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T.R.A. DOCKET ROOM

August 13, 2007

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Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Via Hand Delivery

Attention: Sharla Dillon

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

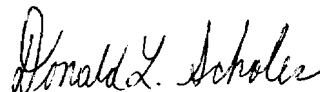
Dear Chairman Roberson:

In anticipation of the hearing scheduled for August 20, 2007, at 2:00 p.m. in this docket, I have prepared and enclosed an original and fourteen copies of a draft of the revised tariff of Lynwood Utility Corporation which will be filed in the event the proposed Settlement Agreement between Lynwood and the Consumer Advocate is approved by the Authority.

The proposed revised tariff has no effective date on it. This proposed revised tariff is being submitted for the Authority's review before the hearing so it will know how the revised tariff will look like should the proposed Settlement Agreement is approved.

Please return one of the copies to me stamped filed. Thank you for your assistance in this matter.

Sincerely yours,



DONALD L. SCHOLES

Enclosure

c: Ryan McGehee, Consumer Advocate
Tyler Ring
Jim Ford

07-00007

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TARIFF OF

LYNWOOD UTILITY CORPORATION

CONSISTING OF

SCHEDULE OF RATES, TERMS AND CONDITIONS

FOR

SANITARY SEWER SERVICE

APPLYING TO

LYNWOOD UTILITY CORPORATION SERVICE BOUNDARIES
FRANKLIN, TENNESSEE

NO MODIFICATION OF THESE SCHEDULES SHALL BE
MADE EXCEPT FOR THE PURPOSE OF CANCELLING OR
SUPERSEDING PREVIOUSLY ISSUED SCHEDULES

Issued By: Lynwood Utility Corporation
Tyler Ring, President
Address: 321 Billingsly Court, Suite 4
Franklin, TN 37065

TENNESSEE REGULATORY AUTHORITY

Issue Date:

Effective Date:

RULES AND REGULATIONS

Governing the Sewerage and Sewage Treatment System of LYNWOOD UTILITY CORPORATION

Statement of Purpose

The general purposes of these rules and regulations are:

1. To establish procedures for furnishing sewerage and sewage treatment services to customers of LYNWOOD UTILITY CORPORATION.
2. To provide standards and procedures for:
 - c. Acceptable sewage characteristics
 - d. Excessive sewage volume
 - e. Engineering design standards
 - f. Construction and inspection requirements
 - g. Quality of materials

Definition of Terms

3. Company – The Company shall mean the Lynwood Utility Corporation.
4. Engineer – The word Engineer shall mean the consulting engineer of the Lynwood Utility Corporation.
5. Customer – The word Customer shall mean any person, firm, corporation, association or governmental unit furnished sewerage services by the Company.
6. Property – The word Property shall mean all facilities owned and operated by the Company.
7. Authority – The word Authority shall mean the Tennessee Regulatory Authority.
8. Trunk Sewer – The words Trunk Sewer shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from many tributary branches and terminates at the sewage treatment plant or major lift station.
9. Collector Sewer – The words Collector Sewer shall mean those sewers running within a development and conveying the sewage to the trunk sewer.
10. Lateral Sewer – The words Lateral Sewer shall mean those sewers extending from the Collector Sewer to the property line of the Customer

11. Building Sewer – The words Building Sewer shall mean that sewer extending from the Customer's property line to the Customer's place of business or residence.

Authorization of Rules and Regulations

The LYNWOOD UTILITY CORPORATION, a corporation organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and Necessity issued by the Tennessee Regulatory Authority on June 14, 1976 under Docket No. U-6162, submits the following statement of its rules and regulations.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of Lynwood Utility Corporation.

Utility Items on Private Property

The Company shall not furnish on or maintain any items or appurtenances for sewer service on the customer's premises without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of customers except the sewer shut-off valve, and the Company shall be responsible for the shut-off valve. The Building Sewer shall be maintained by the Customer.

Discontinuance of Service

Sewer service may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth.
2. For misrepresentation in the application for service.

3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For tampering with any service pipes or any Property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company.
8. For disconnecting or re-connecting service by any party other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Company has contracted with the City of Franklin and with H. B. & T. S. Utility District which utilities provide water service to the Company's customers to bill and collect its sewer charges. These water utilities have agreed to terminate water service for the non-payment of sewer charges to enforce the collection of sewer charges. Any penalty for late payment of sewer charges, fees related to the termination of water service to enforce the payment of sewer charges, and any reconnection fees will be the fees charged by these water utilities for these services. No service shall be turned on again if discontinued for non-payment (or any other valid reason) until all charges have been paid.

Change of Ownership, Tenancy or Service

A new application for service must be made and approved by the Company on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made and approved.

Security Deposits

Each new Customer, before connection or reconnection, of the service may be required to make a refundable deposit to secure payment of sewerage bills in an amount double the monthly bill for that particular type of customer. Interest as approved by the Authority will be paid on any such refundable Deposit.

Special Pretreatment Sewage Requirements

For all sewerage connections, in addition to the customary tap fees, the Company reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Company may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees or sewer service charges to cover the cost of treatment of high strength effluent or industrial waste with the approval of the Authority, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewerage system.

Damages

The Company shall in no event be responsible for maintaining any service line owned by the Customer, for damages created by sewage escaping therefrom, or for defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority and the Company relating to the service lines and shall make all changes in the Customer's line required on account of grade or otherwise.

All leaks in any pipe are fixture on the premises of the Customer shall be immediately repaired. On failure to repair any such leak, the service may be discontinued until repairs are made.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service or for damages or inconvenience as a result of any interruption, stoppage, etc., which is beyond the reasonable control of the Company.

Extension Plan

The Company will furnish sewer services to all property owners whose lands abut the trunk sewer. The sewer service charges and tap fees included in this tariff do not include costs for constructing collector and lateral sewers and do include costs for constructing trunk sewers and lift stations. Any collector and/or lateral sewers required to service such abutting properties shall be constructed at the cost of the party desiring it, and these sewers shall become the property of the Company to be credited to the account for contribution in aid of construction. If the said desiring party does not wish to construct his own collector and lateral sewers, the Company may construct them and charge the desiring party the total project costs for same. The

desiring party shall obtain at its expense the easements required by the Company for any collector and/or lateral sewers.

Plans for any extensions shall be reviewed and approved by the Engineer prior to construction.

Contributions in Aid of Construction & Advances in Aid of Construction

All contributions and advances that are treated as taxable revenues by the IRS, whether in the form of property or cash, shall be increased by a cash flow payment to the utility, in an amount equal to 33% of the contribution or advance. The contribution or advance will be equal to the "original cost" if in the form of property or face value if in the form of cash.

Contracts for Service

Each customer before installation of service shall be required to execute on the appropriate forms furnished by the Company or its designated representative.

1. A sewer service contract
2. The application and contract for sewer tap services

Customer Billing Forms

All customer billings shall be on a standard form whether residential, commercial or industrial.

Public Contact

Mr. Tyler Ring
Lynwood Utility Corporation
321 Billingsly Court, Suite 4
Franklin, TN 37065

Tennessee Regulatory Authority

The Company in its operation shall conform with all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

LYNWOOD UTILITY CORPORATION

MONTHLY SEWER SERVICE BILLING

Residential, Condominium, House or Apartment:

Charge per 1,000 gallons (actual or assumed flow)	\$ 6.53
<u>Minimum monthly charge</u>	<u>\$15.00</u>

Non-Residential:

Charge per 1,000 gallons (actual or assumed flow)	\$ 8.16
<u>Minimum monthly charge</u>	<u>\$20.00</u>

Walnut Grove Elementary School:

Maximum Charge	\$891.00
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TAP FEES

<u>Residential</u> :	\$3,500.00
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Non-Residential :

Charge per gallon per day (Computed by multiplying the peak monthly usage during the first year by 12 divided by 365 days.)	\$ 7.86
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SEWER CONNECTION FEES

Residential or Non-Residential:\$250.00

GENERAL FEES

Returned Check Charge:\$20.00