

October 20, 2017

Executive Director/Customer Service  
Utilities, Inc.  
4944 Parkway Plaza Boulevard, Suite 375  
Charlotte, North Carolina 28217

RECEIVED  
10/20/17 11:00  
COMMUNICATIONS

Subj.: Your letter of September 22, 2017 re Petition for Emergency Interim Relief

Dear Ladies and Gentlemen:

I am in receipt of your letter of September 22<sup>nd</sup> as referenced above addressed to property owners in Chalet Village Subdivision and others in the Gatlinburg, Tennessee area: copy appended. I understand that you propose to require surcharges on water service to me even though my condo was totally destroyed in the wildfires of November 2016 and has not been rebuilt. Being now eighty years old I do NOT plan to rebuild, and therefore have had NO use or need for water service since that tragedy, nor will I ever have such need in the future. Why and for what am I then being targeted for a surcharge for service that I will not use?!

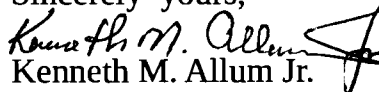
I specifically request to be exempted or given a waiver for this unbelievable proposal that adds insult to injury regarding my total loss of home at 866 Chalet Village Boulevard.

Utilities, Inc., praises itself for the hold it placed on water bill payments just after the fires and that was indeed commendable. But I must add that Utilities, Inc. has proven unmerciful in the past for an undetected leak at my property that resulted in an outrageous water charge and required that it be paid in full or face total water shut-off to the property. Utilities, Inc. offered no concessions or even partial forgiveness even for the first such event, contrary to other water service departments with which I have had much more favorable dealings!

Therefore I wish to add my name to the list of those objecting to this proposal with the Tennessee Water Service Commissioner, and am sending a copy to the Chalet Village Homeowners Association for assistance and information.

I wish to be included in any further correspondence, conclusions and/or developments in this very disturbing, controversial matter.

Sincerely yours,

  
Kenneth M. Allum Jr.

Managing Partner, Allum Family Partnership

cc. TN Water Service Commissioner



September 22, 2017

Re: Notice of Petition for Emergency Interim Relief

Dear Tennessee Water Service Customer:

On September 22, 2017, Tennessee Water Service, Inc. ("TWS" or "Company"), has petitioned the Tennessee Public Utility Commission ("TPUC" or "Commission") for emergency interim relief ("Petition") for TWS.

The purpose of the Petition is to allow TWS to recover the costs of providing drinking water service to its customers during the period of recovery from the devastating, wind-driven wildfires of 2016 ("2016 Wildfires") that destroyed and/or severely damaged most of the homes connected to TWS' drinking water system.

The last TWS rate increase was approved by TPUC on September 15, 2009.

As you may recall, to alleviate the pressure felt by customers affected by the 2016 Wildfires, TWS put a hold on all bills for affected homes. TWS extended the due date on all outstanding balances until March 31, 2017, for services rendered prior to the 2016 Wildfires, and it informed customers that after March 31, 2017, normal billing would resume for those customers for whom water service had been restored.

Currently, capital improvements are needed to address the damage to the drinking water system caused by the 2016 Wildfires and to provide for system reliability, efficiency, and integrity.

As noted, the Company proposes the following emergency interim relief measures:

- a. Interim Emergency Wildfire Restoration Surcharge - a public utility may request and the Commission may authorize a mechanism to recover the operational expenses, capital costs, or both, if such expenses or costs are found to be in the public interest and are related to weather-related natural disasters. TWS proposes that the Commission approve an Interim Emergency Wildfire Restoration Surcharge to be applied to both active and inactive customer bills for capital costs incurred prior to and after the 2016 Wildfires as these costs are directly in line with the public interest in rebuilding the Chalet Village drinking water system. The Restoration Surcharge would be an additional \$3.78 each month for all customers.
- b. Interim Emergency Water Service Availability Surcharge - Currently, TWS is not charging those customers who have not reconnected to the drinking water system since the 2016 Wildfires and are thus inactive customers. TWS proposes that the

Commission approve an Interim Emergency Water Service Availability Surcharge to these inactive customers along with active customers. The Water Service Surcharge would only apply to all TWS customers and would total \$6.77.

c. Interim Emergency Make-Whole Surcharge

TWS proposes that the Commission approve an Interim Emergency Make-Whole Surcharge to be applied to the bills of its inactive customers to offset the O&M expenses that are not being met due to the projected revenue shortfall. The Make-Whole Surcharge would be \$14.26.

A comparison of active and inactive customer monthly bills under the proposed surcharges is shown below:

Changes to Monthly Bills from Surcharges		
Customer Status	Average Monthly Bill Prior to Proposed Surcharges	Average Monthly Bill After Proposed Surcharges
Active	\$58.60	\$69.15
Inactive	\$0.00	\$24.81

- d. Interim Emergency Operational Costs Pass-Through Mechanism - TWS proposes that in the event of an increase or decrease to TWS' non-discretionary operational costs to obtain and distribute water to its customers, which includes at least water purchase costs from Gatlinburg and electricity, the Company may adjust its charges to pass the increase or decrease through to active customers without the need for prior approval from TPUC. TWS will provide Commission and Staff notice of any increase prior to implementing the pass-through.

The four proposed changes to TWS' charges and rates are specifically and narrowly tailored to the needs that have arisen because of the 2016 Wildfires. These proposals are intended to have a limited timeframe of effect. TWS proposes that the interim period for which they are applicable be no more than eighteen (18) months from the date of the Commission's approval of this Petition.

If you have any questions, please feel free to contact Customer Service at (800) 525-7990 or [customerservice@uiwater.com](mailto:customerservice@uiwater.com).

Sincerely,

Tennessee Water Service, Inc.