BEFORE THE

TENNESSEE REGULATORY AUTHOITY

NASHVILLE, TENNESSEE

In Re:

PETITION OF LAUREL HILLS CONDOMINIUMS PROPERTY OWNERS ASSOCIATION FOR A CERTIFICATE OF PUBLIC CONVEYANCE AND NECESSITY.

Docket No. 12-00030

REPLY OF CUSTOMER INTERVENERS TO RESPONSE OF LAUREL HILLS CONDOMINIUMS PROPERTY OWNERS ASSOCIATION REGARDING CUSTOMER INTERVENERS' REQUEST FOR A SUBPOENA

Come now the Customer Interveners by and through counsel and file this Reply to the Response of Laurel Hills Condominiums Property Owners Association ("Laurel Hills") regarding our request for a subpoena to issue to take the deposition of Everett Bolin, a representative of Crab Orchard Utility District. Crab Orchard is the water utility that provides water to Laurel Hills Condominiums Property Owners Association and ultimately to Customer Interveners.

The Customer Interveners were unaware that they had to provide information about what Mr. Bolin knows prior to issuance of a subpoena.

Nevertheless, Mr. Bolin is familiar with the water system at issue generally. He can speak to the cost and the process to rehabilitate the water tank at issue. His system runs approximately ten (10) tanks in Cumberland County. He further can speak to the cost of water lines, etc. He can talk about market rates for doing repair work on a water system and for engineering on a water system in Cumberland County,

Tennessee. My understanding is that his testimony will be that the amounts proposed in the estimates of Laurel Hills Condominiums Property Owners

Association are excessive and do not reflect market rates. He further may be asked to testify regarding the value of the Laurel Hills water system and the reasonableness of the \$400,000.00 amount Laurel Hills paid for the system.

Mr. Bolin can testify that in early January of 2011, Michael McClung stopped paying the water bill to Crab Orchard and told him that he "wouldn't blame (Bolin) if he turned off the water" to Laurel Hills customers.

Contrary to the assertions in the response, he is not necessarily going to be asked a lot about the outstanding amounts due to Crab Orchard. It is undisputed that Laurel Hills has not been paying its bills for water purchased from Crab Orchard, but instead has been paying related parties with the money it is paid by its customers.

In any event, Mr. Bolin's testimony is desirable and relevant and should not be prohibited on the front end. Mr. Bolin will not appear voluntarily and thus the subpoena was sought. It was originally believed that Mr. Bolin would voluntarily testify but it has only recently been ascertained that he will require a subpoena and/or the equivalent of a subpoena in order to do so. We would prefer to do a live deposition with a chance for follow-up questions rather than a deposition on written questions which allows thirty (30) days for a response and would not fit into the time frames currently in place. Expense to Laurel Hills alone should not dictate what testimony can be taken by the Customer Interveners and whether a witness's testimony should be excluded.

Accordingly, Customer Interveners request that the subpoena be issued and the deposition go forward on a date agreeable to all concerned. Laurel Hills does not have to attend.

RESPECTFULLY SUBMITTED,

MELANIE E. DAVIS, Attorney for

Customer Interveners

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the foregoing of REPLY OF CUSTOMER INTERVENERS TO RESPONSE OF LAUREL HILLS CONDOMINIUMS PROPERTY OWNERS ASSOCIATION REGARDING CUSTOMER INTERVENERS' REQUEST FOR A SUBPOENA has been served upon the following:

David Foster, Chief-Utilities Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Shiva Bozarth, General Counsel Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

John J. Baroni, Attorney Consumer Advocate Division Office of the Attorney General P.O. Box 20207 425 5th Avenue North, 2nd Floor Nashville, TN 37243-0500

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by mailing a true and accurate copy via U.S. Mail, postage prepaid, this the 3rd day of October, 2012

Kizer & Black Attorneys, PLLC:

Melanie E. Davis