

# TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director



July 28, 2003

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

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DOCKET ROOM

Henry Walker, Esq.  
Boult, Cummings, Connors & Berry, PLC  
414 Union Street  
Suite 1600  
P.O. Box 198062  
Nashville, TN 37219

*Re: Application of RBS Gas Utility, Inc. to Transfer Ownership and Control*

Docket No. 03-00428

Dear Mr. Walker:

A Petition was filed on July 2, 2003 with the Tennessee Regulatory Authority ("TRA" or the "Authority") by RBS Gas Utility, Inc. ("RBS") for approval of a transfer of ownership and control that took place on December 26, 2002. In order to complete the processing of the Petition, the Authority requests the following information regarding the transfer:

- 1) Why was this petition not filed prior to the transfer of control, as required by T.C.A. § 65-4-113?
- 2) Does RBS have operations in any states other than Tennessee? If so, are separate financial records maintained for the Tennessee operation?
- 3) What Tennessee staff does RBS have in addition to the new owner? Is this staff retained from when RBS was under previous ownership? What technical, managerial and financial duties are performed by this staff?
- 4) Is the advisory role of former owner W. E. Hathorn, described in the petition, an official or unofficial role? Is Mr. Hathorn compensated for this advisory role?
- 5) How many Tennessee customers does RBS serve?
- 6) Explain if and how Mr. Ayers understands his responsibilities concerning any/all reports and forms to be filed with the Authority.

- 7) How does Mr. Ayers intend to keep RBS' financial records? What accounting principles does he intend to follow?
- 8) Please describe Mr. Ayers' past experience in dealing with regulatory agencies and how he intends to follow all TRA Rules and Regulations as they apply to the ownership and operation of RBS?
- 9) Please describe Mr. Ayers' past work experience related to running a gas company.

Please submit the requested information by August 12, 2003. If you have any questions, please contact Rosie Naccarato at 615-741-2904 ext. 156.

Respectfully,



Aster Adams  
Chief, Economic Analysis and Market Monitoring Division

cc: Pat Murphy, Butch Phillips, Rosie Naccarato, Eddie Roberson, Richard Collier,  
Kim Beals, Dockets & Records (Docket No. 03-00428)