

# TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman  
Eddie Roberson, Director  
Pat Miller, Director  
Ron Jones, Director



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

May 21, 2007

Mr. Jack Strickland  
HC Sewage Treatment, LLC  
4718 Lake Park Drive, Suite 3  
Johnson City, TN 37615

RE: Docket 07-00060  
To Determine The Reserve/Escrow Requirement For HC Sewage Treatment, LLC  
Pursuant To TRA Rule 1220-4-12-.07(8)

Dear Mr. Strickland:

I appreciate your response to my initial letter requesting certain information relating to the establishment of an escrow account. The purpose of this letter is to request additional information based upon that initial response.

With respect to the utility's spare parts inventory, please categorize pumps and lights as to description, cost, and function. What integral parts of the wastewater system could not be repaired or replaced by the extra pumps and what would be the estimated cost to repair or replace these integral parts?

You stated in your response that you carry a \$1,000,000 line of credit for business needs. What other business interests and liabilities does this line of credit cover? Please provide a copy of your most recent bank statement showing the available balance. The statement may be submitted in a sealed envelope and marked "confidential".

Please provide your response no later than 2:00 P.M. on **Tuesday June 5, 2007** and reference Docket No. 07-00060. In accordance with TRA rules, submit either one original and thirteen (13) written copies of your response or an original and four (4) written copies and an electronic version. Should you have questions regarding this request, please contact Ron Graham at (615) 741-2904 (extension 164) for clarification before responding.

Sincerely,

*Darlene Standley*  
Darlene Standley  
Chief  
Utilities Division

c: Docket No. 07-00060