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June 14, 2007

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

Via Hand Delivery

filed electronically in docket office on 06/14/07

Attention: Sharla Dillon

Re: Petition of Lynwood Utility Corporation To Change and Increase Rates and
Charges
Docket No. 07-00007

Dear Chairman Kyle:

I have enclosed an original and five copies of the Response to First Discovery Request of Tennessee Regulatory Authority Advisory Staff.

This Response and this cover letter are being filed electronically by electronic mail this same date. A copy has been served on the Darlene Standley, Chief Utilities Division for the Tennessee Regulatory Authority. Please return the additional copy of the Response stamp filed to me.

Thank you for your assistance.

Sincerely yours,



DONALD L. SCHOLLES

Enclosures

c: Tyler Ring
Jim Ford
Ryan McGehee, Consumer Advocate
Darlene Standley

**IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:)	
)	
PETITION OF LYNWOOD UTILITY CORPORATION TO CHANGE AND INCREASE CERTAIN RATES AND CHARGES)	DOCKET NO. 07-00007
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**RESPONSE TO FIRST DISCOVERY REQUEST OF TENNESSEE REGULATORY
AUTHORITY ADVISORY STAFF**

To: Darlene Standley, Chief
Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

The following is the Response to First Discovery Requests of Tennessee Regulatory Authority (TRA) Advisory Staff:

FIRST DISCOVERY REQUESTS

1. Does your company maintain an escrow account to appropriate funds dedicated to system repairs or operations in the event of an emergency? Does the company maintain an escrow account for any other purpose? If so, when was this account(s) first established?

RESPONSE: The Company does not maintain an escrow account.

2. If your company does not have an escrow account, please explain how the company would fund extensive system repairs or operations in the event of an emergency.

RESPONSE: The Company would borrow funds to make any extensive system repairs or operate in an emergency.

3. If an escrow account(s) exists, please answer the following questions:
- (a) Does the company have a copy of the legal document establishing this account?
 - (b) Is the account separately recorded on the company's financial statements?
 - (c) What is the current balance in this account?
 - (d) For what purposes can funds from this account be used?
 - (e) Has your company had occasion to use funds from this account over the last five (5) years? If yes, describe the event(s) that necessitated use if the funds.
 - (f) What internal procedures are in place for deposits and disbursements to this account?
 - (g) Who is (are) the person(s) responsible for carrying out these procedures?
 - (h) Who is the person that is authorized to approve disbursements?
 - (i) Does the company keep detailed records of deposits to and disbursements from this account?
 - (j) How is this account funded?
 - (k) What is the account number and where on the company's annual report to the TRA is the account disclosed?
 - (l)

RESPONSE: No escrow account exists.

Dated June 14, 2007.

Respectfully submitted,



DONALD L. SCHOLES BPR #10102
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue North, Fourth Floor
Nashville, TN 37219
615-254-8801
Attorney for Lynwood Utility Corporation

Certificate of Service

I hereby certify that a true and exact copy of the foregoing Response to First Discovery Request of Tennessee Regulatory Authority Advisory Staff has been mailed, postage prepaid, on this 14th day of June, 2007, to the following:

Ryan McGehee
Counsel for Consumer Advocate
Office of the Tennessee Attorney General and Reporter,
Consumer Advocate and Protection Division
425 Fifth Avenue North
Nashville, TN 37243



Donald L. Scholes