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November 26, 2007

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

FILED ELECTRONICALLY

filed electronically in docket office on 11/26/07

Re: Docket to Determine the Reserve/Escrow Requirement for Integrated Resource Management, Inc. ("IRM") Pursuant to Tenn. Comp. R. & Regs. 1220-4-13-.07(8)—Docket No. 07-00061.

Dear Chairman Roberson:

Pursuant to the panel's directive issued during the Authority Conference on October 22, 2007, please accept the following submitted on behalf of IRM:

1. IRM will continue to maintain the existing monthly escrow rate of $10.13 for residential customers;

2. IRM maintains a separate account for the administration of escrow funds. A confidential copy of IRM's last available bank statement for the escrow account is filed under seal and attached hereto as **Exhibit 1**;

3. IRM has applied for Corporate Dishonesty Bond in the amount of $25,000.00. A copy of IRM's application is attached hereto as **Exhibit 2**; and

4. IRM will begin collecting 29% of the applicable rate from all past and new commercial customers upon completion and filing of its amended tariff. IRM is in the process of amending its tariff. IRM will file its latest tariff incorporating the new commercial escrow rate as soon as practical.

If the foregoing responses do not satisfactorily address the directive issued by the Authority, excepting the tariff update, please do not hesitate to contact me. I am

Very truly yours,

FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC

Jamie R. Hollin

Attachments
Cc: Jeffrey W. Cox, Sr.

Exhibit 1

CONFIDENTIAL

Exhibit 2

For Office Use Only

DISHONESTY BOND APPLICATION

Applicant
JEFFREY W. COX, SR

Name of Business
INTEGRATED RESOURCE MANAGEMENT INC.

Address (include any branch location addresses)
3444 SAINT ANDREWS DRIVE
Street and Number

~~BANT~~ WHITE PINE TN 37890
City State Zip

Type of Business
PRIVATE PUBLIC UTILITY

Purpose and function
RESERVE ACCOUNT FOR NON-ROUTINE REPAIRS

Have you sustained any employee dishonesty losses in the last 6 years?
☐ Yes ☒ No If so, please give us all the details in a letter.

Amount of coverage requested:
☐ $5,000 ☐ $10,000 ☒ $25,000 ☐ $50,000 ☐ $100,000

☐ 1-Year Bond ☐ 3-Year Bond (reduced rate of 2.85x annual premium)

Classification of Business (all coverage subject to underwriter approval)

A ☐ Professional and business offices such as accountants, architects, physicians, dentists, insurance agents, and attorneys. (Officers are not covered under this bond, unless the insured is a corporation, and the officers are in the regular service of the insured and compensated by salary, wages, etc.)

Exact Number of Employees 0 (Both full and part-time)

Exact Number of Officers 3

Are officers to be covered? ☒ Yes*** ☐ No

A ☐ Non-Profit Social Organizations – Officers Only

Exact Number of Officers ______ (Attach list of officer positions)

***Coverage of officers is subject to underwriter approval.

For Dishonesty A limits $50,000 and over, please complete the following:

Will countersignature of checks be required? ☐ Yes ☐ No

By whom? ______

How often will a complete audit be made? ______

When was last audit made? ______

By whom was audit made? ______

☐ Certified Public Accountant ☐ Independent Accountant ☐ Employee of Insured

Are bank accounts reconciled by someone not authorized to deposit or withdraw therefrom? ☐ Yes ☐ No

How often? ______

**B ☐ Businesses with more exposure such as cafes, gas stations, retail stores, businesses with salespeople, non-profit social organizations (officers and employees - Note: Volunteers not covered unless endorsement added by Company) and courier services (except those handling cash and negotiable instruments).

Contains a conviction clause.

Exact Number of Employees ______ (Both full and part-time)

Exact Number of Owners/Officers ______

Are owners/officers to be covered? ☐ Yes*** ☐ No

**In order to protect you and your employees against unjustified allegations of dishonesty, the employee must be convicted before coverage will apply.

***Coverage of owners/officers is subject to underwriter approval.

CSCo. 2303

Available Insurance - Blanket coverage on each individual for:

*No. of Employees	Amount of Coverage $5,000	$10,000	$25,000	$50,000	$100,000
5 or less	$100.00	$114.82	$170.15	$233.69	$328.33
6	100.00	124.74	184.28	252.32	348.71
7	100.64	134.66	198.43	270.74	371.39
8	107.73	144.59	212.59	289.17	394.07
9	114.82	154.51	226.80	307.60	416.75
10	121.91	164.43	240.98	326.03	439.43
11	128.99	174.35	255.15	344.45	462.11
12	136.08	184.28	269.33	352.88	484.79
13	143.17	194.20	283.50	381.31	507.47
14	150.25	204.12	297.68	399.74	530.15
15	157.34	214.04	311.85	418.16	552.83
16	164.43	223.97	326.03	436.59	575.51
17	171.52	233.89	340.20	455.02	598.19
18	178.51	243.81	354.38	473.45	620.87
19	185.69	253.73	368.55	491.87	643.55
20	192.78	263.66	382.73	510.30	666.23
21	199.87	273.58	396.90	528.73	688.91
22	206.96	283.50	411.08	547.16	711.59
23	214.04	293.42	425.25	565.58	734.27
24	221.13	303.35	439.43	584.01	756.95
25	228.22	313.27	453.60	602.44	779.63

26 or more—contact the Company

Three Year Prepaid Premium 2.85 Times Annual Premium

Annual Premium based on no losses in last 5 years.

*Since this is blanket position coverage, count all employees (including owners/officers if they are to be included in coverage) when computing the premium. Rates are subject to change.

Your Local Agent Is:

Agent's Name ______

Address ______
Street & Number

City ______ State ______ Zip ______

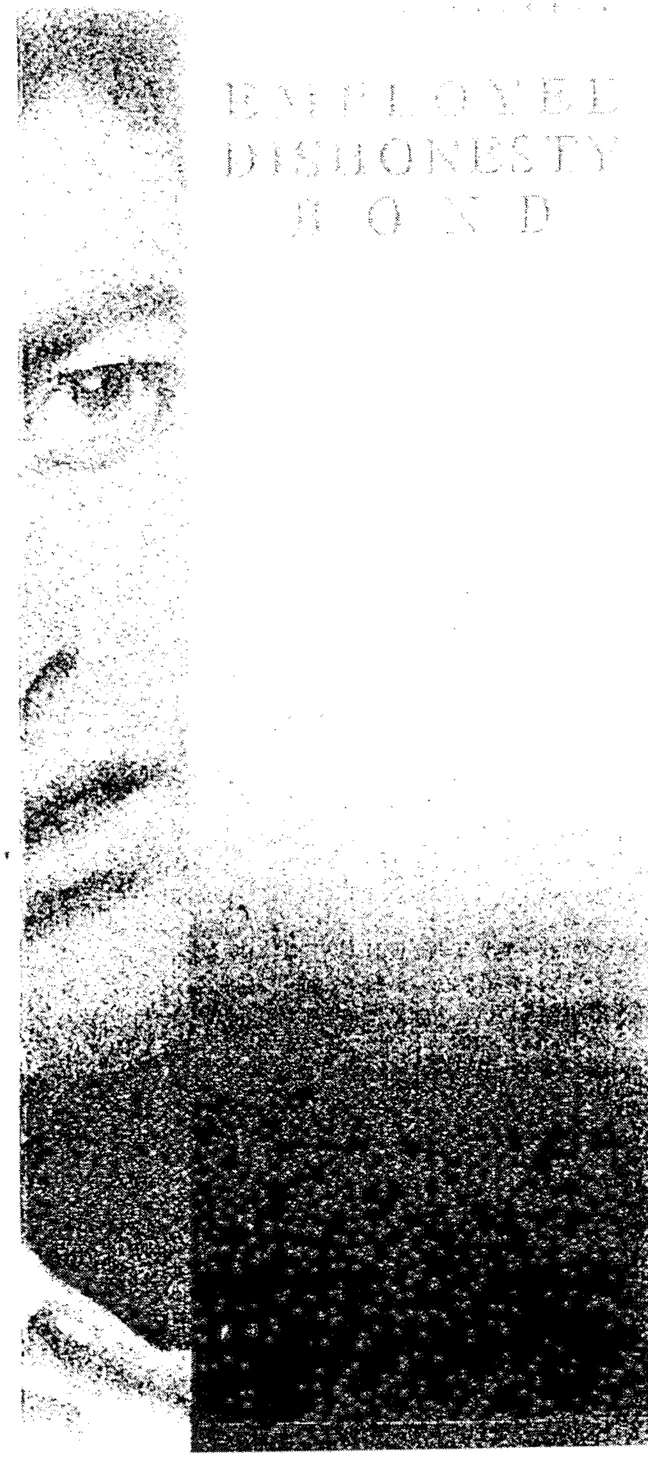
Agent's Code ______

Date ______ The effective date of the bond will be the date the bond is issued.

☐ Check here if this has been previously faxed.

CNA SURETY

EMPLOYEE DISHONESTY BOND



Do You Need Protection From Your Employees?

You should be able to trust your employees. But the fact is, according to a national survey, one third of all employees admitted stealing from employers during the previous year. This problem is so widespread, the U.S. Chamber of Commerce estimates the annual cost of employee theft at $40 billion.

For example:

- The bookkeeper of a gas station embezzled thousands of dollars over several months. The station owner was unaware of the embezzlement until returning from vacation and finding the bookkeeper gone. The bookkeeper was arrested and convicted. CNA Surety paid $8,209.88.
- An employee of a home supply business stole money and merchandise, and falsified refund slips during two years of employment with the company. CNA Surety paid $9,748.83.
- Three employees of a nanny service stole items from homes in which they worked. One employee stole a gold and diamond ring, another stole a 2 carat diamond ring, and the other stole a wedding set. CNA Surety paid the full bond penalty of $10,000.

Cover Yourself, Just In Case

You never know when employee theft can deliver a striking blow to your business. Small companies can be especially hard hit by theft and embezzlement, because they can't afford extensive safeguards and aren't large enough to absorb the losses.

Dishonesty Bonds:

- Protect you and your customers from loss incurred by dishonest acts of your employees.
- Cover you against acts by all company employees, part-time and full-time.
- Can be obtained easily and inexpensively.

Dishonesty Bonds provide the protection your business may be missing. To apply for coverage immediately, complete the attached application. Your CNA Surety agent can answer questions and assist with details. Don't wait until it's too late!

Facts About

CNA SURETY

- We give one-day service to all new business. Everything is answered the day we receive it.
- We write more bonds than any other company in the country.
- We have over 120,000 individual agents representing us in 35,000 agencies in all 50 states. That's almost 3/4 of the nation's independent property and casualty agency force.
- We have specialized in the bond business since 1900. We are THE bond experts.
- We have liberal powers of attorney and pre-executed bond forms available. Service and convenience are our goals.
- We have experienced claim specialists for bonds and errors and omissions insurance.
- CNA Surety Corporation Group — Best's rating is A+, Superior.

This brochure contains only a brief summary of coverages and bond provisions. All statements herein are subject to the provisions, exclusions and conditions of the applicable bond, including the conviction clause.

 Surety bonds from CNA Surety are underwritten by one of the CNA Surety Corporation subsidiary companies, including Western Surety Company, Universal Surety of America and Surety Bonding Company of America or may also be underwritten by one of the CNA insurance companies.

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