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August 16, 2007

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RECEIVED
CONSUMER SERVICES DIVISION

AUG 16 2007

TN REGULATORY AUTHORITY

Via Hand Delivery

Carsie Mundy, Chief
Consumer Services Divisions
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Lynwood Utility Corporation
Consumer Services Division File Numbers 07-285, 07-286, 07-297, 07-357, 07-358 and 07-359
Docket No. 07-00007

Dear Mr. Mundy:

I am responding on behalf of Lynwood Utility Corporation (Lynwood) to your July 31, 2007, letter related to the above complaints. I apologize for my delay in responding to this request. You requested a response to the following three questions which I am providing to you on behalf of Lynwood.

1. What specific type of odor control and measures mentioned in your letter of May 24, 2007 is Lynwood proposing?

Response: Odor in the Lynwood system comes from potentially three different areas: (1) the collection system pump stations; (2) raw influent from the gravity sewer and (3) sludge disposal and/or old sludge at the plant. Lynwood has been researching all of these areas to define which ones are creating the most odor so it can deal with the most offensive odor first. Lynwood has met with several different vendors and discussed various products and alternatives to address odor problems in each area to determine the best course of action to take and the cost of each course of action. Lynwood is currently running an analysis from several different areas within its system to determine where to start. Once the source of the odor problem has been defined, Lynwood will begin addressing the largest issues first and work down from there. Chemical additions and lime has been the preferred method for some areas and is already being used with mixed results.

Carsie Mundy, Chief
August 16, 2007
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2. Is mobile sludge de-watering equipment and or the use of lime or chemical sprays being considered as a way to help control the odor until a more permanent solution can be implemented?

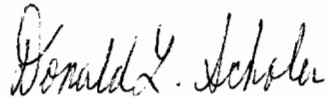
Response: Yes. Once Lynwood receives results from the tests and research being done, Lynwood will analyze the results and will make a more global decision to possibly use the same treatment in multiple areas which could be more cost effective.

3. Should the Authority no grant the rate increase, what action would Lynwood propose to address the concerns of the above complaints?

Response: Lynwood will address the odor issue whether a rate increase is approved or not, but Lynwood could create a more effective, longer lasting solution with the additional income requested in the pending rate case.

Fourteen copies of this response to your July 31, 2007, letter are being filed with the Authority in Docket No. 07-00007.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Donald L. Scholes". The signature is fluid and cursive, with the first name "Donald" being the most prominent.

DONALD L. SCHOLES

c: Ryan McGehee, Consumer Advocate
Tyler Ring