

WHN CONSULTING

19 Morning Arbor Place
The Woodlands, TX 77381

March 19, 2007

Ms. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

filed electronically in docket office on 03/19/07

Re: Petition of Cartwright Creek, L.L.C. for Exemption from Financial Security as required by the TRA's Proposed Wastewater Regulations. Docket 06-00062.

Dear Chairman Kyle:

In Docket 06-00062, the Tennessee Regulatory Authority permitted Cartwright Creek, L.L.C., (the "Company") to invest \$300,000 in upgrades over a one-year period to the Grassland wastewater plant as an interim alternative to the agency's rules on financial security. On behalf of the Company, we would like to present you with our monthly status report regarding the upgrades to the Grassland wastewater plant.

Attached is a copy of the January 2006 statement from the Company's escrow holder, First American Title Insurance Company ("First American"). This statement shows the Company's net balance of approximately \$245,000 including interest earned through January 31, 2007. Payments of approximately \$60,000 were withdrawn from this account in December for repairs to the wastewater system, which are now complete.

In regards to the sludge system, the entire Cartwright Creek site was resurveyed in January. We began the county permit process and determined that additional engineering was required for drainage and erosion control. This work is currently underway. In addition, our contractor has been going through the testing and submittal process to become licensed in Tennessee, and should have his license at the end of March.

If you have any questions in regards to this status report, please contact me at 713-298-1760.

Sincerely,



William H. Novak

Attachment



First American Title Insurance Company
National Commercial Services Division
AmSouth Center, Suite 2055
315 Deaderick Street
Nashville, Tennessee 37238

Telephone: (615)-256-6601 FAX: (615)-256-6604
WATS: (877) 551-3008

TELECOPIER TRANSMITTAL SHEET

TO: **Bob Cochran**

FAX #: **630-446-4085**

FROM: **Dottie Potts**

DATE: **2-15-07**

SUBJECT: **Cartwright Creek Statement**

TOTAL NUMBER OF PAGES, INCLUDING COVER SHEET: 2

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MESSAGE:

**Bank of America**

Bank of America, N.A.
P.O. Box 25118
Tampa, FL 33622-5118

1.888.400.0009

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Account Number: 0055 6638 1323

EO P OA Enclosures 0

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Statement Period

01/01/07 through 01/31/07

004724



00016286 01 MB 0.326 12 01904 001 SCM999

FIRST AMERICAN TITLE INS CO AS ESCROW
AGT FOR CARTWRIGHT CREEK LLC
315 DEADERICK ST STE 2055
NASHVILLE TN 37238-2000

Business Interest Maximizer Account**Account Summary Information**

Statement Period	01/01/07 through 01/31/07	Statement Beginning Balance	244,576.67
Number of Deposits/Credits	1	Amount of Deposits/Credits	675.10
Number of Withdrawals/Debits	0	Amount of Withdrawals/Debits	0.00
		Statement Ending Balance	245,251.77
Number of Enclosures	0	Average Collected Balance	244,598.44
Number of Days in Cycle	31	Average Ledger Balance	244,598.44
		Service Charge	0.00

Interest Information

Amount of Interest Paid	675.10	Interest Paid Year-to-Date	675.10
Annual Percentage Yield Earned		Withholding Year-to-Date	0.00
This Statement Period	3.30%		

Deposits and Credits

Date Posted	Amount	Description	Bank Reference
01/31	675.10	Interest Earned	

Daily Ledger Balances

Date	Balance	Date	Balance
01/01	244,576.67	01/31	245,251.77