

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

January 30, 2007

IN RE:)	
)	
PETITION OF LYNWOOD UTILITY)	DOCKET NO.
CORPORATION FOR A THIRTY (30) DAY)	06-00071
EXTENSION TO FILE THE FINANCIAL)	
SECURITY REQUIRED BY TRA RULE 1220-4-13-.07)	

ORDER REQUIRING FILING OF FINANCIAL SECURITY

This matter came before Chairman Ron Jones, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on April 3, 2006 upon the petition of Lynwood Utility Corporation ("Lynwood" or the "Company") requesting an additional thirty (30) days to submit proof of financial security as required by TRA Rule 1220-4-13-.07.¹

On March 13, 2006, Lynwood filed its petition requesting a thirty (30) day extension in which to file financial security pursuant to Rule 1220-4-13-.07.² Despite several TRA mailings notifying utilities of the new regulations relating to financial security, the Company states that it is unaware that the Public Necessity Rules, Tenn. Comp. R. & Regs. 1220-4-13, had taken effect.³ The enacted Rules do not address the possibility of a waiver or extension of the deadline

¹ The Authority promulgated public necessity rules for wastewater, effective December 29, 2005 through June 12, 2006. The permanent TRA Rules 1220-4-13 became effective on June 12, 2006.

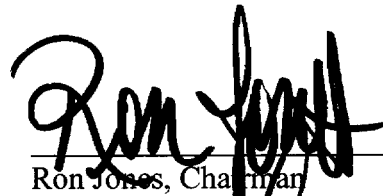
² Lynwood Utility Corporation, with its principal office located in Brentwood, Tennessee, is certified to do business in the State of Tennessee and currently holds a CCN to operate a wastewater treatment plant. The Company was first granted a Certificate of Public Convenience and Necessity on June 14, 1976 (Docket No. U-6162).

³ Notification letters were sent to Mr. Tyler Ring, owner of Lynwood Utility, on January 13, February 7, and March 3, 2006 regarding the new rules.

for filing the required security. The purpose of the financial security, however, is to help ensure that consumers receive continued and adequate service. For these reasons, the panel voted unanimously to deny the petition, to require Lynwood to file its financial security immediately and to review this matter at a later Authority Conference.

IT IS THEREFORE ORDERED THAT:

1. The petition of Lynwood Utility Corporation requesting an additional thirty (30) days to submit proof of financial security as required by TRA Rule 1220-4-13-.07 is denied.
2. Lynwood Utility Corporation shall proceed to file its financial security as required by TRA Rule 1220-4-13-.07.
3. Inasmuch as Lynwood filed, on May 12, 2006, a *Petition for Exemption from Filing Proof of Financial Security as Required by Rule 1220-4-13-.07(2), or, in the Alternative, to Approve Another Type of Security or Security Amount* in a new docket, No. 06-00139, this docket is hereby closed and the matter will be reviewed under the new docket number.



Ron Jones, Chairman



Pat Miller, Director



Sara Kyle, Director