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March 19, 2009

TN REGULATORY AUTHORITY
DOCKET ROOM

*ALSO ADMITTED IN GA

Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Via Hand Delivery

Attention: Sharla Dillon

09-00042

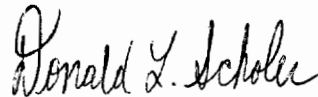
Re: Petition of Lynwood Utility Corporation for Approval of an Additional \$250,000
Loan from Tennessee Commerce Bank Pursuant To T.C.A. § 65-4-109
Docket No. 09-

Dear Chairman Roberson:

Enclosed please find the original and thirteen copies of a Petition for Approval to be filed on behalf of our client, Lynwood Utility Corporation, pursuant to T.C.A. § 65-4-109 and a check for \$25.00 for the filing fee.

Please return one copy of the Petition which I would appreciate your stamping "filed," and returning to me. If you have any questions, please feel free to give me a call.

Sincerely yours,



DONALD L. SCHOLES

Enclosure

c: Tyler Ring
Jim Ford

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

In re: PETITION OF LYNWOOD UTILITY)
CORPORATION FOR APPROVAL OF AN)
ADDITIONAL \$250,000 LOAN FROM) Docket No. _____
TENNESSEE COMMERCE BANK)
PURSUANT TO T.C.A. § 65-4-109)

PETITION FOR APPROVAL

Comes now Lynwood Utility Corporation (Lynwood) and files this Petition for approval of an additional \$250,000 loan to refinance its existing working capital line of credit pursuant to T.C.A. § 65-4-109. In support of its Petition, Lynwood states as follows:

1. Lynwood Utility Corporation provides sewer service in Williamson County, Tennessee, pursuant to a certificate of public convenience and necessity issued originally to Lynwood Utility Company on June 14, 1976. Lynwood provides sewer service to approximately 830 customers within its certificated service area.

2. Lynwood obtained a commitment dated December 7, 2007, from Tennessee Commerce Bank (the Bank) to loan Lynwood an amount not in excess of \$1,000,000 to refinance Lynwood's existing Note to Tenn. Contractors, Inc. and for a \$250,000 working capital line of credit for \$250,000. The term of the \$1,000,000 loan is five years with an interest rate of 7.5% fixed for five years. Principal and interest payments are based upon a fifteen year amortization. The Authority approved this \$1,000,000 loan and the short-term \$250,000 working capital line of credit on February 19, 2008 in Docket No. 07-00263.

3. Lynwood obtained another commitment dated March 13, 2009, from the Bank to increase its loan to Lynwood by \$250,000, bringing the total loan to an amount to \$1,250,000.

The terms of the additional \$250,000 loan is that same as the original loan with an interest rate of 7.5% fixed for the duration of the term. Principal and interest payments are based upon a fifteen year amortization. The Bank's letter approving the additional loan amount is attached hereto as Exhibit 1.

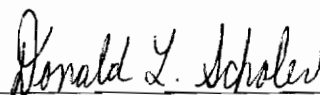
4. Lynwood's interest rate on the additional \$250,000 loan is the same as the interest rate of the existing \$1,000,000 loan. Therefore, the grant of this Petition will not change Lynwood's cost of capital in providing sewer service to its customers, nor will it change its annual cash requirement.

WHEREFORE, PREMISES CONSIDERED, PETITIONER PRAYS THAT THE AUTHORITY:

1. Approve the additional \$250,000 loan from Tennessee Commerce Bank pursuant to T.C.A. § 65-4-109.
2. Have such other relief to which it may be entitled.

Dated March 19, 2009.

Respectfully submitted,



DONALD L. SCHOLES BFR# 010102
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue, North, Fourth Floor
Nashville, TN 37201-1631
(615) 254-8801

Attorney for Lynwood Utility Corporation



March 13, 2009

Lynwood Utility Corporation
ATTN: Tyler Ring
321 Billingsley Court, Suite 4
Franklin, TN 37067

Tyler:

Your request for a \$240,813 increase to the Lynwood Utility Term Loan #12308 has been approved at Tennessee Commerce Bank. However, when we pulled the updated flood certification for this increase, the property came back in a flood zone. So, the closing for this increase is contingent upon:

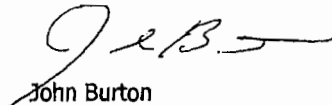
A.) Lynwood Utility proving by means of a survey that the buildings (at least three walls and a roof) on the property are not in the flood zone.

OR

B.) Lynwood Utility obtaining flood insurance for the property.

Please let me know if you have any other questions.

Sincerely,



John Burton
Senior Vice President
(615) 599-2274