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September 26, 2012

* ALSO ADMITTED IN GA
** ALSO ADMITTED IN KY
*** ONLY ADMITTED IN OH

filed electronically in docket office on 092612

Ms. Sharla Dillon
Docket Room Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Via Hand Delivery

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

Dear Sharla:

I have enclosed an original and five copies of the Response of Laurel Hills Condominiums Property Owners Association to Discovery Request of Tennessee Regulatory Authority in the above styled case along with this cover letter.

This Response and this cover letter are being filed electronically by electronic mail this same date. Please return the additional copy of the Response stamp filed to me.

Thank you for your assistance.

Sincerely yours,



BENJAMIN A. GASTEL

Enclosure

c: Shiva Bozarth
John J. Baroni
Melanie Davis
Robert Schwerer
Michael McClung

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:

**PETITION OF LAUREL HILLS
CONDOMINIUMS PROPERTY OWNERS
ASSOCIATION FOR A CERTIFICATE
OF PUBLIC CONVENIENCE AND
NECESSITY**

DOCKET NO. 12-00030

**RESPONSE OF LAUREL HILLS CONDOMINIUMS PROPERTY OWNERS
ASSOCIATION TO DISCOVERY REQUEST OF THE TENNESSEE REGULATORY
AUTHORITY**

The following are the Responses of Laurel Hills Condominiums Property Owner's Association to the First Discovery Request of the Consumer Advocate and Protection Division served on Tuesday September 18, 2012.

1. Please identify each homeowner's, property owner's, and/or neighborhood association or organization that you are aware which represents individuals who receive water services from Laurel Hills Condominiums Property Owners Association (hereinafter "Laurel Hills"). For each identified organization or association please provide the name and address of the organization's president, chairman, or other principle contact.

RESPONSE: Laurel Hills identifies the following such associations:

Laurel Hills: Laurel Hills comprises 8 individual units that receive water from the water system. Mike McClung is President of the Board of Directors and is the principal contact for this organization.

{004504/12400/00266860.DOCX / Ver.1}

Cumberland Point Condominium Association: Cumberland Point comprises 84 individual units served by the water system, although the water system treats the association as a single customer because the property owners' association pays the entire bill for the condominium building.

Renegade Mountain Community Club: The Renegade Mountain Community Club comprises the home owner's association for the entire Renegade Mountain Development. Most, although not all, homes comprising the Renegade Mountain Community Club receive water from Laurel Hills, and every customer of Laurel Hills, including the members of Laurel Hills itself and the members of the Cumberland Point Condominium Association are members of the Renegade Mountain Community Club. Control of this entity is the subject of a lawsuit in Cumberland County Chancery Court. Laurel Hills maintains that Michael McClung and Phillip Guettler sit on the Board of Directors of the Renegade Mountain Community Club and that Michael McClung is its president.

2. Please state exactly how many water connections Laurel Hills services. Please identify how many connections are for single family living units, time share units, apartment or other multifamily living units, and retail or other businesses.

RESPONSE: When Laurel Hills first filed its Petition, Laurel Hills had 136 paying units comprising of fifty (50) total customers. Cumberland Point Condominium Association

represents and pays on behalf of 84 of those customers. Guillermo and Patricia Nunez are a single customer but pay for two units. As does Roy Perry. John Peters is a single customer but pays for three units.

Laurel Hills serves three multifamily dwellings, including the Cumberland Point Condominium building, and serves its own two timeshare units.

However, due to some customers abandoning service, Laurel Hills currently has 121 paying units comprising 35 total customers. A current listing of all current customers of Laurel Hills is attached. Any number in parenthesis appearing after a customer's name denotes the number of single units for which that customer pays (i.e. CPCA (84) means Cumberland Point Condominium Association as a single customer pays for 84 units).

Additionally, Laurel Hills does not have information on all the addresses of its customers. Given the nature of Laurel Hills' customer base, many invoices are not sent to the served customer because many of the residences served by Laurel Hills are not occupied year-round and therefore invoices are sent to other addresses than the service address. In fact, the Renegade Mountain development does not even have postal delivery so even if Laurel Hills could send an invoice to a customer residence, the United States Postal service would not deliver it to the service address. Laurel Hills has repeatedly asked customers for address information, but those requests have been rebuffed.

3. Please state how many units are time shares operated by Laurel Hills.

RESPONSE: Laurel Hills manages eight time share units, of which seven are used by time share holders for recreational purposes. One time share unit is used by Laurel Hills for

office space. Laurel Hills currently holds enough time share weeks to be able to occupy one unit for an entire year, and therefore uses those property interests to occupy the single unit.

4. Please state whether Laurel Hills controls any non-timeshare properties

RESPONSE: Laurel Hills owns and controls certain real property for the operation of the water system. This real property is detailed in the Warranty Deed attached as Exhibit 1 to the Petition. Otherwise, Laurel Hills does not control any other “non-timeshare” property.

5. Please identify which addresses or units have not paid the complete amount for water service since June 1, 2011. For each such unit identify the date (s) that they failed to pay and the amount that they failed to pay.

RESPONSE: This information is provided in the A/R Aging Summary produced as part of the TRA Data Request Response No. 5. This summary reflects billings at the \$86.14 rate, and to the extent that a past due reflects the amount of “43.20” for a unit, this means that customer has paid at the \$43.20 rate. The column labeled >90 reflect an accumulation of past due amounts from June 1, 2011 through April 1, 2012.

6. What use does Laurel Hills' water company have for a time share unit and how often is it used for that purpose?

RESPONSE: Laurel Hills uses a time share unit for office space. The unit is perpetually occupied because Laurel Hills has sufficient time share unit weeks to occupy the unit for a full 52 weeks of the year. Laurel Hills has someone occupy the office for approximately five hours per day five days a week. The office has a fax machine that is used for business purposes and is also used to keep and store records.

DATED: September 26, 2012

RESPECTFULLY SUBMITTED,



Donald L. Scholes
Benjamin A. Gastel
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue North
Fourth Floor
Nashville, TN 37201-1631

CERTIFICATE OF SERVICE


I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

John J. Baroni,
Assistant Attorney General
Office of the Attorney General and Reporter
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, TN 37202-0207

Melanie Davis, Esq.
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329 Cates Street
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Jean Stone, General Counsel
Monica Smith-Ashford, Senior Policy Advisor and Hearing Officer
Shiva Bozarth, Esq.
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

on this the 26th day of September, 2012.


Benjamin A. Gastel
Attorney For Petitioner