Expenses	16,425	16,250	16,300	16,150	16,250	16,500	16,550	16,500	16,350	16,300	16,350	16,300	196,225
OPERATING PROFIT/LOSS>	5,438	5,613	5,619	5,905	5,862	5,670	5,677	5,784	5,991	6,097	6,047	6,097	69,800
Other Income and Expenses													
Depreciation	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,704)	(3,698)	(44,442)
Taxes other than income	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(10,200)
Interest and dividends	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Misc nonutility expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(1,838)	(22,056)
Total Other Income and Expense:	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,492)	(5,486)	(65,898)
PROFIT/LOSS> BEFORE TAX	(54)	121	127	413	370	178	185	292	499	605	555	611	3,902

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek Utility Co.	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr)	2002
SUPPLEMENTAL FINANCIAL DATA TO THE ANNUAL REPORT			
Rate Base			
Additions:			
Plant In Service		802,746	
Construction Work in Progress			
Property Held For Future Use			
Materials & Supplies			
Working Capital Allowance			
Other Additions - Common Plant Alloc from Parent Company			
Other Additions (Please Specify)			
Total Additions to Rate Base		802,746	
Deductions:			
Accumulated Depreciation		545,093	
Accumulated Deferred Income Taxes			
Pre 1971 Unamortized Investment Tax Credit			
Customer Deposits		0	
Contributions in Aid of Construction		1,118,543	
Other Deductions (Please Specify)			
Other Deductions (Please Specify)			
Total Deductions to Rate Base		1,663,636	
Rate Base		(860,890)	
Adjusted Net Operating Income			
Operating Revenues:			
Residential		201,417	
Commercial		63,108	
Industrial			
Public Authorities			
Multiple Family			
Fire Protection			
All Other		1,500	
Total Operating Revenues		266,025	
Operating Expenses:			
Operation		196,225	
Depreciation		44,442	
Amortization			
Taxes Other Than Income Taxes		10,200	
Income Taxes		3,894	
Total Operating Expense		254,761	
Net Operating Income		11,264	
Other (Please Specify)			
Other (Please Specify)			
Adjusted Net Operating Income		11,264	
Rate of Return (Line 49 / Line 25)		-1.31%	
All amounts should be calculated in a manner consistent with the last Rate Order Commission for this Company.			

CARTWRIGHT CREEK UTILITY COMPANY
FLAT MONTHLY SEWER SERVICE BILLING

Residential, Condominium, House, or Apartment:

1 - Bedroom.....	\$20.35
2 - Bedroom.....	\$25.71
3 - Bedroom.....	\$29.99
4 - Bedroom.....	\$34.82
5 - Bedroom.....	\$39.10

Non-Residential:

Charge per 1,000 gallons per month (actual or assumed flow).....	\$ 3.31
Minimum monthly charge	\$ 6.00

TAP FEES¹

Residential: \$2,750.00

Non-Residential:

Charge per gallon per day
(Computed by multiplying the peak monthly
usage during the first year by 12 divided
by 365 days.) \$ 7.86

¹Effective date for Tap Fees 6/1/93
Effective date for Monthly Sewer Fees 10/1/98

CARTWRIGHT CREEK UTILITY COMPANY

TARIFF

Effective 10/1/98