

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE



PETITION OF KING'S CHAPEL
CAPACITY, LLC TO POST ALTERNATIVE
FINANCIAL SECURITY

DOCKET NO. 15-00127

**PETITION OF KING'S CHAPEL CAPACITY, LLC
TO POST ALTERNATIVE FINANCIAL SECURITY**

King's Chapel Capacity, LLC ("KCC" or "the Company") petitions the Authority, pursuant to Rule 1220-4-13-.07(5) to approve and accept a bond of \$86,000 as sufficient financial security to comply with the Authority's rules.

TRA Rule 1220-4-13-.07(2)(a) requires wastewater utilities to post one hundred percent (100%) of the gross annual revenue in the most recent Authority Form UD20 or \$20,000, whichever is greater. As shown in the Table below, KCC's total receipts for calendar year 2014 were approximately \$109,000 of which approximately \$23,000 was related to TRA approved bond surcharges leaving net utility receipts of approximately \$86,000.¹

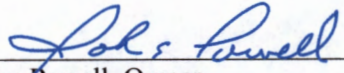
	Total Receipts	Bond Surcharges	Net Receipts
January, 2014	\$18,167.86	1,655.40	\$16,512.46
February	11,472.49	1,674.00	9,798.49
March	9,777.18	1,674.00	8,103.18
April	7,728.80	1,711.20	6,017.60
May	4,934.99	1,841.40	3,093.59
June	14,443.96	1,841.40	12,602.56
July	11,387.29	1,897.20	9,490.09
August	6,473.24	1,915.80	4,557.44
September	8,983.92	1,915.80	7,068.12
October	6,447.37	2,139.00	4,308.37
November	5,895.65	2,139.00	3,756.65
December	2,798.90	2,250.60	548.30
Total	\$108,511.65	\$22,654.80	\$85,856.85

¹ These receipts and surcharges have been audited by the TRA Staff as part of their investigation in Docket 14-00158.

KCC maintains that it is not reasonable, nor was it ever the Authority's intent, to require financial security on existing bond surcharges. Simultaneous with this filing, KCC is making a tariff filing in TRA Docket 14-00158 that trues-up KCC's bonding costs through May 2015 and implements a new bond surcharge based on its current costs including the \$86,000 in TRA financial security described above.

Therefore, KCC asks that this petition be granted and that the Authority approve this alternative form of financial security in accordance with TRA Rule 1220-4-13-.07(5). In addition, KCC would also ask that this exemption be made permanent to avoid a continuing annual filing with the TRA. KCC also asks that this exemption be included in the TRA's pending wastewater rules in Docket 14-00104. Finally, KCC asks that the TRA rule that KCC has met all of the TRA's requirements regarding financial security for 2015 in accordance with Rule 1220-4-13-.07 and that Dockets 14-00007 and 14-00158 now be dismissed.

Respectfully submitted:

By: 
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