

Sharla Dillon

From: Michele Fehring [fehringservices@fuse.net]
Sent: Tuesday, January 03, 2012 4:20 PM
To: Sharla Dillon
Subject: Lakeside Estates Petition Docket #11-00162
Attachments: Account History LUB.pdf; LaFollette Utilites bill.pdf

Ms. Dillon:

We are homeowners in Lakeside Estates, located in LaFollette, TN. We have received a public notice of a sewer utility proposed rate change.

According to the rate schedule, "If you rent your home during any period of time, your rate will increase from \$54.48 to a rate based on usage with a minimum rate of \$69.53 per month." I was told this charge would last indefinitely.

First of all, it is none of my utility company's business whether I rent my home or not. Whether the wastewater is coming from me, my family, my friends or strangers for that matter, makes no difference to the wastewater system, it is still wastewater. Am I going to get some type of credit for the months when no one is in my home? I clearly understand the charges per gallon of water usage rates, but the additional monthly rates, make no sense.

Please find attached the Account History for water usage from LaFollette Utilities for Dec 2010 thru December 2011, total of 13 months, and also a copy of the July 2011 bill which clearly shows LaFollette Utilities charging sewer rates based on water usage. We believe the usage estimates provided by DSH may have been exaggerated and the revenue claimed underestimated.

The total gallons used for 13 months is 36,200.

This figure divided by 396 (number of days for these 13 months) is 91.41 gpd.

Granted this is an average, but as you can see on the attachment, we had one "peak month". The total usage for July 2011 (billed 8/4/11) was only 12,100 gallons. This still only equates to 390 gpd. We also have a hot tub at 350 gallons that would have been dumped/filled once per week. approx. 1400 gallons during this month.

According to TN.GOV website, "Residential systems are designed based on 150 gallons per day per bedroom."

Even a three bedroom home could be expected to use up to 450 gpd.

In contrast, December through March only yields approx. 15 gpd.

We also have some concerns over the upgrades which seem to be recommended. At a meeting in August 2011, Mr. Hodge stated that the system was sized appropriately (for existing homes) and operating properly. There was supposed to be a subsequent evaluation and written assessment to follow. We, as homeowners, have never received this report. The Developer may have received a copy, since he was the only person to actually sign the initial agreement with DSH & Associates.

We have contacted Eric Taylor at Orenco, while they could not give us an exact "life expectancy" of their panels or pumps, we were told that pumps carry a 5 year warranty and are expected to last 15 to 20 years.

Their panels carry a minimum 3 year warranty and are expected to last 5 to 10 years. Both of these units contain components that can also be repaired, not just replaced. This is quite different from DSH response to Question 10 of the Data Request. According to Mr. Taylor, this information on panel and pump specs can be found on their web-site.

So, let us understand this increase . . .

Increase if rented \$15.05 minimum, per month

Escrow \$15.95 minimum, per month

Plus any additional normal wear and tear items?

Pumping four units? Pumping of tanks at the waste water treatment plant is considered "routine maintenance" by industry standards.

Respectfully submitted,

Mark and Michele Fehring