

RECEIVED
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11/30/2017

Mr. Earl Taylor, Executive Director
Tennessee Public Utility Commission
502 Deaderick Street
Nashville, Tennessee, 37243

In re: Tennessee Public Utility Commission Docket 1700108

PETITION OF TENNESSEE WATER SERVICE, INC. FOR
APPROVAL OF AN INTERIM EMERGENCY WILDFIRE
RESTORATION SURCHARGE, INTERIM EMERGENCY WATER
SERVICE AVAILABILITY SURCHARGE, INTERIM EMERGENCY
MAKE-WHOLE SURCHARGE, AND AN INTERIM EMERGENCY
OPERATION COST PASS-THROUGH MECHANISM

Dear Mr. Taylor and Members of the Tennessee Public Utility Commission,

My wife and I owned a house at 1072 Village Loop Road, Gatlinburg, TN 37738, that
burned as a result of the Gatlinburg fires on November 28, 2016.

Besides losing the house and all our worldly possessions, I lost my wife of over 53 years
due to the fire. I do not plan on rebuilding or using the water services again. However, it
appears that Tennessee Water Services, also known as Utilities, Inc. (the Company) is
attempting to charge all lot owners fees to bring their system back to the same working
order it was before the fire and to continue making profits despite many of the
homeowners losing everything.

I write in opposition to the petition. First, there is no legal basis for the Company to
charge "inactive customers" fees for the water system. Second, I have experience in a
lawsuit against the Company (both Utilities, Inc. and Tennessee Water Services, Inc.)
and the Company is not fully transparent with regards to ownership, operation, resources
or customer communications. Finally, the Company is claiming to be shattered by this
fire, when in actuality, they are a multi-million dollar entity.

The Company wants you to believe they are compassionate to homeowners by turning off the water and suspending bills. The reason the water was turned off was to prevent the water from running onto the ground and to minimize their losses, because they would have been responsible for the purchasing of water from the City of Gatlinburg which they do regularly. Their meter linked to the City of Gatlinburg is housed in a shed.

Legal Issues

The Company claims that it can and should be allowed to charge “inactive customers” a fee each month for water services to their residence that the customers are not receiving. This violates basic tenets of contract law and human decency. Customers request water service and agree to a verbal month to month contract - the Company supplies the water and turns on the meter, and the customer pays for the water that goes through the meter. Once the meter is turned off, and water is no longer supplied, the contract terminates.

When the object of a contract is destroyed, the contract itself terminates. In this case, the destruction of the homes terminated the contract between the customer and the Company. Since there is no home, there is no need for water service.

The attempt by the petitioner to use the Tennessee Public Utility Commission to force homeowners into a new contract is unconscionable. The petitioner is saying “if TWS/Utilities Inc., can supply water to your property, then you must pay a fee regardless of whether or not you want service” is a violation of both contract and property law. If this were not the case, what would there be to prevent the electric company, telephone company, cable company or any other company that has access to the property in the front of the house from charging the customer a similar fee.

Property owners cannot be forced into a contract in which they have no bargaining power nor the ability to decline. In property law, owners are only required to abide by the restrictions and covenants in the deed and pay property taxes. There is no clause in my deed stating that I am liable for water company fees that may or may not be required in the future, or fees from any other company because there is access to the front of the property.

Finally, TPCU the Rules and Regulations state that:

The utility shall furnish and install at its own expense, for the purpose of connecting its distribution system to the customer’s premises, the service pipe from its main to and including the curb stop at or adjacent to the customer’s property line. All service lines shall include a curb stop, curb box, and meter, or an approved equal installation, or unless otherwise provided.

Tenn Rules and Regs. No. 1220-4-3-.13

The Company is responsible for installing and maintaining the supply, and cannot pass this cost on to non-users of the system.

In summary, there is no enforceable contract between the Company. and the property owners since the fire. The Company cannot, even with the approval of the utility commission, force property owners into a new contract. Thus, there is no basis in law for the TPUC to approve the Company's proposed charges for "inactive customers." To do so would be in violation of the law, but also in violation of the Tennessee Constitution.

Transparency of the Company

TPUC should be wary of the assertions made by the Company. A few years ago, I had to bring legal proceedings against the petitioner (both Utilities, Inc. and Tennessee Water Services, Inc.) as well as their one (1) worker/independent contractor located in the state of Tennessee. The lawsuit was brought because the petitioner would not give me any explanation as to what happened in causing the water damage that I sustained. In dealing with the Company before and during the lawsuit, I was met with misdirection, misstatements, denials and delays.

In 2014, the Company had a worker/independent contractor who changed out my water meter. My wife and I were out of town and the worker/independent contractor was informed of this. In changing out the meter, all the water drained from my plumbing system. After the new meter was hooked up, the "water hammer effect" from turning on the water on to an empty system (with no one home to monitor the situation) blew a plumbing connection inside the house. The flooding went on for a long time, covering all four floors of the residence before we were informed of water flooding the house and had the system turned off. Tens of thousands of dollars of damage was done.

From the entire time we lived there, the worker/independent contractor who worked on the meter did not have a uniform or clear identification (Violation of Tenn. Rules and Regs. No. 1220-4-3-.24. Nor was I ever notified of the work scheduled to be done on the meter. (Violation of Tenn. Rules and Regs. No. 1220-4-3-.42

I wanted to contact the water company to find out what happened. There was a notice on the door of the shed that indicated "Utilities, Inc." was the company, not TWS, with a phone number in North Carolina. (this violates Tenn. Rules and Regs. No. 1220-4-1-.08 regarding registering assumed names) I called the number and talked to a young lady that answered the phone with the greeting "Utilities, Inc." I explained to her what had happened and she explained that Mr. Gary Peacock would return my call. After not receiving Mr. Peacock's call, I called again on several occasions. Each time I was told I would receive a return phone call. I never received a call.

At this point, I contacted TPUC staff for the home office address and contact information of Utilities, Inc. I was informed that "Utilities, Inc." was not registered to do business in the state of Tennessee, but that Tennessee Water Services, Inc. was registered. I contacted the Tennessee Secretary of State office who furnished me with information including a phone for Tennessee Water Services, Inc. I called and a lady at the corporate offices answered with the greeting "Utilities, Inc.". I spoke to the Secretary of the Utilities, Inc corporation and explained to him what had happened and that no one had returned my calls. He seemed a bit upset that no one had returned my call and told me that someone would be calling me soon.

A few days later, I received a call from Mr. Peacock stating that he had been trying to reach me. No one from either company had tried to contact me or my wife since my first phone call several weeks before.

I told Mr. Peacock the problem. Instead of telling me he would look into it, or doing any investigation, he had one response: "Mr. Vance, we didn't cause your water leak". He repeated that response several times. That was the only explanation or customer service I received from him. The Company violated TN Rules and Regs., No. 1220-4-3.23 (2) regarding complaints "...the utility shall make a prompt and complete investigation and advise the complainant thereof". Mr. Peacock would not and did not supply any information about the work on the water meter, or the name of the independent contractor. (Violation of Tenn. Rules and Regs. No. 1220-4-3-.14)

Since the Company did not conduct an investigation and explain what happened. The Company only denied what happened. I had to sue them to find out what happened. (Vance vs Tennessee Water Services, Inc., et al, Docket # No. 14-CV-434-IV, Sevier County Circuit Court)

Utilities, Inc after a great deal of delay, responded to the law suit claiming it was not doing business in Tennessee (see attached). However, the evidence speaks otherwise. All notices posted were Utilities, Inc. and the water bill came from Utilities, Inc. Utilities, Inc. even sent out notices proclaiming that it was a large water company with over 300,000 customers (see attached exhibit). Now, before TPUC, they claim they cannot pay to have their infrastructure repaired.

After filing suit, I learned that TWS was just a shell company-they claimed no employees. In their answer to the suit, they named an independent contractor as the person who did the work on the meter, who was then joined in the lawsuit. They also blamed the independent contractor if there was any negligence.

The alleged independent contractor was not a company, but a single person who did work only for the Company (Utilities, Inc. paid him and his contact was with Utilities, Inc. employees, but still they claimed that TWS was the company).

These claims and denials are available in the responses by the Company to the lawsuit as well as sworn answers to interrogatories. If the TPUC wishes to review them, I will be happy to provide my file.

We settled the lawsuit, but I was disturbed by the facts uncovered by lawsuit regarding, Utilities, Inc. (and TWS although it existed in name only), as well as their blatant disregard for the rules and regulations governing their operation. The Company is not transparent in its request before this commission.

Other Issues

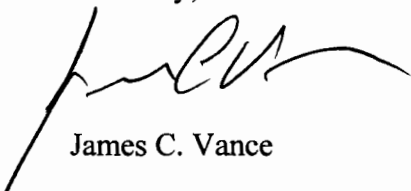
TWS is an empty shell company, with no claimed employee, buildings or real property. Utilities, Inc. is a multi-million dollar entity that can afford to replace the damaged property without surcharging customers and noncustomers. As to the replacements, I am unsure what they are replacing. It appears that the Company does not pay property tax in Tennessee. In the past, they have disclaimed ownership of the fire hydrants (forcing the homeowner's association to pay for upgrades). I believe their water rates are already among the higher rates in the state. Other than the well water, the City of Gatlinburg supplies supplemental water to the Company.

Conclusion

For these reasons, I respectfully request that the commission deny the petition of Tennessee Water Services, Inc. and take whatever further action against Tennessee Water Services, Inc. and Utilities, Inc. as may be appropriate. It appears that the Company is attempting to rub salt in the wound to those of us who lost so much.

My attendance is planned for the meeting scheduled on December 12, 2017. I will be able to answer any questions you might have. Feel free to call me if you have questions before that time.

Sincerely,

A handwritten signature in black ink, appearing to read 'James C. Vance', with a long horizontal stroke extending to the right.

James C. Vance

enclosures

cc: Nick Perenich

**IN THE CIRCUIT COURT OF SEVIER COUNTY, TENNESSEE
AT SEVIERVILLE**

**JAMES C. VANCE and wife, MAY N.
VANCE,**

Plaintiffs,

v.

**TENNESSEE WATER SERVICE, INC.
and UTILITIES, INC.,**

Defendants,

and

JASON LIBERADZKI,

Third Party Defendant.

Docket No. 14-CV-434-IV

**DEFENDANT UTILITIES, INC.'S RESPONSES TO PLAINTIFFS'
SECOND SET OF INTERROGATORIES**

COMES NOW, the Defendant, Utilities, Inc., and provides responses to Plaintiffs' second set of Interrogatories as follows:

1. Please identify each person who responded to or assisted in responding to these interrogatories and which interrogatory(ies) that person responded to or assisted in responding.

RESPONSE: Martin Lashua, as a representative of Utilities, Inc.

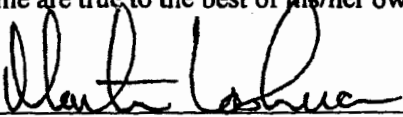
2. Identify all individuals employed by Utilities, Inc. whose duties included service to customers at Chalet Village in 2013, including the Plaintiffs. For each individual, describe the company they work for, their job position and duties.

RESPONSE: Utilities, Inc. is an Illinois corporation and is not qualified to do business in Tennessee. It is the parent company of the state operating company, Tennessee Water Service, Inc.

VERIFICATION

North Carolina
STATE OF ~~TENNESSEE~~)
COUNTY OF Mecklenburg)

Martin Lashua, being first duly sworn, says that he is a representative of Defendant Utilities, Inc. in the above entitled action; that he has read the foregoing questions and answers and knows the contents thereof, and that the same are true to the best of his/her own knowledge.



MARTIN LASHUA AS REPRESENTATIVE OF
UTILITIES, INC.

SWORN TO AND SUBSCRIBED before me this 3 day of MARCH, 2015.



NOTARY PUBLIC

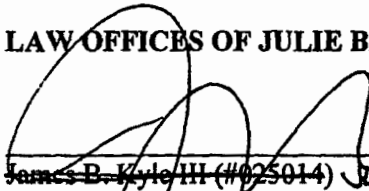
MY COMMISSION EXPIRES:

01/08/2019



Respectfully submitted,

LAW OFFICES OF JULIE BHATTACHARYA PEAK



James B. Kyle III (#025014)
Attorney for Utilities, Inc.
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JULIE BHATTACHARYA PEAK
(#20644)

COPY

Imagine if every Utilities, Inc. customer signed up for Paperless Billing...
What if together, we could contribute to breast cancer research?

For every customer who signs up for
Paperless Billing from 9/16/13 - 11/15/13

Utilities, Inc. will donate \$1 for
Breast Cancer Research

Please visit us at www.uiwater.com
before 11/15/13 to sign up



**Superior Quality.
Efficient Operations.
Exceptional Service.**

Utilities, Inc. provides high-quality water and wastewater services to approximately **300,000 customers** throughout the United States. We offer our services to homes, businesses, new developments, commercial enterprises, and any project—large or small—requiring innovative new water and wastewater systems, system upgrade solutions, or expert water and wastewater system management.

If you are having trouble contacting our Customer Service Department, please dial (800) 272-1919.

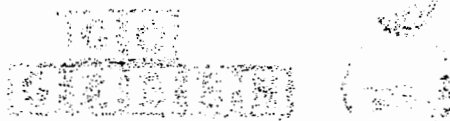
Utilities, Inc. is comprised of 400 dedicated, skilled people who are the key to our success. Every day, their commitment, ethics, knowledge, and customer focus help us effectively deliver comprehensive water and wastewater services. Utilities, Inc. was formed in 1965 by a skilled group of people—and to this day, our people remain our greatest asset.

Read more here: <http://www.sacbee.com/2012/05/14/4489452/socalgas-warns-customers-about.html#storylink=cpy>

● **Utilities, Inc. Announces New Online Services For Our Customers!**

We are committed to delivering excellent customer service to all of our customers and are pleased to offer web self service to obtain billing and payment information. Please click on the link below to access your account.

PAPERLESS E-BILLING



We are dedicated to the purity and safety of our water supply and provide our services in the safest, most environmentally sound manner possible. We believe in promoting responsible water use and sustainable water practices to enhance the overall quality of our lives and meet our country's future water needs.

We are committed to peak performance in all facets of our operations. We are accountable, results-oriented, and determined to provide cost-effective solutions for our customers by improving productivity, setting standards, and embracing new technologies.

We consider customer service excellence one of our core competencies. Driven by a staunch dedication to customer satisfaction, we respond quickly and intelligently to concerns and requests, and serve as an educational resource for water news, information, and advocacy.

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