

TENNESSEE REGULATORY AUTHORITY

2007 JUN 27 AM 10:19

T.R.A. DOCKET ROOM

400 James Robertson Parkway
Nashville, Tennessee 37243-0505

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



June 26, 2007

Mr. Jeffrey W. Cox, Sr.
Integrated Resources Management, Inc.
P. O. Box 642
White Pine, TN 37890

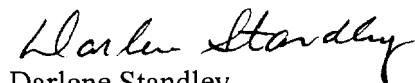
RE: Docket 07-00061 - To Determine the Reserve/Escrow Requirement for Integrated Resources Management, Inc. Pursuant To TRA Rule 1220-4-12-.07(8).

Dear Mr. Cox, Sr.:

This docket was opened pursuant to TRA Rule 1220-4-13-.07(8), which requires the Authority to determine, on a case by case basis, whether there exists a need for a wastewater utility to maintain a reserve/escrow account for non-routine operation and maintenance expenses. At the June 25, 2007 Authority Conference, the Directors requested Staff to obtain additional information from Integrated Resources Management, Inc. ("IRM") regarding the amount of escrow needed for non-routine plant repair or replacement.

Please provide your response no later than 2:00 P.M. on Tuesday July 3, 2007 and reference Docket No. 07-00061. Pursuant to TRA rule 1220-1-1-.03(4), please submit either (a) the original and thirteen copies or (b) four written copies and an electronic version. Should you have any questions concerning this request, please contact Ron Graham at (615) 741-2904 (extension 164) for clarification before responding.

Sincerely,


Darlene Standley
Chief, Utilities Division

Cc: Docket File

Integrated Resources Management, Inc.
Docket No. 07-00061
Data Request
6/26/2007

1. Please provide several examples of system repairs or replacements that IRM would consider non-routine. For each example, provide the estimated cost for parts and labor to effectuate the repair or replacement.
2. Does IRM have the necessary funds available should a non-routine repair or replacement be necessary? If so, identify the source of such funds.
3. If IRM does not have the necessary funds available, would the Company have the ability to borrow the necessary funds from a financial institution? Why or why not?
4. Please provide the life expectancy of each major plant component and the approximate current replacement cost of each component.
5. Please provide the depreciation rate applied to each plant component identified above.
6. Is the monthly escrow amount of \$10.13 currently tariffed and established at the time the original CCN was granted used for routine or non-routine maintenance expenses?