

TENNESSEE REGULATORY AUTHORITY



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DOCKET ROOM

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

October 26, 2011

Doug Hodge
DSH & Associates, LLC
4028 Taliluna Avenue
Knoxville, TN 37919

RE: Docket No. 11-00162 –Petition Of DSH & Associates, L.L.C. For Approval To
Amend Its Rates And Charges

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, November 4, 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 October 26, 2011

1. Provide the age and condition of the current wastewater system, including number of gallons per day it will service and whether the system is in need of any repairs presently or in the next two years.
2. Explain the rationale and provide a detailed calculation showing how the Company arrived at a \$3,750 tap fee for a three bedroom home.
3. Provide copies of the contracts with the accountant, plant operator, and maintenance operator.
4. Provide copies of the insurance policy and premium invoice supporting the annual insurance expense of \$3,319.
5. Provide the business tariff rate or supporting documentation for electricity for the wastewater system.
6. Provide the name of the responsible party and the job responsibilities for the following job titles:
 - a. Maintenance Operator;
 - b. Plant Operator; and
 - c. Accountant.
7. Provide a detailed calculation and/or methodology used to arrive at the commercial overnight rental rate used to price out revenue on Exhibit 1B (\$90.83).
8. The escrow amount includes the pumping of four (4) units per year. What is the basis for this amount and is this amount applicable to both the three bedroom residential homes and the six bedroom rental units? Please explain why DSH considers pumping a non-routine maintenance expense.
9. Explain why DSH considers normal wear and tear items (i.e. hoses, float switches and lights) as non-routine maintenance expense.
10. What is the life expectancy of a pump and alarm system?
11. What is the life expectancy of UV Lamps?
12. What criteria does DSH use to determine if an expense is non-routine?

13. Would it be acceptable to DSH to recover items such as tank pumping and normal wear and tear items thru monthly rates as opposed to escrow?
14. Explain fully the services covered by local and corporate management fees and provide a calculation of how the company arrived at these expenses.
15. If a catastrophic event should occur and the entire system is destroyed, provide an estimate for replacing the system, by component part.
16. Provide current financial statements for DSH.
17. Provide the most current bank statement for DSH.
18. DSH states that tap fees from Phase II will be used to pay for the Phase III expansion, which is estimated to be \$50,000. (Refer to Docket 11-00020, Amended CCN Petition and Response to Data Request dated June 14, 2011, Question 40). How many houses are currently being served in Phase II? How many additional houses will be added to the system in Phase II? Provide a price out of projected tap fees for Phase II, showing the calculation by number of bedrooms.
19. Explain the approval process for the number of bedrooms that can be built, to ensure that the Phase II build out does not exceed the maximum capacity of the system.