filed electronically in docket office on 08/31/09

IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF CARTWRIGHT CREEK, L.L.C. TO CHANGE AND INCREASE RATES AND CHARGES	)))	**DOCKET NO. 09-00056**

MOTION TO FILE SUPPLEMENTAL TESTIMONY

The Consumer Advocate and Protection Division of the Tennessee Attorney General and Reporter ("Consumer Advocate") herein requests the Tennessee Regulatory Authority ("TRA" or "Authority") to accept supplemental direct testimony by Mr. David Peters on behalf of the Consumer Advocate. The supplemental testimony corrects errors in Mr. Peter's Direct Testimony filed on August 24, 2009 and incorporates information gathered from the Waterbridge Development ("Waterbridge") Petition to Intervene filed on August 25, 2009, after the submission of Mr. Peter's Direct Testimony.

RESPECTFULLY SUBMITTED,

Mary Leigh White

MARY LEIGH WHITE (BPR #026659)
Associate Attorney General
Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202-0207
(615) 741-4657

Dated: August 31, 2009.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition to Intervene was served via U.S. Mail or electronic mail upon:

Thomas L. Kolschowsky
Corporate Counsel
Sheaffer International, LLC
800 Roosevelt Road, Ste A-120
Glen Ellyn, IL 60137

Gregory L. Cashion
Smith Cashion & Orr, PLC
231 Third Avenue North
Nashville, TN 37201

Henry Walker
Attorneys for Waterbridge
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203

This the 31st day of Aug 2009.

Mary Leigh White
MARY LEIGH WHITE

IN THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF CARTWRIGHT CREEK, LLC TO CHANGE AND INCREASE RATES AND CHARGES	)))	**DOCKET NO. 09-00056**

****

SUPPLEMENTAL DIRECT TESTIMONY OF DAVE PETERS

****

August 28, 2009

IN THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF CARTWRIGHT CREEK, LCC TO CHANGE AND INCREASE RATES AND CHARGES	)))	**DOCKET NO. 09-00056**

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 31st day of Aug., 2009.

NOTARY PUBLIC

EMILY KNIGHT STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY, TENN.

My Commission Expires AUG. 23, 2011

My commission expires: Aug. 23, 2011

Q. Are there any corrections to your original testimony filed on August 24, 2009?

A. Yes. In my schedule 4, line 1[1], I initially showed a normalizing adjustment to Water Service Revenues of $76,155, but the actual normalizing adjustments number should have been $116,678. The Company proposed Water Service Revenues and the CAPD proposed Water Service Revenues did not change as a result of this correction and this correction does not affect CAPD's position.

Additionally, in the same schedule 4, The CAPD had initially shown miscellaneous revenues of $12,150. This number is incorrect. I inadvertently applied the CAPD proposed GDP chained price deflator index number of 28.81% to Other Sewer Revenues ($1,359). Eliminating this application reduced the CAPD proposed Miscellaneous Revenues from $12,150 to $11,759, a difference of $391.

Also, I initially showed the Revenue Deficiency on Schedule 1, line 8 for the Company as $185,233. This number inadvertently had the Bonding Fee Surcharge amount of $2,400 included twice. I have corrected this and the correct revenue deficiency number is now $182,833. These corrections were also submitted to the Authority on August 28, 2009 in response to the Data Request filed on August 25, 2009.

Q. Do any these changes have any direct impact on CAPD's position as to the amount of the rate increase?

A. No. The changes listed above do not alter the CAPD's recommended rate increase figures.

Q. Does this conclude your corrections to the previously submitted supplemental testimony of August 24, 2009?

A. Yes, it does.

[1] CAPD Exhibit Schedule 2, Line 27.

Q. Do you have any additions to your testimony in light of the information obtained from Waterbridge Development's Petition to Intervene, filed on August 25, 2009?

A. Yes. The Waterbridge Development's ("Waterbridge") Petition to Intervene includes the attachment of two draft contracts. The draft contract dated 8-21-09 includes a Section f., "Total Vacant Lot Fee." After analyzing the language included in this section, the contract would require Waterbridge to pay a quarterly fee based upon the total number of unsold lots, with the first quarterly payment being due within seven working days of Closing. While the CAPD realizes this contract is speculative in nature, if Cartwright Creek enters into a contract with the above provision, Cartwright Creek's "Other Revenue" account would increase as a result of the receipt of this payment. Specifically, the draft contract calls for an initial quarterly payment in the amount of $9,806.00. Should the contract be entered into during the fourth quarter of the 2009 calendar year (which is CAPD's attrition year), Cartwright Creek's Other Revenues would increase by $9,806.00 as a direct result of Waterbridge's requirements under the contract. This transaction would lower my recommended rate increase figures from $76,547 (29.96%) to $66,741 (26.26%). In other words, should Cartwright Creek enter into a contract containing the above language during 2009, Cartwright Creek should be given a lesser rate increase to reflect the additional revenue.

Q. Does this conclude your Supplemental Testimony?

A. Yes, it does.

IN THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF CARTWRIGHT CREEK, LLC TO CHANGE AND INCREASE RATES AND CHARGES	)))	DOCKET NO. 09-00056

****

SCHEDULES AND WORKPAPERS TO SUPPLEMENTAL DIRECT TESTIMONY OF DAVE PETERS

****

August 28, 2009

Cartwright Creek L.L.C. TRA Docket #09-00056

Schedule 1

Revenue Deficiency

For 12 Months Ending December 31, 2009

Line No.		Consumer Advocate	Company F/	Difference
	(Maintenance Expenses)			
1	Rate Base	**$0**	**$0**	**$0**
2	Operating Income at Present Rates	**($54,974)** A/	**($173,499)** A/	**$118,526**
3	Earned Rate of Return	**3.48%** B/	**0.00%**	**3.48%**
4	Fair Rate of Return	**6.50%**	**8.25%**	**-1.75%**
5	Required Operating Income	**$21,573**	**$9,334**	**$12,239**
6	Operating Income Deficiency	**$76,547**	**$182,833** C/	**($106,286)**
7	Gross Revenue Conversion Factor	**0**	**0**	**0**
8	Revenue Deficiency (Surplus)	**$76,547**	**$182,833**	**($106,286)**
	Rate Increase	**29.96%**	**75.00%**	

A/ Schedule 3 Row 16

B/ Schedule 2, Row 38

C/ Schedule 2, Cell 11

Cartwright Creek L.L.C. TRA Docket #09-00056
Comparison of Rate Making Components
Company vs. Consumer Advocate
For 12 Months Ending December 31, 2009

Schedule 2

Line #		Company 2009 Proposed		ADJUSTMENTS		Consumer Advocate	
1	Residential revenues	$189,641	A/	$0		$240,201	
2	Bonding Fee Surcharge	$2,400	B/	$0		$2,400	
3	Commercial revenues	$54,137	C/	$0		$69,732	
4	Other Revenues	$9,359	D/	$0		$9,359	
5	Total Revenues	$255,536		$0		$321,691	$66,155
		$180,433					$0
6	Sludge removal expense	$68,463	E/	$0		$68,463	($2,400)
7	Purchased power	$29,929	F/	$3,722	F/	$26,208	
8	Chemicals	$10,354	G/	$0		$10,354	
9	Materials & supplies	$10,161	H/	$1,000		$9,161	
10	Plant Management	$143,048	I/	$67,906		$75,142	47.47%
11	Accounting	$30,400	J/	$0		$30,400	$36,656
12	Repairs & Maint to plant	$31,191	K/	$0		$31,191	
13	Rents	$7,800	L/	$7,800		$0	
14	Transportation expenses	$4,936	M/	$0		$4,936	
15	Telephone	$1,535	N/	$0		$1,535	
16	Insurance expenses	$19,805	O/	$10,237		$9,567	
17	Postage	$2,260	P/	$216		$2,044	
18	Rate Case Expense	$8,000	Q/	$0		$8,000	
19	Regulatory commission expense	$707	R/	$0		$707	
20	Bad debt expense	$500	S/	$0		$500	
21	Interest Exp - Smith Note	$15,338	T/	$0		$15,338	
22	Bank charges	$3,811	U/	$0		$3,811	
23	Miscellaneous expense	$2,637	V/	$0		$2,637	
24	Industry association dues	$520	W/	$0		$520	
25	Depreciation	$27,645	X/	$27,645		$0	
26	Amortization exp - other	$8,333	Y/	$0		$8,333	
27	Permits & Taxes other than income	$17,000	Z/	$0		$17,000	
28	Interest & dividend income	($7,200)		$0		($7,200)	
29	Total Expenses	$ 429,035		$ 118,526		$ 310,510	
30	Net Operating Income (Before Taxes)	$ 6,934		$ (118,526)		$ 11,182	3.48%
		$420,897.63		$118,525.53		$302,372.10	$19,319.10

Schedule 3

Cartwright Creek L.L.C. TRA Docket #09-00056
Income Statement at Current Rates
For 12 Months Ending December 31, 2008

Line No.		Consumer Advocate		Company		Difference
1	Residential revenues	**$189,641**	A/	**$189,641**	A/	**$0**
2	Bonding Fee Surcharge	**$2,400**	B/	**$2,400**	B/	**$0**
3	Commercial revenues	**$54,137**	C/	**$54,137**	C/	**$0**
4	Other Revenues	**$9,359**	D/	**$9,359**	D/	**$0**
	Total Revenue	**$255,536**		**$255,536**		**$0**
				$182,833		
3	Other Operating and Maintenance	**$285,177**	E/	**$376,057**	E/	**($90,881)**
4	Depreciation and Amort. Exp.	**$8,333**	F/	**$35,978**	F/	**($27,645)**
5	Permits And Taxes	**$17,000**	G/	**$17,000**	G/	**$0**
8	Total Operating Expense	**$310,510**		**$429,035**		**($118,526)**
9	Net Operating Income (Before Taxes)	**($54,974)**		**($173,499)**	B/	**$118,526**
		(66,155)				

A/	Schedule 2, Row 6	9,334
B/	Schedule 2, Row 7	-
C/	Schedule 2, Row 8	
D/	Schedule 2, Row 9	
E/	Schedule 2, Multiple Rows	
F/	Schedule 2, Rows 31 & 32	
G/	Schedule 2, Rows 33	

Cartwright Creek L.L.C. TRA Docket #09-00056 **Schedule 4**

Income Statement at Proposed Rates
For 12 Months Ending December 31, 2009

Line No.		Company Proposed Rates		Normalizing Adjustments		Consumer Advocate Proposed Rates
1	Water Service Revenues	**$426,610**	A/	**$116,678**	B/	**$309,933**
2	Miscellaneous Revenues	**$11,759**	C/	**$0**		**$11,759**
3	Total Revenue	**$438,369**		**$116,678**		**$321,691**
4	Operation and Maintenance	**$376,057**	D/	**($90,881)**	D/	**$285,177**
5	Depreciation	**$35,978**	E/	**($27,645)**	E/	**$8,333**
6	Taxes Other Than Income	**$17,000**	F/	**$0**		**$17,000**
7	Total Operating Expense	**$429,035**		**($118,526)**		**$310,510**
8	Net Operating Income for Return	**$9,334**		**$235,203**		**$11,182**

A/ Cartwright Creek Income Statement Row 9 & 13
B/ Schedule 2, Row 6 & 8
C/ Cartwright Creek Income Statement Row 10, 14 & 15
D/ Schedule 3, Row 11
E/ Schedule 3, Row 12
F/ Schedule 3, Row 13

Cartwright Creek L.L.C. TRA Docket #09-00056

Schedule 5

Operation Maintenance Expenses

For 12 Months Ending December 31, 2008

Line No.		Consumer Advocate		Company		Difference
	(Maintenance Expenses)					
1	Sludge removal expense	**$68,463**	A/	**$68,463**	A/	**$0**
2	Purchased power	**$26,208**	B/	**$29,929**	B/	**($3,722)**
3	Chemicals	**$10,354**	C/	**$10,354**	C/	**$0**
4	Materials & supplies	**$9,161**	D/	**$10,161**	D/	**($1,000)**
5	Plant Management	**$75,142**	E/	**$143,048**	E/	**($67,906)**
6	Accounting	**$30,400**	F/	**$30,400**	F/	**$0**
7	Repairs & Maint to plant	**$31,191**	G/	**$31,191**	G/	**$0**
8	Rents	**$0**	H/	**$7,800**	H/	**($7,800)**
9	Transportation expenses	**$4,936**	I/	**$4,936**	I/	**$0**
11	Total Operations Maintenance	**$255,855**		**$336,282**		**($80,427)**
12	Telephone	**$1,535**	J/	**$1,535**	J/	**$0**
13	Insurance expenses	**$9,567**	L/	**$19,805**	L/	**($10,237)**
14	Postage	**$2,044**	M/	**$2,260**	M/	**($216)**
15	Rate Case Expense	**$8,000**	N/	**$8,000**	N/	**$0**
16	Regulatory commission expense	**$707**	O/	**$707**	O/	**$0**
17	Bad debt expense	**$500**	P/	**$500**	P/	**$0**
18	Interest Exp - Smith Note	**$15,338**	Q/	**$15,338**	Q/	**$0**
19	Bank charges	**$3,811**	R/	**$3,811**	R/	**$0**
20	Miscellaneous expense	**$2,637**	S/	**$2,637**	S/	**$0**
21	Industry association dues	**$520**	T/	**$520**	T/	**$0**
22	Depreciation	**$0**	U/	**$27,645**	U/	**($27,645)**
23	Amortization exp - other	**$8,333**	V/	**$8,333**	V/	**$0**
24	Permits & Taxes other than income	**$17,000**	W	**$17,000**	W	**$0**
25	Total Expenses	**$325,847**		**$444,373**		**($118,526)**

		Company	
Bedrooms	**Current**	**Proposed**	**% Change**
1	$20.74	$37.02	78.50%
2	$26.10	$46.67	78.81%
3	$30.38	$54.37	78.97%
4	$35.21	$63.07	79.13%
5	$39.49	$70.77	79.21%

		CAPD	
Bedrooms	**Current**	**Proposed**	**% Change**
1	$20.74	$26.95	29.96%
2	$26.10	$33.92	29.96%
3	$30.38	$39.48	29.96%
4	$35.21	$45.76	29.96%
5	$39.49	$51.32	29.96%

	# Of Customers						
	Jul-07	**Jul-09**					
Residential	0	0					
Residential	38	37	7.49%	$3.50	7.69%	$2.01	
Residential	281	281	56.88%	$30.93	56.88%	$17.28	
Residential	170	170	34.41%	$21.70	34.41%	$12.12	
Residential	5	6	1.21%	$0.86	1.01%	$0.40	
	494	494					
			avg.	$56.99		$31.82	$0.79
						41.2387	
Commercial	32	37					

Tap Fees	$2,750.00	$9,000.00	227.27%
# Of Customers			
min monthly charge	$6.00	$37.02	517.00%
chg per 1,000 gallons	$3.31	$5.96	80.06%
Tap Fees	7.86	25.72	227.23%

Estimated Growth Waterbridge development approx. 45 homes in 2010 (potential 200 homes)
Estimated Growth Stillwater development approx. 125 homes in 2010 and 2011 (potential 500 homes)

approximatelt 10
taps in 2010

Cartwright Creek, LLC
Historicial Income Statement Analysis

	12 Months Ended 12/05	12 Months Ended 12/06	12 Months Ended 12/07	Actual Ended 12/08			AdjustedActual Ended 12/08			Under New Tariff Ended 04/09
Income										
Flat rate revenues	$ -	$ -	$ -							
Residential revenues	$ 186,930	$ 185,867	$ 186,189	$ 190,441	A	$ (800)	$ 189,641	A		$ 331,871
Bonding Fee Surcharge								B		$ 2,400
Other revenues	$ -	$ -	$ -	$ -			$ -			
Measured revenues	$ -	$ -	$ -	$ -			$ -			
Commercial revenues	$ 53,225	$ 53,225	$ 53,428	$ 54,137			$ 54,137	A		$ 94,739
Revenues from other systems	$ -	$ -	$ -	$ -		$ -	$ -	C	$ 8,000	$ 8,000
Other sewer revenues	$ 862	$ 910	$ 1,068	$ 1,359			$ 1,359			$ 1,359
TOTAL Income	$ 241,016	$ 240,001	$ 240,685	$ 245,936			$ 245,136			$ 438,369
Expenses							$ 255,536			$ 182,833
Salaries & wages - employees	$ -	$ -	$ -	$ -			$ -			$ 193,233
Salaries & wages - officers,	$ -	$ -	$ -	$ -			$ -			
Purchased sewage treatment	$ -	$ -	$ -	$ -			$ -			
Sludge removal expense	$ 72,998	$ 55,090	$ 58,925	$ 63,392		$ -	$ 63,392	D	$ 5,071	$ 68,463
Purchased power	$ 24,152	$ 24,539	$ 23,369	$ 26,208		$ -	$ 26,208	E	$ 3,722	$ 29,929
Fuel for power production	$ -	$ -	$ -	$ -			$ -			$ -
Chemicals	$ 11,145	$ 12,505	$ 14,099	$ 10,354			$ 10,354			$ 10,354
Materials & supplies	$ 22,780	$ 17,705	$ 21,632	$ 8,161		$ -	$ 8,161		$ 2,000	$ 10,161
Contractual services	$ -	$ -		$ -			$ -			$ -
Engineering	$ 470	$ -	$ 2,528	$ -			$ -			$ -
Plant Management	$ 30,900	$ 32,450	$ 51,094	$ 148,048		$ -	$ 148,048	F	$ (5,000)	$ 143,048
Accounting	$ 30,000	$ 30,000	$ 30,420	$ 30,356			$ 30,356	G	$ 44	$ 30,400
Repairs & Maint to plant	$ 71,867	$ 112,213	$ 89,084	$ 31,191			$ 31,191			$ 31,191
Legal fees	$ 68	$ -	$ -	$ -			$ -			$ -
Consulting fees	$ -	$ -	$ 13,638	$ 15,873		$ (15,873)	$ -			$ -
Rents	$ -	$ -	$ -	$ -			$ -	H	$ 7,800	$ 7,800
Transportation expenses	$ -	$ -	$ -	$ 4,936			$ 4,936			$ 4,936
Telephone	$ -	$ -	$ 428	$ 1,535			$ 1,535			$ 1,535
Insurance expenses	$ 632	$ 822	$ 958	$ 19,805			$ 19,805			$ 19,805
Postage	$ 1,747	$ 1,617	$ 1,516	$ 2,044			$ 2,044	I	$ 216	$ 2,260
Rate Case Expense	$ -	$ -	$ -	$ -			$ -	J	$ 8,000	$ 8,000
Regulatory commission expense	$ 708	$ 708	$ 705	$ 707			$ 707			$ 707
Bad debt expense	$ 16	$ 168	$ -	$ 1,795			$ 1,795			$ 500
Interest Expense	$ -	$ -	$ -	$ -			$ -			$ -
Interest Exp - Smith Note	$ 19,599	$ 11,107	$ 21,222	$ 61,585		$ (46,247)	$ 15,338			$ 15,338
Interest on Bank of America Escrow	$ -	$ -	$ -	$ -			$ -			$ -
Bank charges	$ 1,593	$ 1,643	$ 4,032	$ 3,811		$ (2,400)	$ 1,411	B	$ 2,400	$ 3,811
Miscellaneous expense	$ 1,597	$ 988	$ 4,095	$ 2,637			$ 2,637			$ 2,637
Industry association dues	$ -	$ -	$ -	$ 520			$ 520			$ 520
Communication service	$ -	$ -	$ -	$ -			$ -			$ -
Stockhoders' meeting expenses	$ -	$ -	$ -	$ -			$ -			$ -
Directors' fees & expenses	$ -	$ -	$ -	$ -			$ -			$ -
W/O expenditures for abandoned	$ -	$ -	$ -	$ -			$ -			$ -
Operating expense offset	$ -	$ -	$ -	$ -			$ -			$ -
				$ -			$ -			
TOTAL Expenses	$ 290,272	$ 301,556	$ 337,745	$ 432,958		$ (64,520)	$ 368,438			$ 584,628
OPERATING PROFIT (LOSS)	$ (49,256)	$ (61,555)	$ (97,060)	$ (187,022)			$ (123,302)			$ (146,259)
Other Income & Expenses										
Depreciation	$ (29,342)	$ (29,342)	$ (29,342)	$ (29,342)	L	$ 50,000	$ (27,645)	L		$ (27,645)
Amort of utility plant aquisit	$ -	$ -	$ -				$ -			
Amortization exp - other	$ -	$ -	$ -			$ 12,000	$ 16,666	K	$ (8,333)	$ (8,333)
Permits & Taxes other than income	$ (11,097)	$ (16,053)	$ (14,464)	$ (29,101)		$ 6,633	$ (22,467)	M		$ (17,000)
Interest & dividend income	$ 4	$ 5,075	$ 3,169	$ 11,576		$ (3,500)	$ 8,076	N		$ 7,200
Other Income-Gain refinance	$ -	$ -	$ -				$ -			
Nonutility income	$ -	$ -	$ -				$ -			
Misc. nonutility expense	$ -	$ -	$ -				$ -			
Dep of plant not used & useful	$ -	$ -	$ -				$ -			
Imprudent expenses	$ -	$ -	$ -				$ -			
Donations	$ -	$ -	$ -				$ -			
Penalities for violations	$ -	$ -	$ -				$ -			
Interest expense	$ -	$ -	$ -				$ -			
TOTAL Other Income & Expenses	$ (77,304)	$ (40,319)	$ (40,637)	$ (46,866)			$ (25,370)			$ (45,778)
PROFIT(LOSS) BEFORE TAXES	$ (126,559)	$ (101,874)	$ (137,697)	$ (233,888)			$ (148,672)			$ (192,037)
Provisions for Taxes								O		$ 74,894
Income taxes	$ -	$ -	$ -							
Inc taxes, other income & dedu	$ -	$ -	$ -							
Investment tax credits	$ -	$ -	$ -							
TOTAL Provisions for Taxes	$ -	$ -	$ -							$ 74,894
NET PROFIT (LOSS)	$ (126,559)	$ (101,874)	$ (137,697)	$ (233,888)		$ -	$ (148,672)			$ (117,143)

Cartwright Creek, LLC
Historicial Income Statement Analysis

	12 Months Ended 12/05	12 Months Ended 12/06	12 Months Ended 12/07	Actual Ended 12/08			AdjustedActual Ended 12/08			Under New Tariff Ended 04/09	
Income											
Flat rate revenues	$ -	$ -	$ -								
Residential revenues	$ 186,930	$ 185,867	$ 186,189	$ 190,441	A	$ (800)	$ 189,641	A		$ 331,871	2.28%
Bonding Fee Surcharge								B		$ 2,400	
Other revenues	$ -	$ -	$ -	$ -			$ -				
Measured revenues	$ -	$ -	$ -	$ -			$ -				
Commercial revenues	$ 53,225	$ 53,225	$ 53,428	$ 54,137			$ 54,137	A		$ 94,739	1.33%
Revenues from other systems	$ -	$ -	$ -	$ -		$ -	$ -	C	$ 8,000	$ 8,000	
Other sewer revenues	$ 862	$ 910	$ 1,068	$ 1,359			$ 1,359			$ 1,359	
TOTAL Income	$ 241,016	$ 240,001	$ 240,685	$ 245,936			$ 245,136			$ 438,369	2.18%
Expenses										$ 185,233	75.56%
Salaries & wages - employees	$ -	$ -	$ -	$ -			$ -				
Salaries & wages - officers,	$ -	$ -	$ -	$ -			$ -			$ 961	
Purchased sewage treatment	$ -	$ -	$ -	$ -			$ -				
Sludge removal expense	$ 72,998	$ 55,090	$ 58,925	$ 63,392		$ -	$ 63,392	D	$ 5,071	$ 68,463	7.58%
Purchased power	$ 24,152	$ 24,539	$ 23,369	$ 26,208		$ -	$ 26,208	E	$ 3,722	$ 29,929	12.15%
Fuel for power production	$ -	$ -	$ -	$ -			$ -			$ -	
Chemicals	$ 11,145	$ 12,505	$ 14,099	$ 10,354			$ 10,354			$ 10,354	-26.56%
Materials & supplies	$ 22,780	$ 17,705	$ 21,632	$ 8,161		$ -	$ 8,161		$ 2,000	$ 10,161	-62.27%
Contractual services	$ -	$ -		$ -			$ -			$ -	
Engineering	$ 470	$ -	$ 2,528	$ -			$ -			$ -	
Plant Management	$ 30,900	$ 32,450	$ 51,094	$ 148,048		$ -	$ 148,048	F	$ (5,000)	$ 143,048	189.76%
Accounting	$ 30,000	$ 30,000	$ 30,420	$ 30,356			$ 30,356	G	$ 44	$ 30,400	-0.21%
Repairs & Maint to plant	$ 71,867	$ 112,213	$ 89,084	$ 31,191			$ 31,191			$ 31,191	-64.99%
Legal fees	$ 68	$ -	$ -	$ -			$ -			$ -	
Consulting fees	$ -	$ -	$ 13,638	$ 15,873		$ (15,873)	$ -			$ -	
Rents	$ -	$ -	$ -	$ -			$ -	H	$ 7,800	$ 7,800	#DIV/0!
Transportation expenses	$ -	$ -	$ -	$ 4,936			$ 4,936			$ 4,936	#DIV/0!
Telephone	$ -	$ -	$ 428	$ 1,535			$ 1,535			$ 1,535	258.97%
Insurance expenses	$ 632	$ 822	$ 958	$ 19,805			$ 19,805			$ 19,805	1966.64%
Postage	$ 1,747	$ 1,617	$ 1,516	$ 2,044			$ 2,044	I	$ 216	$ 2,260	34.86%
Rate Case Expense	$ -	$ -	$ -	$ -			$ -	J	$ 8,000	$ 8,000	#DIV/0!
Regulatory commission expense	$ 708	$ 708	$ 705	$ 707			$ 707			$ 707	0.29%
Bad debt expense	$ 16	$ 168	$ -	$ 1,795			$ 1,795			$ 500	#DIV/0!
Interest Expense	$ -	$ -	$ -	$ -			$ -			$ -	
Interest Exp - Smith Note	$ 19,599	$ 11,107	$ 21,222	$ 61,585		$ (46,247)	$ 15,338			$ 15,338	190.19%
Interest on Bank of America Escrow	$ -	$ -	$ -	$ -			$ -			$ -	
Bank charges	$ 1,593	$ 1,643	$ 4,032	$ 3,811		$ (2,400)	$ 1,411	B	$ 2,400	$ 3,811	-5.49%
Miscellaneous expense	$ 1,597	$ 988	$ 4,095	$ 2,637			$ 2,637			$ 2,637	-35.61%
Industry association dues	$ -	$ -	$ -	$ 520			$ 520			$ 520	
Communication service	$ -	$ -	$ -	$ -			$ -			$ -	
Stockhoders' meeting expenses	$ -	$ -	$ -	$ -			$ -			$ -	
Directors' fees & expenses	$ -	$ -	$ -	$ -			$ -			$ -	
W/O expenditures for abandoned	$ -	$ -	$ -	$ -			$ -			$ -	
Operating expense offset	$ -	$ -	$ -	$ -			$ -			$ -	
				$ -			$ -				
TOTAL Expenses	$ 290,272	$ 301,556	$ 337,745	$ 432,958		$ (64,520)	$ 368,438			$ 392,356	16.17%
OPERATING PROFIT (LOSS)	$ (49,256)	$ (61,555)	$ (97,060)	$ (187,022)			$ (123,302)			$ 46,013	
Other Income & Expenses											
Depreciation	$ (29,342)	$ (29,342)	$ (29,342)	$ (29,342)	L	$ 50,000	$ (27,645)	L		$ (27,645)	
Amort of utility plant aquisit	$ -	$ -	$ -				$ -				
Amortization exp - other	$ -	$ -	$ -			$ 12,000	$ 16,666	K	$ (8,333)	$ (8,333)	
Permits & Taxes other than income	$ (11,097)	$ (16,053)	$ (14,464)	$ (29,101)		$ 6,633	$ (22,467)	M		$ (17,000)	
Interest & dividend income	$ 4	$ 5,075	$ 3,169	$ 11,576		$ (3,500)	$ 8,076	N		$ 7,200	
Other Income-Gain refinance	$ -	$ -	$ -				$ -				
Nonutility income	$ -	$ -	$ -				$ -				
Misc. nonutility expense	$ -	$ -	$ -				$ -				
Dep of plant not used & useful	$ -	$ -	$ -				$ -				
Imprudent expenses	$ -	$ -	$ -				$ -				
Donations	$ -	$ -	$ -				$ -				
Penalities for violations	$ -	$ -	$ -				$ -				
Interest expense	$ -	$ -	$ -				$ -				
TOTAL Other Income & Expenses	$ (77,304)	$ (40,319)	$ (40,637)	$ (46,866)			$ (25,370)			$ (45,778)	
PROFIT(LOSS) BEFORE TAXES	$ (126,559)	$ (101,874)	$ (137,697)	$ (233,888)			$ (148,672)			$ 235	
Provisions for Taxes								O		$ (92)	
Income taxes	$ -	$ -	$ -								
Inc taxes, other income & dedu	$ -	$ -	$ -								
Investment tax credits	$ -	$ -	$ -								
TOTAL Provisions for Taxes	$ -	$ -	$ -							$ (92)	
NET PROFIT (LOSS)	$ (126,559)	$ (101,874)	$ (137,697)	$ (233,888)		$ -	$ (148,672)			$ 143	

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek LLC (successor to Car	(1) __XX An Original (2) ___ A Resubmission	(Mo, Da, Yr) 3/31/09	2008 12/30/04

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

Description (a)	Water (b)	Sewer (c)	Total (d)
Balance First of Year	-	1,150,293	1,150,293
Add Credits During Year	-	-	-
Less Charges During Year	-	-	-
Balance End of Year	0	1,150,293	1,150,293
Less Accumulated Amortization	-	-	-
Net Contributions in Aid of Construction	0	1,150,293	1,150,293

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year (a)	Indicate "Cash" or "Property" (b)	Water (c)	Sewer (d)
Contractor or Developer #1		-	-
Contractor or Developer #2		-	-
Contractor or Developer #3		-	-
Contractor or Developer #4		-	-
Contractor or Developer #5		-	-
Contractor or Developer #6		-	-
Contractor or Developer #7		-	-
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
Total Credits During Year		0	0

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek LLC (successor to Cartwright Creek Utility Co.)	(1) __XX An Original (2) ___ A Resubmission	(Mo, Da, Yr) 3/31/09	2008 12/30/04

CAPITAL STOCK (201 - 204)

(a)	Common Stock (b)	Preferred Stock (c)
Par or stated value per share		-
Shares Authorized	-	-
Shares issued and outstanding		-
Total par value of stock issued		-
Dividends declared per share for year	0	0

RETAINED EARNINGS (215)

(a)	Appropriated (b)	Unappropriated (c)
Balance first of year	-	(1,729,989)
Changes during year NET INCOME/(NET LOSS)	-	(222,469)
Changes during year (Please Specify)	-	-
Changes during year (Please Specify)	-	-
Changes during year (Please Specify)	-	-
Changes during year (Please Specify)	-	-
Changes during year (Please Specify)	-	-
Balance end of year	0	(1,952,458)

PROPRIETARY CAPITAL (218)

(a)		Proprietor (b)	Partner (c)
Balance first of year		-	557,602
Changes during year (Operations)		-	-
Changes during year (Cash Advance)	Sheaffer International	-	7,186
Changes during year (Please Specify)	Land Contribution	-	102,640
Changes during year (Please Specify)		-	-
Changes during year (Please Specify)		-	-
Changes during year (Please Specify)		-	-
Balance end of year		0	667,428

LONG-TERM DEBT (224)

Description of Obligation including Issue & Maturity Dates (a)	Interest Rate (b)	Year End Balance (c)
Reese Smith	0.25%	204,786.12
Stephen Smith	8.25%	204,786.12
Sheaffer International	0.00%	49,974.65
Debt #4	0.00%	-
Debt #5	0.00%	-
Debt #6	0.00%	-
Debt #7	0.00%	-
Debt #8	0.00%	-
Debt #9	0.00%	-
Debt #10	0.00%	-
Debt #11	0.00%	-
Debt #12	0.00%	-
Total Long-Term Debt		459,547

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek LLC (successor to (	(1) __XX An Original (2) ___ A Resubmission	(Mo, Da, Yr) 3/31/09	2008 12/30/04

NET UTILITY PLANT

Plant Accounts (101-107) Inclusive (a)	Water (c)	Sewer (d)	Other (e)	Total (f)
Utility Plant in Service (101)	0	956,947	0	956,947
Construction Work in Progress (105)	0	0	0	0
Other (land)	0	102,640	0	102,640
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Total Utility Plant	**0**	**1,059,587**	**0**	**1,059,587**

ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Account 108 (a)	Water (c)	Sewer (d)	Other (e)	Total (f)
Balance First of Year	**0**	**831,932**	**0**	**831,932**
Credits During Year:				
Accruals charged to Depreciation Account	0	27,645	0	27,645
Salvage	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Total Credits	**0**	**27,645**	**0**	**27,645**
Debits During Year:				
Book/Historical Cost of Plant Retired	0	0	0	0
Cost of Removal	0	0	0	0
Other Debits (Correction of Over Amort.):	0	9,795	0	9,795
Other Debits (Please Specify):	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
Total Debits	**0**	**9,795**	**0**	**9,795**
Balance End of Year	**0**	**849,782**	**0**	**849,782**

Name of Respondent	This Report is:	Date of Report	Year of Report
Cartwright Creek LLC (successor to Cartwr	(1) __XX An Original (2) ___ A Resubmission	(Mo, Da, Yr) 3/30/2004	2008
COMPARATIVE BALANCE SHEET		Report Date:	

Account Name (a)	Ref Page (b)	Current Year (c)	Previous Year (d)
ASSETS			
Utility Plant in Service (101-105)	F5/W1/S1	1,059,587	956,947
Accum. Depreciation and Amortization (108)	F5/W2/S2	849,782	831,932
Net Utility Plant		209,805	125,015
Cash		3,811	3,261
Customer Accounts Receivable (141)		3,383	2,304
Other Assets (Restricted Cash securing LOC)		240,100	240,000
Other Assets (Prepaid Insurance)		458	423
Other Assets (Deferred Rate Case Expense)		17,125	0
Other Assets (Def. Permit Costs-Waterbridge)		140,743	125,000
Total Assets		615,425	496,003
LIABILITIES AND CAPITAL			
Common Stock Issued (201)	F-6		
Preferred Stock Issued (204)	F-6		
Other Paid-In Capital (211)			
Retained Earnings (215)	F-6	(1,952,458)	(1,729,989)
Capital (Proprietary & Partnership-218)	F-6	667,428	557,602
Total Capital		(1,285,030)	(1,172,387)
Long-Term Debt (224)	F-6	459,547	459,547
Accounts Payable (231)		15,970	34,886
Notes Payable (232)			
Customer Deposits (235)		12,250	12,250
Accrued Taxes (236)	F-7	11,958	11,414
Advances Payable			
Other Liabilities Accrued Interest		58,485	0
Other Liabilities (Due to Sheaffer)		191,953	
Other Liabilities (Miscellaneous)			
Other Liabilities (Please Specify)			
Advances for Construction			
Contributions In Aid Of Const.-Net (271-2)	F-8	1,150,293	1,150,293
Total Liabilities		1,900,455	1,668,390
Total Liabilities & Capital		615,425	496,003

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Cartwright Creek LLC (successor to C	(1) __XX An Original (2) ___ A Resubmission	3/31/09	2008

INCOME STATEMENT

Account Name (a)	Ref Page (b)	Water (c)	Sewer (d)	Other (e)	Total (f)
Gross Revenue:					
Residential			190,441	-	190,441
Commercial		-	54,137	-	54,137
Industrial		-	-	-	-
Multi-Family		-	-	-	-
Tap Fee			-	-	-
Other (Late Fees)		-	1,359	-	1,359
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Total Gross Revenue		-	245,936	-	245,936
Operation & Maint. Expense	W3/S3		371,448	-	371,448
Depreciation Expense	F-5		17,850	-	17,850
Amortization Expense		-	-	-	-
Other Expense (TDEC Permitting)		-	10,784	-	10,784
Other Expense (LLC pers inc/reg. Fee)		-	1,267	-	1,267
Taxes Other Than Income	F-7	-	17,049	-	17,049
Income Taxes	F-7	-	-	-	-
Total Operating Expenses		-	418,398	-	418,398
Net Operating Income		-	(172,462)	-	(172,462)
Other Income:					
Nonutility Income		-	-	-	-
Other (Interest Income)		-	11,576	-	11,576
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Total Other Income		-	11,576	-	11,576
Other Deductions:					
Misc. Nonutility Expenses		-	-	-	-
Other (Interest Expenses)		-	61,584	-	61,584
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Total Other Deductions		-	61,584	-	61,584
Net Income		-	(222,469)	-	(222,469)

Table 10.1—GROSS DOMESTIC PRODUCT AND DEFLATORS USED IN THE HISTORICAL TABLES: 1940–2013
(Fiscal Year 2000 = 1.000)

Year	GDP (in billions of dollars)	GDP (Chained) Price Index	Composite Outlay Deflators												
			Total	Total Defense	Total Nondefense	Payments for Individuals			Other Grants	Net Interest	Undistributed Offsetting Receipts	All Other	Addendum: Direct Capital		
						Total	Direct	Grants					Total	Defense	Nondefense
1940	96.8	0.0978	0.0870	0.0836	0.0878	0.0931	0.0931	0.0931	0.0703	0.0978	0.0608	0.0847	0.1897	0.1623	0.2044
1941	114.1	0.1014	0.0928	0.0994	0.0876	0.0963	0.0963	0.0963	0.0640	0.1014	0.0583	0.0809	0.1830	0.1725	0.2149
1942	144.3	0.1089	0.1028	0.1186	0.0757	0.1053	0.1053	0.1053	0.0631	0.1089	0.0565	0.0661	0.1799	0.1772	0.2303
1943	180.3	0.1163	0.1122	0.1268	0.0682	0.1165	0.1165	0.1165	0.0675	0.1163	0.0554	0.0583	0.1736	0.1731	0.2278
1944	209.2	0.1209	0.1061	0.1157	0.0689	0.1251	0.1251	0.1251	0.0689	0.1209	0.0552	0.0562	0.1677	0.1675	0.2285
1945	221.4	0.1239	0.1041	0.1071	0.0843	0.1315	0.1316	0.1311	0.0691	0.1239	0.0569	0.0586	0.1559	0.1557	0.2286
1946	222.7	0.1328	0.1071	0.1052	0.1140	0.1387	0.1388	0.1385	0.0747	0.1328	0.0632	0.0684	0.1604	0.1595	0.2190
1947	233.2	0.1466	0.1162	0.1137	0.1177	0.1493	0.1493	0.1492	0.1022	0.1466	0.0834	0.0868	0.1839	0.1796	0.2128
1948	256.0	0.1606	0.1273	0.1052	0.1402	0.1631	0.1631	0.1630	0.1036	0.1606	0.1059	0.1117	0.2083	0.2009	0.2390
1949	271.1	0.1660	0.1246	0.1062	0.1367	0.1676	0.1676	0.1674	0.1110	0.1660	0.1033	0.1092	0.2222	0.2117	0.2501
1950	273.0	0.1635	0.1287	0.1059	0.1434	0.1656	0.1656	0.1650	0.1042	0.1635	0.1088	0.1162	0.2183	0.2107	0.2311
1951	320.6	0.1723	0.1279	0.1113	0.1523	0.1749	0.1750	0.1742	0.1198	0.1723	0.1045	0.1154	0.2306	0.2278	0.2429
1952	348.6	0.1792	0.1280	0.1162	0.1633	0.1816	0.1817	0.1810	0.1218	0.1792	0.1094	0.1222	0.2397	0.2380	0.2574
1953	372.9	0.1825	0.1368	0.1269	0.1661	0.1844	0.1845	0.1839	0.1291	0.1825	0.1156	0.1288	0.2426	0.2407	0.2698
1954	377.3	0.1846	0.1409	0.1290	0.1784	0.1868	0.1869	0.1866	0.1260	0.1846	0.1170	0.1360	0.2400	0.2383	0.2660
1955	394.6	0.1862	0.1455	0.1335	0.1709	0.1870	0.1870	0.1869	0.1292	0.1862	0.1204	0.1310	0.2473	0.2465	0.2603
1956	427.2	0.1911	0.1526	0.1425	0.1710	0.1894	0.1894	0.1893	0.1321	0.1911	0.1231	0.1317	0.2614	0.2611	0.2674
1957	450.3	0.1983	0.1601	0.1497	0.1780	0.1948	0.1949	0.1947	0.1434	0.1983	0.1277	0.1379	0.2783	0.2780	0.2822
1958	460.5	0.2043	0.1687	0.1562	0.1885	0.2006	0.2006	0.2005	0.1571	0.2043	0.1361	0.1491	0.2881	0.2878	0.2924
1959	491.5	0.2075	0.1746	0.1647	0.1875	0.2036	0.2037	0.2035	0.1667	0.2075	0.1423	0.1536	0.2928	0.2926	0.2956
1960	517.9	0.2100	0.1750	0.1603	0.1945	0.2073	0.2073	0.2071	0.1680	0.2100	0.1400	0.1570	0.2951	0.2945	0.3006
1961	530.8	0.2130	0.1795	0.1645	0.1981	0.2103	0.2104	0.2102	0.1656	0.2130	0.1464	0.1647	0.2968	0.2960	0.3038
1962	567.6	0.2154	0.1803	0.1657	0.1971	0.2123	0.2124	0.2122	0.1671	0.2154	0.1489	0.1665	0.2999	0.2988	0.3086
1963	598.7	0.2181	0.1873	0.1726	0.2034	0.2149	0.2149	0.2147	0.1727	0.2181	0.1533	0.1756	0.3068	0.3056	0.3158
1964	640.4	0.2207	0.1900	0.1739	0.2064	0.2178	0.2178	0.2176	0.1760	0.2207	0.1575	0.1832	0.3081	0.3050	0.3282
1965	687.1	0.2245	0.1928	0.1735	0.2102	0.2208	0.2208	0.2206	0.1807	0.2245	0.1656	0.1905	0.3096	0.3056	0.3299
1966	752.9	0.2293	0.1974	0.1800	0.2131	0.2248	0.2248	0.2246	0.1779	0.2293	0.1714	0.1956	0.3112	0.3082	0.3278
1967	811.8	0.2367	0.2026	0.1863	0.2185	0.2308	0.2308	0.2307	0.1820	0.2367	0.1773	0.2002	0.3165	0.3134	0.3402
1968	866.6	0.2451	0.2103	0.1950	0.2254	0.2380	0.2380	0.2379	0.1889	0.2451	0.1848	0.2061	0.3244	0.3212	0.3553
1969	948.6	0.2563	0.2230	0.2062	0.2390	0.2482	0.2482	0.2481	0.1999	0.2563	0.1974	0.2210	0.3368	0.3339	0.3699
1970	1,012.2	0.2703	0.2363	0.2178	0.2515	0.2602	0.2602	0.2601	0.2138	0.2703	0.2123	0.2343	0.3560	0.3522	0.3962
1971	1,079.9	0.2838	0.2519	0.2314	0.2661	0.2719	0.2719	0.2718	0.2293	0.2838	0.2284	0.2526	0.3818	0.3759	0.4284
1972	1,178.3	0.2972	0.2690	0.2551	0.2769	0.2823	0.2824	0.2822	0.2398	0.2972	0.2455	0.2692	0.4216	0.4166	0.4503
1973	1,307.6	0.3103	0.2833	0.2752	0.2872	0.2931	0.2931	0.2930	0.2473	0.3103	0.2587	0.2838	0.4565	0.4541	0.4681
1974	1,439.3	0.3327	0.3070	0.2967	0.3116	0.3167	0.3168	0.3166	0.2714	0.3327	0.2765	0.3014	0.4789	0.4747	0.4985
1975	1,560.7	0.3673	0.3384	0.3293	0.3418	0.3491	0.3492	0.3490	0.3011	0.3673	0.3034	0.3277	0.5207	0.5099	0.5669
1976	1,736.5	0.3938	0.3640	0.3547	0.3670	0.3722	0.3722	0.3720	0.3267	0.3938	0.3325	0.3597	0.5586	0.5464	0.6087
TQ	456.7	0.4063	0.3752	0.3648	0.3785	0.3840	0.3840	0.3838	0.3404	0.4063	0.3454	0.3704	0.5873	0.5773	0.6222
1977	1,974.3	0.4233	0.3934	0.3881	0.3951	0.4002	0.4003	0.4000	0.3525	0.4233	0.3679	0.3945	0.6093	0.6013	0.6412
1978	2,217.0	0.4518	0.4194	0.4161	0.4204	0.4272	0.4273	0.4270	0.3758	0.4518	0.3898	0.4156	0.6492	0.6449	0.6646
1979	2,500.7	0.4882	0.4552	0.4520	0.4561	0.4625	0.4626	0.4623	0.4096	0.4882	0.4159	0.4476	0.6902	0.6867	0.7034
1980	2,726.7	0.5310	0.5029	0.5017	0.5033	0.5110	0.5110	0.5108	0.4563	0.5310	0.4584	0.4873	0.7391	0.7326	0.7663
1981	3,054.7	0.5830	0.5562	0.5582	0.5556	0.5604	0.5604	0.5602	0.5081	0.5830	0.5076	0.5371	0.7981	0.7911	0.8308
1982	3,227.6	0.6229	0.5958	0.6037	0.5932	0.5950	0.5950	0.5948	0.5514	0.6229	0.5364	0.5677	0.8614	0.8569	0.8874
1983	3,440.7	0.6504	0.6245	0.6348	0.6210	0.6223	0.6223	0.6221	0.5794	0.6504	0.5622	0.5910	0.9033	0.9038	0.8999
1984	3,840.2	0.6744	0.6555	0.6809	0.6467	0.6464	0.6464	0.6461	0.6088	0.6744	0.5753	0.6127	0.9344	0.9396	0.9007
1985	4,141.5	0.6963	0.6781	0.7089	0.6676	0.6681	0.6682	0.6677	0.6329	0.6963	0.5968	0.6312	0.9380	0.9427	0.9089
1986	4,412.4	0.7125	0.6947	0.7180	0.6861	0.6861	0.6861	0.6857	0.6557	0.7125	0.6107	0.6465	0.9199	0.9204	0.9164
1987	4,647.1	0.7311	0.7143	0.7284	0.7090	0.7071	0.7071	0.7068	0.6866	0.7311	0.6245	0.6667	0.9027	0.8992	0.9276
1988	5,008.6	0.7541	0.7359	0.7386	0.7349	0.7345	0.7345	0.7344	0.7107	0.7541	0.6429	0.6885	0.8895	0.8806	0.9447
1989	5,400.5	0.7834	0.7631	0.7609	0.7639	0.7670	0.7670	0.7670	0.7365	0.7834	0.6599	0.7031	0.8977	0.8875	0.9677
1990	5,735.4	0.8125	0.7882	0.7822	0.7902	0.7996	0.7996	0.7999	0.7693	0.8125	0.6845	0.7194	0.9121	0.9004	0.9867
1991	5,935.1	0.8430	0.8226	0.8189	0.8236	0.8333	0.8333	0.8333	0.7994	0.8430	0.7285	0.7599	0.9371	0.9249	1.0067
1992	6,239.9	0.8642	0.8508	0.8422	0.8531	0.8574	0.8575	0.8572	0.8181	0.8642	0.7459	0.7972	0.9484	0.9362	1.0013
1993	6,575.5	0.8838	0.8725	0.8555	0.8770	0.8787	0.8788	0.8783	0.8418	0.8838	0.7863	0.8407	0.9669	0.9574	1.0066
1994	6,961.3	0.9028	0.8902	0.8724	0.8946	0.8967	0.8968	0.8962	0.8644	0.9028	0.8199	0.8604	0.9880	0.9809	1.0168
1995	7,325.8	0.9218	0.9120	0.8895	0.9171	0.9168	0.9169	0.9165	0.8922	0.9218	0.8458	0.8950	1.0078	1.0003	1.0314
1996	7,694.1	0.9395	0.9328	0.9190	0.9356	0.9355	0.9355	0.9352	0.9151	0.9395	0.8851	0.9244	1.0186	1.0141	1.0309
1997	8,182.4	0.9559	0.9508	0.9381	0.9534	0.9537	0.9537	0.9533	0.9318	0.9559	0.9095	0.9402	1.0022	0.9982	1.0131
1998	8,627.9	0.9675	0.9603	0.9499	0.9623	0.9629	0.9630	0.9628	0.9449	0.9675	0.9329	0.9481	0.9913	0.9893	0.9983
1999	9,125.3	0.9802	0.9748	0.9690	0.9759	0.9763	0.9763	0.9762	0.9649	0.9802	0.9591	0.9683	0.9950	0.9961	0.9922
2000	9,709.8	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2001	10,057.9	1.0236	1.0234	1.0256	1.0229	1.0223	1.0223	1.0223	1.0305	1.0236	1.0265	1.0223	0.9982	0.9952	1.0050
2002	10,377.4	1.0432	1.0425	1.0582	1.0393	1.0366	1.0366	1.0368	1.0539	1.0432	1.0721	1.0533	0.9879	0.9844	0.9960
2003	10,808.6	1.0643	1.0703	1.1109	1.0613	1.0568	1.0568	1.0570	1.0917	1.0643	1.1158	1.0847	0.9892	0.9884	0.9911

Table 10.1—GROSS DOMESTIC PRODUCT AND DEFLATORS USED IN THE HISTORICAL TABLES: 1940–2013

(Fiscal Year 2000 = 1.000)

	GDP (In	GDP	Composite Outlay Deflators												
2004	11,499.9	1.0920	1.1014	1.1561	1.0886	1.0817	1.0817	1.0819	1.1352	1.0920	1.1790	1.1296	0.9972	0.9979	0.9949
2005	12,237.9	1.1270	1.1419	1.2162	1.1247	1.1136	1.1134	1.1143	1.2056	1.1270	1.2381	1.1810	1.0187	1.0197	1.0153
2006	13,015.5	1.1643	1.1806	1.2654	1.1616	1.1479	1.1477	1.1491	1.2742	1.1643	1.2881	1.2222	1.0364	1.0380	1.0311
2007	13,667.5	1.1955	1.2064	1.2960	1.1855	1.1733	1.1730	1.1747	1.3338	1.1955	1.3226	1.2336	1.0642	1.0658	1.0588
2008 estimate	14,311.5	1.2186	1.2391	1.3089	1.2221	1.2107	1.2103	1.2123	1.3888	1.2186	1.3482	1.2607	1.0850	1.0865	1.0792
2009 estimate	15,027.0	1.2432	1.2674	1.3377	1.2491	1.2362	1.2359	1.2378	1.4398	1.2432	1.3753	1.2909	1.1069	1.1083	1.1010
2010 estimate	15,792.0	1.2680	1.2924	1.3645	1.2765	1.2647	1.2643	1.2663	1.4941	1.2680	1.4028	1.3167	1.1290	1.1305	1.1230
2011 estimate	16,580.2	1.2934	1.3190	1.3918	1.3044	1.2937	1.2933	1.2952	1.5500	1.2934	1.4308	1.3430	1.1516	1.1531	1.1454
2012 estimate	17,395.0	1.3192	1.3479	1.4196	1.3336	1.3234	1.3231	1.3248	1.6076	1.3192	1.4594	1.3699	1.1746	1.1761	1.1683
2013 estimate	18,243.3	1.3455	1.3768	1.4479	1.3633	1.3538	1.3535	1.3552	1.6671	1.3455	1.4886	1.3972	1.1981	1.1996	1.1916

Note: Constant dollar research and development outlays are based on the GDP (chained) price index.

Response 27 to CAPD 1st discovery request

	Total Expenses	$391,395.00		
	Depreciation	$27,645.00		
	Amortization Expense	$8,333.00		
	Permits and Taxes othern than Income	$17,000.00		
		$444,373.00		
	Total Income (from adjusted actual ended 12/08	$245,136.00		
	Other Sewer Revenues	$8,000.00		
	Interest & Dividend Income	$7,200.00		
		$260,336.00		
	444,373-260,336=	$184,037.00		
				actual return
Plus	Return on Rate Base of approx. 8%	~~$36,068.00~~	~~Rate Base 425.,000~~	8.49%
	Revenue Deficiency	$220,105.00	Rate Base 425.,000	

29.75

http://www.usinflationcalculator.com/inflation-rates/us-consumer-prices-unchanged-biggest-annual-inflation-drop-since-1950/1000540/

US Consumer prices unchanged, biggest annual inflation drop since 1950

August 14, 2009 · Filed Under Inflation, Inflation Rates

U.S. consumer prices remained unchanged in July but annual inflation registered its largest decline since 1950, the Labor Department reported Friday.

The latest data helped ease concerns of rising inflation due to government spending and the Federal Reserves monetary policy of injecting cash into the US economy.

It [inflation] could be a very large long-run problem, Mickey Levy, Bank of America, chief economist, was quoted on NYTimes.com. "But in the near-term, it's not a problem at all."

The Consumer Price Index, which measures inflation pressures at the consumer level, remained unchanged in July due largely to falling gasoline and food prices. Consumer prices were up 0.7% in June.

The drop in CPI is mainly due to lower gasoline prices and lower grocery store prices, Mark Vitner, an economist at Wells Fargo Economics Group, was quoted on CNNMMoney.com. "Lower food prices are good news for consumers and should help free up some discretionary dollars for other purchases."

The core CPI, which excludes volatile energy and food costs, climbed 0.1% in July after a 0.2% increase in June.

Annual inflation plunged 2.1%, the sharpest decline since January 1950, and compares to the 1.4% decline in the 12 months ending in June.

I don't really see inflation as being much of a threat over the next several months because there's just too much slack in the economy, Scott Brown, chief economist at Raymond James & Associates Inc. in St. Petersburg, Florida, was quoted on Bloomberg.

Lower energy prices were again mostly responsible for inflation's decline. Energy costs in July were down 28.1% from a year ago when oil was near $150 a barrel and prices at the pump above $4 a gallon.

The core CPI is up 1.5% over the past year compared to a 1.7% gain in the 12 months ending in June. The figure is well within the Federal Reserve's traditional comfort 1%-2% range.

1996	1.84%	
1997	1.61%	
1998	1.10%	
1999	1.53%	
2000	2.45%	
2001	1.99%	
2002	1.84%	
2003	2.12%	
2004	3.23%	
2005	3.52%	
2006	2.87%	
2007	2.74%	
2008	1.96%	28.81%

http://www.economagic.com/em-cgi/data.exe/fedstl/gdpdef+1

Sheaffer total insurance bill is $56,269 →	56269		
Granted CCN 3/75			
No Rate Increase since 1998			
Sheaffer Int'l expenses are $1,734,713 - $191,952.83 is being allocated to CC		88.89%	11.11%
Increase sewer rates by 75% Cartwright Creek		50017.514	
500 customers		6251.4859	
would produce an add'l $220,405 in revenues		$13,553	
Thompson's Station square footage 600 sq feet	650	$3,315.88	

Exhibit C Question page 5-

Infiltration & Inflow (I&I): system should generate 150,000 gallons of wastewater/day - Due to I&I (influx of stormwater and groundwater from leaks) daily system takes over 300,000 gallons, sometimes 500,000 and as manay as 800,000

Rows 2 & 3 hidden due to confidential salary info

Discovery Requests:	Need electronic copies of historical P&L statements (at least 3 years) (preferably Excel)
Discovery Requests:	Need electronic copies of balance sheet (preferably Excel)
Discovery Requests:	Need electronic copies of Rate Base History (preferably Excel)
Discovery Requests:	Need electronic copies of Land Based Evaluations (preferably Excel)
Discovery Requests:	Need electronic copies of General Ledger (preferably Excel)
Discovery Requests:	Need electronic copies of Taxes and Working Capital (preferably Excel)
Discovery Requests:	Chart Of Accounts - past 3 years
Discovery Requests:	Schedule of Current Rates - monthly usage, tap fees, connection charges
Discovery Requests:	Calculation of $220,405 revenue deficiency
Discovery Requests:	Copy of all contracts between Cartwright Creek and all non-affiliated companies or entities
Discovery Requests:	Copies of all tax returns for the past 3 years (TN Gross Receipts Tax, TN Franchise and Excise Tax Returns, Property Tax Statement and Emplyers's Quarterly Federal Tax Returns (941))
Discovery Requests:	Copy of the General Ledger for Cartwright Creek and the Parent Company for year Dec. 2007- Dec. 2008 (preferably Excel)
Discovery Requests:	Provide the trial balance for the 12 months eded 12/31/2008 (preferably Excel)
Discovery Requests:	Need breakdown of revenues by revenue type including usage fees, late fees/and or penalty fees, tap fees, connection fees, and any other significant revenue types (monthly for last 3 years)
Discovery Requests:	Need usage by customer by by month last 3 years (also breakdown by # of bedrooms by customer by month for last 3 years)
Discovery Requests:	Need number of customers by month for last 3 years

Pg. 5 Cochrane Direct

seeking 150 new customers at $9,000.00 tap fee to establish a plant improvement escrow account
Current tap fees are $2750
90% owned by Sheaffer International LLC, a Delware company
10% owned by MRS, LLC, a Tennessee company (owned and managed by prior owners of CCUC)

Sign-up Fee — New customer will be required to pay a $60 fee to cover admin costs associated with tracking and maintaining current customer needs

Cochrane Testimony	Effective January 1, 2008, Sheaffer International, as manager, transferred a long-term employee, Delmar Reed, a Class IV Wastewater Treatment Plant operator to the Nashville area to assume primary responsibility for the day-to-day operations at the facility.	
Chattanooga Times Free I	The Tennessee Valley Authority is expected to cut the fuel-portion of its electricity prices in October for the fourth time this year. The combined impact of the four successive quarterly cuts in TVA's fuel-cost adjustment will more than offset the 20 percent jump in power rates adopted by the federal utility a year ago, according to TVA officials.	http://www.timesfreepress.com/news/2009/aug/17/tva-rates-to-fall-again-in-october/