

TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

January 7, 2011

Doug Hodge
Evergreene Utility Services, LLC
4028 Taliluna Avenue
Knoxville, TN 37919

RE: Docket No. 10-00206 – Petition of Evergreene Utility Services, LLC to Obtain a Certificate of Public Convenience and Necessity for the Service of the Part of Jefferson County, Tennessee Known as Timberlake Bay

Dear Mr. Hodge:

Please provide the information as outlined on the attached Data Request. Pursuant to TRA Rule 1220-1-1-.03(4), submit either an electronic response along with an original and four (4) written copies or an original written response and thirteen (13) copies.

Please note that the requisite number of written copies of all requested information must be provided to the Docket Manager and electronic responses, if filed, must be in .pdf format.

All information should be provided no later than 2 PM, Friday, January 21, 2011. Should you have questions regarding the attached request, please contact Patsy Fulton at (615) 741-2904 (extension 193) or Tiffany Underwood (extension 172).

Sincerely,

David Foster
Chief, Utilities Division

Attachment (1)

Data Request Dated January 7, 2011

1. Please file an amended pre-filed testimony inclusive, but not limited to, the following:
 - Testify to Evergreene's technical, managerial, and financial expertise to operate a wastewater utility;
 - Explain why there is a public need for a wastewater treatment system in the requested area;
 - Explain why ESCUD decided to release the state operating permit for Timberlake Bay and why Evergreene decided to accept it;
 - Describe any commercial customers Evergreene will provide service to;
 - Testify to the Company's financial ability to operate a wastewater utility by providing detailed information of all funding available and professional accounting expertise;
 - Testify in detail how Evergreene will obtain its technical ability to operate a wastewater system; and
 - Testify in detail how Evergreene will obtain its managerial ability to run a wastewater utility.
2. Please file a bond or letter of credit pursuant to TRA Rule 1220-4-13-.07, in this Docket.
3. Please provide a copy of the contract between Evergreene Utility Services and East Sevier County Utility District.
4. Page 11 of the Petition states that residential rates will be \$44.53, while page 35 of the Petition states that residential rates will be \$45.00. Please explain the discrepancy and amend the Petition, if necessary, by filing the correction in this Docket.
5. Page 23 of the Petition states that the system for Timberlake Bay is a centralized system, while page 31 and 46 both say that the system will be decentralized. Please explain the discrepancy and amend the Petition, if necessary, by filing the correction in this Docket.
6. Please provide a detailed breakdown of the utility's costs that support the proposed commercial rates.
7. Please provide a detailed breakdown of the specific categories of utility costs that will be included in the escrow amount for commercial customers.
8. What is the design capacity of the wastewater system and when do you expect it to reach operational levels?

9. Please provide current financial statements for Evergreene Utility Services including an Income Statement, Balance Sheet, and Statement of Cash Flow.
10. Does the utility have any salaried or hourly employees?
11. The following individuals were listed in Evergreene's Petition as having managerial, technical and/or financial responsibilities for Evergreene. Please state whether the individuals are full time/part time salaried employees or contractual employees. For any contractual employees, please provide copies of each contract.
 - a. Roger Goins
 - b. Pete Dayton
 - c. Mike Johnson
 - d. Herb Norton
 - e. Berte Ballowe
12. Please provide evidence that the \$28,215 tap fees collected by the developer and held in escrow are being transferred to Evergreene. Provide a copy of the contract between the developer and Evergreene and a copy of the escrow account held by Foothills Title.
13. Please provide letters from the following stating that they have no intent to provide service to the Timberlake Bay subdivision:
 - a. Sevier County Mayor
 - b. Gatlinburg City Mayor
 - c. Pigeon Forge City Mayor
 - d. Pittman Center City Mayor
 - e. Sevierville City Mayor
 - f. Gatlinburg City Manager
 - g. Webb Creek Utility District
 - h. Pigeon Forge Water Department
 - i. East Sevier City Public Works
 - j. Sevierville Utility District
 - k. Tuckaleechee Utility District
14. Please describe what services Environmental Technologies will provide to Evergreene and provide Attachment A and B to the contract provided within the Petition.
15. Please give an example of work to be performed by Environmental Technologies.

16. Please explain who the "Client" is in the contract between Evergreene and Environmental Technologies.
17. Please provide backup for all expense assumptions on the five year statement of revenues and expenses, inclusive but not limited to the tariff from the local electric company, establishing rates.
18. Please explain the difference between the maintenance operator cost and plant operator salary and testing listed under your estimated expenses for the first five years. Provide copies of contracts between the operators and the Company.
19. Please provide a detailed explanation and calculation of the \$0.38 standard bonding charge. (This should be a pass-thru charge of the amount of the bond cost divided by the number of customers the charge is being passed thru to, divided by 12 months).
20. To date, how many homes have been sold, how many homes are under construction, and how many have been completed? How many customers are presently being billed by ESCUD for the wastewater utility?
21. Please explain references to Aqua Green within the Petition or provide corrected pages excluding Aqua Green, i.e. page 20.