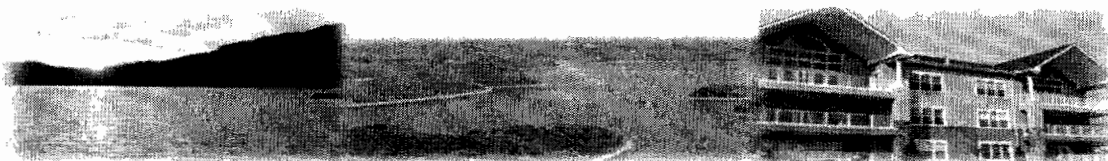


Highland Cove Condominiums HCA

08-202



PO Box 747, Smithville, TN 37166 • 615-215-1212 • Fax 615-215-1224

March 16, 2009

Tennessee Regulatory Authority
Att: Darlene Standley
460 James Robertson Parkway
Nashville, TN 37243

filed electronically on 3/18/09

Re: Proposed 70% increase

Dear Mrs. Standley:

The Board of Directors at Highland Cove Condominiums would like to thank you and Tennessee Wastewater for your timely response to the increase letter that we sent on 3-3-09.

We, however, are confused about the scope of work that Tennessee Wastewater has provided for our Association. We understand that the system has been operable 24 hours a day; however a septic and sewer system would also be operable 24 hours a day.

Our first concern is that Tennessee Wastewater stated that our system is often checked. Again, we only have three occurrences on record since the system was installed in 2004, and our maintenance man had to phone them in, as no one from Tennessee Wastewater had bothered to inspect the systems to see if the levels were full. Our residences toilets simply would not flush. We even provided Tennessee Wastewater with the name of a local company that could pump the full tanks.

Secondly, Dennis Butler had to place a call to Tennessee Wastewater in July, 2007 concerning the treatment facility, after receiving complaints from condo owners. The area was in complete disarray, and looked unkept. If Tennessee Wastewater would have provided any service to the treatment facility, we are confident that Dennis would not have had to make the call advising them of any problem.

On at least 2 separate occasions, we have requested the yearly inspection records, and Tennessee Wastewater still has not produced any reports. When we placed the first service call, the technician told our maintenance man, Dennis Butler, that the system had never been checked. We are now interested in seeing a detailed report of any and all work that Tennessee Wastewater has provided since 2004.

Again, Highland Cove Condominiums Board of Directors and Association both agree that an increase can not possibly be justified at our development. We do not think that it is appropriate to charge your current customers for a budget shortfall when they are charging over 3 times the rate of a traditional system. Tennessee Wastewater would be better served by expanding their client base to make up for their shortfall. Based upon our overall occupancy of less than 10% and lack of required inspections we feel we are currently overpaying at the current rate. If this was a residential neighborhood and the occupancy rate was at 100% it might be a different story. At our average usage of less than 1000 gallons a month we are paying nearly 4 cents a gallon for sewerage treatment. How does our rate compare to Smithville, Lebanon, Nashville, or the average for the state of Tennessee?

We would like to compliment Tennessee Wastewater on their timely response when we do call in service, and we do appreciate the security of having the service.

We appreciate your consideration in this matter.

Sincerely,

Highland Cove Board of Directors