

# TENNESSEE REGULATORY AUTHORITY

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



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

May 2, 2007

Mr. Tim Huddleston, President  
Cumberland Basin Wastewater Systems, LLC  
150 Construction Drive  
Livingston, Tennessee 38570

RE: Petition of Cumberland Basin Wastewater Systems, LLC for a Certificate of Public Convenience and Necessity to Serve an Area in Putnam County, Tennessee known as the Bluffs at Cumberland Cove. (Docket No. 07-00079)

Dear Mr. Huddleston:

A Petition was filed in this Docket on March 28, 2007. To assist the Authority in its review of Cumberland Basin Wastewater, LLC's ("Cumberland Basin") Application for a Certificate of Convenience and Necessity to provide wastewater services at the Bluffs of Cumberland Cove ("Bluffs") development in Putnam County, Tennessee, please provide the following information:

1. Please state the telephone number, fax number, mailing and physical address of Cumberland Basin Wastewater Systems, LLC.
2. Please describe in detail the type of wastewater system that is being built at Cumberland Basin.
3. Please provide an estimated timeframe for construction of the system including estimated date construction will begin and the date it is estimated to end.
4. Please provide the specific duties that Mr. Potter will perform at Cumberland Basin.
5. Please provide a list of the wastewater facilities that Mr. Potter has operated that demonstrate his experience with small decentralized systems.
6. Please provide a signed copy of the contract between Cumberland Basin and the Bluffs at Cumberland Cove, LLC.
7. Please provide a written documentation for handling after-hour emergencies.
8. Please provide current financial statements for Cumberland Basin .
9. Absent a financial statement for Cumberland Basin, provide statements from the owners stating the funding amounts that will be guaranteed by each.
10. Please provide a breakdown of the cost/value of the wastewater facilities by component part including but not limited to the following:

11. Please submit a new proposed tariff including the following information:

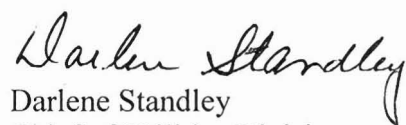
- The component costs of tariffed items should be filed with the Authority in support of the rates being charged in the tariff; however the costs do not need to be a part of the tariff.
- Please provide definitions of commercial service and residential service in the tariff.
- There is a tariff sheet included with the tariff filed with the Petition indicating a residential monthly charge of \$40.22 on a sheet titled *Residential Wastewater Service Billing Summary* (sheet # 1) and a tariff sheet indicating a \$35.11 residential charge (sheet # 2). Please explain the difference in the billing summary and the rate.
- Is the commercial establishment going to be one of food service or non food service?
- TRA Tariff No. 3 states "Residential and Commercial Services"; however, there are no commercial tariff sheets in TRA # 3. There are two commercial pages in TRA #1 (sheet #9& #10) which appear to be rates not costs.

12. Provide a pro forma statement of all estimated operating expenses and revenues for the first five years, including all consulting and management fees, salary expense, insurance expense, etc. Please include all supporting documentation and rationale justifying the expenses and revenues. Provide power costs based on local power rates, estimated pumping rates, etc. It appears that the proposed Pro Forma statement, included with the Petition, includes revenues for all of 2007. Is this correct?

Please provide your response no later than 2:00 P.M. on Friday May 11, 2007 and reference Docket No. 07-00079. 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 any questions regarding this request, please contact Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,

  
Darlene Standley  
Chief of Utilities Division

C. Docket File