

IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE

IN RE:

PETITION OF TENNESSEE WATER
SERVICE FOR APPROVAL OF AN
INTERIM EMERGENCY WILDFIRE
RESTORATION SURCHARGE,
INTERIM EMERGENCY WATER
SERVICE AVAILABILITY FEE, AND AN
INTERIM EMERGENCY
OPERATIONAL COST PASS-THROUGH
MECHANISM

DOCKET NO. 17-00108

DIRECT TESTIMONY
OF
BRYCE MENDENHALL

ON BEHALF OF
TENNESSEE WATER SERVICE, INC.

September 22, 2017

1 **Q. Please state your name, occupation, and business address for the record.**

2 A. My name is Bryce Mendenhall. I am employed as the Vice President of Operations for
3 North Carolina and Tennessee at Utilities, Inc., 4944 Parkway Plaza Boulevard, Suite
4 375, Charlotte, North Carolina, 28217.

5 **Q. Please summarize your professional background.**

6 A. I have been employed with Utilities, Inc. ("UI") since March of 2017. I graduated from
7 Appalachian State University in 1993 with a degree in Geographic Information Systems
8 and Cartography. Just prior to my employment with UI, I worked for more than a decade
9 as the Utilities Director for Franklin County, North Carolina.

10 **Q. Please explain your job responsibilities at Utilities, Inc.**

11 A. I am responsible for making sure our customers in North Carolina and Tennessee receive
12 the best possible service. Accordingly, I am responsible for operating personnel,
13 facilities, maintenance, and capital projects, as well as being responsible for
14 communicating with state and federal regulators regarding operational and capital issues.
15 Tennessee Water Service, Inc. ("TWS") is one of the UI subsidiaries I oversee.

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of my testimony is to provide the Tennessee Public Utility Commission
18 ("TPUC") with a brief overview of the operations of TWS as it specifically relates to
19 capital improvements/projects in progress prior to and which may have sustained damage
20 from the wildfires that damaged the area in and around Gatlinburg, Tennessee on
21 November 28, 2016 (the "2016 Wildfires").

1 Q. What capital projects has TWS undertaken as a result of damaged sustained from
2 the 2016 Wildfires and what is the status of those projects?

3 A. The following chart of capital projects represents the costs incurred due to the 2016
4 Wildfires, including costs to make the drinking water system immediately functional for
5 customers not affected by the 2016 Wildfires and costs incurred and projected to incur
6 from the damages sustained directly from the 2016 Wildfires.

<u>Project Name</u>	<u>Project Status</u>	<u>Total Projected Cost</u>	<u>Current Spend</u>	<u>Remaining Spend</u>
Emergency System Activation	Completed	-	\$47,398	-
Gatlinburg Water Interconnect Repair	Completed	-	\$2,091	-
Meter Replacements	In progress	unknown	\$5,838	unknown
Water Distribution System Repairs/Valve Replacements	In progress	unknown	\$41,739	unknown
Service Line Replacements	In progress	unknown	\$14,739	unknown
Fire Hydrant Replacement	In progress	unknown	\$67,156	unknown
Well No. 1 Booster Station Replacement	Proposed	\$125,000	-	\$125,000
Upper Booster Station Replacement	Proposed	\$30,000	-	\$30,000
Upper Storage Reservoir Reconditioning	Proposed	\$45,000	-	\$45,000
Storage Tank Removal/VFD Installation	Proposed	\$50,000	-	\$50,000

7
8 In total, TWS has spent approximately \$178,700 in capital costs associated with the
9 damage resulting from the 2016 Wildfires. Costs incurred for the "Emergency System

1 Activation” were those costs associated with getting the system back online immediately
2 for customers who were unaffected by the 2016 Wildfires and needed water service.
3 Likewise, the TWS drinking water system interconnects with the municipal system of the
4 City of Gatlinburg. A repair to this interconnect was also immediately necessary
5 following the 2016 Wildfires. The remaining projects are in various stages of completion
6 with the largest project being a proposed replacement of the Well No. 1 Booster Station
7 which was completely destroyed by the 2016 Wildfires as can be seen in the pictures in
8 Exhibit D of TWS’ emergency petition.

9 **Q. Are each of the capital projects discussed above reasonable, necessary, and in the**
10 **public interest?**

11 A. Yes. These projects were either completed to ensure immediate access to safe drinking
12 water following the 2016 Wildfires or are scheduled to be implemented to ensure that
13 safe drinking water is available for those inactive customers who are in the process to
14 planning and rebuilding their homes and ultimately reconnecting to the drinking water
15 system. The completion of these projects is integral to the operation of the drinking
16 water system and to maintain the high level of customers service TWS customers have
17 come to expect.

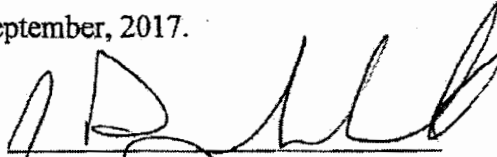
18 **Q. Does this complete your testimony?**

19 A. Yes, it does. However, I reserve the right to incorporate any new data that may
20 subsequently become available and to correct any issues later identified.

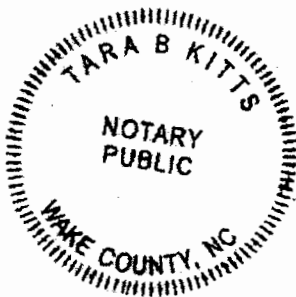
STATE OF North Carolina)

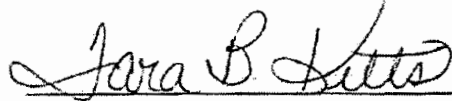
County of Granville)

DATED this 22 day of September, 2017.


Bryce Mendenhall

SUBSCRIBED AND SWORN TO before me this 22 day of September, 2017.




Notary Public for the State of North Carolina
Tara B. Kitts