

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 26, 2011

IN RE:

**PETITION OF CARTWRIGHT CREEK, LLC FOR
APPROVAL OF USE OF ESCROWED TAP FEE**

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**DOCKET NO.
11-00028**

ORDER APPROVING USE OF ESCROWED TAP FEES

This matter came before Director Eddie Roberson, Director Kenneth C. Hill and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 28, 2011 for deliberations on the Petition filed on February 11, 2011 by Cartwright Creek, LLC ("Cartwright Creek" or "Company"). The Company requests approval from the Authority to use escrowed tap fees.¹

PETITION

Cartwright Creek states that a Tennessee Department of Environment and Conservation ("TDEC") on-site audit of the Company laboratory resulted in certain upgrade requirements. TDEC requested the Company to purchase an autoclave for sterilizing laboratory glassware and equipment used in required bacteriological testing. The current laboratory use of a pressure cooker sterilizer is now unacceptable to TDEC due to safety concerns.

¹ In its last rate case, the Authority directed Cartwright Creek to set aside future tap fee revenues in an escrow account dedicated to necessary system repairs and upgrades. The Authority further required that Cartwright Creek request preapproval to draw funds from the escrow account. *In re: Petition of Cartwright Creek, LLC to Change and Increase Rates and Charges*, Docket No. 09-00056, *Order Approving Settlement Agreement and Determining Contested Issues*, p. 9 (March 2, 2010).

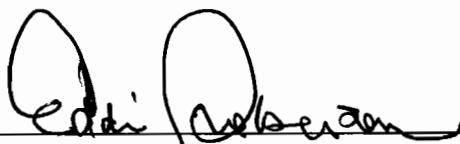
According to the Company, the United States Environmental Protection Agency approved an alternative procedure called Idexx Quanti-Tray for certain bacteriologic tests required for Cartwright Creek's discharge permit. This new procedure requires less glassware and eliminates the need for sterilization. The new technology also provides more accuracy, requires less set-up time and counter space. Initially, a one-time purchase of a sealer to properly seal the sample holders prior to incubation is required. The Company provided a quote from Idexx Labs for the machine and initial set-up of \$4,177.

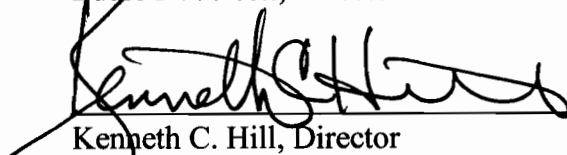
FINDINGS AND CONCLUSIONS


Based on the entire record, the panel found that the expenditure which Cartwright Creek seeks approval to pay with escrowed tap fees is one that is contemplated by the Authority's Order in Docket No. 09-00056. Thereafter, the panel voted unanimously to approve the Petition and the requested withdrawal from escrowed tap fees.

IT IS THEREFORE ORDERED THAT:

Cartwright Creek, LLC's Petition requesting approval to use escrowed tap fees is approved.


Eddie Roberson, Director


Kenneth C. Hill, Director


Sara Kyle, Director