TENNESSEE REGULATORY AUTHORITY

502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

September 3, 2015

Jeremy R. Durham, Esq.
Counsel for King's Chapel Capacity
245 Noah Drive
Franklin, TN 37064
JeremyRDurham@gmail.com

VIA E-MAIL and U.S. MAIL

RE: Docket No. 14-00158 – *Tariff Filing of King's Chapel Capacity to True-Up Bonding Costs (Tariff Filing 2014-0176).*

Dear Mr. Durham:

To assist the Authority in its evaluation of the above-captioned *Tariff* filed on December 12, 2014, it is requested that King's Chapel provide responses to the attached TRA Data Request No. 3.

It is requested that all responses be provided no later than 4:00 p.m., September 9, 2015. In accordance with TRA rules, submit either (1) original and thirteen written copies of your response or (1) original and four written copies and an electronic version. Should you have any questions or need clarification regarding any requested item, please contact me at (615) 770-6884.

Sincerely,

David Foster

David Foster, Chief
Utilities Division

Attachment
cc: Docket File
John Powell (via E-Mail to: john-powell@comcast.net)
Hal Novak (via E-Mail to: halnovak@whnconsulting.com)
Vance Broemel (via E-Mail to: vance.broemel@ag.tn.gov)

TRA THIRD DATA REQUEST TO KING'S CHAPEL CAPACITY

3RD DATA REQUESTS

1. Based on the Company's responses to the first and second data requests of the TRA, the TRA Staff has recomputed the Pro Forma Monthly Bonding Surcharge Rate. The TRA Staff used the Company's methodology and bond pass-through costs, but extended the true-up period through March 2015 to reflect corrected and updated customer billing information. The TRA Staff also annualized the customer count at March 2015 to arrive at projected bills. The TRA Staff's calculations are attached hereto. Please refer to the attached calculations and respond to the following:

    a. Does the Company agree that TRA Staff's calculation of the Pro Forma Monthly Bonding Surcharge Rate is based upon the Company's methodology, the Company's bond pass-through costs, the corrected and updated customer billing information through March 2015, and the annualized customer count at March 2015 to compute projected bills? If not, please fully explain all reasons the Company disagrees.

    b. Does the Company agree that the TRA Staff's calculation is mathematically correct? If not, please fully explain all reasons the Company disagrees.

    c. Does the Company agree with extending the true-up period through March 2015 to reflect updated customer billing information such that the adjusted true-up period would be from February 2009 through March 2015? If not, please fully explain all reasons the Company disagrees.

    d. Does the Company agree with using the annualized customer count at March 2015 to compute projected bills? If not, please fully explain all reasons the Company disagrees.

Kings Chapel Capacity
True-Up of Bonding Costs
Docket 14-00158

TRA STAFF SPREADSHEET UPDATING CALCULATIONS THROUGH MARCH 2015

Item	Amount
Williamson County Bond Requirement at September 2014	$116,500
New Bond Required by Williamson County in December 2014	82,500
New Bond Required by Williamson County in January 2015	157,720
Total Pro Forma Williamson County Bond Requirement	**$356,720**
Interest Rate adopted by TRA for KCC Bonding	7.95%
Current Bond Pass-Through Costs	**$28,359**
Over-Recovered Bond Costs (February 2009 -March 2015)	21,311
Net Pro Forma Bond Surcharge	**$7,048**
Projected Bills (129 Customers * 12)	1,548
Pro Forma Monthly Bonding Surcharge Rate	[redacted]
Current KCC Monthly Bonding Surcharge Rate	**$18.60**
Monthly Bonding Surcharge Reduction	**$14.05**

Kings Chapel Capacity
True-Up of Bonding Costs
Docket 14-00158

TRA STAFF SPREADSHEET UPDATING CALCULATIONS THROUGH MARCH 2015

(1) Month	(2) Bond #1	(3) Bond #2	(4) Bond #3	(5) Bond #4	(6) Bond #5	(7) Bond #6	(8) Bond #7	(9) Bond #8	(10) Bond Total	(11) 7.95% Interest Rate	(12) Monthly Cost	(13) Customers Billed	(14) Cost Per Customer	(15) Base Rate	(16) Rate Difference	(17) (Under)/Over Recovery	(18) Cumulative Recovery
February 2009	$151,642	$11,500	$6,533		$8,213				$177,888	14,142	1,179	56	21.04	$18.60	-$2.44	-$136.91	-$136.91
March	151,642	11,500	6,533		8,213				177,888	14,142	1,179	57	20.68	18.60	-2.08	-118.31	-255.22
April	151,642	11,500	6,533		8,213				177,888	14,142	1,179	56	21.04	18.60	-2.44	-136.91	-392.13
May	151,642	11,500	6,533		8,213				177,888	14,142	1,179	58	20.32	18.60	-1.72	-99.71	-491.84
June	151,642	11,500	6,533		8,213				177,888	14,142	1,179	60	19.64	18.60	-1.04	-62.51	-554.35
July	151,642	11,500	6,533		8,213				177,888	14,142	1,179	60	19.64	18.60	-1.04	-62.51	-616.86
August	151,642	11,500	6,533		8,213				177,888	14,142	1,179	59	19.97	18.60	-1.37	-81.11	-697.97
September	151,642	11,500	6,533		8,213				177,888	14,142	1,179	60	19.64	18.60	-1.04	-62.51	-760.48
October	151,642	11,500	6,533		8,213				177,888	14,142	1,179	60	19.64	18.60	-1.04	-62.51	-822.99
November	151,642	11,500	6,533		8,213				177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-866.90
December	151,642	11,500	6,533		8,213				177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-910.81
January 2010	151,642	11,500	6,533		8,213				177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-954.72
February	151,642	11,500	6,533		8,213				177,888	14,142	1,179	62	19.01	18.60	-0.41	-25.31	-980.03
March	151,642	11,500	6,533		8,213				177,888	14,142	1,179	62	19.01	18.60	-0.41	-25.31	-1,005.34
April	151,642	11,500	6,533		8,213				177,888	14,142	1,179	64	18.41	18.60	0.19	11.89	-993.45
May	151,642	11,500	6,533		8,213				177,888	14,142	1,179	64	18.41	18.60	0.19	11.89	-981.56
June	151,642	11,500	6,533		8,213				177,888	14,142	1,179	64	18.41	18.60	0.19	11.89	-969.67
July	151,642	11,500	6,533		8,213				177,888	14,142	1,179	66	17.86	18.60	0.74	49.09	-920.58
August	151,642	11,500	6,533		8,213				177,888	14,142	1,179	65	18.13	18.60	0.47	30.49	-890.09
September	151,642	11,500	6,533		8,213				177,888	14,142	1,179	67	17.59	18.60	1.01	67.69	-822.40
October	151,642	11,500			8,213				171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-674.23
November	151,642	11,500			8,213				171,355	13,623	1,135	68	16.69	18.60	1.91	129.57	-544.66
December	151,642	11,500			8,213				171,355	13,623	1,135	67	16.94	18.60	1.66	110.97	-433.69
January 2011	151,642	11,500			8,213				171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-285.52
February	151,642	11,500			8,213				171,355	13,623	1,135	68	16.69	18.60	1.91	129.57	-155.95
March	151,642	11,500			8,213				171,355	13,623	1,135	68	16.69	18.60	1.91	129.57	-26.38
April	151,642	11,500			8,213				171,355	13,623	1,135	70	16.22	18.60	2.38	166.77	140.39
May	151,642	11,500			8,213				171,355	13,623	1,135	70	16.22	18.60	2.38	166.77	307.16
June	151,642	11,500			8,213				171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	492.53
July	151,642	11,500			8,213				171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	677.90
August	151,642	11,500			8,213				171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	863.27
September	151,642	11,500			8,213				171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	1,048.64
October	151,642	11,500			8,213				171,355	13,623	1,135	72	15.77	18.60	2.83	203.97	1,252.61
November	151,642	11,500			8,213				171,355	13,623	1,135	73	15.55	18.60	3.05	222.57	1,475.18
December	151,642	11,500			8,213				171,355	13,623	1,135	73	15.55	18.60	3.05	222.57	1,697.75
January 2012	151,642	11,500		$65,000	8,213				236,355	18,790	1,566	73	21.45	18.60	-2.85	-208.05	1,489.70
February	151,642	11,500		65,000	8,213				236,355	18,790	1,566	73	21.45	18.60	-2.85	-208.05	1,281.65
March	151,642	11,500		65,000	8,213				236,355	18,790	1,566	72	21.75	18.60	-3.15	-226.65	1,055.00
April	151,642	11,500		65,000	8,213				236,355	18,790	1,566	72	21.75	18.60	-3.15	-226.65	828.35
May	151,642	11,500		65,000	8,213				236,355	18,790	1,566	72	21.75	18.60	-3.15	-226.65	601.70
June	151,642	11,500		65,000	8,213				236,355	18,790	1,566	73	21.45	18.60	-2.85	-208.05	393.65
July	151,642	11,500		65,000	8,213		$40,000		276,355	21,970	1,831	73	25.08	18.60	-6.48	-473.05	-79.40
August	151,642	11,500		65,000	8,213		40,000		276,355	21,970	1,831	73	25.08	18.60	-6.48	-473.05	-552.45
September	151,642	11,500		65,000	8,213		40,000		276,355	21,970	1,831	73	25.08	18.60	-6.48	-473.05	-1,025.50
October	151,642	11,500		65,000	8,213		40,000		276,355	21,970	1,831	73	25.08	18.60	-6.48	-473.05	-1,498.55
November	151,642	11,500		65,000			40,000		268,142	21,317	1,776	76	23.37	18.60	-4.77	-362.84	-1,861.39
December	151,642	11,500		65,000			40,000		268,142	21,317	1,776	78	22.77	18.60	-4.17	-325.64	-2,187.03
January 2013	151,642	11,500		65,000			40,000		268,142	21,317	1,776	81	21.93	18.60	-3.33	-269.84	-2,456.87
February	151,642	11,500		65,000			40,000		268,142	21,317	1,776	82	21.66	18.60	-3.06	-251.24	-2,708.11
March	151,642	11,500		65,000			40,000		268,142	21,317	1,776	82	21.66	18.60	-3.06	-251.24	-2,959.35
April	151,642			65,000			40,000		256,642	20,403	1,700	83	20.48	18.60	-1.88	-156.45	-3,115.80
May	151,642			65,000			40,000		256,642	20,403	1,700	83	20.48	18.60	-1.88	-156.45	-3,272.25
June				65,000			40,000		105,000	8,348	696	84	8.28	18.60	10.32	866.78	-2,405.47
July				65,000			40,000		105,000	8,348	696	86	8.09	18.60	10.51	903.98	-1,501.49
August				65,000			40,000		105,000	8,348	696	86	8.09	18.60	10.51	903.98	-597.51
September				65,000			12,000		77,000	6,122	510	86	5.93	18.60	12.67	1,089.48	491.97
October				65,000			12,000		77,000	6,122	510	86	5.93	18.60	12.67	1,089.48	1,581.45
November				65,000			12,000	$67,500	144,500	11,488	957	87	11.00	18.60	7.60	660.89	2,242.34
December				65,000			12,000	67,500	144,500	11,488	957	88	10.88	18.60	7.72	679.49	2,921.83
January 2014				65,000			12,000	67,500	144,500	11,488	957	90	10.64	18.60	7.96	716.69	3,638.52
February				65,000			12,000	67,500	144,500	11,488	957	92	10.41	18.60	8.19	753.89	4,392.41
March				65,000			12,000	67,500	144,500	11,488	957	93	10.29	18.60	8.31	772.49	5,164.90
April				19,500		$17,500	12,000	67,500	116,500	9,262	772	97	7.96	18.60	10.64	1,032.39	6,197.29
May				19,500		17,500	12,000	67,500	116,500	9,262	772	100	7.72	18.60	10.88	1,088.19	7,285.48
June				19,500		17,500	12,000	67,500	116,500	9,262	772	103	7.49	18.60	11.11	1,143.99	8,429.47
July				19,500		17,500	12,000	67,500	116,500	9,262	772	107	7.21	18.60	11.39	1,218.39	9,647.86
August				19,500		17,500	12,000	67,500	116,500	9,262	772	109	7.08	18.60	11.52	1,255.59	10,903.45
September				19,500		17,500	12,000	67,500	116,500	9,262	772	116	6.65	18.60	11.95	1,385.79	12,289.24
October				19,500		17,500	12,000	67,500	116,500	9,262	772	116	6.65	18.60	11.95	1,385.79	13,675.03
November				19,500		17,500	12,000	67,500	116,500	9,262	772	117	6.60	18.60	12.00	1,404.39	15,079.42
December				19,500		17,500	12,000	67,500	116,500	9,262	772	123	6.27	18.60	12.33	1,515.99	16,595.41
January 2015				19,500		17,500	12,000	67,500	116,500	9,262	772	124	6.22	18.60	12.38	1,534.59	18,130.00
February				19,500		17,500	12,000	67,500	116,500	9,262	772	125	6.17	18.60	12.43	1,553.19	19,683.19
March				19,500		17,500	12,000	67,500	116,500	9,262	772	129	5.98	18.60	12.62	1,627.59	21,310.78

Tab for Bond
#8 says $67,000