

# TENNESSEE REGULATORY AUTHORITY



April 13, 2009

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

Donald L. Scholes, Counsel  
Branstetter, Stranch, & Jennings, PLLC  
227 Second Avenue, North, Fourth Floor  
Nashville, TN 37201-1631

RE: Docket 09-00042: Petition of Lynwood Utility Corporation for Approval of a Additional \$250,000 Loan from Tennessee Commerce Bank

Dear Mr. Scholes:

In order to fully analyze the above-referenced *Petition*, the Tennessee Regulatory Authority requires additional information. Please provide the information requested below by April 20, 2009, and refer to this correspondence as Data Request No. 1 in the response.

1. Will collateral be pledged for the additional \$250,000 loan amount?
2. Describe how the proposed financing transaction is in the public interest?
3. Provide a signed verification from Lynwood verifying that the information contained in the *Petition* is true and correct to their best knowledge, information and belief.
4. Is the impact of the instant loan approval request on Lynwood's financial state reflected in the rate case filed in Docket No. 09-00034?
5. Provide supporting documentation showing that the requested loan does not change Lynwood's cost of capital or alter its annual cash requirement. If, as noted in the Commitment Letter attached to the *Petition*, Lynwood must purchase flood insurance will its annual cash requirement change?

If you have any questions or need further assistance, please call Carlos Black at 615-741-2904, ext. 196 or e-mail him at [Carlos.Black@state.tn.us](mailto:Carlos.Black@state.tn.us). Please respond by sending the original and 13 copies either by U.S. Mail or express mail. Alternatively, you may send the original and four (4) copies along with an electronic copy to:

Ms. Sharla Dillon, Docket Room Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505  
Email: [sharla.dillon@state.tn.us](mailto:sharla.dillon@state.tn.us)

Sincerely,

Jerry Kettles, Chief

Economic Analysis & Policy Division

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