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Mr. Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

Subject: Docket 07-00058

Docket to Determine the Reserve/Escrow Requirement for Cartwright Creek LLC
Comments on Staff Report of November 26, 2007

Dear Mr. Roberson,

Cartwright Creek is in general agreement with the summary of plant and financial conditions described in the above-referenced report. We thank the TRA staff for the careful review and summary of the Cartwright Creek information.

Once TDEC issues the new discharge limits for our treatment system, Cartwright Creek will prepare a detailed plan for plant replacement including a proposal for funding and escrow. It is in our best interest to develop this plan as soon as possible after issuance of the new discharge limits. We have some concern, however, that the detailed design engineering and financial evaluation may require more than the 60 days recommended by TRA staff. Upon issuance of the discharge limits by TDEC, we will contact TRA in writing and in-person, if desirable, to discuss the impact of the discharge requirements, the rebuilding plan, and schedule.

The proposal for funding the replacement of the Cartwright Creek system, and related tariff revisions will be prepared and submitted once the discharge limits are known. It is our intention to file for a Cartwright Creek tariff revision by the end of January 2008 to cover the existing shortfalls in Cartwright Creek operating revenue.

Please contact me if you have any questions.

Sincerely,

Bruce Meyer
VP Operations, Cartwright Creek, LLC
Sheaffer International, LLC, Managers of Cartwright Creek, LLC