TENNESSEE REGULATORY AUTHORITY

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



460 James Robertson Parkway Nashville, Tennessee 37243-0505

August 10, 2007

Donald L. Scholes, Esq. Branstetter, Stranch & Jennings, PLLC 227 Second Avenue, North, Fourth Floor Nashville, TN 37201

Re: Docket 07-00167 - Petition of Lynwood Utility Corporation to Approve

Alternative Form of Financial Security under Rule 1220-4-13-.07

Dear Mr. Scholes:

To assist the Authority in its review of the above captioned matter, please respond to the following:

- 1. Lynwood states in its petition that its request for an alternative security (\$20,000 bond) is based upon the same rationale as last year. For the current year, have financial institutions declined to provide Lynwood with the security required under TRA rules? If so, please provide copies of letters from financial institutions that are not willing to provide the requested security.
- 2. If Lynwood has not attempted to obtain the security required by TRA rules, please explain why such efforts have not been made.

It is requested that you provide response no later than 2:00 P.M. on Wednesday August 22, 2007 and reference Docket No. 07-00167. Pursuant to TRA Rule 1220-1-1-.03(4), please submit either (a) the original and thirteen (13) copies or (b) four (4) written copies and an electronic version. Should you have any questions regarding this request, please contact Paul Greene at (615) 741-2904 (extension 156) before responding.

Sincerely,

Darlene Standley

Chief of Utilities Division

Darler Standley

C: Docket File