BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

| July 13, 2006 | | |
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| IN RE: |) | |
| |) | |
| PETITION OF FOOTHILLS UTILITIES, INC. |) | DOCKET NO. |
| FOR A CERTIFICATE OF PUBLIC CONVENIENCE |) | 04-00117 |
| AND NECESSITY TO PROVIDE SEWER SERVICES |) | |
| IN BLOUNT COUNTY, TENNESSEE |) | |
| | | |

ORDER GRANTING CANCELLATION OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

This matter came before Chairman Ron Jones, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority ("TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on May 30, 2006. Foothills Utilities, Inc. (the "Company") originally filed an Application for a Certificate of Public Convenience and Necessity ("CCN") to provide sewer services in Blount County, Tennessee, on April 19, 2004. A Hearing was held on October 12, 2004. The Hearing Officer found that the Company had met all the requirements for certification and approved the Application. On May 12, 2006, the Company requested that the TRA cancel its CCN. Based upon careful consideration of the entire record in this matter, the panel voted unanimously to cancel Foothills Utilities, Inc.'s CCN to provide sewer services in Blount County, Tennessee.

IT IS SO ORDERED.

Pat Miller, Director

Sara Kyle, Director