

March 9, 2016

Tennessee Regulatory Authority
Chairman Herbert Hillard
500 Deaderick St., 4th Floor
Nashville, TN 37243

RE: Docket 12-00077 and 15-00118

Mr. Chairman:

As you are aware, this water system was placed into voluntary receivership (Docket 12-00077) after the conclusion of the rate/CCN case (Docket 12-00030). Docket 12-00077 was initially closed, but then reopened after Laurel Hills and Moy Toy, LLC failed to fully execute the Receivership Agreement. Docket 15-00118 (Show Cause) was then subsequently opened against Moy Toy, LLC.

As part of the executed Receivership Agreement, the water tower and parcel were to be turned over to the Receiver, which we now understand has occurred. During the negotiation of the Agreement, Moy Toy, LLC placed a series of unusual and unacceptable restrictions on the use of the water tower which shall run with the land/deed. These restrictions include such items as no fencing, no structures, specific paint colors and lettering, etc.

It appears that the most logical option for the former Laurel Hills water system would be for the Crab Orchard Utility District to assume operation at some future date. In discussion of that possibility, the Crab Orchard Utility's Board of directors agreed that these restrictions on the tank and property would cause them to be reluctant to assume ownership of the property. The utility anticipates the need to fence the property and possibility of adding stand-by power.

We strongly urge the Authority to reconsider revisiting and removing these critical deed restrictions while Dockets 12-00077 and 15-00118 remain open.

I request that this correspondence be made a part of the public record in Docket 12-AAA77 and 15-00118.

Sincerely,

Everett L. Bolin, Jr.
General Manager
Crab Orchard Utility District