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August 19, 2009

Ms. Sara Kyle, Director
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

filed electronically in docket office on 08/19/09

Re: Lynwood Utility Corporation's Petition for Adjustment of Rates
TRA Docket No. 09-00034

Dear Chairman Kyle,

Please accept the attached filing in Docket 09-00034. The filing consists of corrected supplemental testimony of Mr. David Peters on behalf of the Consumer Advocate. The corrected supplemental corrects a mathematical error in the calculation of the overall rate increase proposed by the Consumer Advocate in Mr. Peters Supplemental Direct Testimony filed on August 14, 2009. The filing does not introduce new substantive testimony. If you have questions about this filing, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan L. McGehee".

Ryan L. McGehee

Attachment

IN THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

IN RE:

LYNWOOD UTILITY CORPORATION'S)
PETITION FOR ADJUSTMENT OF) DOCKET NO. 09-00034
RATES)

AFFIDAVIT OF DAVE PETERS

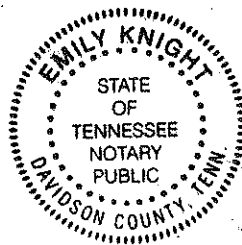
I, Dave Peters, Regulatory Analyst, for the Consumer Advocate Division of the Attorney General's Office, hereby certify that the attached Corrected Supplemental Direct Testimony represents my opinion in the above-referenced case and the opinion of the Consumer Advocate Division.



DAVE PETERS

Sworn to and subscribed before me
this 19th day of August, 2009.


NOTARY PUBLIC



My Commission Expires AUG. 23, 2011

My commission expires: Aug. 23, 2011

1
2 **Q. Are there any corrections to your supplemental testimony?**

3
4 A. Yes. In my schedule 2, line 27¹, I had the change amount backward for the
5 depreciation difference between Lynwood and CAPD. The written part of my
6 supplemental testimony regarding depreciation was correct; however, the impact of the
7 amount being booked backwards changes the proposed rate hike from our
8 supplemental recommendation of 12.69% (additional revenue of \$75,212) to 10.17%
9 (additional revenue of \$60,293)².

10
11 **Q. Does this conclude your corrections to the previously submitted supplemental**
12 **testimony of 9-14-2009?**

13 A. Yes, it does.

¹ CAPD Exhibit Schedule 2, Line 27.

² CAPD Exhibit Schedule 1, Line 9.

Revenue Deficiency
For 12 Months Ending December 31, 2008

Line No.		Consumer Advocate Settlement	Company	F/	Difference
	(Maintenance Expenses)				
1	Rate Base	\$562,809 A/	\$1,028,956 A/		(\$466,147)
2	Operating Income at Present Rates	(\$12,475) B/	(\$85,880) B/		\$73,406
3	Earned Rate of Return	-2.22%	-8.35%		6.13%
4	Fair Rate of Return	7.50% C/	8.00%		-0.50%
5	Required Operating Income	\$42,211	\$82,316		(\$40,106)
6	Operating Income Deficiency	\$54,685	\$168,197		(\$113,511)
7	Gross Revenue Conversion Factor	0.907	0.907		0
8	Revenue Deficiency (Surplus)	\$60,293	\$185,443		(\$125,150)
9	Rate Increase	10.17%	33.82%		
A/	Schedule 3, Line 27				
B/	Schedule 4, Line 18				
C/	Schedule 7, Line 5				