

May 16 08 11:43a

Knoxville News Sentinel

8653428511

P. 2

To: HICKORY STAR WATER COMPANY, LLC

Advertising) PUBLIC NOTICE

PUBLISHER'S AFFIDAVIT

State of Tennessee)
 County of Knox) s.s.

Before me, the undersigned, a Notary Public in and for said county, came Phyllis Simpson, who, being first duly sworn, according to duty authorized representative of The Knoxville News-Sentinel, a published at Knoxville, in said county and state, and that the adve

this day personally
 v, says that she is a
 sily newspaper
 laement of

(THE ABOVE-REFERENCED),

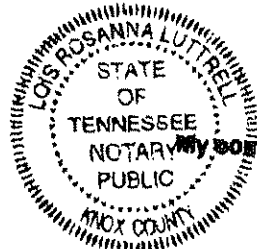
of which the annexed is a copy, was published in said paper on the following date(s):

05/12/08

and that the statement of account herewith is correct to the best of my knowledge, information, and belief.

Phyllis Simpson

Subscribed and sworn to before me this 16th day of May 2008.



Lois Rosanna Luttrell
 Notary Public
 My commission expires July 13 2009.

PUBLIC NOTICE

Notice is hereby given that Hickory Star Water Company, LLC, a subsidiary of the Tennessee Regulatory Authority, on April 11, 2008, has been permitted to change water rates. The Company has a petition for a rate of return filed with the Tennessee Regulatory Authority. The Company's existing rate and rate structure do not produce sufficient revenue to permit the Company to meet its operating expenses. The proposed rates increase under existing rates, under the proposed interim emergency rates, customers will be charged \$1.00 per month for a minimum of \$1.00 per month for the next 12 months. The proposed rates are as follows: (1) \$1.00 per month for the next 12 months; (2) \$1.00 per month for the next 12 months; and (3) \$1.00 per month for the next 12 months. These rate changes will result in an average increase of \$1.00 for all the customers' monthly rates. For customers on the minimum rate, the increase will be \$1.00 per month. A complete copy of the proposed forth changes and the reasons for them are on file with the Utility's business office and with the Tennessee Regulatory Authority and are open to public inspection.

PUBLIC NOTICE

Notice is hereby given that Hickory Star Water Company, LLC (“Company” or “Utility”) filed a petition and tariff with the Tennessee Regulatory Authority on April 7, 2008, asking that it be permitted to change water rates currently being charged in the area being serviced by the Company. On May 9, 2008, the Company filed a Motion for Interim Emergency Relief until the Authority makes a final determination regarding rates. The monthly water service rate changes and increases have been proposed because its water supplier, the City of Maynardville, has increased the rates charged the Utility by almost 50%, and the Utility’s existing rate and rate structure do not produce sufficient revenue to permit the Utility to meet its operating expenses.

The hearing for the petition has been set for Monday, May 19, 2008 at 1:00 p.m. (CDT) at the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505.

The proposed rates increase existing rates. Under the proposed interim emergency rates, customers will be charged \$42.99 per month for a minimum 2,000 gallons; \$9.00/1,000 gallons per month for the next 8,000 gallons; \$8.14/1,000 gallons for the next 10,000 gallons; \$7.37/1,000 gallons per month for the next 30,000 gallons; and \$6.85/1,000 gallons per month for over 50,000 gallons. These rate changes will result in an average increase of \$11.20 for all 119 customer’s monthly rate; for customers on the minimum rate, the increase will be \$6.23 per month.

A complete copy of the proposed tariff changes and the reasons for them are on file with the Utility's business office and with the Tennessee Regulatory Authority and are open to public inspection.