

# TENNESSEE REGULATORY AUTHORITY

RECEIVED

2008 MAY 21 AM 9:01

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505  
T.R.A. DOCKET ROOM



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

May 20, 2008

Mr. John Powell  
Kings Chapel Capacity, LLC  
1413 Plymouth Drive  
Brentwood, TN 37027

RE: Wastewater Escrow Accounts

Dear Mr. Powell:

As required in the Authority order dated January 17, 2008 in Docket No. 07-00062, Kings Chapel Capacity, LLC 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 an April 9, 2008 bank statement established for escrow funds showing a \$6000 deposit on March 11, 2008. Please reconcile the \$6000 deposit on March 11, 2008 to the December 31, 2007 escrow balance of \$5051.17. If the number of customers remained constant in January and February 2008 and the escrow levels remained at the 566.97 level, it appears that the escrow funds at March 11, 2008 would exceed the \$6000 unless funds were expended.

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,

Darlene Standley  
Chief  
Utilities Division