

LAW OFFICES

GULLETT, SANFORD, ROBINSON & MARTIN, PLLC

GARETH S. ADEN
G. RHEA BUCY
CHRISTOPHER W. CARDWELL
GEORGE V. CRAWFORD, JR.
GEORGE V. CRAWFORD III
A. SCOTT DERRICK
THOMAS H. FORRESTER
MARY TAYLOR GALLAGHER
MARY BETH HAGAN
MARCY S. HARDEE
M. TAYLOR HARRIS, JR.
DAN HASKELL
ANDRA J. HEDRICK
LINDA W. KNIGHT
JOEL M. LEEMAN
ALLEN D. LENTZ
MOLLIE E. MAHAN

STREET ADDRESS:
315 DEADERICK STREET, SUITE 1100
NASHVILLE, TENNESSEE 37238

MAILING ADDRESS:
POST OFFICE BOX 198888
NASHVILLE, TENNESSEE 37219-8888

TELEPHONE (615) 244-4994

FACSIMILE (615) 256-6339

WWW.GSRM.NET

JOSEPH MARTIN, JR.
MARISSA A. MOSES
WM. ROBERT HOPE, JR.
JACK W. ROBINSON, JR.
JACK W. ROBINSON, SR.
WESLEY D. TURNER
PHILLIP P. WELLY
MARK H. WESTLAKE

OF COUNSEL

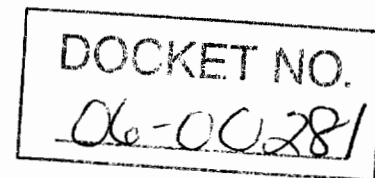
TREVOR W. HOWELL
JOHN D. LENTZ
SULLIVAN F. MARSDEN

B. B. GULLETT
1905-1992

VALERIUS SANFORD
1923-2001

November 13, 2006

Hon. Sara Kyle, Chairman
c/o Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505



RE: Application of Community Initiative for a Certificate of Public Convenience and Necessity to Provide Natural Gas Services in Certain Areas of Macon County, Tennessee (including within the City of Red Boiling Springs); To Approve the Transfer of Customers and Certain Assets and Customers of RBS Gas Utility, Inc.; to Approve Franchise from The City of Red Boiling Springs; to Confirm Cancellation of Special Contract of RBS Utility, Inc.; and to Set Rates and Approve Tariff

Dear Chairman Kyle:

Enclosed for filing is an original and 14 copies of the above-mentioned Application. Attached to the Application are Exhibits A through O. Also enclosed for filing is the Pre-filed Testimony of Doug Goff and of Jeff Callahan, in support of the Application. Please stamp one copy of the all of the documents "filed" and return it to me for my files. Also enclosed is a check for \$25.00 to cover the filing fee.

As you may know, Community Initiative was the successful bidder for the assets of RBS Utility, Inc., a natural gas utility in Macon County that had been placed in receivership by the TRA earlier this year. The enclosed Application seeks all necessary approvals relating to the acquisition of the assets and setting up the new utility, so that the RBS customers will continue to be served and to have gas after the sale. The receiver has asked that Community Initiative close on the purchase promptly, so acting on the Application as expeditiously as possible would be appreciated.

Should you have any questions with respect to this filing, please do not hesitate to contact me.

Very truly yours,

Jack W. Robinson, Jr.

JWRjr:plw
Enclosures

Sharla Dillon - Faxed agendas

From: "Karen Slater" <KSlater@mleesmith.com>
To: <jessica.johnson@state.tn.us>
Date: 11/13/2006 12:19 PM
Subject: Faxed agendas

Please note for your records that the TRA info should now be faxed or emailed to me at the number below. Please add me to your update list for M. Lee Smith Publishers. Updates should no longer be sent to Katie Falls or Steve Hines, but to me at the fax or e-mail address below. Please delete Katie Falls and Steve Hines from your update list.

Many thanks,
Karen Slater, *Calendar Alert*

Karen Slater
Database Publishing Assistant

E-mail kslater@mleesmith.com
Phone 615-661-0249 ext. 8037
Fax 615-373-5183

M. Lee Smith Publishers LLC
5201 Virginia Way
P.O. Box 5094
Brentwood, TN 37024-5094

<http://www.mleesmith.com>

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

IN RE: APPLICATION OF COMMUNITY INITIATIVE FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE NATURAL GAS SERVICES IN CERTAIN AREAS OF MACON COUNTY, TENNESSEE (INCLUDING WITHIN THE CITY OF RED BOILING SPRINGS); TO APPROVE THE TRANSFER OF CUSTOMERS AND CERTAIN ASSETS AND CUSTOMERS OF RBS GAS UTILITY, INC.; TO APPROVE FRANCHISE FROM THE CITY OF RED BOILING SPRINGS; TO CONFIRM CANCELLATION OF SPECIAL CONTRACT OF RBS UTILITY, INC.; AND TO SET RATES AND APPROVE TARIFF

Docket No.: 06-_____

PREFILED TESTIMONY OF JEFF CALLAHAN

I, Jeff Callahan, hereby testify as follows in support of the Application of Community Initiative ("CI") for a certificate of public convenience and necessity ("CCN") to provide natural gas distribution services in certain areas of Macon County, Tennessee (including within the City of Red Boiling Springs):

1 Q: Please state your full name, business address and position.

2 A. My name is Jeff Callahan. I am employed by and President of AUI, LLC
3 ("AUI"), a Tennessee limited liability company. My business address is 222 West Spring Street,
4 Cookeville, Tennessee 38501.

5 Q. Please describe your duties for AUI.

6 A. As President of AUI, I am in charge of the day to day affairs and oversight of the
7 entire company. AUI has two offices, one in Cookeville and the other in Florida. AUI has

8 approximately 35 employees and is involved in the underground utilities industry, including the
9 evaluation, maintenance and rehabilitation of certain underground utilities. While much of the
10 company's work has involved wastewater collection facilities, some of its employees have a
11 wide range of experience with underground systems.

12 Q. Please describe your educational and business background.

13 A. I have a Bachelor of Science Degree from Tennessee Technological University in
14 Cookeville in Civil Engineering.

15 As I indicated, I am the President of AUI. I have been involved in the utilities industry
16 for over 18 years, including being involved in the design, construction management and
17 rehabilitation of various utility systems. I am a member of the American Society of Civil
18 Engineers, Tennessee Association of Utility Districts, American Water Works Association, and
19 Water Environment Federation. I have been working for AUI or its predecessor since
20 approximately 1998. Prior to that time, I worked for other engineering and utility-industry firms,
21 including Piedmont Olsen Hensley in Chattanooga, which is a full service engineering firm,
22 where I served as Regional Director of Business Development; The Wickliffe Company, Inc. in
23 Chattanooga, where I was a sales engineer, and provided bidding and sales services and
24 marketed of water and wastewater products for municipal, industrial and electric utility
25 customers; Cumberland Engineers, Inc. in Cookeville, where I was a Project Engineer and also a
26 Field Engineer, and designed and administered certain construction projects for water and
27 wastewater utilities; and Utility Contracting, Inc. in Knoxville, where I was a Project Manager,
28 responsible for the field management of certain wastewater and stormwater utilities.

29 Q. Do other employees or persons working with AUI also have experience with
30 underground utilities?

31 A. Yes, virtually all of AUI's operational employees have experience with
32 underground utilities. For example, Robert Gray is employed by AUI and serves as its
33 Operations Manager. He has over thirty (30) years of experience in utilities construction, with
34 particular emphasis on construction rehabilitation and the needs associated with underground
35 utilities. Additionally, Erik Callahan, who works with AUI, has over twenty (20) years of
36 experience in utilities design. He also has a Bachelor of Science degree in Civil Engineering
37 from Tennessee Technological University.

38 Q. What is AUI's relationship with CI, and what will AUI be doing for CI?

39 A. CI's stated purpose is to establish needed facilities for communities and to
40 develop profitable businesses within the facilities to develop their continuance. In carrying out
41 its purpose, CI will work with government agencies to provide facilities and business operations
42 for communities where such communities could not otherwise afford, or do not have the business
43 infrastructure, to do so. CI is a § 501(c)(3) public charity and obtains assistance from outside
44 entities to provide services for it.

45 Accordingly, CI has entered into a 20-year contract with AUI to provide CI with
46 managerial, technical and oversight services to assist in the operation of the natural gas utility
47 that is being created by CI with the assets that CI is acquiring from the RBS Utility, Inc. ("RBS")
48 receiver. With these assets, CI will operate the natural gas distribution system and provide
49 natural gas service to certain residents in Macon County, Tennessee (including within the City of
50 Red Boiling Springs). On behalf of CI, AUI will oversee and manage the day to day business
51 and affairs of the gas utility.

52 Q. Will CI – with the help of you, AUI and others with which it may contract –
53 possess the requisite managerial and technical ability to provide natural gas services in the
54 Macon County area, as described above?

55 A. Yes, I will be working closely with the natural gas utility, along with other
56 employees of AUI. Based upon my experience, work background and education, along with
57 other persons employed by AUI, such as Robert Gray and Erik Callahan, as mentioned above,
58 CI, along with our assistance, will have indeed have the technical and managerial ability to
59 properly operate the utility.

60 I have described my experience, along with some of the abilities and experience of AUI,
61 above. AUI also has extensive experience in evaluating, maintaining and rehabilitating certain
62 utilities, which should help make sure that the natural gas utility in Macon County will be
63 properly tested and maintained safely and efficiently for its customers and for the public. AUI
64 also holds an unlimited contractor's license from the Tennessee Board of Licensing Contractors
65 in the field of building construction, municipal utilities, and special services – asbestos. All of
66 these skills and qualifications of AUI and its employees will help CI in the management and
67 running of the natural gas utility.

68 Additionally, in order to help ensure a smooth transition between the provision of natural
69 gas service by RBS (through its receiver) and by CI, it is anticipated that Tim Scott, who is
70 currently the only employee of RBS, will come to work for AUI and will continue to work with
71 and service the same customers. It is anticipated and planned that Mr. Scott will do essentially
72 the same work (however, for AUI), on a day to day basis that he has been doing during the
73 receivership and which he did prior to such time for RBS.

74 Also, CI has engaged William H. Novak to assist in setting up the system of accounts, to
75 help with year-end and periodic accounting issues and regulatory reporting, and to assist with
76 future purchased gas adjustment (“PGA”) and tariff filings. Mr. Novak has 25 years of
77 experience in regulatory affairs, rate-setting financial forecasting for utilities. He is a certified
78 public accountant, works for WHN Consulting, and also holds a Bachelor of Arts degree in
79 Accounting and a M.B.A.

80 Q. What natural gas services will be offered?

81 A. CI will offer natural gas distribution services to the same area (and customers) in
82 Macon County, Tennessee, including within the City of Red Boiling Springs, previously served
83 by RBS. AUI will oversee and manage these services on a day to day basis for CI. Some initial
84 mapping and leak testing is planned. There are approximately 100 metered houses which no
85 longer use natural gas from RBS (through its receiver). On behalf of CI, AUI plans to work to
86 get these customers to once again use natural gas, thereby increasing the number of customers
87 which the system will have and thereby increasing revenues. It is anticipated in the future that
88 CI will seek to expand the gas lines to additional areas and to provide gas distribution service to
89 additional customers, upon approval of the TRA at a later date (which is not being sought at this
90 time). However, no firm plans for expansion has been set.

91 Q. Would the grant of a CCN to CI serve the public interest?

92 A. Yes, granting a CCN to CI will serve the public interest. The residents of Macon
93 County (including in the City of Red Boiling Springs) previously served by RBS will continue to
94 have natural gas service if CI is granted a CCN. The TRA placed RBS into receivership
95 pursuant to a court proceeding in the Chancery Court for Macon County. CI was the successful
96 bidder for the assets being sold by the receiver, and with those assets, CI will be able to continue

97 providing such natural gas services to residents of the area. Without such gas being supplied by
98 CI, the residents would be without gas necessary for heat, hot water and other services for which
99 they use gas. Additionally, granting CI a CCN to provide gas service in the area formerly served
100 by RBS will provide an alternative to electricity or other means by which people heat their
101 homes and businesses, and will help promote a competitive environment. Granting a CCN to CI
102 will help maintain and improve the natural gas infrastructure in Macon County (including Red
103 Boiling Springs) and will help facilitate economic development, for those businesses and
104 industries that want to be served by natural gas. Such competition and development will benefit
105 the public and should encourage other utilities (such as electric companies) to operate more
106 efficiently, to offer more innovative and better services, and to improve the quality of their
107 service.

108 Q. Does AUI, in managing the day to day affairs of the natural gas utility for CI,
109 intend to comply with all rules, statues and Orders pertaining to the provision of natural gas
110 services in Tennessee, including those for disconnection and reconnection of service?

111 A. Yes. In managing the day to day affairs of the natural gas utility for CI, AUI
112 intends to comply with all rules, statutes and Orders pertaining to the provision of natural gas
113 services in Tennessee, including those for disconnection and reconnection of service.

114 Q. To your knowledge, has any state ever denied CI, or one of its affiliates,
115 authorization to provide intrastate natural distribution gas service?

116 A. To my knowledge, no state has ever denied such authorization. As I understand,
117 CI is a stand-alone, unaffiliated corporation with no parent, subsidiary or affiliated companies. It
118 was originally incorporated in late 2005, so it is a relatively new corporation. It has not
119 previously sought to provide natural gas distribution service in any other state or area.

120 Q. Has any state ever revoked the certification of CI?

121 A. To my knowledge, no state has ever revoked the certification of CI to provide
122 natural gas distribution services, or any other type of utility services. CI's acquisition of the
123 assets of RBS from its receiver, as approved by the Chancery Court for Macon County, is CI's
124 first entrance into owning a utility.

125 Q. Has CI or AUI ever been investigated or sanctioned by any regulatory authority
126 for service or billing irregularities?

127 A. AUI has never been investigated or sanctioned by any regulatory authority for
128 service or billing irregularities. Additionally, to my knowledge, CI has never been investigated
129 or sanctioned by any regulatory authority for service or billing irregularities.

130 Q. Who will serve as CI's regulatory and customer service contract?

131 A. To my knowledge, Glen L. Tilton, the President of CI, will serve as CI's primary
132 regulatory contract. I will service as its customer relations contact, and Tim Scott will help
133 handle customer service matters on a day to day basis.

134 Additionally, CI has engaged Earl Burton, a professional engineer who has a number of
135 years of experience in the natural gas industry and who works for Tennessee Energy Consultants,
136 to assist it in various regulatory matters, such helping it prepare its initial tariff and also its
137 PGAs.

138 CI anticipates filing a PGA in the near future, soon after it receives all of its final gas cost
139 estimates.

140 Q. Please explain in detail CI's proposed procedures for responding to information
141 requests from the TRA and its staff.

142 A. I, as President of AUI which will oversee the day to day affairs of the gas utility
143 for CI, will gather for CI all information which I have in order to respond to any information
144 requests that the TRA and its staff might have. I will then turn that information over to, and
145 work with, CI to provide the requested responses. At this time, I understand that Glen L. Tilton,
146 President of CI, will be in charge of gathering any other information necessary to respond to the
147 requests from the TRA and its staff. Mr. Tilton may also get such assistance from consultants,
148 such as Mr. Burton, Mr. Novak, or other professionals that CI may engage, when needed in order
149 to respond to the requests.

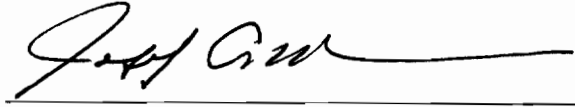
150 Q. Does this conclude your testimony?

151 A. Yes, this concludes my testimony.

STATE OF TENNESSEE)

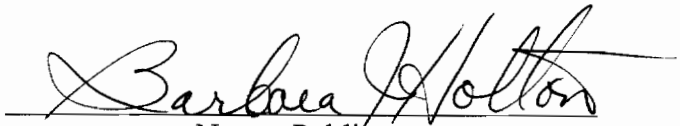
COUNTY OF DAVIDSON)

I swear that the foregoing testimony is true and correct to the best of my knowledge.

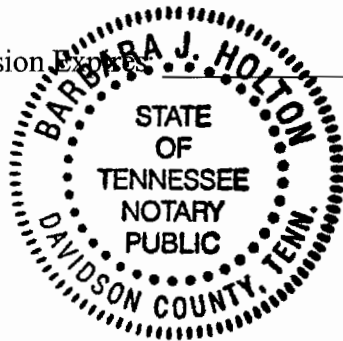


JEFF CALLAHAN
President – AUI, LLC

Sworn to and subscribed before me this 13th day of November, 2006.

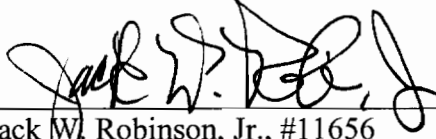

Notary Public

My Commission Expires



My Commission Expires NOV. 24, 2007

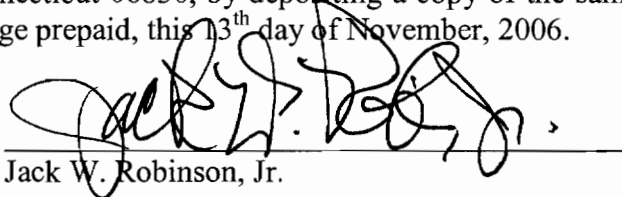
Respectfully submitted,



Jack W. Robinson, Jr., #11656
GULLETT, SANFORD, ROBINSON & MARTIN, PLLC
P. O. Box 198888
Nashville, TN 37219-8888
(615) 244-4994
ATTORNEY FOR COMMUNITY INITIATIVE

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon the City of Red Boiling Springs, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; Macon County, Tennessee, c/o County Mayor Glen H. Donoho, Room 201 Macon County Courthouse, Lafayette, Tennessee 37083; the City of Lafayette, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; the Consumer Advocate Division, Tennessee Attorney General's Office, Attn.: Timothy Phillips, Esq., Senior Counsel, 425 Fifth Avenue North, Nashville, Tennessee 37243-0491; J. Graham Matherne, Esq., attorney for Receiver of RBS Gas Utility, Inc., Wyatt, Tarrant & Combs LLP, Suite 1500, 2525 West End Avenue, Nashville, Tennessee 37203-1423; Nestle Waters North America, Attn: Plant Manager, Highway 52, Red Boiling Springs, Tennessee 37150; and Nestle Waters North America, Attn: Legal Department, 666 West Putnam Avenue, Greenwich, Connecticut 06830, by depositing a copy of the same in the United States mail, first class mail, postage prepaid, this 13th day of November, 2006.



Jack W. Robinson, Jr.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

**IN RE: APPLICATION OF COMMUNITY INITIATIVE FOR A CERTIFICATE
 OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE
 NATURAL GAS SERVICES IN CERTAIN AREAS OF MACON COUNTY,
 TENNESSEE (INCLUDING WITHIN THE CITY OF RED BOILING
 SPRINGS); TO APPROVE THE TRANSFER OF CUSTOMERS AND
 CERTAIN ASSETS AND CUSTOMERS OF RBS GAS UTILITY, INC.; TO
 APPROVE FRANCHISE FROM THE CITY OF RED BOILING SPRINGS;
 TO CONFIRM CANCELLATION OF SPECIAL CONTRACT OF RBS
 UTILITY, INC.; AND TO SET RATES AND APPROVE TARIFF**

Docket No.: 06-_____

PREFILED TESTIMONY OF DOUG GOFF

I, Doug Goff, hereby testify as follows in support of the Application of Community Initiative ("CI") for a certificate of public convenience and necessity ("CCN") to provide natural gas distribution services in certain areas of Macon County, Tennessee (including within the City of Red Boiling Springs):

1 Q: Please state your name, address and position.

2 A. My name is Doug Goff. My address is 108 Islandia Drive, Nashville, Tennessee
3 37217. I am Chairman of the Board of CI, which is a Tennessee nonprofit, public benefit
4 corporation that is also § 501(c)(3) public charity.

5 Q. Please briefly describe your duties.

6 A. As Chairman of the Board of CI, I help with strategic and start-up planning for
7 CI; help evaluate for CI programs and ventures, to determine their likelihood of success, funding

8 sources and whether they fit within CI's stated purpose as a §501(c)(3); and help with the
9 implementation of those programs and ventures in which CI chooses to get involved.

10 Q. Please describe your background and business experience.

11 A. For 30 years, I was employed by Ford Motor Company. While there, I worked in
12 various supervisory positions. I took early retirement from Ford, in order to begin working full-
13 time for a sports agency that I founded. For ten years, I owned and operated the agency, where I
14 focused on recruitment, training, management, advertising and promotions. While with the
15 agency, I worked closely with a number of local agencies and also sat on some national and
16 international boards. During that same time, I also owned a sports apparel company which
17 focused on catalogue sales throughout the southeast, working in conjunction with several large
18 apparel manufacturers. After ten years, I sold the sports agency and a sports apparel company to
19 a company from New York.

20 I then was involved in the founding of Middle Tennessee Helping Hands. Earlier this
21 year, it changed its name to Community Initiative, which is the name it goes by, today. Since its
22 formation, I have served as its Chairman of the Board.

23 Q. Who serves as President of CI?

24 A. Glen Tilton serves as its President.

25 Q. Please describe his educational background and business experience, to the extent
26 you are aware of it.

27 A. As I understand, Mr. Tilton has a Bachelor of Science Degree in Business
28 Administration and also a M.B.A. degree in Business Management. He is also fluent in both
29 English and Spanish.

30 Mr. Tilton became President of CI in 2006. During his business career, he has worked
31 for a number of companies, and has had extensive business experience in the areas of finance,
32 management and operations.

33 As I understand, in 1997, Mr. Tilton began working for Chatham Partners, LLC
34 (“Chatham”), which is an investment banking firm specializing in financial remodeling,
35 corporate finance activities and raising capital for companies. He has served as Managing
36 Director of Chatham. While at Chatham, I understand that he also served on a contract basis as:
37 (a) CFO/COO/Executive Vice President for a company providing human resource services,
38 management, and employee leasing services to clients on a regional basis throughout the
39 southeastern United States; (b) Southeast Regional Manager/Acting CFO for a company
40 providing human resource and employee leasing services to clients throughout the eastern,
41 southern and midwestern United States; (c) President/CEO for a wholesale and retail fuel
42 distribution company which also had approximately 32 convenience stores; and (d) CFO/General
43 Manager for a wholesale and retail distributor with a retail chain of six stores.

44 Prior to that time, as I understand, Mr. Tilton was involved primarily in banking and
45 finance, having served as Vice President of Grossmont Bank in San Diego; a Business Financing
46 Officer for Wells Fargo Bank in San Diego; Managing Director of International Trade Services,
47 Inc. in Tucson, which assisted clients in international trade and foreign investment transactions;
48 and Vice President – Foreign Bank Representative, for Banco Internacional, SNC in Tucson,
49 where he worked with clients in establishing international manufacturing and trade relationships.

50 Q. Please describe the current corporate structure of CI.

51 A. CI is a stand-alone Tennessee nonprofit, public benefit corporation. It has no
52 parent, subsidiaries or sister corporations. It is governed by a board of directors, of which I am

the Chairman, and has no members or shareholders. If CI ever dissolves, then its assets must be distributed to another § 501(c)(3) organization.

Q. What is the mission and purpose of CI?

A. As a § 501(c)(3) public charity, CI's mission is to work with city, county and federal government agencies for community and economic development, in areas where it is determined that a need exists and where the requisite funding can be obtained to help satisfy that need. CI's purpose is to establish needed facilities and to develop profitable businesses within the facilities to develop their continuance. CI will work with government agencies to provide facilities and business operations for communities, where such communities could not otherwise afford, or do not have, the business infrastructure, to do so. CI's acquisition of certain assets and the customer base of RBS Utility, Inc. ("RBS") from its receiver, and providing natural gas services to certain parts of Macon County, including within the City of Red Boiling Springs, are within its stated purpose, in accordance with its plans to provide facilities in the rural Middle Tennessee area.

Q. Are all the statements in CI's Application true and correct to the best of your knowledge, information and belief?

A. Yes.

Q. Does CI possess the requisite managerial and technical abilities to provide the services for which it has applied for authority from the TRA?

A. Yes. CI, with the help and assistance of the persons and entities with which it has contracted, will have the requisite managerial and technical abilities to provide the natural gas distribution services for which it has applied for authority to provide. CI has entered into a 20-year contract with AUI, LLC ("AUI") for AUI to provide CI with the needed managerial,

76 technical and oversight services to assist it in its operation of the natural gas utility. Indeed, on
77 behalf of CI, AUI will oversee and manage the day to day business and affairs of the utility in
78 Macon County (including Red Boiling Springs) that will be owned by CI.

79 As set forth in the pre-filed testimony of Jeff Callahan, he, along with AUI and those
80 working for it, have the requisite managerial and technical abilities to help operate the natural
81 gas utility on behalf of CI. Indeed, I call you attention to the prefiled testimony of Jeff Callahan
82 regarding such abilities and qualifications.

83 In addition to AUI, it is anticipated that Tim Scott, who is currently the only employee of
84 RBS (through its receiver), will come to work for AUI and continue to work with and service the
85 same natural gas customers in Macon County after CI acquires and owns the utility. It is
86 anticipated and planned that Mr. Scott will continue to do essentially the same work (however,
87 for AUI) on a day to day basis that he has been doing during the receivership and which he did
88 prior to such time for RBS.

89 CI also plans to use the services of CE Designers, Inc. ("CE"), an engineering firm in
90 Monterey, Tennessee, to assist with engineering matters with respect to the natural gas utility it
91 is acquiring in Macon County. Indeed, CI has already had CE prepare an engineering report and
92 analysis on the RBS gas system, indicating how it can be improved and also expanded in the
93 future.

94 Additionally, Earl Burton, a professional engineer with Tennessee Energy Consultants
95 who has a number of years of experience in the natural gas industry, will assist CI with certain
96 regulatory filings and requirements, including its initial tariff and purchased gas adjustments.

Also, the officers of CI, such as its President, Mr. Tilton, together have diverse and extensive business, management and financial experience, and will develop the overall policies for, and assist in the general management of, the utility.

Q. Will CI possess the requisite financial abilities to provide the services for which it has applied for authority from the TRA?

A. CI is a relatively new non-profit, public benefit corporation. Accordingly, it does not yet operate any businesses or have income (or any significant liabilities). As indicated in the bid that it submitted to the RBS receiver, CI will obtain funds to purchase, and thereafter to improve and expand (after obtaining proper approvals), those assets of the RBS being sold by the receiver, through a loan. It is anticipated that CI will procure its long-term financing from the United States Department of Agriculture – Rural Development (“USDA”). Such financing will be used by CI to finance (or refinance) the purchase price being paid for the RBS assets, to operate the natural gas utility, to provide adequate working capital, and to improve the utility system in the future. Additionally, with this financing, CI will be able to get accurate, detailed, as-built maps of the utility system prepared, to perform leak testing of the system, and to do such maintenance on the system as needed. Should this financing be delayed or not close, then interim financing is available to CI from other sources until the permanent USDA loan is received.

It appears that prior to the summer of 2006, RBS had not filed for a purchased gas adjustment (“PGA”). Thus, RBS’s revenues were consistently below what they should or could have been. CI understands that the receiver for RBS filed for a PGA in the summer of 2006 for the first time. Without the PGA, the system could not adequately cash flow, and CI anticipates filing for a PGA, as and when justified.

120 In the future, it is anticipated that CI will seek to expand the gas utility and provide
121 service to additional customers, upon approval by the TRA at a later date (which is not being
122 sought at this time). Such expansion plans, however, have not been finally set or determined.
123 Any such expansion would be funded, however, by the USDA loan. It is anticipated that such
124 loan will be repaid over 40 years, with interest only payable for the first two years, and
125 subsequently principal and interest payable thereafter in equal installments over the next 38
126 years.

127 Q. What services will CI offer?

128 A. CI will offer natural gas distribution service to the areas currently being served by
129 the receiver for the RBS, including the residential, business and industrial customers currently
130 located therein.

131 Q. Will CI offer service to all consumers within its service area?

132 A. CI will offer service to all consumers who are within the service area who
133 currently have gas connections and meters connected to the gas system which CI is acquiring
134 from the receiver for RBS. Also, it has been determined that there are approximately one
135 hundred (100) metered houses on the existing RBS gas system that are currently not using
136 natural gas from RBS. CI plans to work to get these customers to once again use natural gas,
137 thereby increasing the number of customers which the system has, and thereby increasing
138 revenues.

139 As set forth in its rules and regulations, CI will extend gas lines to service other
140 customers, where it is financially prudent to do so, based upon expected revenues. CI has
141 discussed extending the service area, but no firm plans have been set, and any extension would
142 only be with the prior approval of the TRA and any other applicable authorities.

143 Q. With the granting of a CCN to CI serve the public interest?

144 A. Yes, the granting of a CCN to CI will serve the public interest. The residents of
145 Macon County (including in the City of Red Boiling Springs) previously served by RBS will
146 continue to have natural gas service if CI is granted a CCN. The TRA placed RBS into
147 receivership pursuant to a court proceeding in the Chancery Court for Macon County. CI was
148 the successful bidder for the assets being sold by the receiver, and with those assets, CI will be
149 able to continue providing such natural gas service to residents of the area. Without such gas
150 being supplied by CI, the residents would be without gas necessary for heat, hot water and other
151 services for which they use gas. Additionally, granting CI a CCN to provide gas service in the
152 areas formerly served by RBS will provide an alternative to electricity or other means by which
153 people heat their homes and businesses, and will help promote a competitive environment.
154 Granting a CCN to CI will help maintain and improve the natural gas infrastructure in Macon
155 County (including Red Boiling Springs) and will help facilitate economic development, for those
156 businesses and industries that want to be served by natural gas. Such competition and
157 development will benefit the public and should encourage other utilities (such as electric
158 companies) to operate more efficiently, to offer more innovative and better services, and to
159 improve the quality of their service.

160 Q. Does CI intend to comply with all TRA rules, statutes, and Orders pertaining to
161 the provision of natural gas services in Tennessee, including those for disconnection and
162 reconnection of service?

163 A. Yes, CI intends to comply with all such TRA rules, statutes and Orders pertaining
164 to the provision of natural gas services in Tennessee, including those for disconnection and
165 reconnection of service.

166 Q. Has any state ever denied CI or any of its affiliates authorization to provide
167 intrastate service?

168 A. No state has ever denied CI authorization to provide intrastate service. CI is a
169 stand-alone corporation and does not have a parent, subsidiary or affiliated company.
170 Additionally, CI is relatively new with no prior operations in the other states and no other
171 utilities in Tennessee.

172 Q. Has any state ever revoked any certification of CI?

173 A. No.

174 Q. Has CI ever been investigated or sanctioned by any regulatory authority for
175 service or billing irregularities?

176 A. No.

177 Q. Who is knowledgeable about CI's operations and will serve as CI's regulatory and
178 customer service contact?

179 A. Glen Tilton will serve as CI's primary regulatory contact and is knowledgeable
180 about its operations. I am also knowledgeable about CI's operations. Additionally, as I
181 previously indicated, Earl Burton is assisting at this time with various regulatory matters, such
182 helping prepare the initial tariff and the purchased gas adjustments. Jeff Callahan at AUI will
183 serve as the customer relations contact (on behalf of CI), and Tim Scott will help handle
184 customer service matters on a day to day basis. Mr. Callahan will also be knowledgeable about
185 the operations of the utility.

186 Q. Please explain in detail CI's proposed procedures for responding to information
187 requests from the TRA and its staff.

188 A. When CI receives information requests from the TRA and/or its staff, Glen Tilton
189 will seek to gather the necessary information, whether from me – I will assist whenever I can,
190 AUI (which will oversee the day to day operations of the utility for CI) or elsewhere. He may
191 also get assistance from consultants, such as Mr. Burton, or other professionals that CI may
192 engage, that it needs in order to respond. CI will seek to respond to such requests in a timely
193 manner.

194 Q. Does this conclude your testimony?

195 A. Yes, this concludes my testimony.

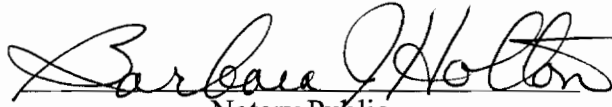
I swear that the foregoing testimony is true and correct to the best of my knowledge.


DOUG GOFF
Chairman of the Board – Community Initiative

STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

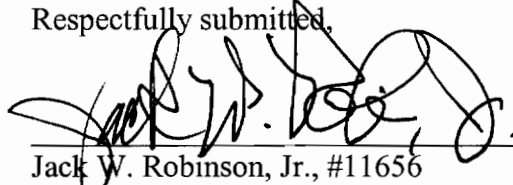
Sworn to and subscribed before me this 13th day of November, 2006.


Notary Public

My Commission Expires: _____


My Commission Expires NOV. 24, 2007

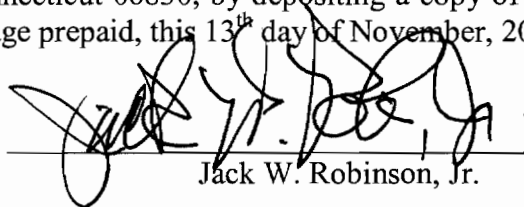
Respectfully submitted,



Jack W. Robinson, Jr., #11656
GULLETT, SANFORD, ROBINSON & MARTIN, PLLC
P. O. Box 198888
Nashville, TN 37219-8888
(615) 244-4994
ATTORNEY FOR COMMUNITY INITIATIVE

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon the City of Red Boiling Springs, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; Macon County, Tennessee, c/o County Mayor Glen H. Donoho, Room 201 Macon County Courthouse, Lafayette, Tennessee 37083; the City of Lafayette, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; the Consumer Advocate Division, Tennessee Attorney General's Office, Attn.: Timothy Phillips, Esq., Senior Counsel, 425 Fifth Avenue North, Nashville, Tennessee 37243-0491; J. Graham Matherne, Esq., attorney for Receiver of RBS Gas Utility, Inc., Wyatt, Tarrant & Combs LLP, Suite 1500, 2525 West End Avenue, Nashville, Tennessee 37203-1423; Nestle Waters North America, Attn: Plant Manager, Highway 52, Red Boiling Springs, Tennessee 37150; and Nestle Waters North America, Attn: Legal Department, 666 West Putnam Avenue, Greenwich, Connecticut 06830, by depositing a copy of the same in the United States mail, first class mail, postage prepaid, this 13th day of November, 2006.



Jack W. Robinson, Jr.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

IN RE: APPLICATION OF COMMUNITY INITIATIVE FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE NATURAL GAS SERVICES IN CERTAIN AREAS OF MACON COUNTY, TENNESSEE (INCLUDING WITHIN THE CITY OF RED BOILING SPRINGS); TO APPROVE THE TRANSFER OF CUSTOMERS AND CERTAIN ASSETS AND CUSTOMERS OF RBS GAS UTILITY, INC.; TO APPROVE FRANCHISE FROM THE CITY OF RED BOILING SPRINGS; TO CONFIRM CANCELLATION OF SPECIAL CONTRACT OF RBS UTILITY, INC.; AND TO SET RATES AND APPROVE TARIFF

Docket No.: 06-_____

**Application of Community Initiative
for a Certificate of Public Convenience and Necessity to Provide Natural Gas Services
in Certain Areas of Macon County, Tennessee
(Including Within the City of Red Boiling Springs);
to Approve the Transfer of Certain Assets and Customers of RBS Gas Utility, Inc.;
to Approve Franchise from the City of Red Boiling Springs;
to Confirm Cancellation of Special Contract of RBS Utility, Inc.;
and to Set Rates and Approve Tariff**

Pursuant to the applicable Tennessee statutes, including T.C.A. § 65-4-201, and the Rules of the Tennessee Regulatory Authority (“TRA”), Community Initiative, a Tennessee non-profit corporation (“CI”), respectfully requests that the TRA grant to CI a certificate of public convenience and necessity (“CCN”) granting it the authority to provide natural gas services to certain areas of Macon County, Tennessee, including those located within the City of Red Boiling Springs. Such areas are the same as those for which RBS Gas Utility, Inc. (“RBS”) has previously had the authority to provide such services pursuant to its CCN. CI is willing and able

to comply with all applicable statutes, rules and regulations in Tennessee pertaining to the provision of such natural gas services in the area described above. Also, CI requests that the TRA approve the franchise that is being granted to it by the City of Red Boiling Springs (which has already been submitted to the City for its approval).

In addition to granting such CCN to CCI, CI requests that the TRA formally approve the transfer of customers and certain assets of RBS, the public utility currently providing (through a receivership) natural gas services in the area described above, to CI. Upon the granting of the CCN to CI and the transfer of such customers and assets by RBS, RBS will not longer provide such services in the State of Tennessee.

Further, CI hereby requests that the TRA set and approve the rates for CI, as requested herein, and approve the tariff submitted by it on an expedited basis because of the need to close the purchase of assets from the RBS Receiver promptly and to get the utility operating (under CI ownership) before winter.

RBS previously had a special contract with Nestle Waters North America ("Nestle"). CI would be willing to enter into a new, renegotiated special contract with Nestle, but until such time that the parties sign a new one, reviewed and approved by the TRA, CI proposes charging Nestle the standard rates under the tariff being submitted. Thus, CI seeks the cancellation (or alternatively, the withdrawal by the TRA of its approval) of the special contract that RBS had with Nestle, so that there will be no question that CI has no obligations thereunder, by its acquiring certain assets of RBS.

In support of its Application, CI submits the following:

1. NAME AND ADDRESS OF THE APPLICANT

The full name and address of the Applicant are:

Community Initiative
2003 Free Hill Road
Cookeville, Tennessee 38501
Telephone: (931) 372-2420

2. CONTACT REGARDING APPLICATION

All questions regarding this Application should be directed to:

Glen L. Tilton
President of Community Initiative
4305 Overstreet Drive
Cookeville, Tennessee 38506
Telephone: (931) 267-0300
Email: gtilton@frontiernet.com,

and to: Jeffery A. Callahan
AUI, LLC
222 West Spring Street
Cookeville, Tennessee 38501
Telephone: (931) 372-8500
Facsimile: (931) 372-2500
Email: jcallahan@auilc.biz

with a copy to: Jack W. Robinson, Jr.
Gullett, Sanford, Robinson & Martin, PLLC
11th Floor
315 Deaderick Street
P. O. Box 198888
Nashville, Tennessee 37219-8888
Telephone: (615) 244-4994
Facsimile: (615) 256-6339
Email: jrobinsonjr@gsrm.com

3. CORPORATE STRUCTURE

CI stands alone, as it has no parent, subsidiary or sister corporation or entity. Additionally, it does not own shares of stock in any other entity and has not merged with or into any other entity. As a non-profit corporation, CI does not have shareholders. It is governed by a board of directors and has no members. If CI ever dissolves or ceases to do business, its assets will pass only to a Section 501(c)(3) organization.

4. CORPORATE INFORMATION

CI is a Tennessee non-profit, public benefit corporation which was originally incorporated in the State of Tennessee on December 9, 2005, under the name of Middle Tennessee Helping Hands. Recently, on July 24, 2006, Middle Tennessee Helping Hands changed its name to Community Initiative. A copy of CI's Charter (under the original name of Middle Tennessee Helping Hands) and the amendments to it (including the one changing its name to Community Initiative) are attached as **Exhibit A**. A Certificate of Existence from the Tennessee Secretary of State for CI is attached as **Exhibit B**.

The names and addresses of CI's principal corporate officers are provided in **Exhibit C**. All of these officers live and work in the State of Tennessee. The biographies/resumes of these officers are also contained in Exhibit C.

5. PURPOSE OF CI; SECTION 501(C)(3) CORPORATION

A letter from the Internal Revenue Service approving the Applicant as a § 501(c)(3) public charity is attached as **Exhibit D**. (The letter is under the name of Middle Tennessee Helping Hands, which just recently changed its name to Community Initiative; but Community Initiative is the same entity as Middle Tennessee Helping Hands (since only the name has changed).) CI's purpose is to establish needed facilities for communities and to develop profitable businesses within the facilities to develop their continuance. In carrying out its purpose, CI works with government agencies to help provide facilities and business operations for communities where such communities cannot otherwise afford, or do not have the business infrastructure, to do so. Indeed, in the situation at hand, it is anticipated that CI will procure its long-term financing for the utility operation in Macon County from the United States Department of Agriculture – Rural Development ("USDA"). Such financing will be used by CI

to finance (or refinance) the purchase price being paid for the RBS assets, to operate the natural gas utility, to provide adequate working capital, and to improve and expand the utility system in the future (provided all necessary approvals are first obtained). CI's acquisition of certain assets and the customer base of RBS and the providing of natural gas services to certain parts of Macon County, including some located in Red Boiling Springs, are within its stated purpose and in accordance with its plans to provide facilities in the rural Middle Tennessee area.

6. NO COMPLAINTS

As of now, CI has not been subject to any complaints or lawsuits, regulatory or otherwise, in any states, although it operates only in the State of Tennessee at this time.

7. RBS PROCEEDINGS

RBS previously supplied the natural gas service for the exact area that CI seeks to provide such service. However, the TRA filed a petition in the Chancery Court for Macon County, Tennessee to place RBS in receivership. The petition was granted, and RBS was indeed placed into receivership without objection. Receivership Management, Inc. was appointed by the Court as receiver over RBS on May 19, 2006. Since that time, the receiver has been operating RBS. On July 7, 2006, the Chancery Court approved a procedure for bidding on and selling certain assets of RBS. Indeed, CI bid on the assets, and its bid was the one which the receiver recommended that the Court approve. As part of its bid, CI agreed to pay the receiver \$250,000.00, and there are certain other conditions and requirements of the bid, as set forth in the receiver's Motion filed with the Court seeking approval of the sale to CI. A copy of the Agreement between the receiver and CI regarding the sale is attached as **Exhibit E**. With respect to customer deposits that are transferred by the receiver to CI, under the terms of the sale,

CI will properly administer, hold and apply such deposits, as it will likewise do for all other customer deposits that it hereafter receives.

The Court approved the proposed sale to CI and also approved the liquidation of RBS subsequent to the closing of the sale. A copy of the Court's Order approving these matters is attached as **Exhibit F**. The sale was not opposed by counsel for the TRA, counsel for Atmos Energy Marketing, LLC (the natural gas supplier for RBS), or by any other party at the hearing on September 15, 2006.

Accordingly, CI likewise hereby petitions the TRA to approve the transfer of the RBS operating assets to CI and also approve the transfer of the customer base from RBS, and its receiver, to CI.

**8. CI POSSESSES REQUISITE MANAGERIAL,
TECHNICAL AND FINANCIAL ABILITIES**

With the skills and abilities that it has or will contract with others to provide for it, CI will possess the managerial, technical financial ability necessary to provide natural gas services in the State of Tennessee within the service area described hereinabove, as demonstrated below.

A. Managerial Ability. CI is entering into a twenty (20) year contract with AUI, LLC, a Tennessee limited liability company ("AUI"), to provide managerial, technical and oversight services to assist in its operation of the natural gas utility. Indeed, on behalf of CI, AUI will oversee and manage the day-to-day business and affairs of the natural gas utility in Macon County (including Red Boiling Springs) that will be owned by CI.

AUI has two permanent offices, one at 222 West Spring Street in Cookeville, Tennessee 38501, and the other in Jacksonville, Florida. It is owned by Jeff Callahan, who has owned it since August of 1998, prior to the time it became a limited liability company. AUI began with five (5) employees but has grown and now maintains an employee base of approximately thirty-

five (35) employees. Mr. Callahan has been involved in the utilities industry for over eighteen (18) years, including being involved in the design, construction management and rehabilitation of various utility systems. He is the President of AUI, and he is located in its Cookeville office, which will help manage and oversee on behalf of CI the natural gas utility that it will operate and own in Macon County (including within Red Boiling Springs). Mr. Callahan has a Bachelor of Science degree from Tennessee Tech in Civil Engineering. He is a member of the American Society of Civil Engineers, Tennessee Association of Utility Districts, American Water Works Association and Water Environment Federation. Also, prior to working for AUI, he worked for other engineering and utility-industry firms, including Piedmont Olsen Hensley in Chattanooga, a full-service engineering firm, for which he served the Regional Director of Business Development; The Wickliffe Company, Inc. in Chattanooga, for which he was a sales engineer and provided bidding and sales services, marketing water and wastewater products for municipal, industrial and electric utility customers; Cumberland Engineers, Inc. in Cookeville, for which he was a project engineer and a field engineer, and designed and administered certain construction projects for water and wastewater utilities; and Utility Contracting, Inc. in Knoxville, for which he was a project manager, responsible for the field management of certain wastewater and stormwater utilities. A copy of Mr. Callahan's resume is included as part of **Exhibit G**.

In addition to Mr. Callahan, AUI has other persons with extensive management and business experience in dealing with, and providing services for, municipal utilities. The experience of some of these other employees is described in Exhibit G. For example, Robert Gray is employed by AUI and is its Operations Manager. Mr. Gray has over thirty (30) years of experience in utility construction, with particular emphasis on construction rehabilitation and the needs associated with underground utilities.

Further, in order to help ensure a smooth transition between the provision of natural gas services by RBS (through its receiver) and by CI, it is anticipated that Tim Scott, which is currently the only employee of RBS, will come to work for AUI, where he will continue to work with and service the same customers (but hereafter for the utility being acquired by CI). It is anticipated and planned that Mr. Scott will continue to do essentially the same work (however, for AUI) on a day-to-day basis that he has been doing during the receivership and which he did prior to such time for RBS. However, with the added abilities of CI and AUI, the services provided to the natural gas customers will hopefully improve from what they were prior to the time that the RBS receiver took over.

Additionally, as noted in Exhibit G, AUI has extensive experience in evaluating, maintaining and rehabilitating certain utilities, which should help make sure that the natural gas utility in Macon County (including within Red Boiling Springs) will be properly tested and maintained safely and efficiently for its customers and for the public. AUI also holds an unlimited contractor's license from the Tennessee Board of Licensing Contractors in the fields of building construction, municipal utilities, and special services – asbestos. All of these skills and qualifications of AUI and its employees will help CI in the management and running of the natural gas utility in Macon County. A copy of the Articles of Organization of AUI is attached as **Exhibit H** hereto; a Certificate of Existence from the Tennessee Secretary of State for AUI is attached as **Exhibit I** hereto; and a copy of the AUI's contractor's license (for which Jeff Callahan was its qualifying agent) issued by the Tennessee Board of Licensing Contractors is attached as **Exhibit J** hereto.

CI has engaged William H. Novak to assist it with setting up system of accounts, to help with year-end and periodical accounting issues and regulatory reporting, and to assist with future

purchased gas adjustment (“PGA”) and tariff filings. Mr. Novak has 25 years of experience in regulatory affairs, rate-setting financial forecasting for utilities. He is a certified public accountant, works for WHN Consulting, and also holds a Bachelor of Arts Degree in Accounting and a M.B.A. A copy of his resume is attached hereto as **Exhibit K**.

Further, as noted in Exhibit C, the principal officers of CI, particularly Mr. Tilton, its President, collectively have considerable managerial, financial and business experience, who will help in its oversight and who will help see that CI is run in a proper and efficient manner.

B. Technical Qualifications. CI’s services will satisfy the minimum standards established by the TRA. CI will file and maintain tariff(s) in the manner described by the TRA and will meet minimum basic local standards as may be required of all natural gas utilities regulated by the TRA. Indeed, with respect to negotiating for CI’s purchase of gas from suppliers and for its assistance with initial tariff and PGA filings, it has engaged Earl Burton, a professional engineer with a number of years of experience in the natural gas industry, to assist it. Mr. Burton’s resume, along with a profile of his company, Tennessee Energy Consultants, is attached as **Exhibit L** hereto.

As noted in the resumes of the principal employees in AUI, which are included in Exhibit G, Jeff Callahan, AUI’s President, has an engineering background and over eighteen (18) years experience in underground utility systems, albeit related primarily to wastewater collection systems. Additionally, Robert Gray, the Operations Manager and Construction and Project Manager for AUI, has over thirty (30) years of experience in underground utility construction. Also, Erik Callahan, who is associated with AUI, has over twenty (20) years experience in utility design. He has a Bachelor of Science degree from Tennessee Tech in Civil Engineering. *See Exhibit G.*

Additionally, CI plans to use the services of CE Designers, Inc. (“CE”), an engineering firm in Monterey, Tennessee, to assist with engineering matters with respect to the natural gas utility it is acquiring in Macon County (including within Red Boiling Springs). Indeed, CI has already had CE prepare an engineering report and analysis on the RBS gas system, indicating how it can be improved and also expanded in the future. CI plans to have the lines and facilities of the utility system mapped, as it appears that an accurate, detailed, as-built map of all lines and facilities is not currently available. Initially, as called for in the engineering report and analysis, CI plans to have a leak survey done of the gas lines in the utility system, to help determine if any repairs need to be made and whether any safety improvements should be made to the lines. It is anticipated that CE, in addition to AUI, will continue to be involved in providing engineering services for the utility.

C. **Financial Qualifications.** CI is a relatively new non-profit public benefit corporation. Accordingly, it does not yet operate any businesses or have income (or any significant liabilities). As indicated in the bid that it submitted to the RBS receiver, CI will obtain funds to purchase, and thereafter to improve and expand (after obtaining proper approvals), those assets of the RBS being sold by the receiver, with a loan. It is anticipated that CI will procure its long-term financing from the USDA. Such financing will be used by CI to finance (or refinance) the purchase price being paid for the RBS assets, to operate the natural gas utility, to provide adequate working capital, and to improve and expand the utility system in the future (provided all necessary approvals are first obtained). Should this loan be delayed or not close, then interim financing is available to CI from other sources until the permanent USDA loan is received. With this loan, there should be sufficient funds to pay the purchase price to acquire the assets, to operate the natural gas utility in the Macon County area (including Red

Boiling Springs), and to maintain adequate working capital. Additionally, with this financing, CI will be able to do the testing and mapping of the facilities, as described above, and to do such maintenance on the system as needed.

CI notes that there are approximately one hundred (100) metered houses on the existing RBS gas system that are currently not using natural gas from RBS. CI plans to work to get these customers to once again use natural gas, thereby increasing the number of customers which the system has, and thereby increasing revenues. Further, it appears that prior to the summer of 2006, RBS had not filed for a PGA. Thus, RBS's revenues were consistently below what they should or could have been. Indeed, CI understands that the receiver for RBS filed for a PGA in the summer of 2006 for the first time. Without the PGA, the system could not adequately cash flow, and CI anticipates filing for a PGA, as and when justified. Indeed, a PGA will soon be filed by CI when it has received all of its final gas cost estimates.

In the future, it is anticipated that CI will seek to expand this gas utility and provide service to additional customers, upon approval by the TRA at a later date (which is not being sought at this time). Such expansion would be funded by the USDA loan. It is anticipated that such loan will be repayable over forty (40) years, with interest only payable for the first two (2) years, and subsequently principal and interest payable in equal installments over the next thirty-eight (38) years.

CI will set up separate bank accounts for the natural gas utility, and those accounts will be separate from those used for its other endeavors. Additionally, the books for the natural gas utility will be kept separate from those for CI's other endeavors.

9. SERVICE AREA

CI is not yet authorized to provide natural gas service to any area in Tennessee (or elsewhere), but herein seeks to provide natural gas to exactly the same service area in Macon County that RBS has previously covered, since CI is acquiring certain assets and the customer base of RBS. RBS serves Red Boiling Springs and certain small areas in the eastern part of Macon County, Tennessee.

10. SERVICES TO BE PROVIDED

CI will offer natural gas service to the areas being served, including to residential, business and industrial customers.

11. REPAIR AND MAINTENANCE

CI understands the importance of effective customer service in order to keep and to add customers and to be able to succeed financially. CI will have a local telephone number for the customers to call. The current telephone number to be used is (615)888-6242. In addition, customers may contact CI by writing to it at 2003 Free Hill Road, Cookeville, Tennessee 38501, and may contact AUI, the company handling the day-to-day operations for CI, by telephone at (931)372-8500, by facsimile at (931)372-2500, or by e-mail addressed to jcallahan@auilc.biz, or by mail at 222 West Spring Street, Cookeville, Tennessee 38501. The contact person at AUI who is knowledgeable about affairs of the gas utility is Jeff Callahan.

12. SETTING OF RATES

CI requests that the rates for its services be set as included on the proposed tariff filed herewith as **Exhibit M**, and that they, along with the tariff itself, be approved promptly. Additionally, CI will soon be filing a PGA in the near future when it receives its final gas cost estimates.

The RBS Receiver has requested that CI close the purchase of the assets that CI is acquiring from it as soon as possible (so that the receivership proceeding can be wound up), and the utility system needs to be operating (under CI ownership) before the winter months. Accordingly, to the extent that there may customarily be any (a) delay in approving the rates requested by CI or the tariff, or (b) waiting period under applicable law for the rates and tariff to take effect, CI seeks to have such delay and waiting period waived (for good cause) and to have the rates and tariff implemented promptly, so that the purchase transaction can close and CI begin operating the utility. *See* Rule 1220-4-1-.06(4) and T.C.A. § 65-5-103(b)(2).

13. SPECIAL CONTRACT WITH NESTLE

RBS previously had one special contract, which was with Nestle, and which was previously approved by the TRA. (*See In re: Petition of RBS Utility, Inc. for Approval of Special Contract*, TRA Docket 03-00427.) With the confinements and limitations set out in such contract, CI finds that it would be difficult to operate under the terms of such contract, in part because of the revenue parameters contained therein. CI would be willing to enter into a new, renegotiated special contract with Nestle, but until such time that the parties sign a new one, reviewed and approved by the TRA, CI seeks to charge Nestle the standard rates under the tariff being submitted. Thus, CI seeks the cancellation, or alternatively the withdrawal by the TRA of its approval, of the special contract that RBS had with Nestle, so that there will be no question that CI has no obligations thereunder, by its acquiring certain assets of RBS.

13. NOTICES

CI has served notice and a copy of this Application upon: the City of Red Boiling Springs, Tennessee; Macon County, Tennessee; the City of Lafayette, Tennessee (which operates the only other natural gas system in Macon County, but which is outside the current RBS service

area); the Consumer Advocate Division of the Tennessee Attorney General's Office; the receiver for RBS; and Nestle.

14. GAS SUPPLIER

CI is in the process of working out, and entering into, an agreement with a supplier it with the natural gas necessary to serve its customers and operate the gas utility in Macon County (including within Red Boiling Springs), as set forth herein. Indeed, Earl Burton is helping to find a supplier and to negotiate rates and a contract for such natural gas. CI will provide to the TRA such information that it may request regarding the contract, when it is entered into and becomes available.

15. CITY OF RED BOILING SPRINGS, TENNESSEE

CI is in the process of acquiring a franchise from the City of Red Boiling Springs, Tennessee, to operate the natural gas utility within its city limits, as set forth herein. A copy of the proposed franchise that has been submitted is attached hereto as **Exhibit N**. The franchise is virtually identical to the franchise that RBS had with the City. CI will submit a copy of the final franchise instrument, when it is adopted by the City of Red Boiling Springs and signed by CI. The initial action by the City of Red Boiling Springs to approve the franchise is/was scheduled to take place on November 9, 2006. CI requests that the TRA approve this franchise.

16. COMPLIANCE WITH APPLICABLE LAW

CI acknowledges and agrees that it has read and will comply with the requirements of the Gas Pipeline Safety Act and the rules of the TRA for gas utilities as they relate to, among other things:

- (a) Filing requirements,
- (b) Records retention,

- (c) Uniform System of Accounts for gas utilities,
- (d) Purchased gas adjustment rule,
- (e) Building requirements, and
- (f) Safety requirements.

17. EMERGENCIES

During non-office hours, an emergency involving the gas system can be reported by a customer or any other person by calling (615)888-6242. CI will establish a program for promptly handling such after-hour emergencies.

18. CUSTOMER DEPOSITS

As part of the purchase of RBS assets, all deposits and current customers held by RBS as of the closing date of the sale will be assigned to CI and paid by the receiver to CI. The receiver will retain responsibility for payment of deposits of non-current customers in order to retain funds necessary to address the amounts owed by them.

In the future, CI may acquire from customers or prospective customers deposits to help assure the payment of bills for service. Such deposits will be no more than allowed by any applicable Rules of the TRA, and all customer deposits will be maintained by CI in proper order in accordance therewith.

19. RULES AND REGULATIONS

Attached hereto as **Exhibit O** are the rules and regulations which CI will use in dealing with its customers, including cut-off procedures, past due accounts, etc. These rules and regulations describe the policies and procedures used by CI in rendering services and are also part of its tariff.

20. ANTICIPATED EXPENDITURES

With respect to future expenditures that CI plans to make at this time, it plans to spend approximately \$20,000.00 within the next few months to prepare maps and drawings showing the location of the lines and facilities of the gas system, as there currently appear to be no accurate, detailed as-built maps of the lines and the facilities it is acquiring. Additionally, CI plans to spend approximately \$7,000.00 for a leak survey of the gas system, which should help it to evaluate and assure the safety of the lines and facilities of the gas system.

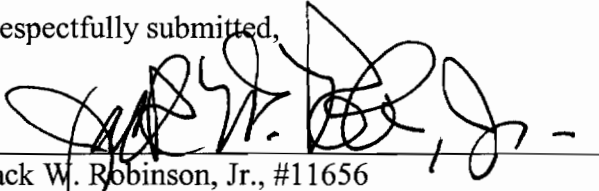
Granting the Application of CI will further the goals of the Tennessee General Assembly and is in the public interest, as it will allow the residents of areas in Macon County, Tennessee, including some in Red Boiling Springs, to continue to have natural gas service made available to them. Providing such service allows these persons to continue to have natural gas to heat their homes and businesses and to use in other ways, thereby giving them an alternative to electricity or other means for heat, which will help promote a competitive environment. Authorizing CI to provide such natural gas services will help maintain and improve the natural gas infrastructure in the area of Macon County, Tennessee, including within Red Boiling Springs, to be served by the utility, and will help facilitate economic development. Such efficiency, competition and economic development will benefit the public and should encourage other utilities (such as electric companies) to operate more efficiently and offer more innovative and better services at reduced rates and to improve the quality of their service.

CONCLUSION

CI respectfully requests that the TRA enter an Order granting it a CCN to operate as a natural gas distribution utility and service provider, giving it the authority to provide a full range

of natural gas services in Tennessee in those areas in Macon County previously served by RBS, including within Red Boiling Springs. At this time, CI does not seek any expansion of the area to be served, outside the area that was previously served by RBS. Also, CI requests that the TRA approve the franchise granted to it by the City of Red Boiling Springs. Further, CI requests that the TRA approve its acquisition of certain RBS assets from the RBS Receiver, as approved in the Chancery Court proceeding in Macon County, Tennessee, as well as its acquisition of the RBS customer base. Additionally, CI seeks the cancellation, or alternatively the withdrawal by TRA of its approval, of the special contract that RBS had with Nestle, so that there will be no question that CI has no obligations thereunder, by its acquiring certain assets of RBS. Finally, CI requests that the TRA approve its tariff and the rates it requests that it be allowed to charge customers.

Respectfully submitted,

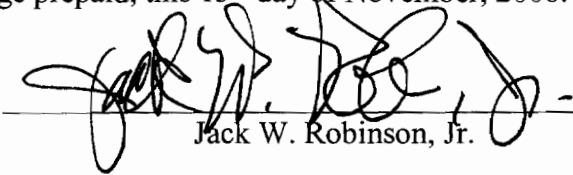


Jack W. Robinson, Jr., #11656
GULLETT, SANFORD, ROBINSON & MARTIN, PLLC
P. O. Box 198888
Nashville, TN 37219-8888
(615) 244-4994

ATTORNEY FOR COMMUNITY INITIATIVE

CERTIFICATE OF SERVICE

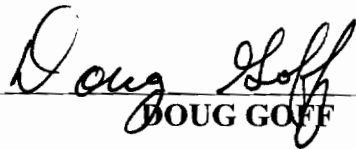
I hereby certify that I have served a copy of the foregoing document upon the City of Red Boiling Springs, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; Macon County, Tennessee, c/o County Mayor Glen H. Donoho, Room 201 Macon County Courthouse, Lafayette, Tennessee 37083; the City of Lafayette, Tennessee, c/o Jon A. Wells, Esq., city attorney, 206 Court Square, P. O. Box 116, Lafayette, Tennessee 37083-0116; the Consumer Advocate Division, Tennessee Attorney General's Office, Attn.: Timothy Phillips, Esq., Senior Counsel, 425 Fifth Avenue North, Nashville, Tennessee 37243-0491; J. Graham Matherne, Esq., attorney for Receiver of RBS Gas Utility, Inc., Wyatt, Tarrant & Combs LLP, Suite 1500, 2525 West End Avenue, Nashville, Tennessee 37203-1423; Nestle Waters North America, Attn: Plant Manager, Highway 52, Red Boiling Springs, Tennessee 37150; and Nestle Waters North America, Attn: Legal Department, 666 West Putnam Avenue, Greenwich, Connecticut 06830, by depositing a copy of the same in the United States mail, first class mail, postage prepaid, this 13th day of November, 2006.



Jack W. Robinson, Jr.

VERIFICATION

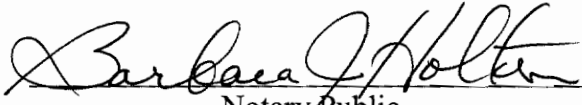
I, DOUG GOFF, Chairman of the Board of Community Initiative, a Tennessee non-profit corporation, being first duly sworn, hereby state under oath that I have reviewed the foregoing Application and that all matters and statements therein are true and correct, to the best of my knowledge, information and belief.


DOUG GOFF

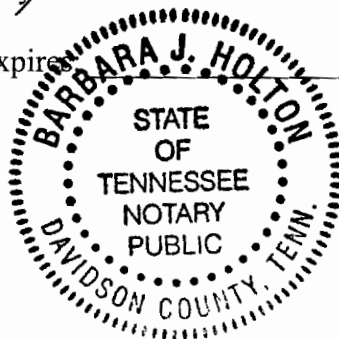
STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

Sworn to and subscribed before me on
this 13th day of November, 2006.


Notary Public

My Commission Expires



My Commission Expires NOV. 24, 2007

VERIFICATION

I, JEFF CALLAHAN, President of AUI, LLC, a Tennessee limited liability company, being first duly sworn, hereby state under oath that I have reviewed the foregoing Application and that all matters and statements therein are true and correct, to the best of my knowledge, information and belief.

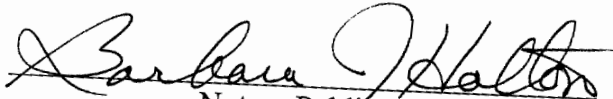


JEFF CALLAHAN

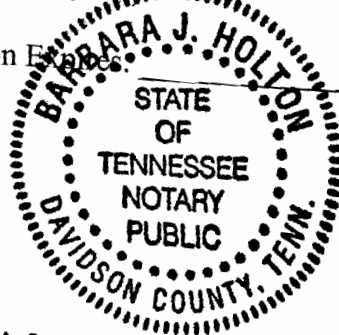
STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

Sworn to and subscribed before me on
This 13th day of November, 2006.


Notary Public

My Commission Expires



My Commission Expires NOV. 24, 2007

EXHIBIT A

State of Tennessee



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

For Office Use Only

ARTICLES OF AMENDMENT
TO THE CHARTER
(Nonprofit)

CORPORATE CONTROL NUMBER (IF KNOWN) 0508327

PURSUANT TO THE PROVISIONS OF SECTION 48-60-105 OF THE TENNESSEE NONPROFIT CORPORATION ACT, THE UNDERSIGNED CORPORATION ADOPTS THE FOLLOWING ARTICLES OF AMENDMENT TO ITS CHARTER:

1. PLEASE INSERT THE NAME OF THE CORPORATION AS IT APPEARS OF RECORD:

COMMUNITY INITIATIVE

IF CHANGING THE NAME, INSERT THE NEW NAME ON THE LINE BELOW:

2. PLEASE MARK THE BLOCK THAT APPLIES:

☒ AMENDMENT IS TO BE EFFECTIVE WHEN FILED BY THE SECRETARY OF STATE.

☐ AMENDMENT IS TO BE EFFECTIVE, _____ (MONTH, DAY, YEAR)

(NOT TO BE LATER THAN THE 90TH DAY AFTER THE DATE THIS DOCUMENT IS FILED.) IF NEITHER BLOCK IS CHECKED, THE AMENDMENT WILL BE EFFECTIVE AT THE TIME OF FILING.

3. PLEASE INSERT ANY CHANGES THAT APPLY:

A. PRINCIPAL ADDRESS:

STREET ADDRESS

CITY

STATE/COUNTY

ZIP CODE

B. REGISTERED AGENT:

MARK A. FULMORE

C. REGISTERED ADDRESS:

1821 OLD MURFREESBORO PIKE

NASHVILLE

TN

STREET ADDRESS

37217

DAVIDSON

CITY

STATE

ZIP CODE

COUNTY

D. OTHER CHANGES:

4. THE CORPORATION IS A NONPROFIT CORPORATION.

5. THE MANNER (IF NOT SET FORTH IN THE AMENDMENT) FOR IMPLEMENTATION OF ANY EXCHANGE, RECLASSIFICATION, OR CANCELLATION OF MEMBERSHIPS IS AS FOLLOWS:

6. THE AMENDMENT WAS DULY ADOPTED ON 07-28-06 (MONTH, DAY, YEAR)
BY (Please mark the block that applies):

☐ THE INCORPORATORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.

☒ THE BOARD OF DIRECTORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.

☐ THE MEMBERS

7. INDICATE WHICH OF THE FOLLOWING STATEMENTS APPLIES BY MARKING THE APPLICABLE BLOCK:

☒ ADDITIONAL APPROVAL FOR THE AMENDMENT (AS PERMITTED BY §48-60-301 OF THE TENNESSEE NONPROFIT CORPORATION ACT) WAS NOT REQUIRED.

☐ ADDITIONAL APPROVAL FOR THE AMENDMENT WAS REQUIRED BY THE CHARTER AND WAS OBTAINED.

SECRETARY

SIGNER'S CAPACITY

08-11-06

DATE

SIGNATURE

CHARLES A. HERGEN, SECRETARY

NAME OF SIGNER (TYPED OR PRINTED)

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 08/14/06
REQUEST NUMBER: 5846-1549
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 08/14/06 1340
EFFECTIVE DATE/TIME: 08/14/06 1630
CONTROL NUMBER: 0508327

TO:
COMMUNITY INITIATIVE
2003 FREE HILL RD
COOKEVILLE, TN 38501

RE:
COMMUNITY INITIATIVE
ARTICLES OF AMENDMENT TO THE CHARTER

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN
EFFECTIVE DATE AS INDICATED ABOVE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE
OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS
PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: ARTICLES OF AMENDMENT TO THE CHARTER

ON DATE: 08/14/06

FROM:
CHARLES HERREN
2003 FREE HILL RD

COOKEVILLE, TN 38501-0000

RECEIVED:	FEES \$20.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$20.00

RECEIPT NUMBER: 00004013521
ACCOUNT NUMBER: 00532920



SS-4458

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

State of Tennessee



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

ARTICLES OF AMENDMENT
TO THE CHARTER
(Nonprofit)

For Office Use Only

RECEIVED
SECRETARY OF STATE

2006 JUL 13 AM 9:16

CORPORATE CONTROL NUMBER (IF KNOWN) 0508327

PURSUANT TO THE PROVISIONS OF SECTION 48-60-105 OF THE TENNESSEE NONPROFIT CORPORATION ACT, THE UNDERSIGNED CORPORATION ADOPTS THE FOLLOWING ARTICLES OF AMENDMENT TO ITS CHARTER:

1. PLEASE INSERT THE NAME OF THE CORPORATION AS IT APPEARS OF RECORD:

MIDDLE TENNESSEE HELPING HANDS

IF CHANGING THE NAME, INSERT THE NEW NAME ON THE LINE BELOW:

COMMUNITY INITIATIVE

2. PLEASE MARK THE BLOCK THAT APPLIES:

☒ AMENDMENT IS TO BE EFFECTIVE WHEN FILED BY THE SECRETARY OF STATE.

☐ AMENDMENT IS TO BE EFFECTIVE, _____ (MONTH, DAY, YEAR)
(NOT TO BE LATER THAN THE 90TH DAY AFTER THE DATE THIS DOCUMENT IS FILED.) IF NEITHER BLOCK IS CHECKED, THE AMENDMENT WILL BE EFFECTIVE AT THE TIME OF FILING.

3. PLEASE INSERT ANY CHANGES THAT APPLY: NO OTHER CHANGES

A. PRINCIPAL ADDRESS:

STREET ADDRESS

CITY

STATE / COUNTY

ZIP CODE

B. REGISTERED AGENT:

C. REGISTERED ADDRESS:

STREET ADDRESS

TN

STATE

ZIP CODE

COUNTY

D. OTHER CHANGES:

NONE

4. THE CORPORATION IS A NONPROFIT CORPORATION. ☒ YES

5. THE MANNER (IF NOT SET FORTH IN THE AMENDMENT) FOR IMPLEMENTATION OF ANY EXCHANGE, RECLASSIFICATION, OR CANCELLATION OF MEMBERSHIPS IS AS FOLLOWS:

6. THE AMENDMENT WAS DULY ADOPTED ON 07-11-06 (MONTH, DAY, YEAR)
BY (Please mark the block that applies):

☐ THE INCORPORATORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.

☒ THE BOARD OF DIRECTORS WITHOUT MEMBER APPROVAL, AS SUCH WAS NOT REQUIRED.

☐ THE MEMBERS

7. INDICATE WHICH OF THE FOLLOWING STATEMENTS APPLIES BY MARKING THE APPLICABLE BLOCK:

☒ ADDITIONAL APPROVAL FOR THE AMENDMENT (AS PERMITTED BY §48-60-301 OF THE TENNESSEE NONPROFIT CORPORATION ACT) WAS NOT REQUIRED.

☐ ADDITIONAL APPROVAL FOR THE AMENDMENT WAS REQUIRED BY THE CHARTER AND WAS OBTAINED.

SECRETARY
SIGNER'S CAPACITY

07-11-06
DATE

SIGNATURE

Charles A. Herren, SECRETARY
NAME OF SIGNER (TYPED OR PRINTED)

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 07/25/06
REQUEST NUMBER: 5832-2495
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 07/24/06 0854
EFFECTIVE DATE/TIME: 07/24/06 1630
CONTROL NUMBER: 0508327

TO:
MIDDLE TENNESSEE HELPING HANDS
2003 FREE HILL RD
COOKEVILLE, TN 38501

RE:
COMMUNITY INITIATIVE
ARTICLES OF AMENDMENT TO THE CHARTER

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN
EFFECTIVE DATE AS INDICATED ABOVE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE
OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS
PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: ARTICLES OF AMENDMENT TO THE CHARTER

ON DATE: 07/13/06

FROM:
CHARLES HERREN
2003 FREE HILL RD
COOKEVILLE, TN 38501-0000

RECEIVED: FEES \$20.00 \$0.00
TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00003997742
ACCOUNT NUMBER: 00532920



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

State of Tennessee



Department of State

Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

CHARTER (Nonprofit Corporation)

STATE OF TENNESSEE
For Office Use Only

2005 DEC -9 PM 4:26

RILEY DANIELL
SECRETARY OF STATE

The undersigned acting as Incorporator(s) of a nonprofit corporation under the Tennessee Nonprofit Corporation Act adopts the following Articles of Incorporation.

1. The name of the corporation is: Middle TENNESSEE Helping Hands

2. Please complete all of the following sentences by checking one of the two boxes in each sentence:

This corporation is a ☒ public benefit corporation / ☐ mutual benefit corporation.

This corporation is ☐ a religious corporation / ☒ not a religious corporation.

This corporation will ☐ have members / ☒ not have members.

3. The name and complete address of the corporation's initial registered agent and office in Tennessee is:

Robert Todd Huddleston 4495 Greenfield Dr Cookeville TN 38501 Putnam
Name Street Address City State, Zip Code County

4. List the name and complete address of each incorporator:

Robert Todd Huddleston 4495 Greenfield Drive Cookeville, TN 38501
Name (Include Street Address, City, State, and Zip Code)

Douglas Coff 108 Islandia Nashville TN 37217
Name (Include Street Address, City, State, and Zip Code)

Name (Include Street Address, City, State, and Zip Code)

5. The complete address of the corporation's principal office is:

4495 Greenfield Drive Cookeville TN Putnam County 38501
Street Address City State/County Zip Code

6. The corporation is not for profit.

7. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time are:

Date _____, Time _____ (Not to exceed 90 days.)

8. Insert here the provisions regarding the distribution of assets upon dissolution:

All assets have to be turned over to an agent that is approved by IRS.

Opal Burris, Register
Putnam County

Instrument #: 54735
Recorded
1/6/2006 at 12:18 PM
in Record Book
283
Pg 723-723

9. Other provisions:

NONE

Robert Todd Huddleston 12-08-05
Signature Date
President/Vice chairman
of the Board

Douglas Coff 12-08-05
Incorporator's Signature
Douglas Coff
Incorporator's Name (typed or printed)
Chair of Board

EXHIBIT B

Secretary of State
Division of Business Services

312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 11/09/2006
REQUEST NUMBER: 06313117
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 12/09/2005
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0508327
JURISDICTION: TENNESSEE

TO:
GULLETT SANFORD ROBINSON & MARTIN PLLC
JACK ROBINSON
PO BOX 198888
NASHVILLE, TN 37219

REQUESTED BY:
GULLETT SANFORD ROBINSON & MARTIN PLLC
JACK ROBINSON
PO BOX 198888
NASHVILLE, TN 37219

CERTIFICATE OF EXISTENCE

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"COMMUNITY INITIATIVE"

IS A CORPORATION DULY INCORPORATED UNDER THE LAW OF THIS STATE WITH DATE OF
INCORPORATION AND DURATION AS GIVEN ABOVE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
EXISTENCE OF THE CORPORATION HAVE BEEN PAID;
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND
THAT ARTICLES OF TERMINATION OF CORPORATE EXISTENCE HAVE NOT BEEN FILED

FOR: REQUEST FOR CERTIFICATE

ON DATE: 11/09/06

FROM:
GULLETT SANFORD ROBINSON & MARTIN PLLC
PO BOX 198888
NASHVILLE, TN 37219-8888

RECEIVED:	FEES	
	\$40.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$40.00

RECEIPT NUMBER: 00004048366
ACCOUNT NUMBER: 00001396



SS-4458

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

EXHIBIT C

COMMUNITY INITIATIVE
Key Personnel and Officers

Community Initiative is a Tennessee non-profit public benefit corporation, which is a § 501(c)(3) public charity.

DOUG GOFF
Chairman of the Board

108 Islandia Drive
Nashville, Tennessee 37217

Doug Goff is Chairman of the Board of Community Initiative. Previously, he spent 30 years with Ford Motor Company, working in various supervisory positions, taking early retirement in order to devote full time to a sports agency he had founded. Over the next ten years, Doug developed the sports agency and a sports apparel company to the point that he sold them to a New York Company. In the sports agency business he focused on recruitment, training, management, advertising, and promotions, partnering with local agencies and sitting on several national and international boards. The sports apparel company focused on catalogue sales throughout the southeast and partnered with large apparel manufacturers. In 2004, Doug founded Middle Tennessee Helping Hands, a Section 501(c)(3) non-profit organization, with the mission to work with city, county, state, and federal government agencies for community and economic development in areas where it is determined that a need exists and funding can be obtained to further that mission. In 2006, Middle Tennessee Helping Hands changed its name to Community Initiative ("CI").

GLEN L. TILTON
President

4305 Overstreet Drive
Cookeville, Tennessee 38506

Glen joined CI in 2006 and serves as its President. His resume, which describes his background and job experience in detail, is attached. As set out thereon, Glen has extensive business, management and finance experience. He has an undergraduate degree in Business Administration and also has a M.B.A. in Business Administration.

TODD HUDDLESTON
Senior Vice President

3000 Dodson Branch Road, Apt. #9
Cookeville, Tennessee 38501

Todd joined CI in its infancy and formation, working with Doug Goff in affordable housing projects. Todd has a B.S. in Multidisciplinary Studies from Tennessee Tech in Cookeville. He has worked in the construction business for the past 15 years, both in a family business and as an independent contractor. Todd has been an active member of the Cookeville Chamber of Commerce and has worked with local government agencies on projects in which CI has been active or in which they have an interest.

CHUCK HERREN
Vice President and Secretary

2003 Free Hill Road
Cookeville, Tennessee 38501

Chuck joined CI in January 2006 as Vice President and was later elected Secretary. Chuck has been with Shoney's Restaurants for over 20 years serving in various capacities. Since 2001 he has served as General Manager of the Cookeville Shoney's with annual sales in excess of \$2 million; his restaurant has ranked that entire time in the top tier of yearly controllable cost and profit. Chuck is responsible for training and developing assistant managers and has successfully had several promoted to General Manager over the past five years. At his restaurant, Chuck's responsibilities include creating yearly business plans and budgets, health department inspections, hiring, training, orientations, scheduling, manager meetings, payroll, accounts payable and receivable, food orders and inventories, transportation and other related activities.

GLEN L. TILTON

4305 Overstreet Drive • Cookeville, Tennessee 38506

Home: (931) 525-3572

gtilton@frontiernet.net

Cell: (931) 267-0300

TOP-TIER BUSINESS AND FINANCE EXECUTIVE

Executive Leadership ~ P&L Management ~ Finance ~ Business Solutions

Astute, results-oriented leader with outstanding analytical and problem solving skills and proven success in management and finance. Proven leadership capabilities in operations management, financial modeling, business turn-around, and revitalization projects. Critical thinker and adept negotiator who can apply extensive knowledge and expert direction of resources, technology, and expenses to maximize revenue and profit growth opportunities.

CORE EXECUTIVE STRENGTHS

- Operations and P&L Management / Corporate & Strategic Planning / Financial Management / Turn-Around
- Development and Implementation of Operating Plans / Corporate Governance / Regulatory Compliance
- M&As / Divestitures / Capital Infusions / Financial Analysis / Financial Remodeling / Accounting / Budgeting
- Purchasing/procurement / Client/Vendor Relations / Operations Analysis / Analyzing and Mitigating Risk Factors
- Personnel Management • Recruiting / Training / Motivating Performance
- International Business • Offshore manufacturing / International Operations / Letters of Credit / Foreign Exchange
- Fluent Bi-lingual: English/Spanish
- Technical Skills: Microsoft Office Suite / Machine Language Translation Software / Adobe Acrobat / Business Valuations / Various Corporate Accounting Software Applications

CAREER SYNOPSIS

Managing Director • 1997 to Present

CHATHAM PARTNERS, LLC, North Chatham, Massachusetts

(Investment banking firm specializing in financial remodeling, corporate finance activities and raising capital for companies in forms of senior debt, mezzanine, or equity from institutional debt and equity sources.)

Senior management team member rendering financial and operations management expertise to clients and in the evaluation of potential engagements and probability of project success. Currently engaged in assisting clients to:

- Expand or develop marketing, acquisition, or capital development plans; improve operating efficiencies.
- Author business plans and private placement memorandums and implement business strategies.
- Raise capital in institutional private placement markets; plan/execute financial remodeling or restructuring.
- Develop and administer budgets and procure financing for business-related activities and operations.
- Analyze targets and develop acquisition plans.

During tenure with Chatham Partners, was also engaged under contract as:

CFO / COO/ Executive Vice President for a company providing human resource services, management, and employee leasing services to clients on a regional basis throughout the southeastern United States.

Engaged 9 months, assisting in organizing new corporation; managed a staff of 3 direct and 750 indirect reports. Built company to \$8.4MM in annualized revenue in 4-month period.

- Prepared and filed required documents of incorporation and required applications for state licensing.
 - Managed relationships with regulatory agencies and authorities.
 - Engineered accounting system and financial controls. Executed financial & cash management.
 - Oversaw human resource management including benefits, payroll and operations management.
 - Prepared management and financial reports for clients and business owner.
 - Key participant in analyzing and implementing acquisitions of other 2 other companies.
-

Southeast Regional Manager / Acting CFO for a \$22MM company providing human resource and employee leasing services to clients throughout the eastern, southern and mid-western U.S.

Engaged 6 months to assist in new market development and organizational management. Investigated a defalcation, internal employee system abuses, and financial losses from theft/embezzlement. Directly managed 6 internal staff employees and indirectly managed approximately 1200 service staff employees.

- Developed and implemented a series of critical security controls impacting the accounting system, internal computer network, and employee Internet access.
- Investigated defalcation, determined source of embezzlement, and notified proper authorities.

President/CEO for \$52 MM wholesale and retail fuel distribution and retail chain of approximately 32 convenience stores.

During an engagement period of approximately 4 years, executed a diverse scope of P&L operations management for a wholesale fuel distribution company and retail convenience store chain:

- Managed senior staff, office staff, and development and training of store and regional managers.
- Executed human resource administration, training and compliance.
- Evaluated financial reports and budgets prepared by CFO.
- Managed banking, creditor and customer relationships. Ensured regulatory compliance with various government agencies. Managed lease/contract negotiations, collections, purchasing, and fuel distribution management functions.
- Developed and implemented acquisition and management plan, building business from \$17MM to \$52MM in annual sales in 3-year period. Performed asset acquisition analysis and due diligence.
- Successfully acquired and merged 13 companies into base company;
- Built retail store chain, increasing total number of retail stores in chain from 14 to 32.
- Guided company through successful Chapter 11 bankruptcy reorganization necessitated by environmental issues and costs.

CFO/General Manager for \$17MM wholesale and retail fuel distributor and retail chain of 6 stores.

Executed P&L, financial, and day-to-day management of all locations and staff totaling 74. Net results:

- Returned company to profitability within 8 months after 5 consecutive years of losses.
- Improved company's retained earnings and negative net worth position by more than \$100,000.
- Lowered operating costs by approximately 20% without negatively impacting revenue.
- Closed 2 unprofitable operations, saving company approximately \$160,000 per year in operating losses.
- Restructured 2 operating divisions, taking them from consistent losses to profitability.

Detail of early career will be provided upon request. Highlights include:

- Vice President, GROSSMONT BANK, San Diego, California (Simultaneously managing the Bank's International Division, southern region retail banking center, and regional corporate banking department)
- Business Financing Officer, WELLS FARGO BANK, San Diego, California (Team Leader in San Diego County Business Finance Division)
- Managing Director, INTERNATIONAL TRADE SERVICES, INC., Tucson, Arizona (Assisting clients in international trade and foreign investment transactions)
- Vice President, Foreign Bank Representative, BANCO INTERNACIONAL, SNC, Tucson, Arizona (Managed Western U.S. Division, business lending, international trade, and foreign investment transactions. Worked with clients to establish international manufacturing and establish international trade relationships)

EDUCATION

MBA in Business Management • BS in Business Administration

EXHIBIT D

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUL 13 2004

MIDDLE TENNESSEE HELPING HANDS
C/O DOUGLAS T GOFF
4495 GREENFIELD DR
COOKVILLE, TN 38501

Employer Identification Number:
58-2674538
DLN:
17053338031043
Contact Person:
PAUL D KERR ID# 31104
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Foundation Status Classification:
509(a)(1)
Advance Ruling Period Begins:
September 6, 2003
Advance Ruling Period Ends:
December 31, 2007
Addendum Applies:
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)

-2-

MIDDLE TENNESSEE HELPING HANDS

a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period.

Letter 1045 (DO/CG)

-3-

MIDDLE TENNESSEE HELPING HANDS

that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

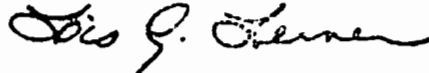
Letter 1045 (DO/CG)

-4-

MIDDLE TENNESSEE HELPING HANDS

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosure(s):
Form 872-C

Letter 1045 (DO/CG)

EXHIBIT E

AGREEMENT TO PURCHASE
ASSETS OF RBS GAS UTILITY, INC.

THIS AGREEMENT is made and entered into as between Receivership Management, Inc., the court-appointed Receiver for RBS Gas Utility, Inc. ("Receiver") and Community Initiative, Inc. ("Community Initiative").

1. Community Initiative has been informed by the Receiver that it will recommend to the Chancery Court for Macon County, Tennessee ("Receivership Court") that Community Initiative's bid for the purchase of the assets of RBS Gas Utility be accepted and approved.
2. In consideration for the Receiver's recommendation, Community Initiative agrees that it will not withdraw, or otherwise materially alter, the bid terms as set forth below, unless and until the Receivership Court does not approve Community Initiative's bid:
 - a) Payment of \$250,000 from Community Initiative to the Receiver for the purchase of the RBS Gas Utility assets as set forth below;
 - b) Community Initiative may elect to establish a subsidiary or sister company to hold title to the RBS assets purchased and to operate the gas utility (reference to "Community Initiative" should, therefore, include its assigns).
 - c) Payment of the above-referenced amount is contingent upon
 - i) Community Initiative's receiving funding from the United States Department of Agriculture, ii) the City of Red Boiling Springs issuing of an acceptable franchise contract to Community Initiative, iii) Community Initiative's successful petition to the Tennessee Regulatory Authority for all regulatory approvals needed to transfer or have issued a Certificate of Public Convenience and Necessity to Community Initiative and iv) Community Initiative entering into a gas supply agreement of reasonable terms with a gas supplier;
 - d) Assignment of all existing customer contracts from RBS Gas Utility to Community Initiative, including the existing customer contract with Nestlé Water North America;
 - e) Assignment to Community Initiative of whatever interest is held in the month-to-month lease with Stitches, Inc. for the current RBS Gas Utility office located at 233 Main Street, Red Boiling Springs, Tennessee 37150;
 - f) Continued employment of the sole employee of RBS Gas Utility, Mr. Tim Scott, will be in the sole discretion of Community Initiative;

- g) Assignment by the Receiver and the receipt by Community Initiative of all inventory, supplies and equipment belonging to RBS Gas Utility, which, in the good faith belief of the Receiver, is free and clear of all liens, encumbrances and claims;
- h) Community Initiative will be responsible for establishing a supplier agreement for customer needs from a natural gas supplier whether or not that agreement be with the current natural gas supplier, Atmos Energy Marketing, LLC;
- i) Cash on hand will remain an asset of the RBS Gas Utility Receivership;
- j) With an anticipated closing date of November 1, 2006, Community Initiative will be responsible for the billing of and collections from RBS Gas Utility customers for October 2006 usage and for the payment of Atmos Energy Marketing, LLC for October 2006 gas supplied, provided that the closing indeed does take place on November 1, 2006;
- k) All previous uncollected balances will be assigned to Community Initiative;
- l) All deposits from current customers held by RBS Gas Utility as of the closing date of the transaction (i.e., anticipated to be November 1, 2006) will be assigned to Community Initiative and will be paid by the Receiver to Community Initiative from either cash on hand or the sale proceeds. The Receiver will retain responsibility for payment of deposits of non-current customers and will retain the funds on deposit necessary to address those payments;
- m) Tax liabilities, and the filing of matters related to those tax liabilities, up to the date of the closing of the transaction will be the responsibility of the Receiver to address; tax liabilities, and the filing of matters relating to those tax liabilities, on and after the date of the closing will be the responsibility of Community Initiative;
- n) The unpaid debt of RBS Gas Utility, including any amounts owed to Atmos Energy Marketing, LLC for gas supplied to RBS Gas Utility prior to October 2006, will be addressed by the Receiver in further liquidating the estate of that company as set forth herein; and
- o) The Receiver and Community Initiative will take all reasonable actions to address matters needed to effectuate this transaction, particularly, in the thirty (30) to sixty (60) day timeframe immediately prior to and immediately subsequent to the closing of the transaction (i.e., anticipated to be November 1, 2006).

3. Withdrawal of the Community Initiative bid because, despite prompt, persistent and reasonable efforts, a) it was unable to secure financing from the United States Department of Agriculture, b) it was unable to secure all regulatory approvals needed to transfer or have issued a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority, c) it was unable to secure a franchise contract from the City of Red Boiling Springs, d) it was unable to secure approval of the bid from the Receivership Court and/or e) it was unable to secure a gas supply agreement reasonably acceptable to it, will not be considered a breach of this Agreement. However, withdrawal of the bid, for any reason other than as outlined above in this paragraph, or the material alteration of that bid, will be considered a material breach of this Agreement.
4. The parties to this Agreement acknowledge that the damages arising from a material breach of this Agreement by Community Initiative would be difficult to calculate. In the event of a material breach of this Agreement by Community Initiative, it is agreed that a liquidated amount of \$5,000 would constitute the damages arising from that breach. It is further agreed that the \$5,000 referenced above is not punitive but, to the extent possible, approximates the damages that the Receiver would sustain if Community Initiative breaches this Agreement.

It is SO AGREED:

RECEIVERSHIP MANAGEMENT, INC.,
as Receiver of RBS Gas Utility, Inc.,
in Receivership

COMMUNITY INITIATIVE, INC.

By: James D. Bryant
Its: President
Date: 8-30-06

By: _____
Its: _____
Date: _____

EXHIBIT F

**IN THE CHANCERY COURT OF MACON COUNTY, TENNESSEE
FIFTEENTH JUDICIAL DISTRICT
AT LAFAYETTE**

TENNESSEE REGULATORY AUTHORITY,)

Petitioner,)

v.)

RBS GAS UTILITY, INC.,)

**Respondent/Third Party
Plaintiff,**)

v.)

ATMOS ENERGY MARKETING, LLC)

Third Party Defendant.)

**RECEIVED AND ENTERED
IN MINUTE BOOK 44, PAGE 292-296
THIS THE 15 DAY OF Sept, 2006
Gwen Linville
GWEN LINVILLE; Clerk and Master**

Deputy Clerk and Master

CIVIL ACTION NO. 4144

**ORDER APPROVING SALE OF RBS GAS UTILITY, INC. ASSETS AND
LIQUIDATION OF RBS GAS UTILITY, INC. SUBSEQUENT TO ASSET SALE**

On August 31, 2006, the RBS Gas Utility, Inc. Receiver ("Receiver") filed with the Court its Motion Seeking Approval of its Recommendation Regarding Bids and Proposed Plan for Liquidation of RBS Gas Utility, Inc. ("Motion"). The Motion came before the Court for hearing on Friday, September 15, 2006. There have been no objections or responses in opposition filed in relation to the Receiver's Motion.

Upon consideration of the Motion, presentation of counsel and the record in this matter, the Court grants the Motion.

The Court approves the sale of the RBS Gas Utility, Inc. assets to Community Initiative, Inc., or its assigns, as outlined in the Motion, except that, based on agreement of counsel for the Receiver and for Community Initiative announced in open court, the Receiver will remain

responsible after the closing of the asset sale 1) for the billing of and collections from RBS Gas Utility customers for the gas used by those customers up to the closing date of the asset sale and 2) for the payment to Atmos Energy Marketing, LLC for the gas supplied up to the closing date of the asset sale.

The Court notes that there are several matters (e.g., regulatory approvals, securing of a gas supply contract, securing of a municipal franchise) that must be accomplished by Community Initiative as conditions precedent to the sale of RBS Gas Utility, Inc. assets. The Court expects, and, through this approval, anticipates, that Community Initiative will diligently pursue these matters and close upon the purchase of RBS Gas Utility, Inc. assets as soon as is practicable.

The Court further approves the Receiver's proposed plan to liquidate RBS Gas Utility following the sale of its assets to Community Initiative. The proceeds from the asset sale, plus other cash on hand, as set forth in the Receiver's Motion, will fund the RBS Gas Utility Liquidation Estate. Within one (1) week of the date of the closing of the asset sale, the Receiver will publish in area newspapers, and mail to all known creditors/claimants of RBS Gas Utility (including all customers having verified credit balances at RBS Gas Utility) notice of and information concerning a Proof of Claim process as against the RBS Gas Utility Liquidation Estate. Creditors/claimants will have thirty (30) days, as measured from the date of publication/mailing of notice, within which to submit his/her/its claim against the RBS Gas Utility Liquidation Estate. Any disputes concerning acceptance or rejection of claims, claim amounts, or the Proof of Claim process will be brought before the Court by the Receiver, through separate motion, for determination.


The Receiver will distribute funds from the RBS Gas Utility Liquidation Estate in the following order of priority:

- 1) Payment of the administrative costs of the RBS Receivership, including fees and expenses of the Receiver, its staff and its counsel, and those receivership costs taxed to the Tennessee Regulatory Authority as costs in this action;
- 2) Payment of tax liabilities owed by RBS Gas Utility for timeframes prior to the sale of its assets;
- 3) Payment of customer deposit amounts on current customers to the purchaser of RBS Gas Utility assets who will maintain those funds in kind as customer deposits, payment of customer deposit amounts on non-current customers to those customers and payment of credits verified as still being owed to customers; and
- 4) Payment of all non-owner claims submitted against the RBS Gas Utility Liquidation Estate in the Proof of Claim process.

The Court is informed that it is unlikely that the RBS Gas Utility Liquidation Estate will have funds sufficient to pay all of the anticipated non-owner claims -- the bulk of which, the Court understands, will be a claim from Atmos Energy Marketing, LLC for gas supplied prior to May 19, 2006. Therefore, the Court will not set forth priority classifications beyond the non-owner claimant level.

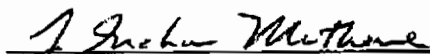
It will be in the discretion of the Receiver as to reserves to be maintained for payment of future administrative expenses as well as the timing of payments -- e.g., until after receipt of documentation acknowledging tax payments and waiving further tax liability. It is acceptable to the Court that payments from the RBS Gas Utility Liquidation Estate to the non-owner creditors/claimants (e.g., Atmos Energy Marketing, LLC) be in conjunction with the Receiver's final accounting to the Court and the closure of this receivership action.

It is so ORDERED, this the 15 day of September, 2006.



CHARLES K. SMITH, CHANCELLOR
MACON COUNTY CHANCERY COURT

Submitted and Approved for Entry:



J. Graham Matherne, BPR #11294
Wyatt, Tarrant & Combs LLP
2525 West End Avenue, Suite 1500
Nashville, TN 37203-1423
(615) 244-0020

*Counsel for Receivership Management, Inc.,
Receiver of RBS Gas Utility, Inc.*

CERTIFICATE OF SERVICE

This is to certify that on September 15th, 2006 a copy of the foregoing Order has been sent by First Class U.S. Mail, postage paid, to:

J. Richard Collier
General Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Lawrence R. Ahern III, Esq.
David W. Houston IV, Esq.
Burr & Forman LLP
700 Two American Center
3102 West End Avenue
Nashville, TN 37203

Henry M. Walker, Esq.
Boult, Cummings, Conners & Berry PLC
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, TN 37203

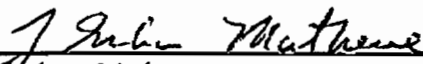
Edward R. Ayers
105 Somerford Court
Madison, MS 39110-7466

C. Larry Lewis, Esq.
Deputy Attorney General
Office of the Attorney General
425 5th Avenue North
Nashville, TN 37243-0491

Timothy Phillips, Esq.
Senior Counsel
Office of the Attorney General
425 5th Avenue North
Nashville, TN 37243-0491

Brigid Carpenter, Esq.
Baker, Donelson, Bearman, Caldwell
& Berkowitz, PC
Commerce Center, Suite 1600
211 Commerce Street
Nashville, TN 37201

Jack W. Robinson, Jr.
Gullet, Sanford, Robinson & Martin
315 Deaderick Street, Suite 1100
P. O. Box 198888
Nashville, TN 37219-8888



J. Graham Matherne

EXHIBIT G



Statement of Qualifications



222 West Spring Street
Cookeville, TN 38501
Telephone: (931) 372-8500
Facsimile: (931) 372-2500

7540 103rd St. Ste 166
Jacksonville, FL 32210
Telephone: (904)-778-1119
Facsimile: (904)778-1027

**Table of
Contents**

Introduction

.....

Commitment

.....

Services

.....

Resumes

.....

References

.....

Project Summaries

.....

Introduction

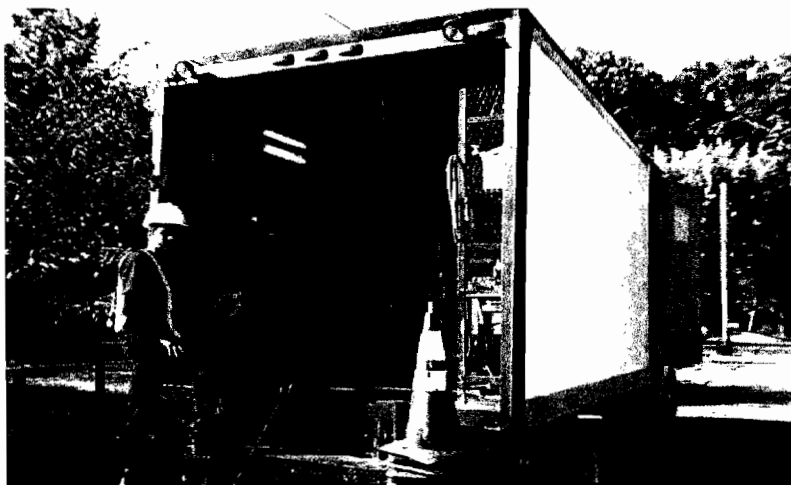
Thank you for your interest in AUI, LLC. The enclosed information provides a general summary of our company and the many outstanding services and solutions we provide our clients.

AUI is a unique company geared to set the standard of excellence for the evaluation, maintenance, and rehabilitation of wastewater collection systems. Our company is structured to service the needs of local, state, and federal government agencies, as well as supporting consulting engineers and utility contractors.

Over the past several years, this unique organization has grown from a local contracting company to a regional service provider, with a current customer base located throughout the Southeast. This growth has been accomplished by our dedication to quality, cost effective services, as well as an extraordinary commitment to our customers — with an understanding of their performance concerns and schedules.

AUI is a total quality management company, incorporating leading-edge technologies. But despite that technology, we realize that our people are our greatest resource. Our people take great pride in their mission to provide quality performance. This energy and respect for our clients allows you full confidence that your needs will be met in the safest and most professional manner available.

Look to AUI for comprehensive commitment to you, your collection system, and your community.



Field crew conducting CCTV inspection activities

Commitment to Quality

AUI brings to the customer a strong history of dedicated performance based on the fundamental tenets of total quality management (TQM). Quality performance is paramount to success. Therefore, AUI has developed and espoused a Total Quality Management Program comprised of integrated standard operating procedures and quality assurance / quality control (QA/QC) mechanisms that ensure both service reliability and data integrity. AUI confidently stands behind the quality of its services — a commitment we guarantee to each and every customer.

Commitment to Safety

Recognizing the fundamental role of effective training in project safety, AUI actively employs a Safety Training Program for all personnel engaged in field activities. This program ensures that procedures are established and conducted to meet *and exceed* demanding safety standards — in accordance with established specifications and applicable regulations of the federal Occupational Safety and Health Administration (OSHA) and corresponding state agencies. The Safety Training Program is bolstered by the incorporation of recognized wastewater collection system safety courses provided by California State University – Sacramento (CSUS) and the Water Environment Federation (WEF).

Commitment to You

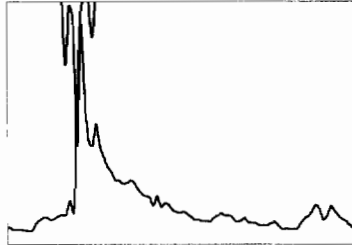
Our commitment to quality and safety underscores our corporate responsibility to provide you, the customer, exceptional staff capabilities focused on zero defects and total customer satisfaction. In summary, AUI has a bold commitment to provide quality and outstanding services to our clients. Our combined staff of professionals represents our commitment to provide you the very best in human resources to counter your collection system challenges.

Services

Flow Monitoring

AUI provides flow monitoring services for the quantitative assessment of infiltration, exfiltration, and inflow within wastewater collection systems, either prior to or upon completion of rehabilitation activities. Flow monitoring provides the *only* diagnostic tool able to provide a quantitative analysis of system flow conditions and is conducted by installing electronic monitors at selected locations for the measurement and recording of flow depth and velocity. These measurements are then used to calculate wastewater flow rates by the area/velocity method. Results are subsequently compared with recorded water consumption and rainfall data to provide an in depth analysis for capacity and loading assessment.

Comparative plot depicts typical correlation between rainfall and wastewater flow rate



The success of any flow monitoring program is dependent upon three key components:

- Instrument Reliability
- Flow Monitor Location
- Data Analysis

AUI continually evaluates existing flow monitors available on the market, seeking only the most reliable monitors that have been proven in harsh wastewater environments. In addition, flow monitoring locations are visually observed prior to monitor installation to ensure adequate hydraulic and site access conditions. During the monitoring period, the performance of each flow monitor is carefully evaluated to ensure data quality. Upon conclusion of the monitoring period, AUI provides a thorough review and analysis of all data. Final data are then made available to the customer in a variety of electronic formats.

Data is downloaded in the field using a laptop computer



Manhole Inspection

AUI provides manhole inspection services for the evaluation of structural integrity, infiltration and inflow, and cleaning requirements in conjunction with sewer system evaluation survey (SSES) activities. Manhole inspections are provided using either non-entry or confined-space entry techniques, depending on agency requirements, and complete video or still photography documentation is provided for each inspection.

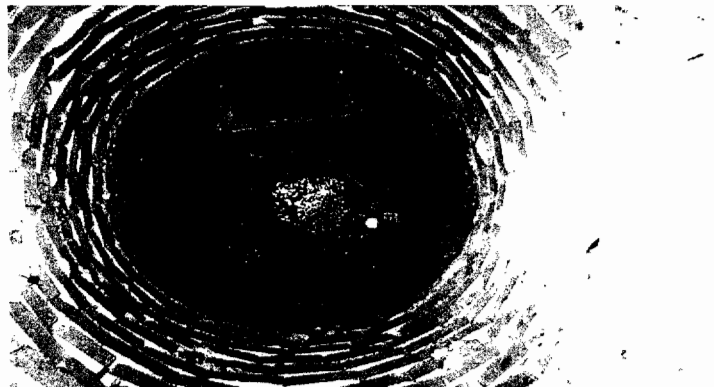
To provide consistent inspection data, a standard operating procedure has been developed and implemented. Each inspection includes a complete review of the manhole — from

cover to invert — and incorporates careful and methodical measurements of component parts and observations for roots, structural defects, debris, and identified infiltration and inflow. Internal conditions of pipes are catalogued and analyzed through the use of Pipecameras equipped with a specially built wide-angle tele-objective zoom lens with video and still photography capabilities.



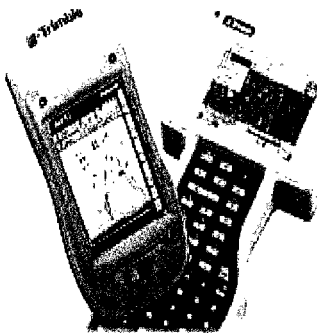
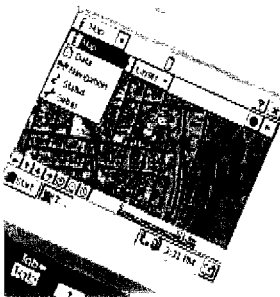
Manhole inspections facilitate system inventory control and provide an initial glance into the condition of a

To ensure the integrity of inspection data from field to final report, collected data are entered into a computer-based relational database and reviewed prior to final submittal. The relational database is a powerful management tool that allows inspection data to be sorted and analyzed in numerous formats. For example, the relational database may be used to readily identify manholes requiring grade adjustment, manholes with observed roots, or manholes with any other inspection criteria you may desire to query. Such flexibility provides a powerful, value-added feature, long after the completion of actual field work. In addition, the relational database is expandable and can easily be incorporated into routine inspection and maintenance operations.



Brick manholes are typically more prone to deterioration and require extra attention during manhole inspection activities

GIS



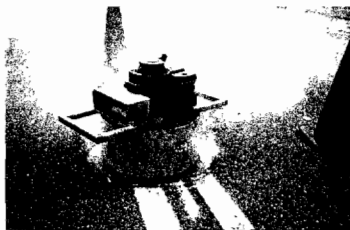
The team at AUI, LLC understands that information tools are only as good as the quality of the data allows. Not only do we provide analysis of existing wastewater systems, we also provide surveying. Our surveying division is among the best because we provide accurate spatial measurements that are needed to develop exact plans. State of the art equipment, guaranteed quality, and dependable experience equate to satisfied clients. Trimble GPS Pro/XRS with the TSCe data collector, and Contour XLRic LIDAR Laser Rangefinder system are examples of equipment commonly used by our survey crews. The GPS units and the Lasers are connected to the TSCe data collector simultaneously, which enables the surveyor to either enter the attribute of the structure while accompanying it with the GPS or to measure to it using the Laser from the last known point. This eliminates the chance of missing any structures that may be obscured by the conventional GPS, or that would have to be located later by conventional surveying methods. These systems have been put into place as part of our standard operating procedure and provide insurance that our client's projects precede swiftly, accurately and are completed within budget and schedule.

AUI has worked with numerous clients to develop and implement solutions that are inventive and practical and incorporate a combination of databases and data files from different functional units of an organization. These projects have transformed diverse and largely manual record systems into tactical information system platforms that integrate a user-friendly GIS interface to graphically locate assets and related records. AUI can offer its clientele software based upon a client's specific needs and existing systems; along with data integration, implementation, training, and maintenance services. By listening and analyzing our clients' exact informational needs, we can provide GIS systems and services that can be relied upon for years.

Smoke Testing

AUI provides smoke testing services for the location and documentation of potential inflow sources — such as building downspouts, storm water cross connections, and defective clean-outs and service lines. During each smoke test, a special non-toxic, non-staining smoke is blown into a selected portion of the collection system. Potential inflow sources are rapidly evidenced by visible smoke. Optimal results are obtained during clear, calm, sunny weather.

Typical blower used for smoke testing activities



During smoke testing activities, smoke can easily fill a home or business through a dry trap or defective plumbing. Therefore, AUI works diligently to provide advance notification to residents and businesses, as well as local public safety agencies, prior to any smoke

testing activities. In addition, all smoke testing personnel are trained to counsel with individuals who discover such smoke. Effective communication is paramount to successful smoke testing.

Effective removal of potential inflow sources is directly proportional to the manner in which these sources are documented during field activities. Therefore, AUI has developed and implemented standard operating procedures designed to deliver both *verifiable and reproducible* smoke testing data in both hard copy and electronic formats. Such data allow property owners and utility agencies to readily locate and efficiently remove identified inflow sources.

Defective clean-out identified during smoke testing activities



CCTV Inspection

AUI provides closed-circuit television (CCTV) inspection services to support a variety of sewer line inspection and rehabilitation activities. CCTV inspection is perhaps the most versatile diagnostic tool available for today's wastewater and storm water collection systems. CCTV inspections can be used to support the acceptance of new sewer lines, as well as the internal evaluation and trenchless rehabilitation of existing sewer lines.

AUI maintains a fleet of modern CCTV trucks fitted with the latest video equipment and computerized data acquisition systems.



CCTV operators provide full documentation of observed defects

Preparatory cleaning is provided prior to CCTV inspection to provide optimal internal images of sewer line conditions. AUI can accommodate nearly any preparatory cleaning requirements — including hydraulic

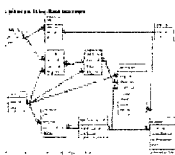
and mechanical methods.

Our CCTV operators follow an established standard operating procedure to ensure consistent, high quality inspections. During each inspection, video footage is recorded, providing clear and accurate images of all observed service connections, root intrusions, exfiltration, infiltration, and inflow, as well as the general condition of each sewer line at the time of inspection. In addition, all observations are documented in a computerized data acquisition system capable of generating concise data summaries — including plan and section views — to readily ascertain existing conditions and develop appropriate maintenance and/or rehabilitation strategies.



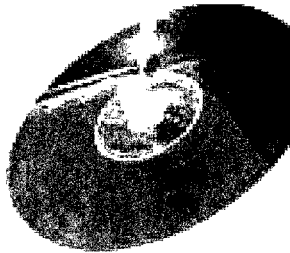
CCTV truck prepares for inspection activities

Data Management



Video Storage

AUI provides our clients one copy of each CCTV inspection video footage in VHS format, MPEG 1 or MPEG 2 file format. CCTV inspection video footage is grouped onto individual videotapes according to respective Basins and Sub-Basins. Alternatively, video is compressed in the MPEG 1 or MPEG 2 file format. The MPEG compression technology is the only acknowledged ISO standard for video compression. MPEG perfectly synchronizes



audio and video streams together while keeping file size to a minimum. Images are recorded on non-linear or random access media. This allows for linking of MPEG streaming videos to the inventory record. Once linked, the client can simply click and play back the video for review. Unlike having to watch VCR tapes

separately, this option provides the means to watch the video and view the observation list simultaneously on the same screen. With random access digital media, individual video frames can be located directly by clicking on an observation, without having to advance or rewind a long magnetic tape, as is done with VHS tapes. Individual frames can be catalogued, and saved or printed.

Data Storage

Due to the large quantity of data collected during CCTV inspection activities, computer support is required for efficient data management. AUI maintains all data collected from each Manhole Inspection, GPS Mapping and CCTV Inspection within a wide range of database management applications relevant to the clients specific needs. Based upon WRc, PACP or client-specified defect severity ratings, an overall rating number for each component of a structure or segment is automatically calculated based upon observations and defects encountered during field inspections. The resulting reporting is a powerful tool for the prioritization of rehabilitation needs. Asset Maintenance Management systems can also be integrated with existing GIS data and maps and/or inspection data to provide a seamless interface for the generation and efficient management of proactive and reactive work orders. AUI's staff is well trained and experienced in the design and maintenance of a wide variety of database management applications. At a minimum, the database management application uses a relational database software package compatible with a Microsoft Windows environments. The database management application shall be user-friendly and provide flexibility in the retrieval, sorting, querying, and reporting of stored records.

Sewer Line Cleaning

AUI provides sewer line cleaning services to dislodge and remove accumulated debris and restore optimal system hydraulic conditions. Routine cleaning minimizes line blockages — including debris, grease, and roots — and plays a key role in odor control by cleansing areas conducive to anaerobic growth. An effective sewer line cleaning program can readily extend the life and function of a collection system.

Field crew provides hydraulic cleaning prior to CCTV inspection



Sewer line cleaning is typically conducted by hydraulic jetting, which is most effective for light to medium cleaning. This method provides one of the most efficient means of cleaning sewer lines — with cleaning and flushing combined into a single task. Hydraulic cleaning is used to facilitate CCTV inspection, assist preventive maintenance efforts, and provide emergency response. Other hydraulic cleaning methods are also available. Each method is effective when applied under appropriate conditions.

Mechanical sewer line cleaning methods are employed to dislodge and remove heavy accumulated debris and obstructions. Bucketing is one of the most common methods available and is most effective in large-diameter sewer lines where the efficiency of hydraulic cleaning methods is much less effective. Bucketing techniques are capable of removing large debris more effectively than any other sewer line cleaning method.

Field crew prepares hydraulic jet truck for routine cleaning of sewer lines in a residential neighborhood



Deflection Testing

AUI provides deflection testing services for the acceptance of new sewer lines by receiving agencies. Deflection testing is conducted using a mandrel — a rigid cylindrical plug, tapered on each end, with a diameter equal to 95 or 97 percent of the average diameter of the line to be tested, depending on agency requirements.

Deflection testing is conducted by pulling the mandrel through a newly installed sewer line from manhole to manhole. The mandrel will not pass through the sewer line if an excessive deflection, offset joint, protruding service connection, or other obstruction is present.

Traditionally, defect locations have been determined using distance markings on either the pulling or tag line of the mandrel. However, AUI has developed an innovative approach using a CCTV camera attached behind the mandrel to instantaneously determine both the location and type of defect encountered. Such innovation facilitates more efficient and cost-effective correction of identified defects and provides video documentation of each line tested.

Air Testing

AUI provides air testing services for the acceptance of new sewer lines by receiving agencies. All air testing services are conducted in accordance with applicable standards established by the American Society for Testing and Materials (ASTM).

Air testing verifies joint integrity and can detect small vapor leaks which may attract roots. In many parts of the country, air testing has replaced water pressure testing as the preferred alternative for sewer line tightness testing.

In response to inherent safety concerns, AUI has established a rigorous standard operating procedure to ensure effective air testing that is safe for both testing personnel and newly installed sewer lines.

Contract Maintenance

Contract Maintenance

AUI currently offers contract maintenance services for collection systems — including routine sewer line cleaning, root removal, trenchless point repair, service line connections, and other miscellaneous services. Privatization is indeed becoming more of a reality. However, AUI prefers, instead, to promote a *partnership* with agencies to maximize their limited resources. Our intent is never to replace existing personnel or services, but to effectively augment available resources in a synergistic relationship.

Contract maintenance services are effective for both small and large collection systems, where a small, multi-functional crew can service numerous communities on a rotating basis. In this manner, we provide highly skilled personnel to perform routine preventive maintenance tasks. The result is a more efficient collection system — optimizing the use of both your existing personnel and budget.

Rehabilitation Maintenance

Rehabilitation Management

AUI currently offers management services for the oversight and inspection of rehabilitation activities. System rehabilitation can be a daunting task for many utility agencies. Even after the completion of SSES activities, rehabilitation contracts and specifications must still be prepared, bid, awarded, completed, and accepted — often involving multiple contractors utilizing numerous available technologies. Such contracts demand active oversight to ensure service reliability.

Rehabilitation management services provide effective project management, while allowing agency personnel to focus on day-to-day operational issues. This program includes oversight of project scheduling, development and management of contract documents, facilitation of project accounting, and inspection of field services to ensure that contract specifications are fully completed. The result is quality, cost-effective rehabilitation to the ultimate benefit of the receiving agency and its customers.



Resumes

Jeffery A. Callahan
President



Professional Profile

Jeff Callahan has over 18 years of experience in the design, construction management, and rehabilitation of wastewater collection systems. As such, he has developed a comprehensive understanding of both the technical and administrative aspects of collection system management.

Jeff's innovation has provided the pioneering vision behind the implementation of TQM principles to AUI, LLC.. His commitment to quality is eclipsed only by his commitment to customer satisfaction.

As President, Jeff provides lead marketing and customer relations services — developing partnering relationships with customers to establish and effectively achieve their wastewater collection system goals and objectives.

Education

BS / Civil Engineering
Tennessee Technological University
Engineer-in-Training / Tennessee

Professional Certifications

Licensed Contractor / Tennessee,
Alabama, Arkansas, South Carolina,
North Carolina, Mississippi, Georgia,
Louisiana, and Florida

Professional Affiliations

Water Environment Federation
American Society of Civil Engineers
American Water Works Association
Tennessee Assoc. of Utility Districts

Related Experience

Piedmont Olsen Hensley / Chattanooga, Tennessee

Regional Director of Business Development — Managed regional marketing and sales functions for a full service engineering firm with gross revenues in excess of \$35 million.

The Wickliffe Company, Inc. / Chattanooga, Tennessee

Sales Engineer — Provided bidding, sales, and marketing of water and wastewater products for municipal, industrial, and electric utility customers.

Cumberland Engineers, Inc. / Cookeville, Tennessee

Project Engineer — Designed and administered wastewater collection system rehabilitation projects.

Field Engineer / Estimator — Responsible for the field management and cost estimation of multi-million dollar construction projects for both water and wastewater utilities.

Utility Contracting, Inc. / Knoxville, Tennessee

Project Manager — Responsible for the field management of wastewater and storm water collection system projects.

Robert Gray
Construction and Project
Manager



Professional Profile

Mr. Gray joined the AUI team in 1999 and his resume contains over 30 years of experience in utility construction, both domestic and abroad. His knowledge of the field operations is vast with a particular emphasis on construction and rehabilitation techniques associated with underground utilities. He has held positions starting as a pipe-layer and progressing to the project manager of multi-million dollar construction projects. His most recent experience with AUI has been in the area of SSES project management on various projects throughout the Southeastern United States. His varied utility construction experience, coupled with the AUI expertise in SSES has proven to be very beneficial to our clients as they strive to move projects from evaluation to construction. The financial savings in innovation and fast tracking have been numerous.

Mr. Gray's heavy construction background includes hands on experience with a wide range of utility equipment operation and maintenance. At AUI he heads up the equipment training and maintenance program.

Professional Certifications

U.S. Army M.O.S. Military Police

Hazardous Waste Operations
Hazardous Materials/ Waste Site
Supervisor

Related Experience

Cash Construction Co. / Rome, GA

Project Superintendent—Supervised installation of 96" and 72" pipe installation worth \$4,000,000.

ABB Susa & Dillingham Construction Co. / California

Project Resident Inspector—Inspection of sewer rehabilitation, water tank project, rehabilitation of pump stations, deep well for citywide water distribution and a

Bill Harbert International Construction / Birmingham, AL

Pipe Supervisor—Supervised installation of 34 kilometers of 800 mm pipe with welded bell and socket joints, installed RCP gravity sewers up to 2,750 mm in diameter and depths of up to 10.5 meters. Completed projects ahead of schedule for the Greater Cairo Wastewater System.

T. J. Hudgens Construction Co. / Kansas City, KS

Supervised Installation of 120,000 linear feet of gravity sewer lines ranging in size from 8' to 42' in diameter. Project required blasting and rock removal prior to trenching, along with extensive dewatering of numerous creek crossings.

Mike Engelman
Project Manager



Professional Profile

Mike Engelman has over 4 years of experience in project management services with particular emphasis on debris removal and close circuit TV inspection of waste water collection systems. Mike facilitates the successful completion of waste water collection system evaluations through a total commitment to exacting industry standards and a safety first attitude. Mike has extensive knowledge of field activities gained from working his way through the company in every field job position. He is especially knowledgeable in the areas of CCTV inspections and data retrieval, structural inspection of manholes, smoke and dye cross connection inspection, and cleaning sewer and storm waste collection systems of any size.

Education

HVAC Technician Certification
Mainstream Engineering Corporation

Undergraduate Studies
North Central Institute Clarksville, TN

Aviation Mechanics / Machinist / Technical
Inspection
United States Army

Professional Certifications

Confined Space Entry

Compliance with OSHA Standards

Army Aviation Accident Prevention

Certified PACP—NASSCO

Related Experience

AUI, LLC./Columbus, OH

Project Manager— City of Columbus, OH
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter storm sewer

AUI, LLC./Jacksonville, Florida

Project Manager— City of Jacksonville, Florida
This project included the cleaning and CCTV inspection of over 175,000 linear feet of large diameter storm sewer lines.

AUI, LLC./Toledo, OH

Project Manager— City of Toledo, OH
This project included the cleaning and CCTV inspection of over 140,000 linear feet of large diameter storm and sanitary sewer lines of 72"

AUI, LLC./Jacksonville, Florida

Project Manager— City of West Palm Beach, Florida
This project included the cleaning and CCTV inspection of approximately 100,000 linear feet of large diameter storm sewer lines.

AUI, LLC./Clarksville, TN

Project Manager— City of Clarksville, Tennessee
This project included the cleaning and CCTV inspection of approximately 135,000 linear feet of large diameter sanitary sewer lines.

Andy Bennett
Project Manager



Professional Profile

Andy Bennett has over 5 years of experience in project management services with particular emphasis on debris removal and close circuit TV inspection of waste water collection systems. Andy facilitates the successful completion of waste water collection system evaluations through a total commitment to exacting industry standards and a safety first attitude. Andy has extensive knowledge of field activities gained from working his way through the company in every field job position. He is especially knowledgeable in the areas of CCTV inspections and data retrieval, structural inspection of manholes, smoke and dye cross connection inspection, and cleaning sewer and storm waste collection systems of any size.

Education

Upperman High School/ Baxter, Tennessee

Professional Certifications

Confined Space Entry

OSHA Compliance

HAZWOPER

CPR and First Aid

Certified PACP—NASSCO

Related Experience

AUI, LLC./Fulton County, Georgia

Project Manager— Fulton County, Georgia
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter sanitary Sewer lines.

AUI, LLC./Jacksonville, Florida

Project Manager— City of Jacksonville, Florida
This project included the cleaning and CCTV inspection of over 175,000 linear feet of large diameter storm sewer lines.

AUI, LLC./Jacksonville, Florida

Project Manager— JEA Utility Board, Jacksonville, Florida This project included the cleaning and CCTV inspection of over 324,000 linear feet of varying diameter sanitary sewer lines of 30" or greater.

AUI, LLC./Jacksonville, Florida

Project Manager— City of West Palm Beach, Florida
This project included the cleaning and CCTV inspection of approximately 100,000 linear feet of large diameter storm sewer lines up to 72".

AUI, LLC./Toledo, OH

Project Manager— City of Toledo, OH
This project included the cleaning and CCTV inspection of over 24,980 linear feet of large diameter storm and sanitary sewer lines of 72"

AUI, LLC./Fort Worth, Texas

Project Manager— City of Fort Worth, Texas
This project included the cleaning and CCTV inspection of over 48,783 linear feet of large diameter sanitary sewer lines of 30" and greater.

Erik W. Callahan
Project Engineer



Professional Profile

Erik Callahan has over 20 years of experience in the design, inspection, and rehabilitation of wastewater collection systems. He has diligently worked his way from the ground up - from laborer to field chief, from inspector to superintendent, and from engineering technician to professional civil engineer within a span of only a few years. During his development, he has demonstrated a consistent drive and willingness to ensure that customer satisfaction is achieved in the most economical and ethical manner.

As Quality Control Engineer, Erik has focused his technical expertise and practical experience to ensure that our projects were completed on time, within budget, and in strict accordance with established specifications. His continuing QA/QC endeavors allows AUI, LLC to confidently stand behind its services.

As Project Engineer of AUI, LLC, he has established himself as a leader of precision and quality. He has succeeded in furthering the industry of Sanitary Sewer Evaluation as it progressed into the computer age.

Education

BS, Civil Engineering
Tennessee Technological University
December 1995

AS, Waste Management Technologies
Roane State Community College
June 1990

Professional Registrations

Professional Registration in Civil
Engineering in the State of
Tennessee

Professional Certifications

Engineer-in-Training / Tennessee
Risk Assessment Methodology for
Water
Underwater Inspection Diver
Class II Radioactive Material Operator

Professional Affiliations

American Society of Civil Engineers

Related Experience

AUI, LLC / Cookeville, TN

Quality Control Engineer— Ensure that projects are completed on time, within budget, and in strict accordance with established specifications of quality. Maintain company cost/income ratios.

C.E. Designers, Inc. / Monterey, Tennessee

Project Engineer — Designed and administered wastewater collection system rehabilitation projects.

Field Engineer / Estimator — Responsible for the field management and cost estimation of multi-million dollar construction projects for both water and wastewater utilities.

Utility Services of America, Inc. / Knoxville, Tennessee

QAQC Engineer / Estimator— Provided quality control services for the collection of SSES data. Projects totaled \$1.0 million and

Piedmont Olsen Hensley / North Carolina—South Carolina

Field Engineer / Estimator— Provided quality control services for the installation of numerous cellular telephone towers. Project totaled \$35 million.

Field Engineer / Estimator — Provided field management of a \$2 million wastewater treatment plant rehabilitation project in Inman, South Carolina.

C.E. Designers, Inc. / Monterey, Tennessee

Resident Inspector / Surveyor / Technician — Provided inspection services for newly constructed water distribution and wastewater collection lines, as well as management and oversight of sewer system evaluation survey projects.

Robert Gray II
Project Manager



Professional Profile

Rob has over 10 years of experience in project management in various industries. He has worked with software development projects, marketing and public relations firms, and construction/engineering projects, ensuring that deliverables are produced on time and within budget. He has extensive experience in multimedia productions, video editing, and digital presentations. Rob has served as a field manager for several AUI projects, including work in Toledo, OH; Birmingham AL; Columbus, GA; and St. Petersburg, FL. He has experience with international clients, multimillion dollar projects, and possesses diverse software skills. Software Proficiency: Microsoft Office Suite, Microsoft Visio, Macromedia MX Suite, Adobe Photoshop, CIMS, Arc GIS, HTML, and JavaScript.

Education

Bachelor of Arts
University of Tennessee, Knoxville, TN

Major: College Scholars, emphasis in
Science and Technology in Society

Thesis: Web Presentation: Censorship
within Internet law and public policy.

Software Summary

Code written in NotePad, Allaire
HomeSite 4.0, 4.5, Macromedia
ColdFusion 4 Studio

Design work in Adobe Photoshop 5.0,
5.5, 6.0; and Macromedia
Dreamweaver 2, 3, Ultradev4, and
Dreamweaver MX.

Graphics Optimization in
Macromedia Fireworks and Adobe
ImageReady

**Quality Assurance and Source
Control** efforts via Rational
ClearCase, Rational ClearQuest, and
Microsoft Visual SourceSafe.

Wireframing performed with Microsoft
Visio and PowerPoint.

Operating Systems: Microsoft
Windows 2000, Windows XP,
Windows 95, Windows 98, Windows
NT 4.0, VAS/VMS, IBM AS/400

Certified PACP—NASSCO

Related Experience

Cordiem, LLC Arlington, VA

Responsible for creating user flow and page design across applications within an international online aviation B2B marketplace founded by nine airlines and three manufacturers. Led efforts to build and maintain corporate design standards and a consistent, clean design. Created and maintained interfaces for online auctions, RFQ applications, requisition tools, catalog listings, user registration and management, a comprehensive "at a glance" view of all applications, and assorted other services, including integrated purchasing suites.

Crawford Public Relations

Responsible for media relations, coverage, and creation of press materials for multiple clients in the IT and communications industries. Managed projects ranging from analyst briefings and product releases, up to entire corporate PR launches.

MicroStrategy Incorporated

Worked with the Strategy.com interface team to create customer touch points including Web interfaces, HTML e-mails, and test e-mails for a business-to-consumer portal of over 400,000 subscribers, including affiliates such as Ameritrade, Earthlink, and Washington Post.com. Responsibilities included managing projects, including designing the look-and-feel of Sports and Entertainment channels in Strategy.com network. Development, deployment, and customer satisfaction with marketing materials on the Strategy.com site.

Donald Gretzinger
Data Analyst/Quality
Assurance Manager



Professional Profile

Don joined the AUI team in August 2005. Don utilizes quality assurance techniques in digital video rendering and analysis to produce the final deliverables for the client within the parameters of the contract specifications.

Education

Undergraduate Studies, Information
Technology-- University of Phoenix

Undergraduate Studies, Computer
Technology-- Purdue University, West
Lafayette

Professional Certifications

MCSE--Microsoft Certified Systems
Engineer

MCDBA--Microsoft Certified Database
Administrator

MCP-- Microsoft Certified Professional

Operating Systems: Microsoft
Windows 2000, Windows XP,
Windows 95, Windows 98, Windows
NT 4.0, IBM OS/400

Software:
MS Office Suite 95/97/2000/2003, MS
Project Manager 2000, Visio 2000,
Corel WordPerfect Suite 7.0,
HPJetAdmin/WebAdmin, Lotus Notes
4.6x/5.0/6, MS Outlook 5/6, Netscape
Communicator/Messenger 3.x/4.x/7.x,
Internet Explorer 3.x/4.x/5.x/6.x,
ARCserveIT 2000/6.X, Legato
Solstice, and Veritas NetBackup
Datacenter Backup solutions

Related Experience

AUI, LLC

Responsible for data migration of all existing CCTV
records into new database platform including the
conversion of taped inspections to digital media format.

Tennessee Technological University, Cookeville, TN

Researched and assisted in converting university donor
data from FileMakerPro and ADS databases to Raiser's
Edge (MS SQL Server 2000). Installed and configured
Raiser's Edge and other applications on Advancement
Services and Alumni department users' Windows 2000
and XP PCs. Provided technical assistance and training
to system users.

Marsh, Inc., Philadelphia, PA

Installed, configured, and maintained Windows 2000
(Professional/Server), XP, NT operating systems;
evaluated and installed patches using VBScript and
batch files; an resolved software related problems on 300
enterprise-wide servers and over 5000 desktops,
notebooks and PDAs. Setup file shares and permissions
on Windows 2000 and NT servers. Supported and
maintained user account information including rights,
security and systems groups using Microsoft Active
Directory. Performed system backups and recovery for
over 70 Windows and Sun Solaris servers.

Irwin Mortgage Corporation Indianapolis, IN

Administered departmental database applications using
Windows NT Server 4.0 and MS SQL Server 6.5 on a
Novell 4.11 token ring network. Consulted with end users
and vendors to determine departmental application
needs. Studied and recommended vendor products
which best met user requirements.

**Nicole Little
Corporate Office Manager**



Professional Profile

Nicole Little joined the AUI team in June 2003. Nicole manages the corporate office in Jacksonville, Florida. She is responsible for reviewing technical specifications of municipal contracts and is the point of contact for the clients and field personnel. Nicole utilizes quality assurance techniques in digital video rendering and analysis to produce and invoice the final deliverables for the client within the parameters of the contract specifications.

Education

Undergraduate studies
University of Florida and
University of South Florida

Software Summary

Proficient in Microsoft Office Suite

CIMMS

Dazzle

Related Experience

AUI, LLC Jacksonville, Florida

Responsible for data migration of all existing CCTV records into new database platform including the conversion of taped inspections to digital media format and incorporating GIS coordinates.

AUI, LLC Medley, Florida

Responsible for quality assurance and control of data collected for 180,000 linear feet of sanitary sewer, 450 manholes, and 1000 laterals.

AUI, LLC Jekyll Island, Georgia

Responsible for data compilation for 25,000 linear feet of various size pipe ranging from 8 inches to 24 inches.

AUI, LLC Birmingham, Alabama

Responsible for Post TV analysis for 47,000 linear feet of lined pipe ranging in diameter from 6 inches to 15 inches.

NATA Larissa, Greece

Nicole was the assistant to the Base Commander. Her responsibilities included coordination the tasks of the individual units, authorizing and assembling correspondence for distribution, translating official documents, weeding and destruction of classified material, and organizing travel and accommodation for the Commander

**April Proffitt
Regional Office Manager**



Professional Profile

April Proffitt joined the AUI team in November 2003. April manages the regional office in Cookeville, TN where she is the Human Resource Manager and Proposal Coordinator. April facilitates the successful completion of client deliverables via the integration of Quality Assurance principles and validation processes into daily procedures. She is responsible for daily production reports, receiving data from the field, invoicing, preparing contracts, shop drawings, and other clerical duties

Software Summary

Proficient in Microsoft Office XP
Microsoft Publisher
Microsoft Access
Quickbooks Pro

Related Experience

AUI, LLC Ocala, FL

Responsible for daily reports and invoicing for over 512,000 linear feet of CCTV and mechanical cleaning, 893,651 linear feet of smoke testing.

AUI, LLC Fulton County, GA

Responsible for quality assurance, invoicing and control of data collected for over 500,000 linear feet of CCTV and over 100,000 manhole inspections.

ARTS UNIQ, INC. – Cookeville, TN

1987—1992 Data Entry and Invoicing

1992– 1997 Credit Manager—Managed over 10,000 accounts, worked with collection agencies, and other daily accounts receivable duties.

1998—2003 Sales and Customer Service Manager. Managed high maintenance sales and customer service department supervising nine employees. Supported over 100 outside sales reps.

Deirdre Spinks Blackard
**Quality Control Technician/
PACP Trainer**



Professional Profile

Deirdre has over 20 years of experience in the quality assurance and data management sector, with particular emphasis on analyzing and developing client databases and assessing and implementing technical requirements. Deirdre facilitates the successful completion of client deliverables via the integration of Quality Assurance principles and validation processes into daily procedures. Deirdre is especially skilled in the areas of manhole inspections, GPS data, database development and management, application development, and video production and integration. Software Proficiency: VB/ VBA/SQL/Office Suite/HTML/MicroStation/ArcView/ Dreamweaver/Camedia/CIMS/GBA/WinCan/Neztek/ LotusNotes/Adobe Suite/ArcSoft/GoldWave

Education

Undergraduate Studies, Computer
Science- DeVry

Clayton State College- Liberal Arts

Certified PACP trainer- NASSCO
Visual Basic Developer
MCP- Microsoft Certified Professional
MicroStation Select
Baldrige Total Quality Management
Graduate
Carnegie Institute for Group Training
and Team Motivation
Atlanta PMT CCTV Inspections Course
SQL Server Certification
MOP-Microsoft Office Professional
ArcView Professional

Related Experience

AUI, LLC./ Jacksonville, FL

Responsible for data migration of all existing CCTV records into new database platform including the conversion of taped inspections to digital media format and incorporating GIS coordinates.

DeKalb County, GA

Responsible for database development, process mapping, data validation and quality assurance in the preparation of DeKalb County Water and Sewer deliverables. The work consist of over 15,000 manhole inspections with video and images, plus GPS data and maps, in excess of 27,000 points for manholes and lift stations.

Pensacola NAS

Responsible for quality review mechanisms, technical requirements, data review, and GIS remapping.

Gwinnett County, GA

Responsible for database configuration, data mapping, review, re-mapping preparation, image analysis, and data migration.

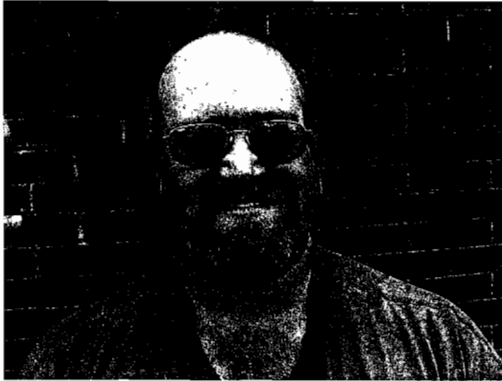
ADS Environmental/ Atlanta, GA

Responsible for flow monitoring, SSES, GPS Data Modeling, and data application development

Independent Business Analyst/Developer

Projects include Environmental Reporting Systems, ISO Certification Management, Financial Services, Sales Support Databases, Direct Mailing applications, Customer Contact applications, Process Improvement Initiatives, and company website and intranet libraries.

**Tim Hill
CCTV Operator**



Professional Profile

Tim Hill has over 5 years of experience in the operation of all type of CCTV equipment.

Tim facilitates the successful completion of wastewater collection system evaluation and maintenance projects through an unyielding commitment to project quality.

Tim has a detailed knowledge of field activities gained through extensive hands on experience. He is especially knowledgeable in the areas of CCTV inspection, structural inspection of manholes, smoke testing, and cleaning sewer systems.

Education

Professional Certifications

Confined Space Entry
First Aid/CPR
Traffic Control
JEA Safety Course

Certified PACP—NASSCO

Related Experience

AUI, LLC./Jacksonville, Florida

CCTV Operator- Jacksonville Electric Authority Sanitary Sewer Evaluation

This project included the cleaning and CCTV inspection of over 1,175,000 linear feet of small-diameter interceptor sewer lines.

AUI, LLC./Jacksonville, Florida

CCTV Operator— City of Jacksonville, Florida

This project included the cleaning and CCTV inspection of over 175,000 linear feet of large diameter storm sewer lines.

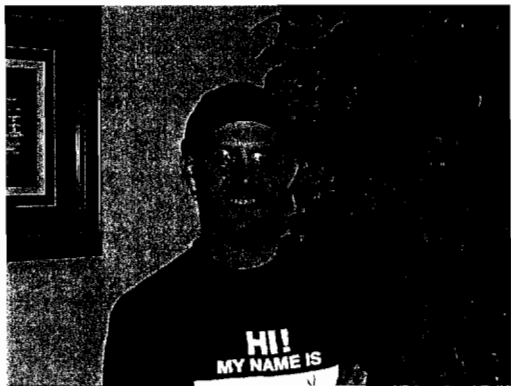
AUI, LLC./Jacksonville, Florida

CCTV Operator— City of West Palm Beach, Florida

This project included the cleaning and CCTV inspection of approximately 100,000 linear feet of large diameter storm sewer lines.

Statement of Qualifications

Winston Puckett
CCTV Operator



Professional Profile

Winston Puckett joined the AUI team in November 2003.

His knowledge of the field operations is vast with a particular emphasis on construction and rehabilitation techniques associated with underground utilities. Winston facilitates the successful completion of wastewater collection system evaluation and maintenance projects through an unyielding commitment to project quality.

Winston has a detailed knowledge of field activities gained through extensive hands on experience. He is especially knowledgeable in the areas of CCTV inspection, structural inspection of manholes, smoke testing, and cleaning sewer systems.

Professional Certifications

Certified PACP—NASSCO

Related Experience

AUI, LLC./Clarksville, TN

CCTV Operator— City of Clarksville, Tennessee
This project included the cleaning and CCTV inspection of approximately 135,000 linear feet of large diameter sanitary sewer lines.

AUI, LLC./Columbus, OH

CCTV Operator— City of Columbus, OH
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large

Arts Uniq, Inc, / Cookeville, TN

Shipping and Receiving Department

The Scan Van / Nashville, TN

Responsible for repairing and overhauling mechanical and electrical problems with automobiles.

The Import Clinic / Beechgrove, TN

Transmission and Engine Overhaul/Removal/
Reinstallation

Statement of Qualifications

Joey Henry
CCTV Operator



Professional Profile

Joey Henry joined the AUI team in October 2004.

His knowledge of the field operations is vast with a particular emphasis on construction and rehabilitation techniques associated with underground utilities. Winston facilitates the successful completion of wastewater collection system evaluation and maintenance projects through an unyielding commitment to project quality.

Joey has a detailed knowledge of field activities gained through extensive hands on experience. He is especially knowledgeable in the areas of CCTV inspection, structural inspection of manholes, smoke testing, and cleaning sewer systems.

Education

Tennessee Technological University
Secondary Education

Professional Certifications

Certified PACP—NASSCO

CPR— Certified

Related Experience

AUI, LLC./Atlanta, GA

CCTV Operator.

CCTV Operator— Fulton County, Georgia

This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter sanitary Sewer lines.

AUI, LLC./Chattanooga, TN

CCTV Operator

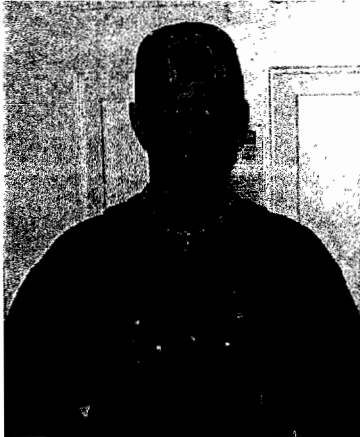
This project included the cleaning and CCTV inspection of over 150,000 linear feet of sanitary Sewer lines, smoke testing, and over 800 Manhole Inspections.

AUI, LLC./ Cincinnati, OH

CCTV Operator

This project included the cleaning and CCTV 111,865 lf of 6"-12 " , 53,287 lf of 15"-24", and 1,972 lf of 27"-30".

Audrey Cousins
CCTV Operator



Professional Profile

Audrey Cousins has one year experience in close circuit TV inspection of waste water collection systems. Audrey Facilitates the successful completion of waste water collection system evaluations through a proven work ethic which includes a daily Quality Assurance evaluation of all CCTV operators work in the field and the office. Audrey has a working knowledge of field activities gained from working her way through the company in every field job position. She is especially knowledgeable in the areas of CCTV inspection and data retrieval, structural inspection of manholes, smoke and dye cross connection inspections.

Professional Certifications

Certified PACP—NASSCO

Related Experience

AUI, LLC./Clarksville, TENNESSEE

CCTV Operator— City of Clarksville, Tennessee
This project included the cleaning and CCTV inspection of approximately 135,000 linear feet of large diameter sanitary sewer lines.

AUI, LLC./Columbus, OHIO

CCTV Operator— City of Columbus, OH
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter

AUI, LLC./Fulton County, Georgia

CCTV Operator— Fulton County, Georgia
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter sanitary Sewer lines.

AUI, LLC./Ocala, FLORIDA

CCTV Operator— Ocala, Florida
This project included the cleaning and CCTV inspection of over 500,000 linear feet of sanitary Sewer lines.

Cliff Cousins
Senior Vactor Technician



Professional Profile

Cliff Cousins has over 3 years experience in Vactor Operations. Cliff has experience in cleaning waste water collection systems from 6 inch to 96 inches in diameter. Cliff has a working knowledge of field activities gained from working his way through the company in every field position. He is especially knowledgeable in the areas of heavy cleaning, root removal and protruding service removal. Cliff has also done structural inspection of manholes, smoke and dye cross connection inspection.

Professional Certifications

First Aid/CPR
Class A CDL License
U.S. Army Ranger
Track / Backhoe Operator

Related Experience

AUI, LLC./Hamilton County, TN

Vactor Operator– Hamilton County, TN
This project included the cleaning and CCTV inspection of over 150,000 linear feet of sanitary Sewer lines, smoke testing, and over 800 Manhole Inspections.

AUI, LLC./Ocala, FLORIDA

Vactor Operator– Ocala, Florida
This project included the cleaning and CCTV inspection of over 500,000 linear feet of sanitary Sewer lines.

AUI, LLC./Clarksville, TENNESSEE

Vactor Operator– City of Clarksville, Tennessee
This project included the cleaning and CCTV inspection of approximately 135,000 linear feet of large diameter sanitary sewer lines.

AUI, LLC./Columbus, OHIO

Vactor Operator– City of Columbus, OH
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter

AUI, LLC./Fulton County, Georgia

Vactor Operator– Fulton County, Georgia
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter sanitary Sewer lines.

AUI, LLC./Jacksonville, Florida

Vactor Operator- Jacksonville Electric Authority
Sanitary Sewer Evaluation
This project included the cleaning and CCTV inspection of over 1,175,000 linear feet of small-

Sam Peek
Pipe Remediation



Professional Profile

Sam Peek has over 8 years of experience in the operation of all type of sewer and storm sewer cleaning equipment.

Sam facilitates the successful completion of wastewater collection system evaluation and maintenance projects through an unyielding commitment to project quality. Sam has a detailed knowledge of field activities gained through extensive hands on experience.

Education

Paxon High School/Jacksonville, Florida

Professional Certifications

Confined Space Entry
First Aid/CPR
Traffic Control
JEA Safety Course
Class A CDL License

Related Experience

AUI, LLC./Jacksonville, Florida

Pipe Remediation Technician- Jacksonville Electric Authority Sanitary Sewer Evaluation
This project included the cleaning and CCTV inspection of over 1,175,000 linear feet of small-diameter interceptor sewer lines.

AUI, LLC./Jacksonville, Florida

Pipe Remediation Technician– City of Jacksonville, Florida
This project included the cleaning and CCTV inspection of over 175,000 linear feet of large diameter storm sewer lines.

AUI, LLC./Jacksonville, Florida

Pipe Remediation Technician– City of West Palm Beach, Florida
This project included the cleaning and CCTV inspection of approximately 100,000 linear feet of large diameter storm sewer lines.

Gradie Matthews
Vactor Technician



Professional Profile

Gradie Matthews has over 2 years experience in Vactor Operations. Gradie has experience in cleaning waste water collection systems from 6 inch to 96 inches in diameter. Gradie has a working knowledge of field activities gained from working his way through the company in every field position. He is especially knowledgeable in the areas of heavy cleaning, root removal and protruding service removal. Gradie has also done structural inspection of manholes, smoke and dye cross connection inspection.

Professional Certifications

Class A CDL License

U.S. Army

Related Experience

AUI, LLC./Clarksville, TENNESSEE

Vactor Operator– City of Clarksville, Tennessee
This project included the cleaning and CCTV inspection of approximately 135,000 linear feet of large diameter sanitary sewer lines.

AUI, LLC./Columbus, OHIO

Vactor Operator– City of Columbus, OH
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter

AUI, LLC./Fulton County, Georgia

Vactor Operator– Fulton County, Georgia
This project included the cleaning and CCTV inspection of over 60,000 linear feet of large diameter sanitary Sewer lines.

AUI, LLC./Ocala, FLORIDA

Vactor Operator– Ocala, Florida
This project included the cleaning and CCTV inspection of over 500,000 linear feet of sanitary Sewer lines.

AUI, LLC./Hamilton County, TN

Vactor Operator– Hamilton County, TN
This project included the cleaning and CCTV inspection of over 150,000 linear feet of sanitary Sewer lines, smoke testing, and over 800 Manhole Inspections.

References

References

Dennis Laskowski
San Antonio Water System
2800 US Hwy 281 North Bldg 1 Ste 228C
San Antonio, TX 78212
Telephone: (210) 233-3682
Fax: (210) 233-5234

Jerry Stewart
Director of Water Resources
455 Moccasin Bend Road
Chattanooga, TN 37405
Telephone: (423) 757-5026
Fax: (423) 757-4904

Greg Perrine
Jacksonville Electric Authority
21 West Church Street
Jacksonville, FL 32202
Telephone: (904) 665-7952
Fax: (904) 665-7950

Rodney Blake
Water and Wastewater Manager
PO Box 387
Clarksville, TN 37041-0387
Telephone: (931) 645-2565
Fax: (931) 645-3598


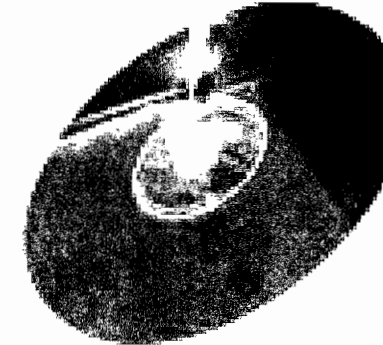
Bill Galton
West Palm Beach, City of
Utilities O&M Superintendent
1045A Charlotte Avenue Bldg. #2
West Palm Beach, FL 33402
Telephone: (561) 659-8079 ext. 2619
Fax: (561) 659-8045

Jim Irvin, P.E.
9063 Starpass Dr.
Jacksonville, FL 32256
Telephone: (904) 519-9120
Cell: (904) 307-7031

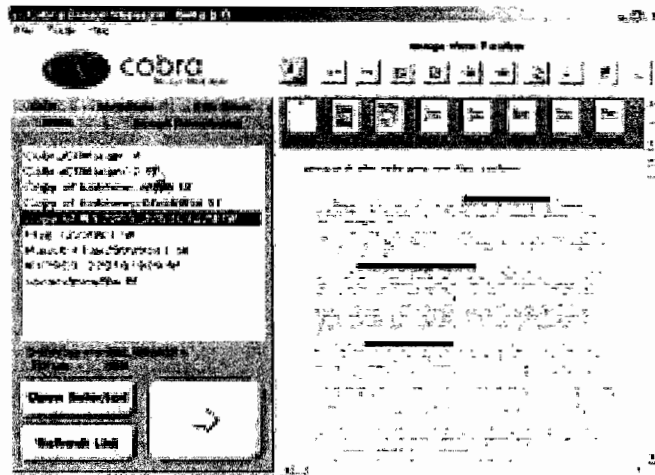
Jeff Beck
City of Jacksonville, FL
220 East Bay Street #901
Jacksonville, FL 32202
Telephone: (904) 630-1341
Fax: (904) 387-8906

Project Summaries

PROJECT INFORMATION



AUI's staff has experience in many different software applications and disciplines. This knowledge provides AUI with the ability to integrate not only all types of inspection data into a single dataset, but also provides the skills needed to combine GIS applications with inspection data, work order tracking, maintenance management, and rehabilitation tracking. AUI's staff can deliver your data into platforms such as CIMS, WinCan, GBA, or Hansen. AUI can also provide data migration services, as in the Pensacola, Florida and Jacksonville, Florida projects which include the transfer of all inspection and inventory data into a customized data application along with the rendering of all VHS tape into MPEG digital format. AUI also employs Data Application Analysts and Developers skilled in the design and creation of customized database solutions. Whatever the client's needs, AUI can help develop a solution guaranteed to provide value to a client now and for years to come.



CIM Touchscreen Interface

AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

**Jacksonville, Florida
1999—2003 Contract**

The City of Jacksonville water and sewer system was taken over by JEA in 1999 and the multi-year SSES program was continued with Phase III. This included the inspection of over 2500 manholes, and the cleaning and CCTV inspection of over 1,000,000 linear feet of small-diameter interceptor sewer lines within the Blount Island, Jacksonville International, Burns & Normandy, Julington Creek, Ortega Utility, and Southwest Districts. Inspection data was used to develop a 3 to 5 year inflow and infiltration rehabilitation program with a projected budget. Phase III was completed in 2000.



In 2000 and 2001, AUI continued to perform evaluation services within this multi-year agreement. The work during this period included job specific cleaning and CCTV. All inspection data was entered and maintained in a custom data management application for use by the City to prioritize corrective measures.

Above: Site Maps of
one of our work basins

Below: CCTV Van
inspecting for defects

In December 2001, AUI began an SSES study within the SW Basin, which consisted of 176,000 linear feet of CCTV, 900 manhole inspections, smoke testing and the determination of GPS points. All data will be evaluated and made available to JEA via a comprehensive data management system. The result will be a state of the art rehabilitation planning tool, including GPS mapping of the SW Basin sewer system.



Project References:

Mr. Tim Perkins
Manager, System Planning
JEA
21 West Church Street
Jacksonville, Florida 32202
(904) 665-4520

Mr. Greg Perrine
Jacksonville Electric Auth.
21 West Church St.
Jacksonville, Florida 32207
(904) 665-7952
(904) 476-5460 cell
(904) 665-7950 fax

AUI, LLC.



Above: Crew inserts CCTV camera for routine inspection of residential sewer line

Right: Crew member documents inspection observations



Project References:

Mr. Jim Irvin, P.E.
9063 Starpass Drive
Jacksonville, Florida 32256
(904) 519-9120
(904) 307-7031 cell

Mr. Greg Perrine
Jacksonville Electric
Authority
21 West Church Street
Jacksonville, Florida 32207
(904) 665-7952
(904) 476-5460 cell
(904) 665-7950 fax

SEWER SYSTEM EVALUATION SURVEY

Jacksonville, Florida

In 1997, the City of Jacksonville initiated a multi-year sewer system evaluation survey (SSES) to examine existing collection system deficiencies and plan appropriate rehabilitation measures. The City of Jacksonville collection system consists of approximately 30,000 manholes, 7.9 million linear feet of gravity sewer lines, 2.6 million linear feet of force mains, 200 pump stations, and five wastewater treatment plants. The system is divided into five major basins, each containing one treatment plant.

Phase I of the SSES consisted of the installation of 30 flow monitors, the inspection of over 500 manholes, and the hydraulic jetting and CCTV inspection of over 100,000 linear feet of large-diameter interceptor sewer lines within the Buckman Treatment Plant Basin. Inspection data was used to develop a 10-year interceptor rehabilitation program with a projected budget cost of \$75 million.

Phase II of the SSES consisted of the hydraulic jetting and CCTV inspection of approximately 60,000 linear feet of 24-inch sewer lines within the Buckman Treatment Plant Basin. Field activities were completed in March 1998.

All inspection data were entered and maintained in a custom data management application for use by the City and its consulting engineer to prioritize corrective measures. Rehabilitation projects will be subsequently released according to schedule, as funding is made available.

AUI, LLC.

SANITARY SEWER SYSTEM EVALUATION SURVEY

Town of Medley, FL



Project Reference:

Micheal P. Whelan
Project Manager
Corzo Castella Carballo Thompson Salman
901 Ponce de Leon Blvd., Suite 900
Coral Gables, Florida 33134
(305) 445-2900 x262

AUI (Advanced Underground Imaging) was awarded the contract for sanitary sewer evaluation in the town of Medley, FL in May 2003. The proposed contract amount was \$500,000 which included CCTV inspections of approximately 120,000 linear feet of pipe; 450 manhole inspections; 180,000 linear feet of smoke testing; and approximately 1000 lateral inspections.

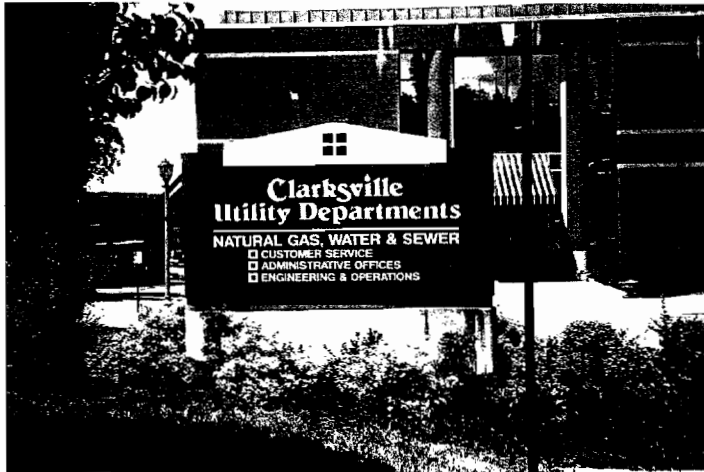
The inspection consisted of vitrified clay pipes, ductile iron and more recently constructed PVC sewer, as well as, pre-cast concrete manhole structures.

Manhole and smoke testing results were entered in a database management program custom-designed by the engineering firm employed to oversee this project. Main line sewer and lateral inspections were submitted in the COBRA Information Management System for analysis of possible problem areas.

AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

Clarksville, Tennessee



Above: City of Clarksville
Utility Department main
office

Right: Manhole located
under boulder during smoke
testing activities

Below: Defective clean-out
identified during smoke
testing activities



In 1996, following extensive flow monitoring conducted by the City's consulting engineer and AUI (Advanced Underground Imaging), the City of Clarksville embarked on a multi-year sewer system evaluation survey (SSES) to identify sources of excessive infiltration and inflow. The Red River Basin represented one of four tributary basins contributing flow to the local wastewater treatment plant and was prioritized for SSES activities based upon flow monitoring results.

The Red River Basin SSES consisted of the inspection of approximately 1,200 manholes, as well as the smoke testing of over 260,000 linear feet of sewer lines. Manhole inspection and smoke testing results were catalogued and maintained in a custom-designed database. SSES results were then utilized by the City's consulting engineers to develop rehabilitation strategies and cost estimates to correct observed infiltration and inflow sources. Much of the GIS information was found to be incorrect, and AUI was retained to reevaluate and correct the deficiencies. A validated, comprehensive asset inventory and location is the result of this portion, providing a wide encompassing quality based GIS system for the city.

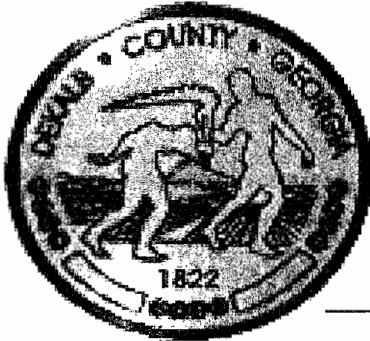
Project Reference:

Mr. Rodney Blake
Project Manager
2215 Madison Street
Clarksville, TN 37043
[\(931\) 645-645-2565](tel:(931)645-645-2565)
[\(931\) 645-3598 fax](tel:(931)645-3598)

AUI, LLC.

SSES

Dekalb Co., Georgia



In 2001, AUI (Advanced Underground Imaging) was contracted to complete an analysis of the DeKalb County wastewater collection system. The project consisted of Internal Inspection, Evaluation, Geographical Location and Inventory of all existing and new structures.

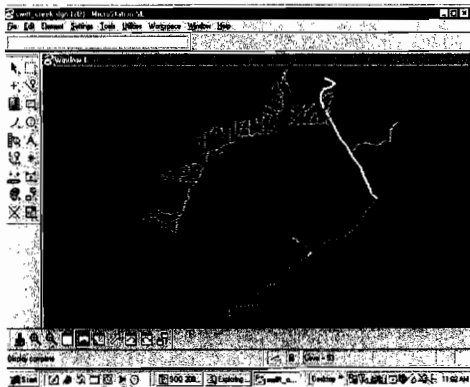
The internal inspections included a catalog of all of the physical characteristics of each manhole from the cover proceeding downward to invert. Line lamping provided detailed indexing of all line segment lengths between adjacent manholes and provided a basis for recommending cleaning and television inspections. Defects for each manhole structure and pipes were analyzed and recorded for infiltration and inflow sources and rated for rehabilitation.



A customized Oracle database was developed for the client that provided interactive links to video of defects and GIS mapping and incorporated planned rehabilitation work orders and maintenance activities, and the inclusion of existing microfiche inventory data. The customer dataset incorporated the use of MicroStation for mapping. The linkable dataset was developed in conjunction with many departments, including GIS and Public Works. This platform allowed Engineers and field crews alike access to the same information with the simple click of a button.



After the release of each land lot map, upon completion of the inspection, field crews marked each manhole with paint. When GPS crews visited the site, any structure encountered without paint would then be identified as un-inspected. Survey crews also marked the manholes with a different colored paint. New structures were added to the survey map when encountered by the initial manhole inspection crews, and these maps were generated for the GPS crews to use as field maps. This communication among field crews, as well as the development of a master site list for each land lot, ensured no structure would be missed. Some of the internal quality data checks that were instituted used new statistics that were plotted using macros written for MicroStation, incorporating flow markings and signifying any segment whose slope exceeded set limitations. Existing maps were also attached to view new areas for spatial accuracy. Any sites tagged were then rechecked for veracity, either in office within the dataset or in the field. Final maps were generated and the inspection data was appended to the developed database with aforementioned linkages to inspection data and images.



Project Reference:

Mr. Scott Helfrich
ADS Environmental Services, Inc.
1337 Capital Circle, Suite G
Marietta, Georgia 30067
(770) 953-9803

AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

Gwinnett County, Georgia



*All Pictures:
Examples of
our field
crews
performing
top-side
manhole
inspections.*



In 2002, AUI (Advanced Underground Imaging) was contracted to complete a series of over 2500 manhole inspections of the Gwinnett County wastewater collection system.

These examinations consisted of locating all manholes, observing and recording associated aboveground conditions at each location, and performing both external and internal inspections.

During these inspections, crews documented and photographed all physical defects which can contribute to the Infiltration/Inflow problem. The inventory and physical descriptions of the type and construction of the specific components of each manhole determines the type of rehabilitation that can be used (if needed).

All inspections and photographs were catalogued, linked and rated for defects using GBA Master Series software.

Project Reference:

Mr. Mikah Williams
Reynolds, Inc.
333 Swanson Dr. Suite 133
Lawrenceville, Ga 30043
Phone (678) 735-0033

AUI, LLC.

SSSES

Marietta, Georgia



Above: Internal view of manhole during inspection shows a service lateral.

Right: Manhole inspection team.

Below: Debris in pipe.



In November 2001, AUI (Advanced Underground Imaging) was contracted to provide sanitary sewer evaluation services in the City of Marietta, under a contract with ADS Environmental Services.

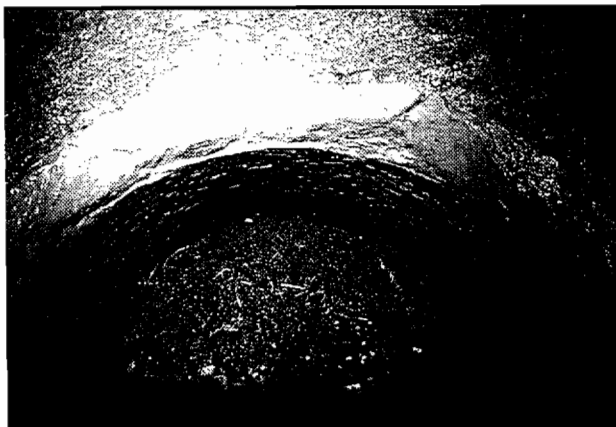
The project consisted of the location and inspection of 750 manholes, plus the televising and cleaning of 50,000 linear feet of collection pipe. Videos were made of the pipe inspection and still photos were inventoried of the manholes and connecting pipes. During the manhole inspection process, any GIS mapping errors were to be identified and then correcting by resurveying efforts.

Beginning with the manhole inspection process, field crews assessed each basin and identified any areas in which mapping inaccuracies had occurred, and manually submitted corrected plans of the actual flow and structure location. Following this, survey field crews then visited each identified sith and shot the needed coordinates. These coordinates were then plotted using the clients' pre-defined GIS format, verified using known surrounding structures, and appended to the clients existing data.

The clients maps were not linked electronically on the final deliverable, however, all nodes and pipe segment inspection data had GIS coordinates incorporated within and all images and video were linked

Project Reference:

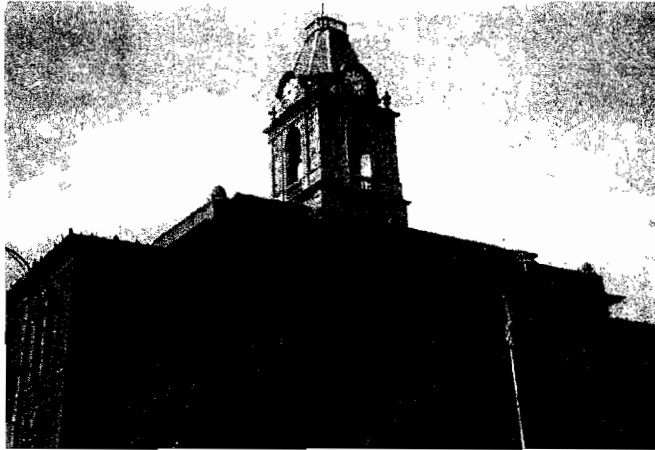
Mr. Scott Helfrich
ADS Environmental Services, Inc.
1337 Capital Circle, Suite G
Marietta, Georgia 30067
(770) 953-9803



AUI, LLC.

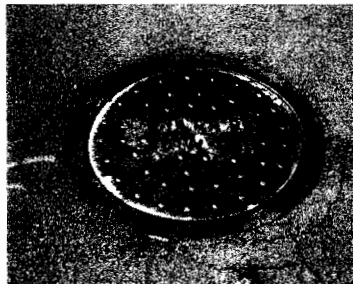
SEWER SYSTEM EVALUATION SURVEY

Springfield, Tennessee



Above: Historic landmark, signature of downtown Springfield

Right: Vented manhole cover identified during SSES activities



Below: Broken clean-out cap identified during smoke testing activities



In 1997, AUI (Advanced Underground Imaging) was awarded a five-year contract by the City of Springfield to assist their staff and consulting engineer perform a sewer system evaluation survey (SSES) of selected portions of the wastewater collection system. The existing collection system is comprised of 33 sub-basins and approximately 1,200,000 linear feet of sewer lines.

During the initial two years of the contract period, AUI completed the smoke testing of over 88,000 linear feet of sewer lines, as well as the hydraulic cleaning and closed-circuit television (CCTV) inspection of over 58,000 linear feet of sewer lines — all within four sub-basins prioritized for investigation and rehabilitation.

Smoke testing and CCTV inspection data were entered and maintained into a custom-designed data management application. SSES results were utilized by the City's consulting engineer to develop rehabilitation strategies and cost estimates to correct observed infiltration and inflow sources. Rehabilitation contracts were subsequently bid and awarded in the Spring of 1998.

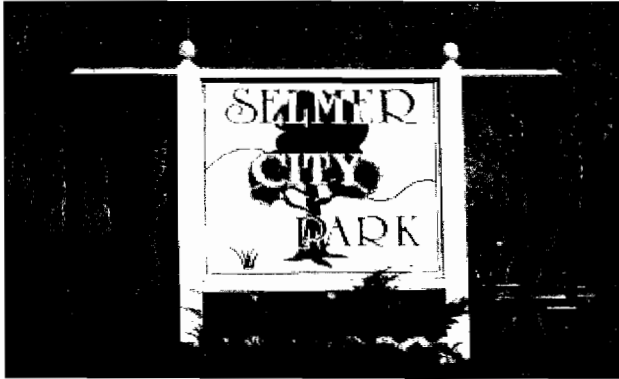
Project Reference:

Mr. Ricky Oakley, P.E.
Gresham, Smith, & Partners, Inc.
3310 West End Avenue
Nashville, Tennessee
(615) 770-8100

AUI, LLC.

**SEWER SYSTEM
EVALUATION SURVEY**

Selmer, Tennessee



In 1997, AUI (Advanced Underground Imaging) began a aggressive investigation of the City of Selmer sanitary sewer system. Recent city growth and inadequate preventive maintenance were suspected causes of poor sanitary sewer system performance.

The investigation consisted of the inspection of approximately 680 manhole, the smoke testing of over 200,000 linear feet of sewer lines, and the closed-circuit television (CCTV) inspection of over 70,000 linear feet of sewer lines. The selected areas included significant

percentages of concrete sewer lines and brick manholes.

Manhole inspection, smoke testing, and CCTV inspection results were entered and maintained into a computer database management application, SSSSES results were utilized by the City's consulting engineer to develop rehabilitation strategies and cost estimates to correct observed sanitary sewer overflows and infiltration and inflow sources.

Above: Selmer City Park

Right: Crew member marks inspection location.

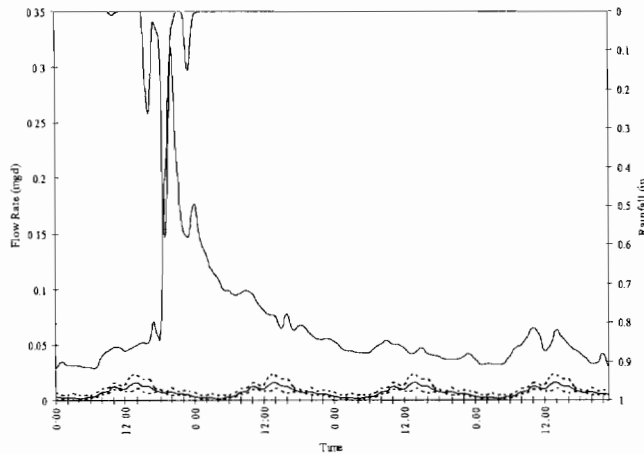
Below: Storm surge causes SSO due to inflow and infiltration



Project Reference:

Mr. William E. Griggs, P.E.
GRIGGS & Maloney, Inc.
P.O. Box 2968
Murfreesboro, Tennessee 37133
(615) 895-8221

Smithland, Kentucky



Above: Graphical correlation of observed flow rates to rainfall data.

Right: Illegal storm water connections identified during a routine manhole inspection



Below: Abandoned service line identified



During the mid-1990s, the City of Smithland experienced numerous effluent discharge violations from its existing wastewater treatment lagoon. Excessive infiltration and inflow within the 30-year-old vitrified clay collection system were suspected as contributing factors.

An infiltration and inflow study was performed utilizing two flow monitors and one rain gauge strategically placed within the collection system for a 30-day period. Wastewater flow data were then correlated with water consumption data and rainfall data to provide a qualitative and quantitative assessment of existing infiltration and inflow. Excessive infiltration and inflow, as well as exfiltration were all identified.

The sewer system evaluation survey (SSES) consisted of the inspection of approximately 100 manholes, as well as the smoke testing and closed-circuit television (CCTV) inspection of approximately 21,400 linear feet of sewer lines. The results of the SSES were utilized by the City's consulting engineer to procure both Community Development Block Grant (CDBG) and Rural Development Grant funding for subsequent collection system rehabilitation.

Project Reference:

Mr. Bill Downs
Wastewater Superintendent
City of Smithland
230 Level Street
Smithland, Kentucky 42081
(502) 928-2446

AUI, LLC.

**SEWER SYSTEM
EVALUATION SURVEY**

Red Bank, Tennessee



Due to extreme system conditions and recurrent violations of state water pollution control regulations, the Tennessee Department of Environment and Conservation (TDEC) ordered the City of Red Bank to conduct a three-year, five million dollar sewer system evaluation survey (SSES). The situation was further complicated by concurrent investigations by the FBI of alleged misuse of federal funding previously provided to conduct such activities.

In 1997, AUI (Advanced Underground Imaging) was contracted to provide supporting services to the City's consulting engineer — including the installation of approximately 10 flow monitors, as well as the smoke testing, hydraulic cleaning, and closed-circuit television (CCTV) inspection of approximately 190,000 linear feet of sanitary sewer lines.

All field data were entered and maintained into a custom-designed data management application. SSES results were utilized by the City's consulting engineer to develop rehabilitation strategies and cost estimates to correct observed infiltration and inflow sources, in accordance with TDEC mandates.

Project Reference:

Mr. Ricky Oakley, P.E.
Gresham, Smith, & Partners, Inc.
3310 West End Avenue
Nashville, Tennessee
(615) 770-8100

AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

Morristown, Tennessee



Above: Morristown City Center

Right: Crew member documents inspection observations

Below: Illegal storm water connection identified during smoke testing activities



In 1997, following extensive flow monitoring conducted by AUI (Advanced Underground Imaging), the City of Morristown embarked on a multi-year sewer system evaluation survey (SSES) to identify sources of excessive infiltration and inflow. The Turkey Creek Basin represented one of several tributary basins contributing flow to the local treatment plant and was prioritized for SSES activities based upon flow monitoring results.

The Turkey Creek Basin SSES was conducted over two fiscal years and consisted of the inspection of approximately 1,370 manholes, the smoke testing of over 310,000 linear feet of sewer lines, and the CCTV inspection of over 8,000 linear feet of sewer lines. The subject basin included the downtown area — containing many unmapped sewer lines and conflicting general arrangements.

Manhole inspection, smoke testing, and CCTV inspection results were entered and maintained in a custom data management application. SSES results were utilized by the City of Morristown to develop rehabilitation strategies and cost estimates to correct observed infiltration and inflow sources.

Project Reference:

City of Morristown
PO Box 1499
Morristown, TN 37816-1499
Ph: (423)585-4620

AUI, LLC.

STORM SYSTEM EVALUATION SURVEY

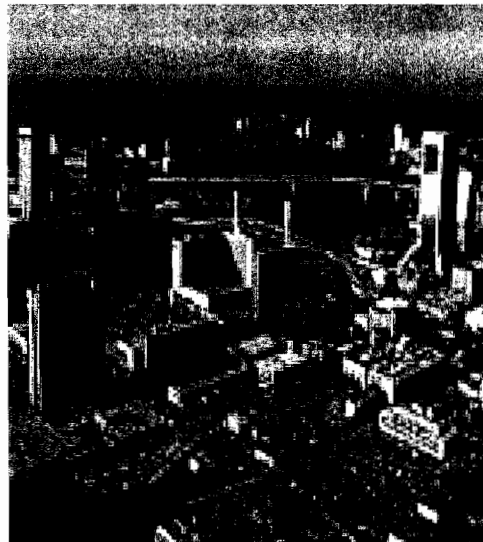
**Jacksonville, Florida
2001-2006**

From 2001-2006, AUI (Advanced Underground Imaging) was selected to provide mapping, hydraulic cleaning, closed-circuit television (CCTV), inventory and inspection services of existing storm, manhole and catch basins in Jacksonville, Florida.

A large portion of this large multi-year project includes the implementation of a new software platform and the migration and linkage of the existing GIS data with previous and new inspection data. A vital component to the creation of a truly paperless digital data retrieval system will include the conversion of all existing inspection footage from VHS tape to digital MPEG format. Enhanced database design provides easy viewing of any trouble defects straight from the individual inspection or work order by accuracy and any missing structures will be surveyed and incorporated as well, to provide a complete asset inventory of Jacksonville's system.

Right: City of Jacksonville,
FL

Below: Crew member
documents inspection
observations



Project References:

Jeff Beck

City of Jacksonville
Streets and Drainage
City Hall Annex 9th Floor
Jacksonville, FL 32202
Ph: 904-630-1341

Monroe Hazen

City of Jacksonville
Streets and Drainage
City Hall Annex 9th Floor
Jacksonville, FL 32202
Ph: 904-630-1341

AUI, LLC.

**SANITARY/STORM SYSTEM
EVALUATION SURVEY**

**Toledo, OH
2003**

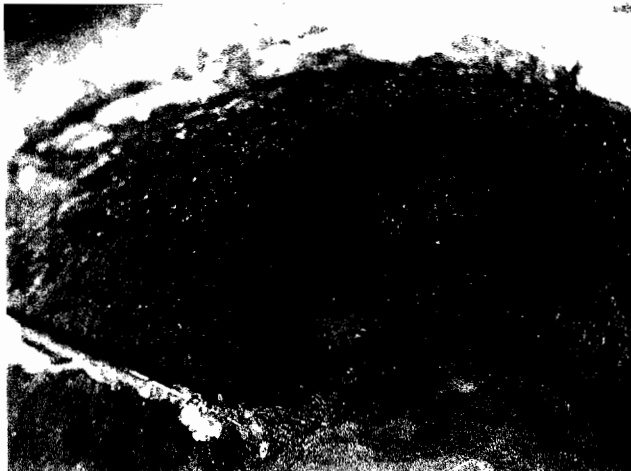
Park side Sewer Basins

In 2003, AUI (Advanced Underground Imaging) was selected to perform light and heavy cleaning, closed-circuit television (CCTV), cleaning all catch basins, lateral inspections, catch basins, sanitary manholes, and storm manholes throughout the Parkside SSES area.

This project consisted of approximately 300,000 linear feet of sanitary sewer ranging from 8" to 24" in diameter and 150,000 linear feet of storm sewer, ranging from 12" to 96" plus in diameter, 100 lateral inspections performed from the mainline out, and 450 catch basins.

Right: City of Toledo, OH

Below: CCTV Inspection



Project References:

Roger Jacobsen
R.D. Zande & Associates, Inc.
1500 Lake Shore Drive
Columbus, OH 43204
Ph: 614-486-4383
Fax: 614-486-4387

AUI, LLC.

**STORM & SANITARY SYSTEM
EVALUATION SURVEY**

**Columbus, OH
2003
Upper Adena Brook/Deland-Zeller
Basins**

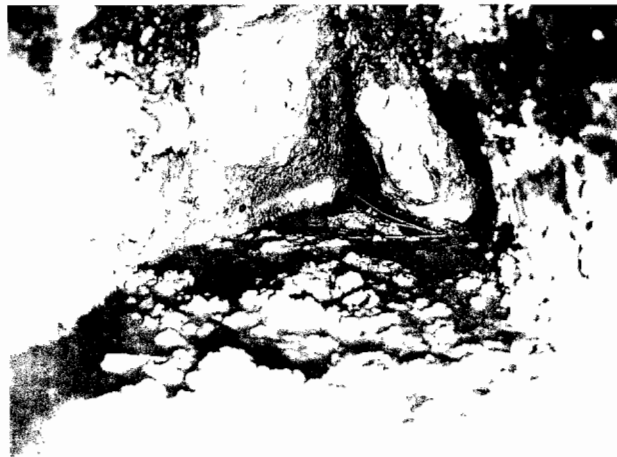
In 2003, AUI (Advanced Underground Imaging) was selected to perform CCTV of Sanitary & Storm Sewers cross connection inspections in conjunction with an ongoing SSES project performed by R.D. Zande & Associates for the city of Columbus, OH

This project included approximately 70,000 linear feet of 8" to 24" diameter pipe, 72' of dye tests, root cutting, heavy grease and mineral deposit cleaning.

Upon completion of the CCTV inspection activities final data was provided in both hard copy and VHS video formats.

Right: Heavy grease and in line

Below: Root found growing into
pipe during CCTV inspection



Project Reference:

Roger Jacobsen
R.D. Zande & Associates, Inc.
1500 Lake Shore Drive
Columbus, OH 43204
Ph: 614-486-4383
Fax: 614-486-4387

AUI, LLC.

AUI, LLC was selected in April 2004 by the City of Ocala, Florida to perform a Water and Sewer Infrastructure Evaluation Project. This project includes several initiatives, including: CCTV Inspection and mechanical cleaning of over 512,000 linear feet of sewer lines ranging in diameter from 6" to 24", testing of water mains, mapping clarification, smoke testing over 893,000 lf, 300 manhole inspections, and air release valve location and testing. In addition to these field activities, AUI is migrating all inspection data into a new system maintenance software platform for the City of Ocala. This includes the installation, implementation and training for the client. The final completed software platform will provide a full asset inventory, inspection details, linked video review, work order management, detailed cost reporting, rehabilitation reporting and management, all coupled with a GIS interface.

Project Reference:

Ed Earnest
Dept. City Engineer Utilities and
Construction
City of Ocala, FL
Ph: (352) 629-8521
Fax: (352) 629-8242

Infrastructure Evaluation Survey

City of Ocala, Florida

CITY OF OCALA,
FLORIDA

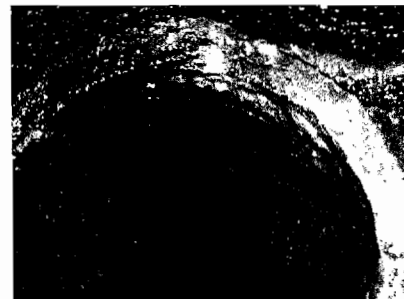


Above: Debris in Pipe

Right: Smoke Testing
Set-up

Bottom Right: CCTV
Inspection

Left: Manhole Inspection



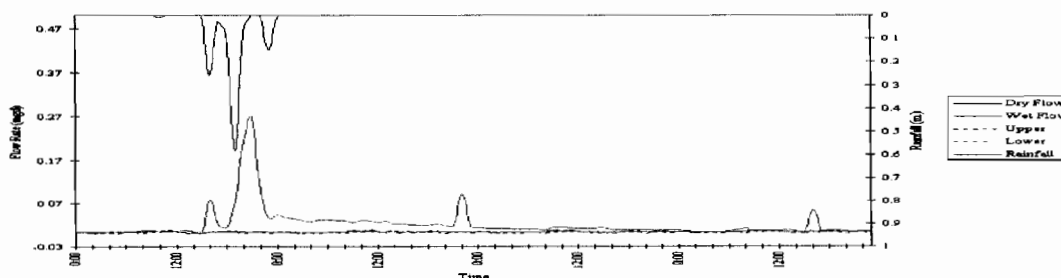
In November 2004 AUI was awarded the Testing Services for Inflow/Infiltration Study Contract RFQ # 03-3522 with Collier County, FL. AUI performed Flow Monitoring / Installation and Removal at 40 locations. AUI also maintained 11 Rain Gauges. Also included in this project was Smoke Testing totaling 436,852 linear feet of sanitary sewers. The data was integrated into Collier County's GIS information system.

**Project References:**

Paul Kwa, P.E.
Public Utilities Engineering
Dept.
3301 Tamiami Trail, East
Naples, Florida 34112
Ph: (239) 732-2583

Tim Moore
Greeley and Hansen
4415 Metro Parkway
Suite 200
Fort Myers, FL 33908
Phone: (239) 226-9660
Fax: (239) 226-9663

FIGURE D-4
Dry/Wet Weather Hydrograph Comparison
Flow Monitor 02 - Manhole 31
Rain Event 1



AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

West Palm Beach, Florida
2003

In 2003, AUI was selected to perform light and heavy cleaning, closed-circuit television (CCTV), cleaning of manholes and catch basins and inspection services of existing storm drains throughout a large portion of the Pineapple Park neighborhood to identify potential areas for future repairs and/or replacement.

The Park-side neighborhood consisted of approximately 8,000 linear feet of storm drains ranging from 12" to 42" in diameter. Following the completion of field activities, inspection data was entered and maintained in a work order and inspection information management system. Final data was provided to the client in both hard copy and electronic formats to facilitate the scheduling of maintenance activities, as well as the development of long-term rehabilitation measures. AUI also created a customized rehabilitation and prioritization report including estimated pricing.



Above: City of West Palm Beach Seal

Right: Arial of City of West Palm Beach

Bottom: Crew member documents inspection observations



Project References:

Bill Galton

City of West Palm Beach, FL
Utilities O&M Superintendent
1045A Charlotte Ave. Bld #2
West Palm Beach, FL 33402

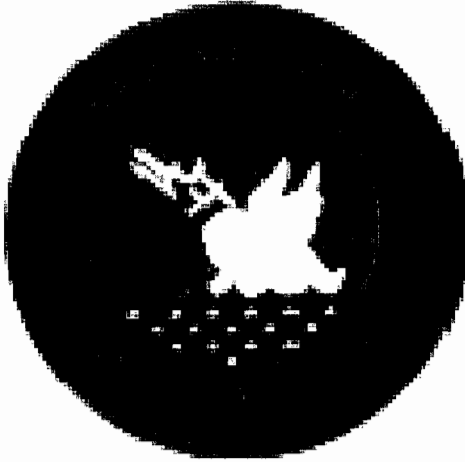
Ph: 561-659-8079 ext 2619
Fax: 561-659-8045



AUI, LLC.

SEWER SYSTEM EVALUATION SURVEY

**Pensacola Naval Air Station, Florida
2003**



In August 2003, AUI (Advanced Underground Imaging) was awarded the contract to Mobilize, Inspect, Clean and TV over 200,000 linear feet of sanitary sewer pipe and correct the mapping on over 2500 structures. The initial maps provided by the client were based on as-built drawings and contained many inaccuracies that needed correction or resurvey.

These mapping inaccuracies were identified as part of the asset inspection process. After validating location, GPS crews then visited each identified site to gather coordinates for each structure. This data was then populated within ArcView, and checked against existing coordinates to verify accuracy.

The Quality checks inherent in processing all of our project studies incorporates a layering of existing maps over new data and any structure falling outside of an established boundary is then earmarked for re-verification in the field. The GIS data is then appended to a customized linked dataset incorporating all of the pipe condition data gathered during the CCTV process and linked with video of each inspection. Users now have the use of a synchronized database system that ties previously independent records systems together in one streamlined platform. Inspection records, rehabilitation recommendations, work orders and GIS are now interlinked in one easy to use system. Reports provide cross section views, individual inspection summaries, connections, or other customized formats based upon each client's needs.

Project References:

Tom Parenteau
Department of the Navy
ROICC
520 Turner Street
Pensacola, FL 32508
Ph: (850)452-4616



AUI, LLC.

**SEWER SYSTEM
EVALUATION SURVEY**

**San Antonio Water System
2005**



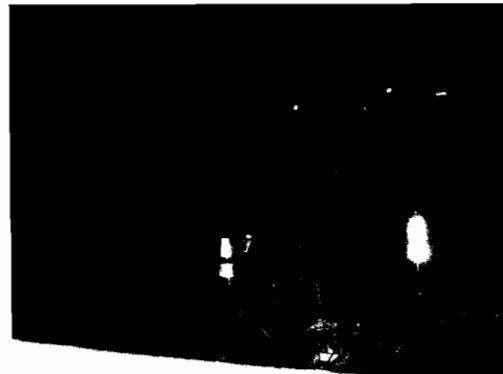
In June, 2005 AUI, LLC was awarded the 2005 Large Diameter Sanitary Sewer Cleaning and Inspection contract in the amount of \$570,887.00 for the San Antonio Water System. This project included Heavy Cleaning and Inspection of Sanitary Sewer Mains and Siphons ranging in pipe size from 20"-24" 4309lf, 26"-30" 2832lf, 33" 1392lf, 36"-42" 12,234lf, 45"-48" 7418lf, 54"-60" 1848lf, 54"-60" 3799lf, 66" 904lf, and 72" 9689lf along with 133 Global Positioning System Mapping of Manholes & Sewer.



Above: Debris taken from sewer lines

Right: Crew member working nights in San Antonio

Below: Debris taken from sewer lines



Project Reference:

Mr. Dennis Laskowski
San Antonio Water System
2800 US Hwy 281 North
Building 1 Ste 228 C
San Antonio, TX 78212
Phone: 210-233-3682
Fax: 210-233-5234

AUI, LLC.

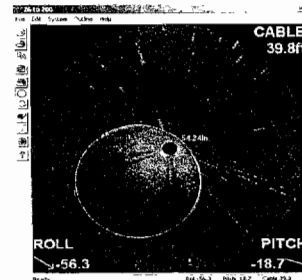
LARGE DIAMETER
INSPECTION

City of Atlanta, GA
2005



In November, 2005 The City of Atlanta, GA awarded AUI, LLC the contract for Peachtree Trunk Siphon Cleaning in the amount of \$221,438.00. This project included Heavy Cleaning of Sanitary Sewer Siphons ranging in pipe size of 54" and 66". The siphons are part of the Peachtree Interceptor which is a 96" trunk. The total footage of 582lf was sonar inspection (COA standard data logging required). This contract required transfer of data to CD-Rom (COA standard format). The contract required this project to be completed within 365 days and all production was completed and submitted to the city within 60 days of the Notice to Proceed.

MAJOR DEFECT SUMMARY		Run Date : 03 Feb 2006	
Report Heading		< Volume Label: PT05VMSDGB1 >	
Totals: < Distance:	576.7 >	< Surveys: 2 > Sorted by: By U/S Mh No.	
< Index of Major Defects >			
(CK) = COLLAPSE. (D) = Deformation (H) = Hole. (B) = Break (MT) = Mortar Missing Total. (MB) = Missing Bricks. (DI) = Dropped Invert. (PL/PL/PC) = Fracture Multiple/Longitudinal/Circumferential. (HT/HT) = Hydrogen Sulphide Attack. Total/Heavy. (C) = Cracks. (JD) = Joint Displaced Large. (OJ) = Joint Open Large. (CX/CX) = Faulty Connection/Junction. (CI/CX) = Intrad/Faulty Connection. (EN/EN) = Encrustation Heavy/Medium. (ES) = Scale Heavy (RV/RT) = Roots Mass/Tap (IG/IR) = Infiltr Seeping/Running. (DE) = Debris +/- 15% Depth. (OB) = Obstra 28% and greater. (OB) = Obstra less than 28%. (+) in the (SA) column denotes the survey was not completed (Abandoned). (-) in the (SA) column denotes a No Access Survey. Hence no UT/CD details.			
The following report ONLY shows the WORST defect codes in each survey.			
Pge No.	Location	P L R Dir Dist(SA)< Defects Present. Structural	
	Media and Digite	Size Mat < Defects Present. Service >	
0001	129 WOODWARD	99281246A01V(D) 298.2 <	>
CD-ROM: 0000L/00000-01052	/	66 / C1 <	>
0002	129 WOODWARD	99281246A01X(D) 298.5 <	>
CD-ROM: 0000L/01135-011320	/	54 / C1 <	08 >
< END OF SUMMARY >			



Above: Sonar Defect
Summary

Right: Sonar Data

Below:
Atlanta Wastewater System
Improvement Program Logo

Project Reference:

Alexander Schorstein P. E.
Senior Civil Engineer
City of Atlanta
Department of Watershead
Management
55 Trinity Avenue, NW
Suite 4400
Atlanta, Georgia 30303-
0330



AUI, LLC.

Mechanical Cleaning

**Insituform
Jacksonville, Florida**



In 1998 and 1999, AUI (Advanced Underground Imaging) was contracted to provide heavy cleaning services for Insituform Technologies to facilitate lining. Approximately, 100,000 linear feet ranging in size from 66-inch concrete sanitary sewer lines to 12-inch ductile iron sanitary sewer lines were restored to hydraulic capacity. Heavy cleaning activities were conducted using a Harben Hydro-Blaster. A hydro blaster is a high pressure water device with the potential to cut through the most corroded of ductile iron pipe. It is positioned in the center of the pipe, where tuberculation is removed to achieve effective hydraulic cleaning. Hydro-blasting methods provide one of the most effective means for the removal of crystalline debris and are most effective in all small diameter sewer lines.

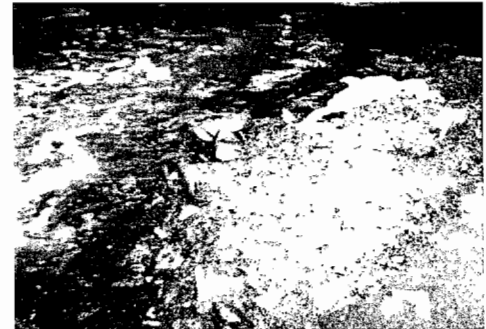


Above: A hydro-blater is positioned to provide hydraulic cleaning

Right: Debris removed from trunk sewer line

Left: Hydro-blaster working to remove tuberculation

Below: Debris is pumped from a downstream manhole for dewatering and disposal



Vactor pump was used to transfer wastewater and dislodged solids from a downstream manhole into the trucks reservoir. The Vactor then decanted the excess water back into the system, and the debris was collected for transport waste water treatment plant.



Project Reference:

Mr. Ted Hotchkiss
INSITUFORM
11511 Phillips Hwy, South
Jacksonville, Florida 32256
(904)237-3426

AUI, LLC.

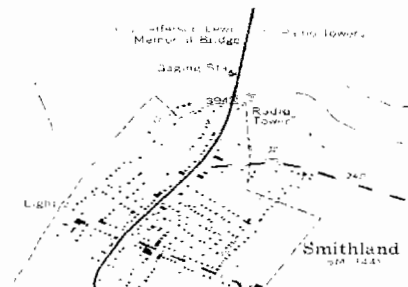
EMERGENCY RESPONSE

Smithland, Kentucky



Above: The City of Smithland braces for the onslaught of flood waters

Right: Map depicting the close proximity of Smithland to the Ohio and Cumberland Rivers



Above: As a last resort, sandbags and aggregate are placed in a low-lying manhole to delay the inflow of flood waters

Below: Jet truck provides rapid response to restore sewer service



In March of 1997, faced with rising flood waters from both the Ohio and Cumberland Rivers, the City of Smithland was forced to take drastic action to save lives and protect property. Despite monumental efforts, a significant portion of the city (including the wastewater collection system) sustained damage.

Retreating flood waters deposited heavy amounts of silt and debris within the collection system, leaving many residents without sewer service.

Following the retreat of flood waters, emergency response services were provided for the heavy cleaning of approximately 10,400 linear feet of sewer lines, as well as the removal of sandbags and other large debris. Funding was provided by the Federal Emergency Management Agency.

Project Reference:

Mr. Bill Downs
Wastewater Superintendent
City of Smithland
230 Level Street
Smithland, Kentucky 42081
(502) 928-2446

AUI, LLC.

HYDRAULIC CLEANING & CCTV INSPECTION

Neptune Beach, Florida

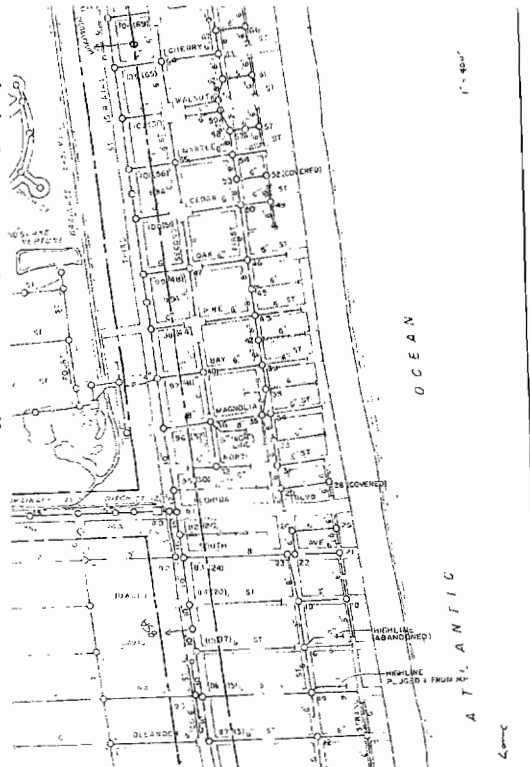
In 1999, AUI (Advanced Underground Imaging) was selected to provide hydraulic cleaning and closed-circuit television (CCTV) inspection services for approximately 9,500 linear feet of small diameter sewer lines in Neptune Beach, Florida. The pipe consisted primarily of clay pipe — ranging in diameter from 6-inches to 12-inches.

Hydraulic cleaning was accomplished using a hydraulic pressure cleaning method.

Following hydraulic cleaning, CCTV inspection activities were successfully completed. Final data were provided in both hard copy and electronic formats.

Right: Neptune Beach

Below: Crew member prepares for CCTV inspection activities

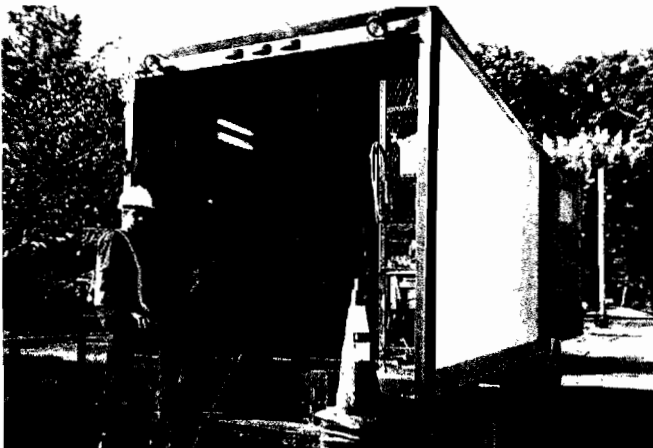


Project Reference:

Mr. John Galen, P.E.
Director of Public Services

City of Neptune Beach
2010 Forest Avenue
Neptune Beach, Florida 32266
(904)

Mr. James H. Miller, Jr., P.E.
PBS&J, Inc.
7785 Baymeadows Way
Jacksonville, Florida 32256
(904) 367-8683



AUI, LLC.

**HYDRAULIC CLEANING &
CCTV INSPECTION**

Palm Beach, Florida



Above: Palm Beach

In 1999, AUI (Advanced Underground Imaging) was selected to provide hydraulic cleaning and closed-circuit television (CCTV) inspection services for approximately 30,000 linear feet of small diameter sewer lines in Palm Beach, Florida. The pipe consisted primarily of clay pipe — ranging in diameter from 8-inches to 16-inches.

Hydraulic cleaning was accomplished using a hydraulic pressure cleaning method.

Following hydraulic cleaning, CCTV inspection activities were successfully completed. Final data were provided in both hard copy and electronic formats.

Project Reference:

Mr. Larry Plympton
Public Works Department
P.O. Box 2029
360 South County Road
Palm Beach, Florida 33480
(561) 838-5440

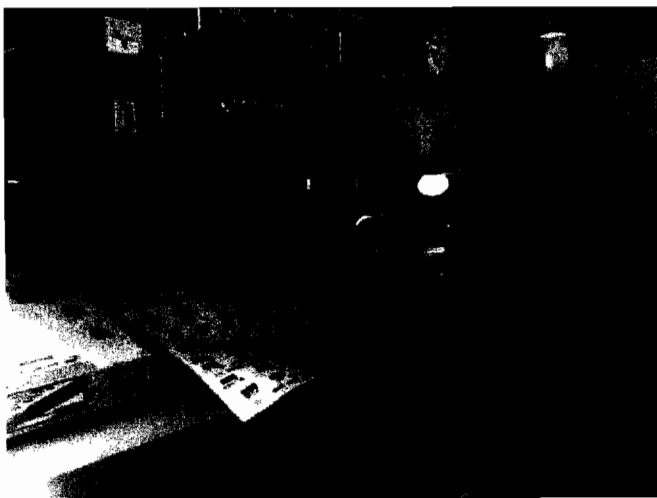
AUI, LLC.



Above: Signature landmark of Duke University

Right: Go Blue Devils!

Below: CCTV operator annotates video footage to emphasize identified defects



HYDRAULIC CLEANING & CCTV INSPECTION

Duke University

AUI (Advanced Underground Imaging) was contracted by Duke University to provide sewer line cleaning and closed-circuit television (CCTV) inspection services for both their wastewater and storm water collection systems. Field services consisted of the location and inspection of approximately 350 manholes and 1,700 catch basins, as well as the hydraulic jetting and CCTV inspection of approximately 50,000 linear feet of sanitary sewer lines and 90,000 linear feet of storm sewer lines.

All field activities were conducted during a busy spring semester, with negligible disruption to faculty, students, or staff. Following the completion of field activities, inspection data were entered and maintained in a custom-designed data management application. Final data were provided to the client in both hard copy and electronic formats to facilitate the scheduling of maintenance activities, as well as the development of long-term rehabilitation measures.

Project Reference:

Mr. Gary Teater
Facilities Management Department
Duke University
200 Facilities Center
Durham, North Carolina 27708
(919) 660-4209

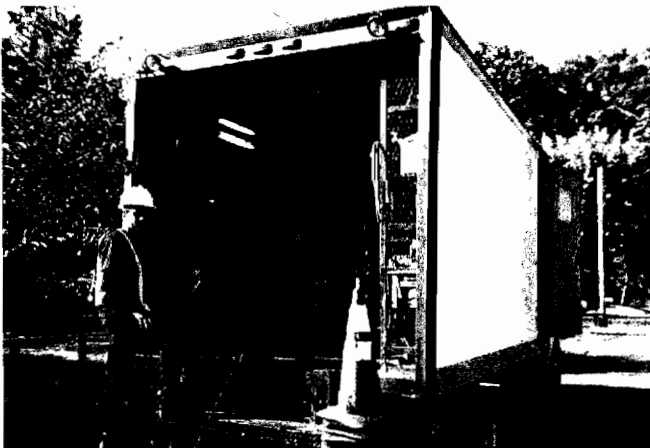
AUI, LLC.



Above: Chattanooga Aquarium in Downtown

Right: Confined space entries are routinely required during cleaning and CCTV activities

Below: Crew member prepares for CCTV inspection activities



HYDRAULIC CLEANING & CCTV INSPECTION

Chattanooga, Tennessee

In 1994, AUI (Advanced Underground Imaging) was selected to provide hydraulic cleaning and closed-circuit television (CCTV) inspection services for approximately 20,000 linear feet of interceptor sewer lines within the Chattanooga Creek Basin. The interceptors consisted primarily of concrete pipe — ranging in diameter from 24-inches to 78-inches. The larger interceptors included poured-in-place concrete oval pipe.

Hydraulic cleaning was accomplished using a kite method. A kite consists of a bag or flexible sack with small holes. The kite is held in place with a winch and is used to restrict wastewater flow. As wastewater accumulates in the kite and the upstream sewer line, increased hydraulic pressures force wastewater through the small holes in the kite — providing effective scouring velocities downstream. The winch is used to throttle the pace of the kite until desired cleaning levels have been achieved.

Following hydraulic cleaning, CCTV inspection activities were successfully completed. Final data were provided in both hard copy and electronic formats.

Project Reference:

Mr. Jerry Stewart, P.E.
Director of Waste Resources
City of Chattanooga
455 Moccasin Bend Road
Chattanooga, Tennessee 37405
(423) 757-5026

Mr. Paul Cate, P.E.
Consolidated Technologies, Inc.
401 Chestnut Street, Suite 220
Chattanooga, Tennessee 37402
(423) 267-7613

AUI, LLC.

**HYDRAULIC CLEANING &
CCTV INSPECTION**

Atlantic Beach, Florida



In 1999, AUI (Advanced Underground Imaging) was selected to provide hydraulic cleaning and closed-circuit television (CCTV) inspection services for approximately 1,500 linear feet of small diameter sewer lines along Atlantic Beach, Florida. The pipe consisted primarily of clay and PVC pipe — ranging in diameter from 8-inches to 12-inches.

Hydraulic cleaning was accomplished using a hydraulic pressure cleaning method.

Following hydraulic cleaning, CCTV inspection activities were successfully completed. Final data were provided in both hard copy and electronic formats.

Above: Atlantic Beach

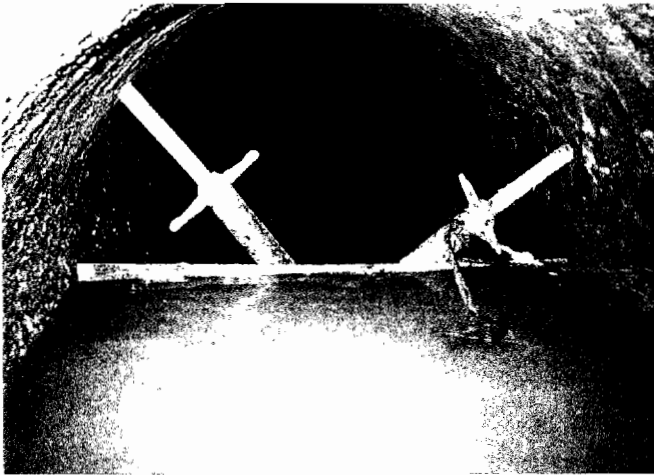
Project Reference:

Mrs. Maureen King
Certified Municipal Clerk
800 Seminole Road
Atlantic Beach, Florida 32233-5455
(904) 247-5800

AUI, LLC.

HEAVY CLEANING

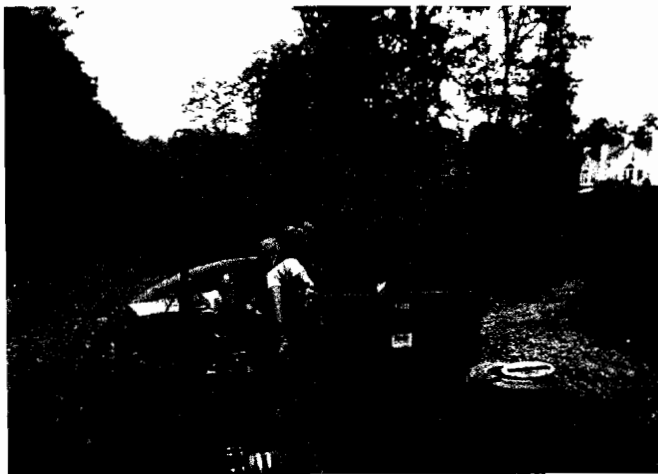
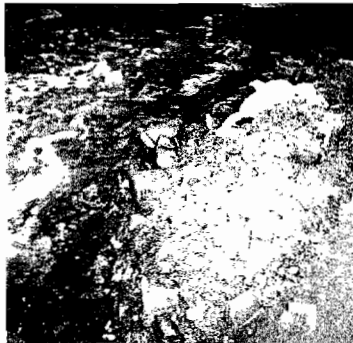
DeKalb County, Georgia



Above: A scooter is positioned to provide hydraulic cleaning

Right: Debris removed from trunk sewer line

Below: Debris is pumped from a downstream manhole for dewatering and disposal



In 1998, AUI (Advanced Underground Imaging) was contracted to provide heavy cleaning services for approximately 18,000 linear feet of 42-inch concrete sanitary sewer lines. Heavy cleaning activities were conducted using a scooter. A scooter is a hinged device positioned on a sled and is used to variably throttle wastewater flow to achieve effective hydraulic cleaning. Scooter methods provide one of the most effective means for the removal of large debris and are most effective in larger diameter sewer lines.

A submersible pump was used to transfer wastewater and dislodged solids from a downstream manhole to a small dump truck. The dump truck was modified to function as a primary clarifier, where debris was collected and settled. After passing across a weir, the collected wastewater was returned to the collection system for final conveyance to the local wastewater treatment plant.

Project Reference:

Mr. Scott Helfrich
ADS Environmental Services, Inc.
2270 Northwest Parkway
Suite 160
Marietta, GA 30067
Phone (678) 627-0004
Fax (678) 627-0787

AUI, LLC.

HEAVY CLEANING

**Pump Station
Jacksonville, Florida**



In 1999, AUI (Advanced Underground Imaging) was contracted to provide heavy cleaning services for the Fifth Street Pump Station. Heavy cleaning activities were conducted using a hydraulic cleaning methods and manpower

Approximately, 252 ton of debris was removed so as to restore the pump station in good working order.



Above: A Vector is positioned to provide hydraulic cleaning

Left: Submersible pumps are positioned to lower the hydraulic flow

Right: Pumps are being examined to see what repairs are needed



Below Right: Crew check air quality



Below Left: Debris removed from pump station



Project Reference:

Mr. Donald Ethridge
2514 Pearl Street
Jacksonville, FL 32206
Ph: (904) 714-3937
Cell: (904) 234-7027

AUI, LLC.

SANITARY SEWER REHABILITATION

Selma, North Carolina

In September 2000, AUI LLC (Advanced Underground Imaging), was awarded the Sanitary Sewer Rehabilitation Project for the City of Selma, North Carolina. The contract had a completion time of 90 days due to the City being under a consent order from the State of North Carolina. This contract was a multi-task rehabilitation contract, which included SSES inspection services, replacement of existing sanitary sewers, relining of sanitary sewers, manhole rehabilitation, service lateral rehabilitation, and pavement replacement. AUI, LLC. completed this project on time and under budget.

During the initial contract phase, AUI, LLC. completed close circuit television inspection, (CCTV), inspection of the sanitary sewers designated for rehabilitation. The proposed design indicated the majority of the pipe system was to be rehabilitated by the dig and replace method. After AUI's inspection and analysis of the sanitary sewers, our staff suggested alternative rehabilitation methods. These alternative methods saved the City over \$ 100,000.00, which was approximately ten percent, (10%), of the project estimate.

The total project was 10,400 linear feet of sanitary sewer ranging from 6-inch through 21-inch diameter pipe. Rehabilitation included 8,400 linear feet of sewer lining by the cured-in-place method, 2,000 linear feet of replacement pipe, rehabilitation of the laterals, and rehabilitation of 254 manholes. 248 manholes were rehabilitated using a cementitious application and 6 were replaced.

Project Reference:

Mr. Billy Dixon, P.E.
Triangle Environmental, Inc.
PO Box 41087
Raleigh, North Carolina 27629
(919) 828-3150



Above Selma's central business district

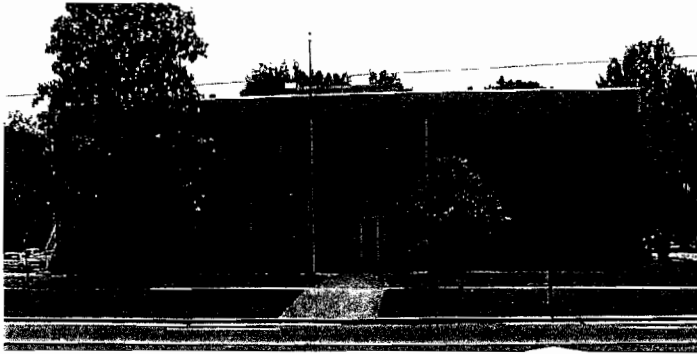
Above Right Shield of Johnston County



AUI, LLC.

SANITARY SEWER REHABILITATION

Kinston, North Carolina



Above: City of Kinston
Engineering Department

Right :

Below: Kinston's City Hall.



Project Reference:
Mr. Ralph Mobley, P.E.
The Wooten Company
120 E. Boylan Dr
Raleigh, North Carolina 27603
(919) 828-0531



In October 2000, AUI, LLC (Advanced Underground Imaging), was awarded Contract II and Contract III of the sanitary sewer rehabilitation program. These contracts were multi-discipline contracts and combined for approximately \$ 1,300,000.00. Contract II includes manhole rehabilitation, HDPE slip-liner of a 24-inch diameter interceptor, and rehabilitation of the service laterals. Contract III included installation of a HDPE slip-liner into a 36-inch interceptor. During the contract period, contract II was amended to include the rehabilitation of a 27-inch interceptor by the cured-in-place method as well as additional 30-inch interceptor. The additional work increased the contracts value to over 2 Million Dollars. Though these contracts included multi-task and scheduling, AUI's staff completed the project on time and within budget.

The total project included 3,500 linear feet of 24-inch interceptor rehabilitation, 8,000 linear feet of 36-inch interceptor rehabilitation, and 2,500 linear feet of cured-in-place installation. Also included was manhole rehabilitation using a fiberglass insert, service lateral replacement, and clean up, which included pavement. The project was performed during a City festival without scheduling problems.

AUI, LLC.

SANITARY SEWER REHABILITATION

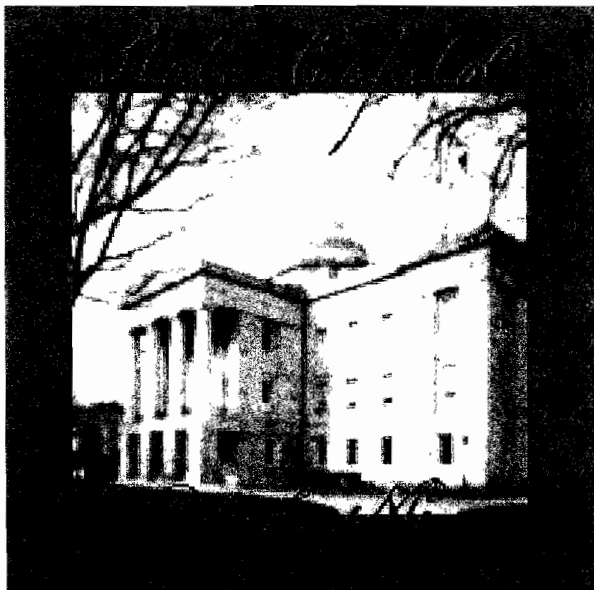
Raleigh, North Carolina



Above: Skyline view of
Raleigh, North Carolina

Right: Aerial view of City
of Raleigh, North Carolina

Below: State Capital,
Raleigh, North Carolina



inspection of sewer lines prioritized
for investigation and rehabilitation.

Approximately 5,000 linear feet of
sanitary sewer was rehabilitated, as
well as putting the laterals back in
service. The Manholes were lined
with either a cured-in-place product
or were rehabilitated using a
standard grouting method.

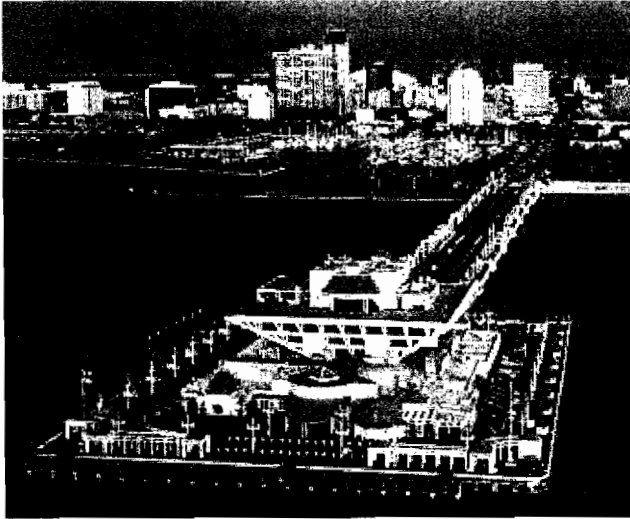
Project Reference:

Mr. Kelly Derr, P.E.
Hazen & Sawyer, P.C.
4011 Cashew Drive
Raleigh, NC 27616
Ph: (919) 833-7152

AUI, LLC.

SANITARY SEWER REHABILITATION

St. Petersburg, FL



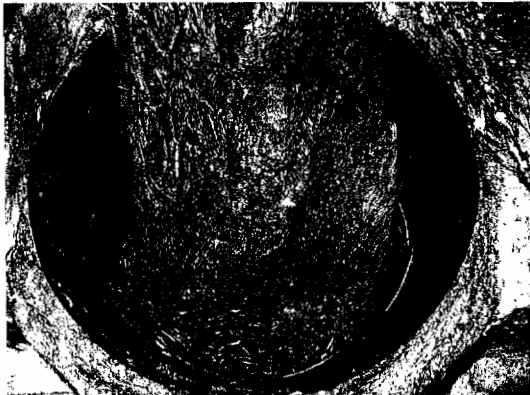
Above: An aerial view of downtown St. Petersburg and the world-famous pier.

In April 2004, in an effort to minimize inflow and infiltration into the sanitary sewer system, AUI was awarded St. Petersburg Contract 03101-111, a \$1,989,225.00 contract to "find and fix" approximately 150,000 linear feet of 8" to 24" pipe.



Survey work included light and heavy hydraulic cleaning, including root and grease cutting, followed by CCTV inspection of these sewer segments, with data delivered in PACP format. Work was performed in street environments as well as easements, including work less than ten feet from sea-walls of the Gulf of Mexico and Tampa Bay.

Below: Root ball found during CCTV inspection.



Rehabilitation work included installation of sectional CIPP liners, cutting and installation of service laterals, mainline sealing of pipe joints, manhole rehabilitation including cementitious lining, and point repairs on selected segments. The contract was later amended to include installation of full-length CIPP liners.

Project References:

Tom Gibson
Assistant Engineering Director
One 4th Street, North
St. Petersburg, FL 33701
Ph: 727-580-2020
Fax: 727-892-5476

Peter Frisch
Construction Inspector II
One 4th Street, North
St. Petersburg, FL 33701
Ph: 727-893-7397
Fax: 727-892-5243
Cell: 727-422-3561

EXHIBIT H

Secretary of State
Division of Business Services
 312 Eighth Avenue North
 6th Floor, William R. Snodgrass Tower
 Nashville, Tennessee 37243

DATE: 08/27/03
 REQUEST NUMBER: 4898-0383
 TELEPHONE CONTACT: (615) 741-2286
 FILE DATE/TIME: 08/27/03 0847
 EFFECTIVE DATE/TIME: 08/27/03 0847
 CONTROL NUMBER: 0452927

TO:
 KENT R. MOORE, P.C.
 10128 ROLLING WIND
 DR
 SODDY DAISY, TN 37379

RE:
 AUT LLC
 ARTICLES OF ORGANIZATION -
 LIMITED LIABILITY COMPANY

CONGRATULATIONS UPON THE FORMATION OF THE LIMITED LIABILITY COMPANY IN THE STATE OF TENNESSEE WHICH IS EFFECTIVE AS INDICATED ABOVE.

A LIMITED LIABILITY COMPANY ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE

LIMITED LIABILITY COMPANY'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION. THIS OFFICE WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE LIMITED LIABILITY COMPANY AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE LIMITED LIABILITY COMPANY TO ADMINISTRATIVE DISSOLUTION.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE. PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A LIMITED LIABILITY COMPANY HAS ITS PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: ARTICLES OF ORGANIZATION -
 LIMITED LIABILITY COMPANY

ON DATE: 08/27/03

FROM:
 KENT R. MOORE P.C.
 10128 ROLLING WIND D
 SODDY DAISY, TN 37379-0000

RECEIVED: FEES \$300.00 \$0.00
 TOTAL PAYMENT RECEIVED: \$300.00

RECEIPT NUMBER: 00003350948
 ACCOUNT NUMBER: 00427457

Riley C. Darnell

RILEY C. DARNELL
 SECRETARY OF STATE



* 13 13 13 13 13 13 13

Articles of Organization**AUI, LLC**RECEIVED
STATE OF TENNESSEE
2003 AUG 27 AM 8:41
JIMMY DANIELL
SECRETARY OF STATE

The undersigned, being qualified to act as an organizer under the Tennessee Limited Liability Company Act, adopts the following articles for the purpose of organizing a limited liability company:

- | | | |
|---|-----|--|
| <u>Name</u> | 1. | The name of the company is AUI, LLC. |
| <u>Initial Registered Agent</u> | 2. | The address of the initial registered office of the limited liability company in the State of Tennessee shall be 10128 Rolling Wind Drive, Soddy Daisy, Tennessee 37379, Hamilton County. Its initial registered agent at such address shall be Kent R. Moore. |
| <u>Organizer</u> | 3. | The name and address of the organizer are as follows:
Kent R. Moore
10128 Rolling Wind Drive
Soddy-Daisy, TN 37379 |
| <u>Member Managed</u> | 4. | This Limited Liability Company will be member-managed. |
| <u>Number of Members at Filing Date</u> | 5. | This Limited Liability Company has two (2) members at the date of filing of these articles. |
| <u>Existence Date of Company</u> | 6. | The existence of this Limited Liability Company shall begin upon the acceptance of the initial contributions by the organizer and the filing of these articles with the Secretary of State. |
| <u>Principal Executive Office</u> | 7. | The address of the Principal Executive Office of the Limited Liability Company shall be 870 Oaklawn Court, Cookeville, Tennessee.
301-221 |
| <u>Power to Expel Members</u> | 8. | The members of the Limited Liability Company shall have the power to expel any member as provided in an Operating Agreement executed by all of the members of the company. |
| <u>Term</u> | 9. | The term of this Limited Liability Company shall commence on the date of the filing of these articles for record in the Office of the Secretary of State of Tennessee, and shall end on December 31, 2052, unless dissolved sooner by agreement or applicable law. |
| <u>Preemptive Rights</u> | 10. | The Limited Liability Company elects to have preemptive |

413 013 1013 13 14

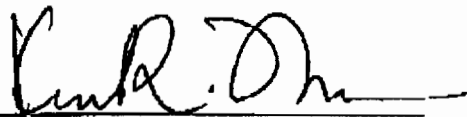
rights, in accordance with Tennessee Code Annotated Section 48-221-101, et seq, and as amended from time to time thereafter.

Transfer of Real
Property

11. The Chief Manager of the Limited Liability Company shall have the sole and exclusive authority to execute instruments for the transfer of real property.

This Limited Liability Company shall enjoy and be subject to such benefits, privileges and immunities and such restrictions, liabilities and obligations as are provided with respect to limited liability companies generally by the laws of the land and which are held applicable to limited liability companies under the Tennessee Limited Liability Company Act, as amended from time to time.

Executed August 25th, 2003.


Kent R. Moore

ORGANIZER

EXHIBIT I

Secretary of State
Division of Business Services

312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 11/09/2006
REQUEST NUMBER: 06313117
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 08/27/2003
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: 12/31/2052
CONTROL NUMBER: 0452927
JURISDICTION: TENNESSEE

TO:
GULLETT SANFORD ROBINSON & MARTIN PLLC
JACK ROBINSON
PO BOX 198888
NASHVILLE, TN 37219

REQUESTED BY:
GULLETT SANFORD ROBINSON & MARTIN PLLC
JACK ROBINSON
PO BOX 198888
NASHVILLE, TN 37219

CERTIFICATE OF EXISTENCE

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"AUI, LLC"

A LIMITED LIABILITY COMPANY DULY FORMED UNDER THE LAW OF THIS STATE WITH DATE OF
FORMATION AND DURATION AS GIVEN ABOVE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
EXISTENCE OF THE LIMITED LIABILITY COMPANY HAVE BEEN PAID;
THAT THE MOST RECENT LIMITED LIABILITY ANNUAL REPORT REQUIRED HAS BEEN FILED;
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND
THAT ARTICLES OF TERMINATION OF THE EXISTENCE HAVE NOT BEEN FILED.

FOR: REQUEST FOR CERTIFICATE

ON DATE: 11/09/06

FROM:
GULLETT SANFORD ROBINSON & MARTIN PLLC
PO BOX 198888
NASHVILLE, TN 37219-8888

RECEIVED:	FEES \$40.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$40.00

RECEIPT NUMBER: 00004048366
ACCOUNT NUMBER: 00001396



SS-4458

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

EXHIBIT J



197276
STATE OF TENNESSEE
DEPARTMENT OF
COMMERCE AND INSURANCE



ID NUMBER 00027651
LIC STATUS: ACTIVE
EXPIRATION DATE: 09/30/2007

CONTRACTORS
CONTRACTOR
AUI, LLC.

THIS IS TO CERTIFY THAT ALL REQUIREMENTS
OF THE STATE OF TENNESSEE HAVE BEEN MET

AUI, LLC.
1000 ENGLAND DR. STE A
COOKEVILLE TN 38501-0921



State of Tennessee

BOARD FOR LICENSING CONTRACTORS

CONTRACTOR

AUI, LLC.

*This is to certify that all requirements of the State of Tennessee
have been met.*

ID NUMBER: 00027651
LIC STATUS: ACTIVE
EXPIRATION DATE: 09/30/2007

BC; MU; S-ASBESTOS;

UNLIMITED



IN-1313
DEPARTMENT OF
COMMERCE AND INSURANCE

EXHIBIT K

William H. Novak

Areas of Specialization

Twenty-five years of experience in regulatory affairs and forecasting of financial information in the rate setting process for electric, gas, and water utilities. Presented testimony and analysis for state commissions on regulatory issues in four states and has presented testimony before the FERC on electric issues.

Relevant Experience

In 2004, established WHN Consulting to provide utility consulting and expert testimony for energy and water utilities. Complete needs consultant to provide the regulatory and financial expertise that enabled a number of small gas and water utilities to obtain their Certificate of Public Convenience and Necessity (CCN) that included forecasting the utility investment and income. Also provided the complete analysis and testimony for utility rate cases including revenues, operating expenses, taxes, rate base, rate of return and rate design. Provided commercial and industrial tariff analysis and testimony for an industrial intervenor group in a large gas utility rate case. Industry spokesman for water utilities dealing with utility commission rulemaking. Also provide continual utility accounting services and preparation of utility commission annual reports for water and gas utilities.

Vice-President of Regulatory Compliance for approximately two years with Sequent Energy Management, a gas trading and optimization affiliate of AGL Resources. In that capacity, directed the duties of the regulatory compliance department, and reviewed and analyzed all regulatory filings and controls to ensure compliance with federal and state regulatory guidelines. Engaged and oversaw the work of a number of regulatory consultants and attorneys in various states where Sequent has operations. Identified asset management opportunities and regulatory issues for Sequent in various states. Presented regulatory proposals and testimony to eliminate wholesale gas rate fluctuations through hedging of all wholesale gas purchases for utilities. Also prepared testimony to allow gas marketers to compete with utilities for the transportation of wholesale gas to industrial users.

Director of Rates and Regulatory Analysis for approximately two years with AGL Resources, a public utility holding company serving approximately 1.9 million customers in Georgia, Tennessee, and Virginia. In that capacity, was instrumental in leading Atlanta Gas Light Company through the most complete and comprehensive gas deregulation process in the country that involved terminating the utility's PGA and instead allowing all 1.5 million AGL Resources customers in Georgia to choose their own gas marketer. Also responsible for all gas deregulation filings, as well as preparing and defending gas recovery and rate filings. Initiated a weather normalization adjustment in Virginia to track adjustments to company's revenues based on departures from normal weather. Analyzed the regulatory impacts of potential acquisition targets.

Employed by the Tennessee Regulatory Authority for approximately 19 years as Chief of the Energy and Water Division. Responsible for directing the division's compliance and rate setting process for all gas, electric, and water utilities. Either presented analysis and testimony or advised the TRA Directors on policy setting issues, including utility rate cases, electric and gas deregulation, gas cost recovery, weather normalization recovery, and various accounting related issues. Responsible for leading and supervising the purchased gas adjustment (PGA) and gas cost recovery calculation for all gas utilities. Responsible for overseeing the work of all energy and water consultants hired by the TRA for management audits of gas, electric and water utilities.

Education

B.A, Accounting, Middle Tennessee State University, 1981

MBA, Middle Tennessee State University, 1997

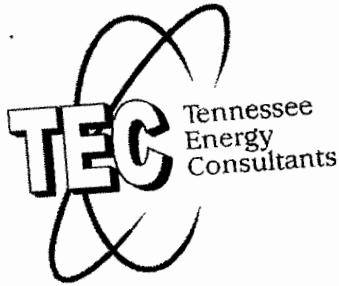
Professional

Certified Public Accountant (CPA), Tennessee Certificate # 7388

Certified Management Accountant (CMA), Certificate # 7880

Former Vice-Chairman of National Association of Regulatory Utility Commission's Subcommittee on Natural Gas

EXHIBIT L



100 E. 10th Street, Suite 401 • Chattanooga, TN 37406 • (423) 421-3732

EARL BURTON, P.E.,

Earl Burton is the chief executive of Tennessee Energy Consultants. Mr. Burton formed Tennessee Energy Consultants in 2003 after working with AGLC and CGC for over 17 years. In a short time, Earl Burton's client portfolio has grown to over 30 industrial plants through an objective focus of managing gas and electric costs, and regulatory strategy to maximize supply options for customers.

Earl Burton has over 17 years experience with AGLC whose original career began in Augusta Georgia working with DSM Chemicals and other industrial users as a Division Industrial Engineer. Later on, Earl Burton transferred to Chattanooga, Tennessee where he managed industrial accounts, and marketing. Earl Burton was promoted to Manager of Major Accounts in 1998 where he was actively involved in Georgia deregulation and helped develop the Gas Operating System to accommodate unbundling in Georgia and Tennessee.

Earl Burton was Manager of Rates for Chattanooga Gas Company where he was responsible for setting industrial and firm gas rates for Tennessee customers, and allocated all related commodity and fixed costs to the rate classes.

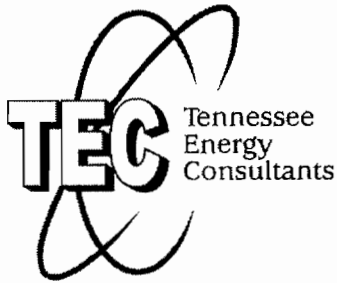
Earl Burton started Tennessee Energy Consultants in 2003 and immediately added clients including Shaw Industries Inc. Earl Burton has worked extensively with Shaw's corporate energy department to address high distribution costs with plants located in Tennessee and Alabama. Earl Burton also was instrumental in recognizing higher #6 Oil costs incurred by Shaw due to lack of competition in the Chattanooga/NW Georgia region. Earl Burton was able to develop a logistics plan to add competition and provide market pricing of #6 Oil that is projected to save Shaw \$1 million per year.

Earl Burton has endeavored to bring the benefits of storage arbitrage to industrial customers in Chattanooga and Tennessee. Pursuant to Earl Burton's recommendations, Chattanooga Gas Company provided a storage offering in their rate case in 2004 which introduced a Semi-Firm rate that allows Chattanooga's interruptible customers the option to bid on storage entitlements to be made available during November-March for mitigating gas pricing risks. This storage service will be made available for the first time during 2005.

Earl Burton is very knowledgeable in rate/regulatory issues and has worked for the Tennessee Regulatory Authority as a gas consultant to advise them on certain issues. Earl Burton also formed the Atmos Industrial Group, a group of industrial customers served by Atmos Energy that support lower gas rates in Tennessee and regulatory intervention to influence the Tennessee Regulatory Authority to set fair rates for industrial customers.

Earl Burton lives in Chattanooga Tennessee, with his wife, the former Mary Charese McGregor and son Buster. Earl Burton is very active in civic and church affairs in the Chattanooga Community and finds time to coach baseball, football and basketball.

Earl Burton, Tennessee Energy Consultants, 100 E. 10th Street, Suite 401 Chattanooga TN 37402. 423-421-3732



100 E. 10th Street, Suite 401 • Chattanooga, TN 37405 • (423) 421-3732

Profile: Tennessee Energy Consultants

Mission Statement: To provide quality consultative and engineering services to energy users with the objective of minimizing energy usage and cost through the implementation of facility improvements and market-based purchasing strategies.

Differentiating Value: Without long-term strategies for addressing future energy requirements, energy users are faced with considerable risks. Tennessee Energy Consultants (TEC) will provide a unique blend of energy industry experience, regulatory experience, and engineering resources to provide valuable consultative and engineering services to energy users.

Principle Owner: Earl Burton P.E.

- Professional Engineer: Tennessee and Georgia, BSME Georgia Tech
- Masters in Business Administration: University of Tennessee-Chattanooga
- 4 Years Experience in Tennessee Regulatory Environment
- 18 Years Gas Industry Experience
- Extensive Gas Rates and Tariff Experience, Statistical Modeling and Regression
- Member of American Society of Heating, Air Conditioning and Refrigeration.
- Chartered Gas Consultant- Gas Technology Institute
- Extensive Natural Gas System and Operating Experience
- Extensive Account Management skills and accounting knowledge.
- System knowledge of gas utility billing, firm and major accounts.

Services

- Energy auditing
- Review requirements, develop contract terms with suppliers.
- Review requirements, select optimum rate tariff
- Coordinate supply and schedule deliveries
- Develop strategic purchasing plans to mitigate risk and smooth volatility
- Audit invoices, verify payment approval, and request refunds

EXHIBIT M

COMMUNITY INITIATIVE

**2003 FREE HILL ROAD
COOKEVILLE, TENNESSEE 38501**

TARIFF

(INCLUDING RATE SCHEDULES AND RULES AND REGULATIONS)

FOR THE COMMUNITY INITIATIVE'S GAS SERVICE

TRA NO. 1

EFFECTIVE DATE: _____, 200__

DEFINITIONS

As herein in this Tariff (including the Rules and Regulations which are a part hereof), the terms set forth below have the following meaning (whether or not the terms are capitalized herein), unless specifically provided otherwise or unless the context requires otherwise:

Applicant	means any person who has made application to Company for gas service
Authority	means the Tennessee Regulatory Authority
BTU	means British Thermal Unit measured at a pressure of 14.73 PSIA at 60 degrees Fahrenheit on a dry basis
Business Day	means any day from Monday through Friday inclusive, excluding any holiday observed by the Company
Commercial Customer	means a Customer engaged in selling, warehousing, or distributing a commodity, in some business activity or in a profession, or in some other form of economic or social activity (offices, stores, clubs, hotels, nursing homes, government offices, etc.), and Customers not otherwise classified as Industrial Customers or Residential Customers
Company	means Community Initiative
Consumer or Customer	means an individual, firm, or organization who purchases service at one or location under one rate classification contract
Distribution Service	means the delivery of Natural Gas by and through the intrastate facilities of the Company, regardless of the identity of the party who has title to the Natural Gas
Distribution System	means the gas pipes owned and operated by the Company for the distribution of gas for delivery to Customers up to but not beyond the point of delivery
FERC	abbreviation for the Federal Energy Regulatory Commission
Firm Basis	means a type of Gas Service supplied on a basis where such service is ordinarily not subject to interruption or curtailment
Gas or Natural Gas	means any mixture of hydrocarbons or of hydrocarbons and noncombustible gases in a gaseous state, consisting predominantly of methane
Gas Service	means any service offered in connection with the delivery or sale of Gas

Industrial Customer	means a Customer engaged in a process which creates or changes raw or unfinished materials into another form or product (factories, mills, machine shop, mines, oil wells, refineries, pumping plants, creameries, canning or packing plants, shipyards, etc., i.e., in extractive, fabricating or processing activities)
Interruptible Basis	means a type of Gas Service supplied on a basis where such service is subject to interruption or curtailment
Main	means the gas pipe other than Service Line
MCF	abbreviation for one thousand (1,000) cubic feet (of Gas); one MCF equals approximately 10.3 THERMS
Month	means the period beginning on the first day of a calendar month and ending on the beginning of the first day of the next succeeding calendar month
Person	means any corporation, whether public or private; company; individual; firm; partnership; or association
PGA	abbreviation for the Company's Purchased Gas Adjustment, which is generally an adjustment allowed by the Authority to permit the Company to recover, in a timely fashion, the total cost of gas purchased for delivery to its Customer's and to assure that the Company does not over-collect or under-collect gas costs from the Customers
Point of Delivery	means the outgoing side of the meter(s) or regulator(s) installed and maintained by the Company for the purpose of measuring gas delivered to Customer
PSIA	abbreviation for pounds per square inch absolute
Residence	means a parcel or tract of land used solely for residential purposes
Residential Service	applies to Customers supplied for residential purposes on an individual basis in a single-family dwelling or building, or in an individual flat or apartment in a multiple-family dwelling or building or portion thereof occupied as the home, residence or sleeping place of one or more persons
Service	means gas service
Service Line	means the gas pipe laid from Customer's line to Point of Delivery

Special Contract	means a contract for Service on forms furnished by the Company, which provide or prescribe rates, services and/or practices different from, not covered by, or not permitted under, the general provisions of the Tariff, and which are subject to supervision, regulation and control of the Authority
Summer	means billing months May through October each year
Tariff	means all rate schedules, PGA riders, terms of service, and Rules and Regulations approved by the Authority relative to Gas Service provided by the Company
Therm	means 100,000 BTUs
Winter	means billing months November through April

RATE SCHEDULE NO. 1

RESIDENTIAL SERVICE

AVAILABILITY

Throughout the service area of Community Initiative.

APPLICABILITY AND CHARACTER OF SERVICE

Gas service on a firm basis to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered where the Company's distribution mains are suitable for supplying the desired service.

BASE RATE

Winter

Customer Charge (per month)	\$ 12.00
Commodity Charge (per therm)	\$ 0.50 PER THERM

Summer

Customer Charge (per month)	\$ 8.00
Commodity Charge (per therm)	\$ 0.50 PER THERM

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Authority's Rules, and applicable taxes shall be added to the above rates.

MONTHLY CUSTOMER CHARGE

A Customer Charge will be billed monthly to all Customers for the availability of gas service. This charge will be in addition to the Commodity Charge for gas delivered. The Customer Charge will be billed from the date of initial service until service is terminated. In the case of temporary discontinuance of service, there will be a charge of Fifty and No/100 Dollars (\$50.00) for the reconnection of service, to be billed and collected at the time the gas service is reinstated.

SERVICE AGREEMENTS

All Customers purchasing gas pursuant to this Schedule shall be subject to the Company's standard contracts and/or service applications and subject to the Company's Rules and

Regulations, which are a part of this Tariff, as filed with the Authority. This Tariff (including the Rules and Regulations) may be amended from time-to-time as allowed by law, with all such amendments to be filed with the Authority.

PAYMENT TERMS

All bills for service are due upon presentation and the above stated net rates are applicable if payment is made on or before the last date of payment stated on the bill. Payments not actually received by the Company after that date shall be subject to a late payment charge of five percent (5%) of such month's bill, as set forth more fully in the "Bills; Payments; Non-Payment; Gas Termination" section of the Company's Rules and Regulations, which are a part of this Tariff.

ADJUSTMENTS

Bills for service are subject to adjustment caused by changes in the total cost of gas purchased for delivery to the Company's Customers, including for transportation charges of FERC-regulated pipelines and for adjustments in BTU content of gas. The Company may calculate PGAs from time to time and file PGA riders or supplements to this Tariff. Such PGAs generally consist of three (3) major components: (A) the gas charge adjustment, (B) the refund adjustment, and (C) the actual cost adjustment.

All such adjustment increases and all applicable taxes and fees are in addition to the above-stated base rates, in accordance with the rules and Orders of the Authority and laws of the State of Tennessee.

SERVICE AVAILABILITY

All requests for new and additional service or the transfer of existing service to higher priority end-use will be supplied based upon the Company's judgment as to the available gas supply, the Customer's load factor and use pattern, end-use priority as specified by FERC, impact on the local economy, and the rules and Orders of the Authority and laws of the State of Tennessee.

SERVICE INTERRUPTION AND CURTAILMENT

Gas service under this Schedule is subject to the curtailment provisions contained within Rate Schedule No. 4, "Schedule for Limiting and Curtailing Service; Special Contracts."

RATE SCHEDULE NO. 2

COMMERCIAL AND INDUSTRIAL SERVICE
(less than 15,000 therms consumed in any one month)

AVAILABILITY

Throughout the Community Initiative service area.

APPLICABILITY AND CHARACTER OF SERVICE

Gas service on a firm basis to any Non-Residential Customer (i.e., Commercial or Industrial) consuming less than fifteen thousand (15,000) therms in any one (1) month where the Company's distribution mains are suitable for supplying the desired service.

BASE RATES

Customer Charge (per month)	\$ 35.00
Commodity Charge (per therm)	\$ 0.50 PER THERM

Note: Notwithstanding the base rates listed just above, for small commercial customers with meter size < A1425, their base rates will be same as for Residential Service.

Purchased gas costs, other adjustments, charges and/or credits as determined in accordance with the Authority's Rules, and applicable taxes shall be added to the above rates.

MONTHLY CUSTOMER CHARGE

A Customer Charge will be billed monthly to all Customers for the availability of gas service. This charge will be in addition to the Commodity Charge for gas delivered. The Customer Charge will be billed from the date of initial service until service is terminated. In the case of temporary discontinuance of service, there will be a charge of Fifty and No/100 Dollars (\$50.00) for the reconnection of service, to be billed and collected at the time the gas service is reinstated.

SERVICE AGREEMENTS

All Customers purchasing gas pursuant to this Schedule shall be subject to the Company's standard contracts and/or service applications and subject to the Company's Rules and Regulations, which are a part of this Tariff, as filed with the Authority. This Tariff (including the Rules and Regulations) may be amended from time-to-time as allowed by law, with all such amendments to be filed with the Authority.

PAYMENT TERMS

All bills for service are due upon presentation and the above stated net rates are applicable if payment is made on or before the last date of payment stated on the bill. Payments not actually received by the Company after that date shall be subject to a late payment charge of five percent (5%) of such month's bill, as set forth more fully in the "Bills; Payments; Non-Payment; Gas Termination" section of the Company's Rules and Regulations, which are a part of this Tariff.

ADJUSTMENTS

Bills for service are subject to adjustment caused by changes in the total cost of gas purchased for delivery to the Company's Customers, including for transportation charges of FERC-regulated pipelines and for adjustments in BTU content of gas. The Company may calculate PGAs from time to time and file PGA riders or supplements to this Tariff. Such PGAs generally consist of three (3) major components: (A) the gas charge adjustment, (B) the refund adjustment, and (C) the actual cost adjustment.

All such adjustment increases and all applicable taxes and fees are in addition to the above-stated base rates, in accordance with the rules and Orders of the Authority and laws of the State of Tennessee.

SERVICE AVAILABILITY

All requests for new and additional service or the transfer of existing service to higher priority end-use will be supplied based upon the Company's judgment as to the available gas supply, the Customer's load factor and use pattern, end-use priority as specified by FERC, impact on the local economy, and the rules and Orders of the Authority and laws of the State of Tennessee.

SERVICE INTERRUPTION AND CURTAILMENT

Gas service under this Schedule is subject to the curtailment provisions contained within Rate Schedule No. 4, "Schedule for Limiting and Curtailing Service; Special Contracts."

RATE SCHEDULE NO. 3

LARGE COMMERCIAL AND INDUSTRIAL SERVICE
(15,000 therms or more consumed in any one month)

AVAILABILITY

Throughout the service area of Community Initiative.

APPLICABILITY AND CHARACTER OF SERVICE

Gas service on an interruptible basis to any Non-Residential Customer (i.e., Commercial or Industrial) consuming more than fifteen thousand (15,000) therms in any one (1) month where the Company's distribution mains are suitable for supplying the desired service.

BASE RATE

Customer Charge (per month)	\$ 200.00
Commodity Charge (per therm)	\$ 0.50 PER THERM

MONTHLY CUSTOMER CHARGE

A Customer Charge will be billed monthly to all Customers for the availability of gas service. This charge will be in addition to the Commodity Charge for gas delivered. The Customer Charge will be billed from the date of initial service until service is terminated. In the case of temporary discontinuance of service, there will be a charge of Fifty and No/100 Dollars (\$50.00) for the reconnection of service, to be billed and collected at the time the gas service is reinstated.

SERVICE AGREEMENTS

All Customers purchasing gas pursuant to this Schedule shall be subject to the Company's standard contracts and/or service applications and subject to the Company's Rules and Regulations, which are a part of this Tariff, as filed with the Authority. This Tariff (including the Rules and Regulations) may be amended from time-to-time as allowed by law, with all such amendments to be filed with the Authority.

PAYMENT TERMS

All bills for service are due upon presentation and the above stated net rates are applicable if payment is made on or before the last date of payment stated on the bill. Payments not actually received by the Company after that date shall be subject to a late payment charge of five percent (5%) of such month's bill, as set forth more fully in the "Bills; Payments; Non-Payment; Gas Termination" section of the Company's Rules and Regulations, which are a part of this Tariff.

ADJUSTMENTS

Bills for service are subject to adjustment caused by changes in the total cost of gas purchased for delivery to the Company's Customers, including for transportation charges of FERC-regulated pipelines and for adjustments in BTU content of gas. The Company may calculate PGAs from time to time and file PGA riders or supplements to this Tariff. Such PGAs generally consist of three (3) major components: (A) the gas charge adjustment, (B) the refund adjustment, and (C) the actual cost adjustment.

All such adjustment increases and all applicable taxes and fees are in addition to the above-stated base rates, in accordance with the rules and Orders of the Authority and laws of the State of Tennessee.

SERVICE AVAILABILITY

All requests for new and additional service or the transfer of existing service to higher priority end-use will be supplied based upon the Company's judgment as to the available gas supply, the Customer's load factor and use pattern, end-use priority as specified by FERC, impact on the local economy, and the rules and Orders of the Authority and laws of the State of Tennessee.

COMPETITIVE FUELS RATE ADJUSTMENT

To compete with alternate fuels that are competitive with natural gas, the base rates may be discounted on a temporary basis to retain natural gas sales that would be lost to customers switching to alternate fuels.

Company will document each month the costs of alternate fuels and base rate discount required to retain natural gas customer. The Company shall charge all authorized negotiated rate gross margin losses to the "Deferred Gas Account" in accordance with Section III.C. of the Authority's PGA Docket No. G86.1 and shall file all necessary documentation of the monthly discounts and alternate fuel prices calculating the discount needed to retain customers.

RATE SCHEDULE NO. 4

SCHEDULE FOR LIMITING AND CURTAILING SERVICE; SPECIAL CONTRACTS

Gas service under this Schedule is limited as to annual, monthly, and peak day volumes allowed and is subject to curtailment in the event that the Company's gas supply is not adequate, due to emergency requirements or pipeline supplier curtailments, to meet the demands of the Company's Customers. The Company shall promptly notify each affected Customer of his curtailment period quantity entitlement and the curtailment period during which it will apply. The Company may modify announced curtailment period quantity entitlements if conditions so require. Curtailment shall be based on the following priority of service categories.

- A. Residential, small commercial (less than 500 therms on a peak day), schools, hospitals, police protection, fire protection, sanitation facility, or correctional facility.
- B. Essential agricultural requirements.
- C. Large commercial requirements (500 therms or more on a peak day), firm industrial requirements for plant protection, feedstock and process needs, pipeline customer storage injection requirements, and firm industrial sales up to 3,000 therms per day.
- D. All industrial requirements not specified in B, C, E, F, G, H, I or J.
- E. Firm industrial requirements for boiler fuel use at less than 30,000 therms per day, but more than 15,000 therms per day, where alternate fuel capabilities can meet such requirements.
- F. Firm industrial requirements for large volume (30,000 therms or more per day) boiler fuel use where alternate fuel capabilities can meet such requirements.
- G. Interruptible requirements of more than 3,000 therms per day but less than 15,000 therms per day, where alternate fuel capabilities can meet such requirements.
- H. Interruptible requirements of intermediate volumes (from 15,000 therms per day through 30,000 therms per day), where alternate fuel capabilities can meet such requirements.
- I. Interruptible requirements of more than 30,000 therms per day, but less than 100,000 therms per day, where alternate fuel capabilities can meet such requirements.

- J. Interruptible requirements of more than 100,000 therms per day, where alternate fuel capabilities can meet such requirements.

Insofar as practical, service will be curtailed in accordance with the reverse order of priorities set forth above, beginning with interruptible service (10) and continuing as required. In the event of a short-term emergency curtailment caused by unforeseen supply reductions, force majeure conditions, or to correct or prevent limited distribution system failures within all or part of the Company's service area, the above curtailment schedule may be modified or revised by Company to accommodate actual emergency requirements. Notwithstanding the provisions of this paragraph, the Company shall not be liable for any damages that may result to Customers or any other person, firm, or corporation by reason of the Company's limiting annual, monthly, or peak day volumes or by curtailing service in accordance with the above order of priorities or in accordance with any other order of priorities which may be deemed practicable by Company under existing conditions. The Company will make every reasonable effort to deliver plant protection volumes to firm Industrial and Commercial Customers having no standby fuel systems sufficient to prevent damage to facilities or danger to personnel. This includes the protection of such existing material in process that would otherwise be destroyed, but does not include additional deliveries required to maintain plant production.

LIMITING FIRM GAS SERVICE

All Commercial and Industrial firm gas service entitlements as contracted or otherwise defined in the Company's Rate Schedules shall at all times be limited by contract or entitlement amount as to annual, monthly, and peak day volumes. Contract or entitlement amounts as to annual, monthly, and peak day volumes are subject to change by Company as supply conditions or Customers' consumption patterns warrant. Any quantity of gas exceeding specified contract or entitlement amounts taken by the Customer without the Company's advance written approval will be subject to unauthorized over-run penalty as prescribed below.

UNAUTHORIZED OVER-RUN PENALTY

If at any time a customer exceeds specified contract or entitlement or if during any curtailment period, any affected Customer takes, without the Company's advance written approval, a volume of natural gas in excess of the curtailment period quantity entitlement allowed for such Customer, said volume shall constitute unauthorized over-run volumes. For each therm of such unauthorized over-run volume taken by such Customer, the Customer shall pay to the Company a penalty of Ten Cents (\$0.10) per therm together with and in addition to the demand, commodity, penalty charges and other charges otherwise payable by such Customer for the period in which said unauthorized over-run volume was taken. The payment of a penalty for unauthorized over-run shall not under any circumstances be considered as giving any such Customer the right to take unauthorized over-run; nor shall such payment be considered as a substitute for any other remedies available to the Company or any other Customer against the offending Customer for failure to adhere to its obligations under the provisions of this Schedule.

This penalty over-run provision does not apply to Public Housing Authorities, residences and apartment buildings.

SPECIAL CONTRACTS

From time to time, the Company may enter into special contract with certain Customers, which may prescribe rates, services and practices different than those set forth in the Company's tariff(s), including Rate Schedule Nos. 1 through 3 and the Rules and Regulations. However, such special contracts are subject to the supervision, regulation and control of the Authority.

COMMUNITY INITIATIVE

BILLING RATES SUMMARY

<u>Rate Schedule</u>	<u>Rate Class</u>	<u>Description</u>	<u>Original Tariff Rate</u>
No. 1	Residential	Customer Charge Plus:	\$ 12.00 Winter \$ 8.00 Summer
		Per Therm Billed	\$ 0.50
No. 2	Commercial	Customer Charge Plus:	\$ 35.00
		Per Therm Billed	\$ 0.50
No. 3	Large Commercial and Industrial	Customer Charge Plus:	\$ 200.00
		Per Therm Billed	\$ 0.50

RULES & REGULATIONS

APPLICABILITY

These Rules and Regulations are applicable to Customers served by the Community Initiative (the "Company") within the certificated areas in Macon County, Tennessee (including Red Boiling Springs). The Company's operating area will be the same area previously served by RBS Utility, Inc.

APPLICATION FOR SERVICE

Service will be rendered by the Company upon application by the Customer for service and the acceptance thereof by the Company.

The Company will make extensions of its distribution system pursuant to the provisions hereinafter set forth.

INSTALLATION/EXTENSION OF SERVICE LINES AND MAINS

Service lines and distribution mains necessary to furnish permanent service to Applicants for Service within established service areas of the Company will be constructed by the Company in accordance with the following provisions:

A. General

1. Service Lines

A service line will be installed free of charge to the Applicant up to one hundred (100) feet from an existing main to a permanent dwelling, permanent commercial establishment, or permanent industrial establishment, subject to the other rules and regulations set out herein. The service line riser location will be determined by the Company. For Service Lines more than one hundred (100) feet from an existing main, the Company will determine if the Applicant's gas consumption will economically support the additional required footage or if a chard should be made for the additional labor and material.

2. Mains

Gas mains will be installed or extended without charge a distance of up to one hundred (100) feet per Applicant or after a feasibility study has been made which reflects that the Applicant's or Applicants' gas consumption will economically support the extension in excess of one hundred (100) feet. Such gas mains will be constructed, owned, operated and maintained

by the Company generally along public streets, roads and highways which the Company has the legal right to occupy and, at the Company's election, on public lands and private property across which rights-of-way satisfactory to the Company may be obtained without cost to the Company.

B. Limitations

In calculating whether a service line will be extended, merely auxiliary or incidental uses of gas by an Applicant will not be considered, nor will there be extensions of service lines or mains free of charge for merely auxiliary or incidental uses of gas by an Applicant. The Company will not be required to provide any connection to the Company's system where such connection may have an adverse impact on existing Customers unless the Authority has prescribed a tariff provision designed to eliminate such adverse impact on existing Customers.

C. Length and Location

1. The length of main required for a main extension or the length of service line will be considered as the distance along the shortest practical route, as determined by the Company, from the Company's nearest distribution main capable, in the opinion of the Company, of properly supplying the Applicant. Irrespective of the total allowable investment, the Company shall not be required to extend a main or service line a greater distance than necessary in the judgment of the Company to serve an Applicant.
2. The service line shall be of the size and type required to supply the principal requirements of the premises served, and shall extend from the curb to the first reasonably acceptable meter location as determined by the Company.
3. The Company reserves the right to designate the locations and specifications for the main taps, service lines, curb cocks, meters and regulators and to determine the amount of space which must be left unobstructed for the installation and maintenance thereof. Applicant may request an alteration of such designation and, if consented to by the Company, the cost of such revised designation in excess of the cost of the original Company design shall be borne by the Applicant regardless of whether the length of service line laid as requested by Applicant comes within the allowable investment provided in this rule.

D. Extensions Beyond the Free Length

1. Payment Provisions

Extensions of mains or service lines beyond the allowable investment will be made by the Company provided that the Applicant pays to the Company the excess cost of such main or service lines. Such payment may be made over thirty-six (36) months provided that the Applicant executes an appropriate finance agreement with the Company. Interest on unpaid balances shall accrue from the date construction is completed at a rate equal to the then existing prime rate (as defined in the Money Rates Section of the Wall Street Journal) plus three percent (3%). The interest rate shall be adjusted on the 1st day of April of each succeeding year to the then-existing prime rate plus three percent (3%).

2. No Refund of Payments

There will be no refunds associated with any payments, contributions or advances hereunder.

3. One Service Line for a Single Premises

The Company will not install more than one service line to supply the premises of an individual Customer unless for the convenience of the Company or an Applicant requests an additional service line and, in the judgment of the Company, an unreasonable burden would be placed on the Applicant if the additional service line were not installed. When an additional service line is installed under these conditions at the Applicant's request, the Applicant shall pay for the entire length of said additional service line, meter and regulating equipment.

4. Relocation of Service

- a. When in the judgment of the Company the relocation of a service line, including metering and regulating facilities, is necessary to maintain adequate service or for the operating convenience of the Company, the Company shall relocate the same at its expense.
- b. If relocation of a service line, including metering and regulating facilities, is for the convenience of the Applicant or the Customer, such relocation shall be performed by the Company at the expense of the Applicant or the Customer.

E. Special Conditions

1. Contracts

The Applicant will be required to execute a contract covering the terms under which the Company will install mains, services, metering and regulating equipment in accordance with the provisions of these Rules and

Regulations. The contract will provide that the Applicant will install, commence using in a bona fide manner within six (6) months after the date of the completion of the extension and continue to so use for a period of five (5) years, those appliances, equipment and items (such as a gas furnace) on which the Company's anticipated charges and revenues are based. Such contract will also provide that if the Applicant fails to take service or fails to install one (1) or more of such appliances, equipment or items, the Company may calculate and bill the Applicant, and the Applicant shall pay, an amount according to the Company's service line and main extension rules in effect at the time the extension was made as if service had been requested on the basis of the actual appliances, equipment and items installed and utilized. If the Applicant is a developer or builder, the Applicant will install all the appliances, equipment and items on which the extension was based within three (3) years of completion of the total project or shall pay the Company for the entire length of said additional service line, main, meter(s) and regulating equipment.

2. Extension for Temporary Service

Extension for temporary service or for operations which in the Company's opinion are of a questionable permanence will not be made under this rule, but will be made in accordance with the rule pertaining to temporary service.

3. Service from High Pressure Mains

Service shall be provided from a normal distribution facility of the Company. Company reserves the right, at its sole option, to refuse to extend facilities from any of its lines operating at pressures in excess of one hundred twenty-five (125) pounds.

4. Title to Facilities

Legal and equitable title to all mains installed by the Company upon which an advance, contribution, or other payment has been made, shall be and remain in the Company, and the Company shall have the right without the consent of, or any refund to, any party who made such advance, contribution, or other payment:

- a. To extend the gas main or connect additional gas mains to any part of it.
- b. To serve new additional Customers at any time through service connections attached to such main or to extended or connected gas mains.

5. Exceptional Cases

If application of this rule appears impractical or unjust to either party for other reasons the Company or the Applicant may refer the matter to the Authority for special ruling thereon prior to commencing construction.

SERVICE LINE; ITEMS ON CUSTOMERS' PREMISES

Service lines from the main to the meter will be laid by the Company, and will at all times remain subject to the control of the Company. It is not contemplated that in running service lines the Company will put risers in buildings when meters are set above the first floor. In cases of this kind, the Company will run the service line to the ground floor or to the basement, but all expenses through and beyond the first floor foundation wall shall be borne by the Customer. Service lines will be kept in repair by the Company at its own expense; but any alterations made necessary, such as changing of location, may be done at the Customer's expense. The Company does not in any case hold itself responsible for a stoppage, from frost or other cause, of the service lines or house lines. The Company will employ all reasonable means of clearing the lines to the meter, when stopped from any cause. All lines beyond or leading from the meter must be cleared at the Customer's expense.

The Company will normally furnish and maintain a service line, gas shut-off valve, pressure regulator with proper vents and relief devices, and a gas meter on a Customer's property; and all of these shall belong to and owned by the Company, unless specifically agreed otherwise in writing with the Customer.

APPARATUS-EASEMENTS

A. Customer's Lines

Except for the Company's meters and accessories on the Customer's side of the point of delivery, all house lines and equipment and commercial and industrial lines and equipment, necessary to utilize service furnished by the Company, must be installed and maintained by and at the expense of the Customer. The Customer's lines shall terminate at the point of delivery, in a manner satisfactory to the Company, for connection with the Company's lines or apparatus.

B. Company Property

All service lines, apparatus, instruments, meters and materials supplied at the expense of the Company shall remain its property, and any other property installed at the expense of the Company, shall belong to the Company.

C. Inspection by Company

The Company is willing to assist the Customer by advice as to the installation of the Customer's apparatus and to examine the Customer's installation, and may refuse to make connection or to commence or continue service whenever such installation is not in proper condition; but no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective installation made by the Customer.

D. Right-of-Way

The Customer shall make, or procure satisfactory conveyance, to the Company of right-of-way for the Company's lines and apparatus across and upon the property owned and controlled by the Customer, necessary or incidental to the furnishing of service.

E. Installation

For the purpose of determining the amount of gas used, a meter or meters shall be installed and maintained by the Company upon the Customer's premises; and, except as to outside locations heretofore or hereafter approved by the Company, the Customer shall provide free of expense to the Company, near the service entrance, a clean, dry, safe place for the meter and any necessary appurtenant device, which may be furnished by the Company. Where several buildings are supplied on one property, a centralized meter location may be required.

F. Notice to Discontinue

Notice by Customer to discontinue the supply of gas must be given the Company at least two (2) full business days in advance. The Customer will be held responsible for all gas consumed until such notice is given, including a reasonable time for securing the final reading of the meter.

TESTS AND ADJUSTMENTS; GAS WASTAGE

- A. The Company, at any time upon the request of a Customer, will test the meter of such Customer within five (5) Business Days after receipt of such request. A Customer may request that the Company test his meter upon payment of a fee of Five and No/100 Dollars (\$5.00), provided that the Company does not have to perform such tests on the meter more frequently than once in eighteen (18) months. The Customer, or his representative, may be present when his meter is tested (i.e., at the Customer's request), and a report of the results of the test will be made to the Customer within a reasonable time after the test is completed. However, the Company may test any of its meters at any time at its own expense, including, but not limited to, making any periodic tests that may be required by the Authority or suggested by manufacturers.

If on test of a Customer's meter, either by the Company or by the Authority, such meter shall be found to have a percentage of error greater than two percent (2%), the following provisions for the adjustment of bill shall be observed:

1. Fast Meters

When a meter is found to be fast in excess of two percent (2%), the Company shall refund to the Customer an amount equal to the excess charged for the gas incorrectly metered. The period over which the correction is to be made shall be the time elapsed since the last previous test; provided, however, the period shall not exceed six (6) months. No part of the minimum service charge shall be refunded.

2. Slow Meters

When a meter is found to be slow in excess of two percent (2%), the Company may make a charge to the Customer for the gas incorrectly metered. The period over which the correction is to be computed shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months.

3. Failure to Register

If a meter is found not to register for any period, the Company will estimate and charge for the gas used by averaging the amounts registered over similar periods and under similar conditions preceding or subsequent thereto, or over corresponding periods in previous years.

4. Company's Rights

The properly authorized employees or contractors of the Company shall at all times have the right of access to the premises into which gas has been introduced (including the Customer's building and facilities): (1) to examine the general service and to read, inspect, test, repair, replace or remove its meter or other equipment; (2) to inspect and test the Customer's piping system for leaks; and (3) for such other purposes as may be necessary for the protection of the Company. In case of any willful, intentional, or unnecessary injury to or interference with the meter or any connection made to the house lines or services, or to the commercial or industrial lines or services, as applicable, the meter, at the option of the Company, may be removed, the service line cut off, and service discontinued. Notwithstanding the foregoing, no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective materials, apparatuses, appliances, piping or other items installed by or belonging to the Customer on his property.

- B. If gas wastage occurs without a Customer's consent, the Customer's bill will be adjusted by one-half (1/2) the difference between the cost of gas to the Company and the rate at the time of wastage; provided, however, the period of adjustment shall not exceed three (3) months.

CUSTOMER SECURITY DEPOSITS

Prior to rendering service, deposits will be required from those residential Customers who are new Customers of the Company or whose credit history dictates that a deposit is needed. All other residential Customers will not be required to provide a deposit.

Prior to rendering service, payment security will be required of all commercial and industrial Customers. Commercial and industrial Customers shall be given the option of either providing an adequate Cash Deposit, Letter of Credit, Indemnity Bond or a Letter of Guarantee from a financially acceptable parent company.

The Company will issue a receipt to any Customer from whom any new deposit is received. Any deposit which is required to be provided by a Customer will be refunded only upon the Customer's discontinuation of his service.

Any deposit or payment security required by the Company will be not more in amount than the maximum charge for two (2) consecutive billing periods or ninety (90) days, whichever is less, or as may reasonably be required by the Company in cases involving service for short periods or special occasions.

BILLS; PAYMENTS; NON-PAYMENT; GAS SERVICE TERMINATION

Meters will be read monthly on a scheduled cycle basis, and a bills will be sent monthly to Customers. Payment of bills for service rendered must be received by the due date as stated on the Customer's bill which shall be approximately _____ (____) days from the date billed for cycle billed Customers. The current month's bill for gas service shall be subject to a five percent (5%) late payment charge if payment is not received timely.

If the Customer shall fail to pay bill after it has become delinquent, the Company may, seven (7) days after notice to the Customer, discontinue service and apply any deposit made by the Customer in liquidation of such bill. Whenever the Company has issued a service suspension notice to a Customer for non-payment of a gas bill, the Company may make a charge of Fifty and No/100 Dollars (\$50.00) for the reconnection of service, and will require a deposit.

Subject to the other provisions and procedures set forth in these Rules and Regulations, gas service may be terminated:

- A. By the Customer:

Unless otherwise provided in any Agreement for Sale of Gas or Special Contract, or elsewhere in this Tariff (including these Rules and Regulations), which is filed with the Authority, a Customer shall have the right at any time to terminate gas service by giving written notice to Company at least two (2) full Business Days in advance.

B. By the Company:

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the Company shall comply with the notice requirements before service is discontinued. However, no service shall be discontinued on the day or a date preceding a day or days on which the services of the Company are not available to the general public for the purpose of reconnecting the discontinued service, except as provided in 1, 2, 3 and 4 below:

1. Without notice in the event of a condition determined by the Company to be hazardous.
2. Without notice in the event of Customer use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
3. Without notice if there is evidence of tampering with the equipment furnished and owned by the Company.
4. Without notice if there is evidence of unauthorized use.
5. For violation of and/or non-compliance with the Company's rules on file with the Authority.
6. For failure of the Customer to fulfill his contractual obligations for service and/or facilities subject to regulations by the Authority.
7. For failure of the Customer to permit the Company reasonable access to its equipment.
8. For non-payment of delinquent account.
9. For failure of the Customer to provide the Company with deposit as authorized by Rule 1200-4-5.14 of the Authority.

Gas service to any gas Customer may not be terminated by the Company without reasonable prior notice where required, which must be at least seven (7) days after the Company sends notice (where required) of the proposed termination by first class mail. Such notice, which may be included in the Customer's bill, will

contain all information (including rights and remedies) mandated by the Authority (including the information set out in the Authority's Rules).

- C. A Customer will be given a reasonable opportunity to dispute the reasons for any proposed termination of his gas service, which must be done by the Customer filing a complaint with the Company so that it is actually received by the Company (i.e., if mailed by the Customer, it is delivered to the Company on the Business Day prior to the end of the seventh (7th) day after the Company sends notice (where required) of the proposed termination. (Some terminations, such as where a hazardous condition exists, may be immediate without the necessity of prior notice being given.) Such complaint must set forth the specific reasons why termination of service is improper, including any dispute the Customer has regarding his bill. The complaint should be addressed to the Company representative specified in Section B.2 below under "Contact Persons." The Company will carefully consider the Complaint and will notify the Customer of its decision regarding the Complaint. While the Company will not terminate a Customer's gas service while it is considering his complaint, it may terminate it within seven (7) days after it notifies the Customer of its decisions regarding its complaint, if the decision was not favorable to the Customer. If the Customer disputes the Company's decision regarding the complaint, the Customer may file a complaint or an appeal with the Authority at the address and telephone numbers listed in Section J below.

A Customer with a dispute about a specific portion of his bill does not have to pay that specific portion in dispute while the Company is considering his complaint (provided he files one). However, the Customer must go on and pay any portions of his bill which he does not dispute.

- D. Notwithstanding any other provisions of these Rules and Regulations, the Company shall postpone the physical termination of gas service to a residential Customer for a period of thirty (30) days in the event a physician, public health officer, or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the Customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension, the Customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The Company shall supply Customers with names of agencies providing assistance.
- E. All Customers shall be provided with the option of a Third Party Notification Service and shall be notified annually by the Company of its availability. The Third Party Notification Service will provide any Customer with the opportunity to designate a Third Party who will receive a duplicate of any termination notice. Also, notwithstanding any other provisions of these Rules and Regulations, a residential Customer may notify the Company in writing from time to time of the

presence of appliances at the service address which are critical for maintenance of health of one of more of the residents.

- F. It shall be unlawful, and a violation of these Rules and Regulations, for any person to obtain or attempt to obtain by use of any fraudulent scheme, device, means or method gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for gas service, either through the making of multiple applications for service at one address, or otherwise.
- G. Termination of gas service by either Customer or Company shall not relieve Customer from the obligation to pay Company for services rendered prior to the effective date of such termination.
- H. After termination of gas service for a Customer's non-payment of a delinquent account, the Customer may get the service reinstated, upon request to the Company, whereupon Company will reinstate such service after the Customer pays all sums due to the Company, including any late charges and interest, pays the reconnection charge, pays any customer deposit that the Company may request. After termination of service for reasons other than the non-payment of a delinquent account, including but not limited to those other reasons for termination as set forth in Section B.2 through B.7 above, the Customer may get the service reinstated, upon request to the Company, but first the cause or reason for such termination must be appropriately remedied, any damages legally due to the Company paid, and then all sums due to the Company (as set forth in the preceding sentence) must be paid.
- I. A copy of each type of customer bill form is attached hereto as Exhibit ____.

CONTACT PERSONS

- A. A Customer may make an inquiry, enter into a service continuation agreement, or file a general complaint with the Company at the following address and telephone number:

Community Initiative
2003 Free Hill Road
Cookeville, Tennessee 38501
(931) 372-2420

Additionally, the Tennessee Regulatory Authority is the regulatory authority for this gas service, and its address and telephone numbers are:

Tennessee Regulatory Authority
460 James Robertson Parkway

Nashville, Tennessee 37243-0505
(615) 741-2904 or (800) 342-8359

- B. The name, title, address and/or telephone number of the person who should be contacted in connection with each of the following matters are:

1. General management duties:

Jeff Callahan
222 West Spring Street
Cookeville, Tennessee 38501
(931) 372-8500

However, day to day oversight in the field will be handled by Tim Scott in Red Boiling Springs at (615) 888-6242. When Company procures office space for Mr. Scott, it will notify the Authority of the address of such space.

2. Customer relations, who also handles inquiries and complaints:

Jeff Callahan
222 West Spring Street
Cookeville, Tennessee 38501
(931) 372-8500

3. Engineering operations:

Mike Callahan, P.E.
CE Designers, Inc.
108 East Commercial Avenue
Monterey, Tennessee 38574
(931) 839-2350

4. Meter tests and repairs:

Tim Scott
(615) 888-6242

5. Emergencies during non-office hours:

Tim Scott
(615) 888-6242

STANDARD HEATING VALUE OF GAS; MEASUREMENT OF GAS

- A. The heating value of gas supplied to Customers will have a minimum heating value equal to the heating value of the gas furnished by the Company's supplier(s). (This generally varies between 1,000 and 1,040 BTUs per cubic foot of gas.)
- B. The gas supplied to residential and small commercial Customers will be measured using a temperature-compensated meter (American or Rockwell meter). Large commercial and industrial Customers will be measured by an American or Rockwell meter which may not be temperature-compensated.

SPECIAL CONTRACTS

From time to time, the Company may enter into special contract with certain Customers, which may prescribe rates, services and practices different than those set forth in the Company's tariff(s) and these Rules and Regulations. However, such special contracts are subject to the supervision, regulation and control of the Authority.

FILINGS WITH THE AUTHORITY

Any filings required to be made by the Company with the Authority, including but not limited to any required filings regarding capital construction projects, additions to plant, financial statements, and monthly or quarterly reports, will be made in a timely manner as required by the applicable statutes and the Authority's rules.

OTHER RULES AND REGULATIONS

The Customer shall agree:

- A. To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's negligence.
- B. To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- C. The Company shall be under no duty to inspect, repair or maintain the service of other lines, connections, equipment or appliances located on the premises of the Customer.
- D. Company shall have the right to terminate gas service after reasonable notice has been given for any Customer who may be in arrears for a period of thirty (30) days or longer in paying for gas furnished and/or used by Customer at Customer's present or subsequent address, it being understood hereby that said period commences on date the bill as above defined was rendered.

- E. There is a charge for seasonal turn-ons and heating light-up service of Fifty and No/100 Dollars (\$50.00).
- F. There is a Fifty and No/100 Dollar (\$50.00) charge for reconnection of service where service has been suspended for non-payment of a gas bill.
- G. Service Establishment Charges
 - 1. For establishing an account for gas service to a Customer at a particular premises:
 - a. Where there is an existing meter set at such premises installed to serve an occupant of the premises: Fifteen and No/100 Dollars (\$15.00)
 - b. When there is no existing meter set at such premises, or where an existing meter set at such premises has been used only for temporary service to a builder, contractor or developer prior to occupancy of the premises: Twenty-Five and No/100 Dollars (\$25.00)
 - 2. The above charges do not apply to restorations of service subject to Sections E and F above, nor to temporary service to a builder, contractor or developer prior to occupancy of the premises, nor to a rental unit subject to a contract with the landlord providing that gas service shall continue during periods when the unit is not occupied by a tenant and that the landlord shall be responsible for the payment of bills for gas service until an account is established in the name of a new tenant.
- H. If the Customer requests service as stated in Sections E, F and G above at times other than the regular office hours of the Company, the above-stated service charges shall be at one and one-half (1-1/2) times the above stated regular rate, if they can be, and are indeed, done at such times.
- I. There is a Twenty and No/100 Dollar (\$20.00) service charge for Customer checks returned to the Company by the banks because of "Insufficient Funds."
- J. Company shall have the right to make other or additional rules and regulations at any time, and to amend the Rules and Regulations from time-to-time, as permitted by applicable law. The furnishing of gas hereunder by the Company shall not constitute a waiver of any prior or present claim or right held by the Company against a Customer.

POLICY ON SERVICE CHARGES

The general types of service which the Company shall provide on a charge or no-charge basis are listed below but are not necessarily limited to the following:

A. Charge Services

1. Cleaning of gas lights and gas grills
2. Replacement of air filters furnished by Customer
3. Disconnecting and reconnecting ranges
4. Pumping and pressurizing air conditioners
5. Cleaning pilots and/or burners
6. Seasonal turn-ons and heating light-up service
7. All service orders where parts are installed
8. Replacement of mantles and glass for gas lights
9. Sending collector to Customer's premises to collect past due gas bill to avoid turn-off of service for non-payment
10. Reconnection of service where service has been suspended for non-payment of a gas bill
11. Service Establishment Charges

B. No-Charge Services

1. Meter Orders
 - a. Remove
 - b. Change (does not include relocation of meter at Customer's request)
 - c. Turn-off
2. Safety inspections (new Customer and/or new equipment)
3. Leak investigation

4. High-bill investigations
5. Confirmation of meter reads
6. Gas-air adjustments (where no cleaning is required)
7. Any trouble call resulting from low pressure caused by Company's distribution system
8. Relighting appliances after interruption of gas due to Company's convenience (construction, etc.)

MISCELLANEOUS

- A. Unless otherwise specified by the Authority, all records required by the Authority shall be preserved for the period of time specified in the current edition of the National Association of Railroad and Utilities Commissioners' publication "Regulations to Govern the Preservation of Electric, Gas and Water Utilities."
- B. As used in these Rules and Regulations, Customer and/or Applicant is sometimes referred to by use of the masculine gender, solely for the sake of simplicity, even though a particular Customer or Applicant may be a female or an entity. Accordingly, as appropriate, the use of the singular shall include the plural, the plural the singular, and the use of any gender include and apply to all genders.

EXHIBIT N

ORDINANCE NO. _____

AN ORDINANCE GRANTING A FRANCHISE TO
COMMUNITY INITIATIVE, ITS SUCCESSORS AND ASSIGNS,
TO OPERATE AND MAINTAIN A GAS SYSTEM IN THE CITY OF
RED BOILING SPRINGS, TENNESSEE, INCLUDING A SYSTEM OF
GAS MAINS AND SERVICE PIPES FOR THE PURPOSE OF TRANSMITTING
AND DISTRIBUTING GAS IN, UPON, ACROSS, ALONG AND UNDER
THE HIGHWAYS, STREETS, AVENUES, ROADS, ALLEYS, LANES, WAYS,
UTILITY EASEMENTS, PARKWAYS AND OTHER PUBLIC GROUNDS
OF THE CITY OF RED BOILING SPRINGS, TENNESSEE.

BE IT ORDAINED by the City Council of the City of Red Boiling Springs, Tennessee,
as follows:

SECTION 1: This Ordinance shall be known and may be cited as the “RED BOILING
SPRINGS NATURAL GAS FRANCHISE ORDINANCE.”

SECTION 2: For the purpose of this Ordinance, the following terms, phrases, words and
their derivations shall have the meanings given herein. When not inconsistent with the context,
words used in the present tense include the future tense, words used in the plural number include
the singular number, and words in the singular number include the plural number. The word
“shall” is always mandatory and not merely directory.

(1) “City” is the CITY OF RED BOILING SPRINGS, TENNESSEE, a municipal
corporation.

(2) “Company” is COMMUNITY INITIATIVE, the grantee of the rights under this
franchise, a Tennessee non-profit corporation with a current mailing address of 108 Islandia
Drive, Nashville, Tennessee 37217.

(3) "Person" is any person, firm, partnership, association, corporation, company or organization of any kind.

SECTION 3: There is hereby granted by the City of Red Boiling Springs, Tennessee, to COMMUNITY INITIATIVE, its successors and assigns, the right, authority, privilege and franchise to erect, construct, operate and maintain a system of gas mains, service pipes, regulator stations and all other necessary and appropriate equipment and facilities for the transmission and distribution of gas in, upon, across, along and under the highways, streets, avenues, roads, alleys, lanes, ways, utility easements, parkways and other public grounds in the present or future corporate limits of the CITY OF RED BOILING SPRINGS and in the environs of said City and to import, transport, sell and distribute gas, whether natural, manufactured or mixed, within the city and its environs, for the supplying and selling of said gas to the City (as a customer) and the inhabitants, institutions and businesses thereof; and for such purposes to construct, operate, maintain, renew, replace, repair and extend all necessary gas mains, service pipes and other appliances, fixtures and facilities as may be necessary for said purposes, to-wit: the transmission, distribution and sale of such gas to the City and the inhabitants thereof for domestic, commercial, industrial and institutional uses and such other purposes for which it is or may hereafter be used.

It is understood and agreed that COMMUNITY INITIATIVE may contract with a management company to help manage, oversee and carry out on its behalf, its transmission, distribution and sale of gas, the repair and expansion of gas lines and facilities, the servicing and billing of customers, and the day-to-day operations of the gas system and franchise, without the necessity of the City's prior approval or consent.

SECTION 4: This franchise and the rights herein granted shall take effect and be enforced from and after the effective date hereof as required by law and upon the filing of acceptance by the Company and shall continue in force and effect for a term of twenty (20) years after the effective date. However, if the acceptance is not filed within thirty (30) days after the passage of this Ordinance on second reading, the provisions of this franchise shall be null and void.

SECTION 5: All gas mains, service pipes, fixtures, facilities and other appliances laid, constructed, maintained and operated by virtue of this franchise shall be laid, constructed, maintained and operated in accordance with all applicable engineering practices and in full accord with any and all applicable engineering codes adopted or approved by the natural gas distribution industry and/or engineering professions and in accordance with any applicable Statutes of the State of Tennessee, Ordinances of the CITY OF RED BOILING SPRINGS, TENNESSEE, and the Rules and Regulations of the Tennessee Regulatory Authority or of any other governmental regulatory agency having jurisdiction over the Company. Said facilities shall be so constructed as not to interfere with the drainage, interfere with or injure any street, sewer or other public improvement which said City has heretofore made or may hereafter make in, upon, across, along or under any highway, street, avenue, road, alley, lane, way, utility easement, parkway or other public grounds or unnecessarily obstruct or impede such highway, street, avenue, road, alley, lane, way, utility easement, parkway or other public grounds of the City.

SECTION 6: When the highways, streets, avenues, roads, alleys, lanes, ways, utility easements, parkways or other public grounds are opened, or any other opening is made by the Company within the City, whether the same be made for the purpose of laying, constructing,

replacing or repairing the mains, pipes and other appliances and fixtures of said Company, said Company shall place and maintain all necessary safety devices, barriers, lights and warnings to properly notify all persons of any dangers resulting from such entrances and shall comply with all safety regulations required by the federal, state or local laws.

SECTION 7: In the event that at any time during the period of this franchise the City shall lawfully elect to alter or change the grade of any street, alley or other public ways in which the Company is maintaining gas mains, pipes or other appliances and fixtures, the Company, upon reasonable written notice by the City shall remove or change or relocate its mains, pipes or other appliances and fixtures as necessary to conform to the proposed alteration at the Company's expense. However, the Company shall be reimbursed its relocation costs whenever such reimbursement is authorized by a Federal or State statute, for either urban renewal development or street relocation.

SECTION 8: When any highway, street, avenue, road, alley, lane, way, utility easement, parkway or other public ground is entered by the Company, it shall, within a reasonable time, restore the same to its former condition as nearly as practicable in such a manner as to meet the approval of the City's Consulting Engineer, Codes Inspector or other responsible agent of the City. However, such approval shall not be unreasonably withheld. In the event that the Company shall fail to restore said streets, avenues, roads, alleys, lanes, ways, utility easements, parkways or other public grounds to their former state as nearly as practicable, the City may itself, after giving the Company reasonable written notice, make the restoration and charge the costs thereof to the Company.

SECTION 9: The Company shall, at all times, defend, indemnify and hold harmless the City from and against any and all claims for injury to any person or property by the reason of the failure of the Company or its employees to exercise due care and diligence in and about the installing and maintenance of said system, guarding trenches and excavations while said system is being installed or subsequent extensions, repairs or alterations are being made, or generally in the operation and maintenance of said system, provided the Company shall have been notified in writing of any claim against the City or account thereof and shall have been afforded the opportunity to defend the same.

SECTION 10: The City and the Company hereby agree that this Ordinance shall, from time to time, be subject to Rules and Regulations adopted by the Company and approved by the Tennessee Regulatory Authority or any other regulatory body having jurisdiction thereof during the term of this franchise and shall also be subject to all Rules and Regulations adopted and approved by the Tennessee Regulatory Authority itself; and that all such Rules and Regulations shall be and become part of this Ordinance to the same extent and with the same effect as if said Rules and Regulations were herein set forth in full. The Company shall not be obligated or required to make any extension of distribution mains except in accordance with the provisions relating thereto as adopted or approved by the Tennessee Regulatory Authority.

SECTION 11: Nothing contained herein shall be construed as preventing the Company from installing, placing, replacing, taking up, repairing or removing gas pipes, mains, service lines or other devices for furnishing gas service, from using any easement for gas service which are shown on any plat or plats of any portion of the City heretofore or hereafter platted or recorded, or any easement which may hereafter be created, granted or dedicated for any such utility purposes by any person, firm or corporation whatsoever.

SECTION 12: No sale or transfer of the gas plant or system or the transfer of any rights under this franchise shall be effective until the vendee, assignee or lessee has filed in the Office of the City Clerk an instrument duly executed reciting the fact of such sale, assignment or lease accepting the franchise terms and agreeing to perform all the conditions.

SECTION 13: The Company shall pay to the City a franchise fee in the amount of One Hundred Dollars (\$100.00) payable within sixty days (60) of the effective date of this Ordinance. The Company shall further pay to the City during the term of this franchise an amount equal to Two Percent (2%) of the annual gross operating revenue from the sale of gas through the Company's distribution system constructed pursuant to this Ordinance as a further and additional franchise fee or tax. This amount shall become due and payable ninety days (90) from the end of the Company's fiscal year and shall be payable each year so long as the Company shall supply and sell natural gas to the public within the corporate limits of Red Boiling Springs, Tennessee or so long as this franchise is in effect. The City shall have access at all reasonable times to the books of the Company for the purpose of determining the amount due to the City under this section. The Company shall also furnish the City an annual report showing the amount of sales of natural gas through the Company's distribution system constructed pursuant to this Ordinance.

SECTION 14: If any section or portion of any section of this Ordinance shall hereafter be declared or determined by a court of competent jurisdiction to be invalid, the Company, or the City, at their election (to be given to the City or to the Company by notice in writing within thirty days (30) after any such declaration or determination) may ratify or confirm the remaining portions of this Ordinance, and upon such ratification or confirmation the remaining portions of this Ordinance shall remain in full force and effect.

SECTION 15: The Company shall, within thirty (30) days after the passage of this Ordinance on second reading, file with the City Clerk of the City of Red Boiling Springs, Tennessee, its unconditional acceptance of the terms and conditions of this Ordinance signed by its President or Chief Executive Officer. After the filing of such acceptance, this Ordinance shall constitute a contract between the parties hereto and shall (subject to the rights and powers vested in, and Orders lawfully issued by the Tennessee Regulatory Authority or such other regulatory body of the State of Tennessee as may hereafter succeed to the rights and powers of the Tennessee Regulatory Authority) be the measure of the rights, powers, obligations, privileges and liabilities of the City and of the Company.

SECTION 16: All the privileges given and obligations created by this Ordinance shall be binding upon the successors and assigns of the Company, including those nonconflicting provisions which are now or may hereafter be attached as addenda.

SECTION 17: Within four (4) months after passage of this Ordinance on second reading, the Company will proceed with due diligence to obtain all necessary permits and authorizations which are required in the conduct of its business within the City of Red Boiling Springs, Tennessee, from all duly constituted regulatory agencies having jurisdiction over the operation of a natural gas system, including the Tennessee Regulatory Authority. If such permits and authorizations are not obtained by that time, the City may, at its sole option, declare this franchise terminated.

SECTION 18: This franchise is granted pursuant to the laws of the State of Tennessee relating to the granting of such rights and privileges by municipal corporations. This Ordinance

shall be subject to the approval of the Tennessee Regulatory Authority. This Ordinance shall take effect ten (10) days from and after its final passage, the public welfare requiring it.

ACCEPTANCE OF FRANCHISE

Community Initiative, a Tennessee non-profit corporation with a current mailing address of 108 Islandia Drive, Nashville, Tennessee 37217, hereby unconditionally accepts the terms and conditions of Ordinance No. _____ adopted by the City Council of the City of Red Boiling Springs, Tennessee on Second Reading on _____, 200____, and which Ordinance grants to Community Initiative a franchise to operate and maintain a gas system in the City of Red Boiling Springs, Tennessee.

Community Initiative hereby agrees to perform all of the conditions as set forth in said Ordinance.

This _____ day of _____, 200____.

COMMUNITY INITIATIVE

By: _____

Name: _____

Title: _____

EXHIBIT O

COMMUNITY INITIATIVE

**2003 FREE HILL ROAD
COOKEVILLE, TENNESSEE 38501**

RULES AND REGULATIONS

DEFINITIONS

As herein in this Tariff (including the Rules and Regulations which are a part hereof), the terms set forth below have the following meaning (whether or not the terms are capitalized herein), unless specifically provided otherwise or unless the context requires otherwise:

Applicant	means any person who has made application to Company for gas service
Authority	means the Tennessee Regulatory Authority
BTU	means British Thermal Unit measured at a pressure of 14.73 PSIA at 60 degrees Fahrenheit on a dry basis
Business Day	means any day from Monday through Friday inclusive, excluding any holiday observed by the Company
Commercial Customer	means a Customer engaged in selling, warehousing, or distributing a commodity, in some business activity or in a profession, or in some other form of economic or social activity (offices, stores, clubs, hotels, nursing homes, government offices, etc.), and Customers not otherwise classified as Industrial Customers or Residential Customers
Company	means Community Initiative
Consumer or Customer	means an individual, firm, or organization who purchases service at one or location under one rate classification contract
Distribution Service	means the delivery of Natural Gas by and through the intrastate facilities of the Company, regardless of the identity of the party who has title to the Natural Gas
Distribution System	means the gas pipes owned and operated by the Company for the distribution of gas for delivery to Customers up to but not beyond the point of delivery
FERC	abbreviation for the Federal Energy Regulatory Commission
Firm Basis	means a type of Gas Service supplied on a basis where such service is ordinarily not subject to interruption or curtailment
Gas or Natural Gas	means any mixture of hydrocarbons or of hydrocarbons and noncombustible gases in a gaseous state, consisting predominantly of methane
Gas Service	means any service offered in connection with the delivery or sale of Gas

Industrial Customer	means a Customer engaged in a process which creates or changes raw or unfinished materials into another form or product (factories, mills, machine shop, mines, oil wells, refineries, pumping plants, creameries, canning or packing plants, shipyards, etc., i.e., in extractive, fabricating or processing activities)
Interruptible Basis	means a type of Gas Service supplied on a basis where such service is subject to interruption or curtailment
Main	means the gas pipe other than Service Line
MCF	abbreviation for one thousand (1,000) cubic feet (of Gas); one MCF equals approximately 10.3 THERMS
Month	means the period beginning on the first day of a calendar month and ending on the beginning of the first day of the next succeeding calendar month
Person	means any corporation, whether public or private; company; individual; firm; partnership; or association
PGA	abbreviation for the Company's Purchased Gas Adjustment, which is generally an adjustment allowed by the Authority to permit the Company to recover, in a timely fashion, the total cost of gas purchased for delivery to its Customer's and to assure that the Company does not over-collect or under-collect gas costs from the Customers
Point of Delivery	means the outgoing side of the meter(s) or regulator(s) installed and maintained by the Company for the purpose of measuring gas delivered to Customer
PSIA	abbreviation for pounds per square inch absolute
Residence	means a parcel or tract of land used solely for residential purposes
Residential Service	applies to Customers supplied for residential purposes on an individual basis in a single-family dwelling or building, or in an individual flat or apartment in a multiple-family dwelling or building or portion thereof occupied as the home, residence or sleeping place of one or more persons
Service	means gas service
Service Line	means the gas pipe laid from Customer's line to Point of Delivery

Special Contract	means a contract for Service on forms furnished by the Company, which provide or prescribe rates, services and/or practices different from, not covered by, or not permitted under, the general provisions of the Tariff, and which are subject to supervision, regulation and control of the Authority
Summer	means billing months May through October each year
Tariff	means all rate schedules, PGA riders, terms of service, and Rules and Regulations approved by the Authority relative to Gas Service provided by the Company
Therm	means 100,000 BTUs
Winter	means billing months November through April

RULES & REGULATIONS

APPLICABILITY

These Rules and Regulations are applicable to Customers served by the Community Initiative (the "Company") within the certificated areas in Macon County, Tennessee (including Red Boiling Springs). The Company's operating area will be the same area previously served by RBS Utility, Inc.

APPLICATION FOR SERVICE

Service will be rendered by the Company upon application by the Customer for service and the acceptance thereof by the Company.

The Company will make extensions of its distribution system pursuant to the provisions hereinafter set forth.

INSTALLATION/EXTENSION OF SERVICE LINES AND MAINS

Service lines and distribution mains necessary to furnish permanent service to Applicants for Service within established service areas of the Company will be constructed by the Company in accordance with the following provisions:

A. General

1. Service Lines

A service line will be installed free of charge to the Applicant up to one hundred (100) feet from an existing main to a permanent dwelling, permanent commercial establishment, or permanent industrial establishment, subject to the other rules and regulations set out herein. The service line riser location will be determined by the Company. For Service Lines more than one hundred (100) feet from an existing main, the Company will determine if the Applicant's gas consumption will economically support the additional required footage or if a chard should be made for the additional labor and material.

2. Mains

Gas mains will be installed or extended without charge a distance of up to one hundred (100) feet per Applicant or after a feasibility study has been made which reflects that the Applicant's or Applicants' gas consumption will economically support the extension in excess of one hundred (100) feet. Such gas mains will be constructed, owned, operated and maintained

by the Company generally along public streets, roads and highways which the Company has the legal right to occupy and, at the Company's election, on public lands and private property across which rights-of-way satisfactory to the Company may be obtained without cost to the Company.

B. Limitations

In calculating whether a service line will be extended, merely auxiliary or incidental uses of gas by an Applicant will not be considered, nor will there be extensions of service lines or mains free of charge for merely auxiliary or incidental uses of gas by an Applicant. The Company will not be required to provide any connection to the Company's system where such connection may have an adverse impact on existing Customers unless the Authority has prescribed a tariff provision designed to eliminate such adverse impact on existing Customers.

C. Length and Location

1. The length of main required for a main extension or the length of service line will be considered as the distance along the shortest practical route, as determined by the Company, from the Company's nearest distribution main capable, in the opinion of the Company, of properly supplying the Applicant. Irrespective of the total allowable investment, the Company shall not be required to extend a main or service line a greater distance than necessary in the judgment of the Company to serve an Applicant.
2. The service line shall be of the size and type required to supply the principal requirements of the premises served, and shall extend from the curb to the first reasonably acceptable meter location as determined by the Company.
3. The Company reserves the right to designate the locations and specifications for the main taps, service lines, curb cocks, meters and regulators and to determine the amount of space which must be left unobstructed for the installation and maintenance thereof. Applicant may request an alteration of such designation and, if consented to by the Company, the cost of such revised designation in excess of the cost of the original Company design shall be borne by the Applicant regardless of whether the length of service line laid as requested by Applicant comes within the allowable investment provided in this rule.

D. Extensions Beyond the Free Length

1. Payment Provisions

Extensions of mains or service lines beyond the allowable investment will be made by the Company provided that the Applicant pays to the Company the excess cost of such main or service lines. Such payment may be made over thirty-six (36) months provided that the Applicant executes an appropriate finance agreement with the Company. Interest on unpaid balances shall accrue from the date construction is completed at a rate equal to the then existing prime rate (as defined in the Money Rates Section of the Wall Street Journal) plus three percent (3%). The interest rate shall be adjusted on the 1st day of April of each succeeding year to the then-existing prime rate plus three percent (3%).

2. No Refund of Payments

There will be no refunds associated with any payments, contributions or advances hereunder.

3. One Service Line for a Single Premises

The Company will not install more than one service line to supply the premises of an individual Customer unless for the convenience of the Company or an Applicant requests an additional service line and, in the judgment of the Company, an unreasonable burden would be placed on the Applicant if the additional service line were not installed. When an additional service line is installed under these conditions at the Applicant's request, the Applicant shall pay for the entire length of said additional service line, meter and regulating equipment.

4. Relocation of Service

- a. When in the judgment of the Company the relocation of a service line, including metering and regulating facilities, is necessary to maintain adequate service or for the operating convenience of the Company, the Company shall relocate the same at its expense.
- b. If relocation of a service line, including metering and regulating facilities, is for the convenience of the Applicant or the Customer, such relocation shall be performed by the Company at the expense of the Applicant or the Customer.

E. Special Conditions

1. Contracts

The Applicant will be required to execute a contract covering the terms under which the Company will install mains, services, metering and regulating equipment in accordance with the provisions of these Rules and

Regulations. The contract will provide that the Applicant will install, commence using in a bona fide manner within six (6) months after the date of the completion of the extension and continue to so use for a period of five (5) years, those appliances, equipment and items (such as a gas furnace) on which the Company's anticipated charges and revenues are based. Such contract will also provide that if the Applicant fails to take service or fails to install one (1) or more of such appliances, equipment or items, the Company may calculate and bill the Applicant, and the Applicant shall pay, an amount according to the Company's service line and main extension rules in effect at the time the extension was made as if service had been requested on the basis of the actual appliances, equipment and items installed and utilized. If the Applicant is a developer or builder, the Applicant will install all the appliances, equipment and items on which the extension was based within three (3) years of completion of the total project or shall pay the Company for the entire length of said additional service line, main, meter(s) and regulating equipment.

2. Extension for Temporary Service

Extension for temporary service or for operations which in the Company's opinion are of a questionable permanence will not be made under this rule, but will be made in accordance with the rule pertaining to temporary service.

3. Service from High Pressure Mains

Service shall be provided from a normal distribution facility of the Company. Company reserves the right, at its sole option, to refuse to extend facilities from any of its lines operating at pressures in excess of one hundred twenty-five (125) pounds.

4. Title to Facilities

Legal and equitable title to all mains installed by the Company upon which an advance, contribution, or other payment has been made, shall be and remain in the Company, and the Company shall have the right without the consent of, or any refund to, any party who made such advance, contribution, or other payment:

- a. To extend the gas main or connect additional gas mains to any part of it.
- b. To serve new additional Customers at any time through service connections attached to such main or to extended or connected gas mains.

5. Exceptional Cases

If application of this rule appears impractical or unjust to either party for other reasons the Company or the Applicant may refer the matter to the Authority for special ruling thereon prior to commencing construction.

SERVICE LINE; ITEMS ON CUSTOMERS' PREMISES

Service lines from the main to the meter will be laid by the Company, and will at all times remain subject to the control of the Company. It is not contemplated that in running service lines the Company will put risers in buildings when meters are set above the first floor. In cases of this kind, the Company will run the service line to the ground floor or to the basement, but all expenses through and beyond the first floor foundation wall shall be borne by the Customer. Service lines will be kept in repair by the Company at its own expense; but any alterations made necessary, such as changing of location, may be done at the Customer's expense. The Company does not in any case hold itself responsible for a stoppage, from frost or other cause, of the service lines or house lines. The Company will employ all reasonable means of clearing the lines to the meter, when stopped from any cause. All lines beyond or leading from the meter must be cleared at the Customer's expense.

The Company will normally furnish and maintain a service line, gas shut-off valve, pressure regulator with proper vents and relief devices, and a gas meter on a Customer's property; and all of these shall belong to and owned by the Company, unless specifically agreed otherwise in writing with the Customer.

APPARATUS-EASEMENTS

A. Customer's Lines

Except for the Company's meters and accessories on the Customer's side of the point of delivery, all house lines and equipment and commercial and industrial lines and equipment, necessary to utilize service furnished by the Company, must be installed and maintained by and at the expense of the Customer. The Customer's lines shall terminate at the point of delivery, in a manner satisfactory to the Company, for connection with the Company's lines or apparatus.

B. Company Property

All service lines, apparatus, instruments, meters and materials supplied at the expense of the Company shall remain its property, and any other property installed at the expense of the Company, shall belong to the Company.

C. Inspection by Company

The Company is willing to assist the Customer by advice as to the installation of the Customer's apparatus and to examine the Customer's installation, and may refuse to make connection or to commence or continue service whenever such installation is not in proper condition; but no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective installation made by the Customer.

D. Right-of-Way

The Customer shall make, or procure satisfactory conveyance, to the Company of right-of-way for the Company's lines and apparatus across and upon the property owned and controlled by the Customer, necessary or incidental to the furnishing of service.

E. Installation

For the purpose of determining the amount of gas used, a meter or meters shall be installed and maintained by the Company upon the Customer's premises; and, except as to outside locations heretofore or hereafter approved by the Company, the Customer shall provide free of expense to the Company, near the service entrance, a clean, dry, safe place for the meter and any necessary appurtenant device, which may be furnished by the Company. Where several buildings are supplied on one property, a centralized meter location may be required.

F. Notice to Discontinue

Notice by Customer to discontinue the supply of gas must be given the Company at least two (2) full business days in advance. The Customer will be held responsible for all gas consumed until such notice is given, including a reasonable time for securing the final reading of the meter.

TESTS AND ADJUSTMENTS; GAS WASTAGE

- A. The Company, at any time upon the request of a Customer, will test the meter of such Customer within five (5) Business Days after receipt of such request. A Customer may request that the Company test his meter upon payment of a fee of Five and No/100 Dollars (\$5.00), provided that the Company does not have to perform such tests on the meter more frequently than once in eighteen (18) months. The Customer, or his representative, may be present when his meter is tested (i.e., at the Customer's request), and a report of the results of the test will be made to the Customer within a reasonable time after the test is completed. However, the Company may test any of its meters at any time at its own expense, including, but not limited to, making any periodic tests that may be required by the Authority or suggested by manufacturers.

If on test of a Customer's meter, either by the Company or by the Authority, such meter shall be found to have a percentage of error greater than two percent (2%), the following provisions for the adjustment of bill shall be observed:

1. Fast Meters

When a meter is found to be fast in excess of two percent (2%), the Company shall refund to the Customer an amount equal to the excess charged for the gas incorrectly metered. The period over which the correction is to be made shall be the time elapsed since the last previous test; provided, however, the period shall not exceed six (6) months. No part of the minimum service charge shall be refunded.

2. Slow Meters

When a meter is found to be slow in excess of two percent (2%), the Company may make a charge to the Customer for the gas incorrectly metered. The period over which the correction is to be computed shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months.

3. Failure to Register

If a meter is found not to register for any period, the Company will estimate and charge for the gas used by averaging the amounts registered over similar periods and under similar conditions preceding or subsequent thereto, or over corresponding periods in previous years.

4. Company's Rights

The properly authorized employees or contractors of the Company shall at all times have the right of access to the premises into which gas has been introduced (including the Customer's building and facilities): (1) to examine the general service and to read, inspect, test, repair, replace or remove its meter or other equipment; (2) to inspect and test the Customer's piping system for leaks; and (3) for such other purposes as may be necessary for the protection of the Company. In case of any willful, intentional, or unnecessary injury to or interference with the meter or any connection made to the house lines or services, or to the commercial or industrial lines or services, as applicable, the meter, at the option of the Company, may be removed, the service line cut off, and service discontinued. Notwithstanding the foregoing, no inspection by the Company, nor any failure by it to object to the Customer's installation, shall render the Company in any way liable for any damage or injury resulting from any defective materials, apparatuses, appliances, piping or other items installed by or belonging to the Customer on his property.

- B. If gas wastage occurs without a Customer's consent, the Customer's bill will be adjusted by one-half (1/2) the difference between the cost of gas to the Company and the rate at the time of wastage; provided, however, the period of adjustment shall not exceed three (3) months.

CUSTOMER SECURITY DEPOSITS

Prior to rendering service, deposits will be required from those residential Customers who are new Customers of the Company or whose credit history dictates that a deposit is needed. All other residential Customers will not be required to provide a deposit.

Prior to rendering service, payment security will be required of all commercial and industrial Customers. Commercial and industrial Customers shall be given the option of either providing an adequate Cash Deposit, Letter of Credit, Indemnity Bond or a Letter of Guarantee from a financially acceptable parent company.

The Company will issue a receipt to any Customer from whom any new deposit is received. Any deposit which is required to be provided by a Customer will be refunded only upon the Customer's discontinuation of his service.

Any deposit or payment security required by the Company will be not more in amount than the maximum charge for two (2) consecutive billing periods or ninety (90) days, whichever is less, or as may reasonably be required by the Company in cases involving service for short periods or special occasions.

BILLS; PAYMENTS; NON-PAYMENT; GAS SERVICE TERMINATION

Meters will be read monthly on a scheduled cycle basis, and a bills will be sent monthly to Customers. Payment of bills for service rendered must be received by the due date as stated on the Customer's bill which shall be approximately _____ (____) days from the date billed for cycle billed Customers. The current month's bill for gas service shall be subject to a five percent (5%) late payment charge if payment is not received timely.

If the Customer shall fail to pay bill after it has become delinquent, the Company may, seven (7) days after notice to the Customer, discontinue service and apply any deposit made by the Customer in liquidation of such bill. Whenever the Company has issued a service suspension notice to a Customer for non-payment of a gas bill, the Company may make a charge of Fifty and No/100 Dollars (\$50.00) for the reconnection of service, and will require a deposit.

Subject to the other provisions and procedures set forth in these Rules and Regulations, gas service may be terminated:

- A. By the Customer:

Unless otherwise provided in any Agreement for Sale of Gas or Special Contract, or elsewhere in this Tariff (including these Rules and Regulations), which is filed with the Authority, a Customer shall have the right at any time to terminate gas service by giving written notice to Company at least two (2) full Business Days in advance.

B. By the Company:

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the Company shall comply with the notice requirements before service is discontinued. However, no service shall be discontinued on the day or a date preceding a day or days on which the services of the Company are not available to the general public for the purpose of reconnecting the discontinued service, except as provided in 1, 2, 3 and 4 below:

1. Without notice in the event of a condition determined by the Company to be hazardous.
2. Without notice in the event of Customer use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
3. Without notice if there is evidence of tampering with the equipment furnished and owned by the Company.
4. Without notice if there is evidence of unauthorized use.
5. For violation of and/or non-compliance with the Company's rules on file with the Authority.
6. For failure of the Customer to fulfill his contractual obligations for service and/or facilities subject to regulations by the Authority.
7. For failure of the Customer to permit the Company reasonable access to its equipment.
8. For non-payment of delinquent account.
9. For failure of the Customer to provide the Company with deposit as authorized by Rule 1200-4-5.14 of the Authority.

Gas service to any gas Customer may not be terminated by the Company without reasonable prior notice where required, which must be at least seven (7) days after the Company sends notice (where required) of the proposed termination by first class mail. Such notice, which may be included in the Customer's bill, will

contain all information (including rights and remedies) mandated by the Authority (including the information set out in the Authority's Rules).

- C. A Customer will be given a reasonable opportunity to dispute the reasons for any proposed termination of his gas service, which must be done by the Customer filing a complaint with the Company so that it is actually received by the Company (i.e., if mailed by the Customer, it is delivered to the Company on the Business Day prior to the end of the seventh (7th) day after the Company sends notice (where required) of the proposed termination. (Some terminations, such as where a hazardous condition exists, may be immediate without the necessity of prior notice being given.) Such complaint must set forth the specific reasons why termination of service is improper, including any dispute the Customer has regarding his bill. The complaint should be addressed to the Company representative specified in Section B.2 below under "Contact Persons." The Company will carefully consider the Complaint and will notify the Customer of its decision regarding the Complaint. While the Company will not terminate a Customer's gas service while it is considering his complaint, it may terminate it within seven (7) days after it notifies the Customer of its decisions regarding its complaint, if the decision was not favorable to the Customer. If the Customer disputes the Company's decision regarding the complaint, the Customer may file a complaint or an appeal with the Authority at the address and telephone numbers listed in Section J below.

A Customer with a dispute about a specific portion of his bill does not have to pay that specific portion in dispute while the Company is considering his complaint (provided he files one). However, the Customer must go on and pay any portions of his bill which he does not dispute.

- D. Notwithstanding any other provisions of these Rules and Regulations, the Company shall postpone the physical termination of gas service to a residential Customer for a period of thirty (30) days in the event a physician, public health officer, or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the Customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension, the Customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The Company shall supply Customers with names of agencies providing assistance.
- E. All Customers shall be provided with the option of a Third Party Notification Service and shall be notified annually by the Company of its availability. The Third Party Notification Service will provide any Customer with the opportunity to designate a Third Party who will receive a duplicate of any termination notice. Also, notwithstanding any other provisions of these Rules and Regulations, a residential Customer may notify the Company in writing from time to time of the

presence of appliances at the service address which are critical for maintenance of health of one of more of the residents.

- F. It shall be unlawful, and a violation of these Rules and Regulations, for any person to obtain or attempt to obtain by use of any fraudulent scheme, device, means or method gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for gas service, either through the making of multiple applications for service at one address, or otherwise.
- G. Termination of gas service by either Customer or Company shall not relieve Customer from the obligation to pay Company for services rendered prior to the effective date of such termination.
- H. After termination of gas service for a Customer's non-payment of a delinquent account, the Customer may get the service reinstated, upon request to the Company, whereupon Company will reinstate such service after the Customer pays all sums due to the Company, including any late charges and interest, pays the reconnection charge, pays any customer deposit that the Company may request. After termination of service for reasons other than the non-payment of a delinquent account, including but not limited to those other reasons for termination as set forth in Section B.2 through B.7 above, the Customer may get the service reinstated, upon request to the Company, but first the cause or reason for such termination must be appropriately remedied, any damages legally due to the Company paid, and then all sums due to the Company (as set forth in the preceding sentence) must be paid.
- I. A copy of each type of customer bill form is attached hereto as Exhibit ____.

CONTACT PERSONS

- A. A Customer may make an inquiry, enter into a service continuation agreement, or file a general complaint with the Company at the following address and telephone number:

Community Initiative
2003 Free Hill Road
Cookeville, Tennessee 38501
(931) 372-2420

Additionally, the Tennessee Regulatory Authority is the regulatory authority for this gas service, and its address and telephone numbers are:

Tennessee Regulatory Authority
460 James Robertson Parkway

Nashville, Tennessee 37243-0505
(615) 741-2904 or (800) 342-8359

- B. The name, title, address and/or telephone number of the person who should be contacted in connection with each of the following matters are:

1. General management duties:

Jeff Callahan
222 West Spring Street
Cookeville, Tennessee 38501
(931) 372-8500

However, day to day oversight in the field will be handled by Tim Scott in Red Boiling Springs at (615) 888-6242. When Company procures office space for Mr. Scott, it will notify the Authority of the address of such space.

2. Customer relations, who also handles inquiries and complaints:

Jeff Callahan
222 West Spring Street
Cookeville, Tennessee 38501
(931) 372-8500

3. Engineering operations:

Mike Callahan, P.E.
CE Designers, Inc.
108 East Commercial Avenue
Monterey, Tennessee 38574
(931) 839-2350

4. Meter tests and repairs:

Tim Scott
(615) 888-6242

5. Emergencies during non-office hours:

Tim Scott
(615) 888-6242

STANDARD HEATING VALUE OF GAS; MEASUREMENT OF GAS

- A. The heating value of gas supplied to Customers will have a minimum heating value equal to the heating value of the gas furnished by the Company's supplier(s). (This generally varies between 1,000 and 1,040 BTUs per cubic foot of gas.)
- B. The gas supplied to residential and small commercial Customers will be measured using a temperature-compensated meter (American or Rockwell meter). Large commercial and industrial Customers will be measured by an American or Rockwell meter which may not be temperature-compensated.

SPECIAL CONTRACTS

From time to time, the Company may enter into special contract with certain Customers, which may prescribe rates, services and practices different than those set forth in the Company's tariff(s) and these Rules and Regulations. However, such special contracts are subject to the supervision, regulation and control of the Authority.

FILINGS WITH THE AUTHORITY

Any filings required to be made by the Company with the Authority, including but not limited to any required filings regarding capital construction projects, additions to plant, financial statements, and monthly or quarterly reports, will be made in a timely manner as required by the applicable statutes and the Authority's rules.

OTHER RULES AND REGULATIONS

The Customer shall agree:

- A. To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's negligence.
- B. To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- C. The Company shall be under no duty to inspect, repair or maintain the service of other lines, connections, equipment or appliances located on the premises of the Customer.
- D. Company shall have the right to terminate gas service after reasonable notice has been given for any Customer who may be in arrears for a period of thirty (30) days or longer in paying for gas furnished and/or used by Customer at Customer's present or subsequent address, it being understood hereby that said period commences on date the bill as above defined was rendered.

- E. There is a charge for seasonal turn-ons and heating light-up service of Fifty and No/100 Dollars (\$50.00).
- F. There is a Fifty and No/100 Dollar (\$50.00) charge for reconnection of service where service has been suspended for non-payment of a gas bill.
- G. Service Establishment Charges
 - 1. For establishing an account for gas service to a Customer at a particular premises:
 - a. Where there is an existing meter set at such premises installed to serve an occupant of the premises: Fifteen and No/100 Dollars (\$15.00)
 - b. When there is no existing meter set at such premises, or where an existing meter set at such premises has been used only for temporary service to a builder, contractor or developer prior to occupancy of the premises: Twenty-Five and No/100 Dollars (\$25.00)
 - 2. The above charges do not apply to restorations of service subject to Sections E and F above, nor to temporary service to a builder, contractor or developer prior to occupancy of the premises, nor to a rental unit subject to a contract with the landlord providing that gas service shall continue during periods when the unit is not occupied by a tenant and that the landlord shall be responsible for the payment of bills for gas service until an account is established in the name of a new tenant.
- H. If the Customer requests service as stated in Sections E, F and G above at times other than the regular office hours of the Company, the above-stated service charges shall be at one and one-half (1-1/2) times the above stated regular rate, if they can be, and are indeed, done at such times.
- I. There is a Twenty and No/100 Dollar (\$20.00) service charge for Customer checks returned to the Company by the banks because of "Insufficient Funds."
- J. Company shall have the right to make other or additional rules and regulations at any time, and to amend the Rules and Regulations from time-to-time, as permitted by applicable law. The furnishing of gas hereunder by the Company shall not constitute a waiver of any prior or present claim or right held by the Company against a Customer.

POLICY ON SERVICE CHARGES

The general types of service which the Company shall provide on a charge or no-charge basis are listed below but are not necessarily limited to the following:

A. Charge Services

1. Cleaning of gas lights and gas grills
2. Replacement of air filters furnished by Customer
3. Disconnecting and reconnecting ranges
4. Pumping and pressurizing air conditioners
5. Cleaning pilots and/or burners
6. Seasonal turn-ons and heating light-up service
7. All service orders where parts are installed
8. Replacement of mantles and glass for gas lights
9. Sending collector to Customer's premises to collect past due gas bill to avoid turn-off of service for non-payment
10. Reconnection of service where service has been suspended for non-payment of a gas bill
11. Service Establishment Charges

B. No-Charge Services

1. Meter Orders
 - a. Remove
 - b. Change (does not include relocation of meter at Customer's request)
 - c. Turn-off
2. Safety inspections (new Customer and/or new equipment)
3. Leak investigation

4. High-bill investigations
5. Confirmation of meter reads
6. Gas-air adjustments (where no cleaning is required)
7. Any trouble call resulting from low pressure caused by Company's distribution system
8. Relighting appliances after interruption of gas due to Company's convenience (construction, etc.)

MISCELLANEOUS

- A. Unless otherwise specified by the Authority, all records required by the Authority shall be preserved for the period of time specified in the current edition of the National Association of Railroad and Utilities Commissioners' publication "Regulations to Govern the Preservation of Electric, Gas and Water Utilities."
- B. As used in these Rules and Regulations, Customer and/or Applicant is sometimes referred to by use of the masculine gender, solely for the sake of simplicity, even though a particular Customer or Applicant may be a female or an entity. Accordingly, as appropriate, the use of the singular shall include the plural, the plural the singular, and the use of any gender include and apply to all genders.