

WHN CONSULTING

19 Morning Arbor Place
The Woodlands, TX 77381

August 7, 2007

Ms. Darlene Standley, Chief
Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

filed electronically in docket office on 08/074/07

Re: Docket to Determine the Reserve/Escrow Requirement for Cartwright Creek,
LLC Pursuant to TRA Rule 1220-4-12-.07(8)
Docket No. 07-00058

Dear Ms. Standley:

On behalf of Cartwright Creek, attached are the Company's responses to the TRA Staff's data request of July 31, 2007.

If you have any questions in regards to these responses, please contact me at 713-298-1760.

Sincerely,



William H. Novak

Enclosure

Cc: Bruce Meyer
Bob Cochrane

1. Please complete the following table for the composite collection and treatment systems owned by your Company.¹

Average Service Life - Expected service life in years that the Company uses to calculate depreciation for each category of plant in service as reflected in the annual report filed with the Authority.

Remaining Service Life - The weighted average remaining service life of the collection system plant and the treatment system plant whose individual components may have a different remaining service life based on the year the component was placed into service.²

Original Cost - The total booked cost of all components associated with the system.

Other Systems - Other plant accounts maintained by the Company that are not part of either the Collection System or Treatment System.

	Average Service Life (Yrs.)	Remaining Service Life (Yrs.)	Original Cost (\$)
Collection System			
Treatment System			
Other Systems			

Example

ABC Utility has a collection system comprised of 3 components. Each component in that plant account has an average service life of 50 years. Component 1 with original cost of \$50,000 has just been placed in service. Component 2 with an original cost of \$100,000 has been in service 2 years. And Component 3 with an original cost of \$75,000 has been in service 5 years. Weighted average remaining service life of the collection system is calculated as follows:

$$((\$50,000 * 50 \text{ yrs.}) + (\$100,000 * 48 \text{ yrs.}) + (\$75,000 * 45 \text{ yrs.})) / \$225,000 = \mathbf{47.4 \text{ years}}$$

This information is entered into the table as follows:

¹ Information regarding service life and original total booked cost should be provided only for those systems that are completed and currently serving customers. Information requested is for total company, not by separate wastewater system territories.

² See example provided.

	Average Service Life (Yrs.)	Remaining Service Life (Yrs.)	Original Cost (\$)
Collection System	50	47.4	\$225,000

Company Response:

	Average Service Life	Remaining Service Life (Yrs.)	Original Cost (\$)
Collection System	40	11.4	\$219,975
Treatment System	7	5.2	\$409,085
Other Systems	25	2.2	\$327,887

2. Please complete the table below showing the total³ number of residential wastewater customers at the points in time as indicated.

	Total Currently Served	Total Projected 12/31/07	Total Projected 12/31/08	Total Projected 12/31/09	Maximum Projected To Serve With Existing Systems
Number of Residential Customers					

Company Response:

	Total Currently Served	Total Projected 12/31/07	Total Projected 12/31/08	Total Projected 12/31/09	Maximum Projected To Serve With Existing Systems
Number of Residential Customers	489	489	489	489	489

³ Number of customers is for the total company, not each separate wastewater system territory.

3. If the Company's tariff contains a commercial rate, does that commercial rate include an escrow amount for capital plant replacement?

Company Response:

No. The Company's tariff does not include an escrow amount for capital plant replacement.

4. If the answer above is yes:
- (a) What is the monthly escrow amount?
 - (b) How was this amount determined?
 - (c) For what purpose can the escrow funds be used?
 - (d) Are the escrow funds segregated into a separate account for reporting purposes?

Company Response:

Not applicable. The Company's tariff does not include an escrow amount for capital plant replacement.

5. How many total commercial customers does the Company have?

Company Response:

The Company has 31 commercial customers.