

# TENNESSEE REGULATORY AUTHORITY



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T.R.A. DOCKET ROOM

Eddie Roberson, Chairman  
Tre Hargett, Director  
Sara Kyle, Director  
Ron Jones, Director

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

May 20, 2008

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

RE: Wastewater Escrow Accounts

Dear Mr. Cox:

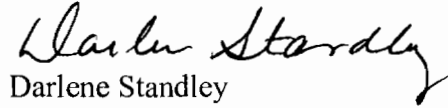
As required in the Authority order dated December 14, 2007 in Docket No. 07-00061, Integrated Resources Management, Inc. was required to "file annual calendar year end reports detailing the balances and activity in the Company's escrow account. Details should be included for monthly amounts placed into escrow and for amounts taken out of escrow. These reports should be filed no later than April 1 of each year, concurrent with the filing of its annual report to the TRA."

In your 2007 Annual Report you included an "Activity Report for Escrow Account For the Twelve Months Ended December 31, 2007." You also provided a copy of a March 18, 2008 bank statement established for escrow funds. Regarding this escrow account:

1. Please reconcile the December 31, 2007 balance of \$5,698.48 as shown on the annual report Schedule SU-2 with the US Bank savings account balance of \$4192.16 at December 26, 2007.
2. On November 26, 2007, Mr. Jamie Hollin, attorney for IRM, submitted a copy of the escrow bank statement for the period September 27, 2007 through October 24, 2007. The balance at October 24 was \$4,194.10. Based on the bank statement provided with the annual report, it would appear that the October balance was increased by \$0.03 interest in November and December, resulting in a balance at December 26, 2007 of \$4192.16. Did IRM make deposits of \$154.70 and \$1201.30 for November 2007 and December 2007 as shown on Schedule SU-2 to the annual report?
3. According to the December 14, 2007 Authority Order, you were also required to file a tariff to collect an escrow amount of 29% of the billed rate from commercial customers, including special contract customers. Please advise the date the TRA can expect this tariff to be filed.

It is requested that this information be provided no later than Thursday, May 29, 2008. Should you have questions regarding any information, please contact Ron Graham at (615) 741-2904 (extension 164).

Sincerely,

A handwritten signature in black ink, reading "Darlene Standley". The signature is written in a cursive style with a large, stylized "D" and "S".

Darlene Standley  
Chief  
Utilities Division