

TENNESSEE REGULATORY AUTHORITY



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460 James Robertson Parkway
Nashville, Tennessee 37243-0505

August 28, 2012

Mr. Donald L. Scholes
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue North, 4th Floor
Nashville, TN 37201-1631

RE: Docket No. 12-00030 – *Petition of Laurel Hills Condominiums Property Owners Association for a Certificate of Public Convenience and Necessity.*

Dear Mr. Scholes:

In order for the Authority to further evaluate your petition and for this matter move along as quickly as possible, it is requested that you provide complete responses to the following questions.

1. Exhibit 10 attached to your *First Amended Petition* filed with the Authority on August 3, 2012 contains a listing of Laurel Hills monthly budgeted expenses by category. Please explain the rationale and provide all documents (e.g. invoices, electric bills, water bills, checks issued...) used to support these expenses.
2. Provide Laurel Hills' 2011 year end income statement and balance sheet for its water operations. If allocations are made between water operations and other operations describe the methodology used to allocate costs to the water operations.
3. Provide Laurel Hills' 2012 year to date income statement and current balance sheet for its water operations. If allocations are made between water operations and other operations describe the methodology used to allocate costs to the water operations. If these items are available in electronic format (e.g. quickbooks, excel spreadsheet...), please provide.
4. Provide a copy, preferably in electronic format, of Laurel Hills' 2011 and year to date 2012 general ledger. Also, provide a copy of each monthly bank statement since January 2010.
5. Please identify the total past due amounts owed by customers to Laurel Hills.
6. Does Laurel Hills employ or have a contract with a licensed operator? If so, please provide the operator's name, a copy the operator's certificate, and any contract that exists between Laurel Hills and the operator.

7. List all owners and officers of the utility and their job responsibilities. Provide a list of individuals who are financially responsible for the utility.
8. Does Laurel Hills plan to make the necessary improvements to the water tower? If so, when will work begin on the water tower and how will it be funded? Has there been an assessment to homeowners to help pay for the tower. If so, how much was collected?
9. Provide an estimated completion date and itemized costs (include support) by year to finish the water tower project.
10. Identify all amounts paid to Crab Orchard Utility District for all water over the past twelve months. Please include invoices from Crab Orchard and copies of payment documentation (e.g., checks). If payments have not been made, please explain the rationale for not making payments.

This information should be provided no later than 2:00 p.m. Friday, September 7, 2012, and should reference Docket Number 12-00030 on the response. In accordance with Authority rules submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. Should you have any questions or need clarification of this request, please contact Paul Greene at (615) 741-2904, extension 156, or myself at extension 188.

Sincerely,



David Foster, Chief
Utilities Division

C: Docket File