

IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:

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

DOCKET NO. 17-00108

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PETITION TO INTERVENE

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Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Protection and Advocate Division of the Office of the Attorney General (Consumer Advocate), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Service Commission (TPUC) to grant the Consumer Advocate's intervention into this proceeding because consumers' interests, rights, duties or privileges may be determined or affected by the *Petition of Tennessee Water Service, Inc. for Approval of an Interim Emergency Wildfire Restoration Surcharge, Interim Emergency Water Service Availability Fee, Interim Emergency Make-Whole Surcharge and an Interim Emergency Operational Cost Pass-Through Mechanism (Emergency Petition)* filed in this TPUC Docket by Tennessee Water Service, Inc. (TWS). For cause, the Consumer Advocate would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utilities services by initiating and

intervening as a party in any matter or proceeding before the Commission in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 *et seq.*, and Commission rules.

2. In January 1984, TPUC granted a Certificate of Convenience and Necessity to TWS in Docket No. U-83-7240 authorizing TWS to provide water service to customers in Chalet Village Subdivision in Sevier County, Tennessee.<sup>1</sup>

3. On November 28, 2016, the Chalet Village Subdivision in Gatlinburg, Tennessee was “devastated by the wildfires that roared through the resort town.”<sup>2</sup> Although prior to the wildfires TWS had approximately 580 active customer connections, it had only 57 active customer connections immediately after the wildfire.”<sup>3</sup> Since the wildfires, approximately 76 additional customers have reconnected to the water system resulting in a total active customer connection count of 133.<sup>4</sup> In addition to the loss of active customer connections, the wildfires damaged TWS’s drinking water system.<sup>5</sup>

4. With the large loss of active customer connections and the need for capital improvements to address the damage from the wildfires, TWS projects a net operating loss of \$72,201 for the 2017 fiscal year.<sup>6</sup>

5. On September 22, 2017, TWS filed its *Emergency Petition* requesting interim relief in the form of surcharges, fees and an operational cost pass-through mechanism so that it may recover its costs from customers during the recovery from the 2016 Gatlinburg wildfire that has severely impacted the Chalet Village Subdivision and water system. The interim relief is to

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<sup>1</sup> TPUC Docket No. 09-00017 *Petition of Tennessee Water Service, Inc. to Change and Increase Certain Rates and Charges*, page 1, paragraph 1.

<sup>2</sup> <http://www.knoxnews.com/story/news/2016/11/30/chalet-village-hard-hit-gatlinburg-area-wildfires/94674600/>

<sup>3</sup> *Emergency Petition* at pg. 3.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* See also Pre-Filed Direct Testimony of Bryce Mendnehall, pg. 3. for a list of capital projects undertaken by TWS as a result of damage from the wildfires.

<sup>6</sup> *Emergency Petition* at pg. 3.

have a limited timeframe of no more than 18 months from the date of TPUC's approval.<sup>7</sup>

6. The requested emergency relief, as described by TWS, is as follows:

<b>Emergency Relief Requested</b>	<b>Customer Status</b>	<b>Amount</b>
Wildfire Restoration Surcharge	All	\$3.78 per month <sup>8</sup>
Water Service Availability Surcharge	All	\$6.77 per month <sup>9</sup>
Make-Whole Surcharge	Inactive Customers	\$14.26 per month <sup>10</sup>

TWS estimates the impact of the emergency relief on its customers as follows<sup>11</sup>:

<b>Changes to Monthly Bill from Surcharges</b>		
<b>Customer Status</b>	<b>Average Monthly Bill Prior to Proposed Surcharges/Fees</b>	<b>Average Monthly Bill After Proposed Surcharges/Fees</b>
Active	\$58.60	\$69.15
Inactive	\$0.00	\$24.81

7. The interests of consumers, including without limitation the proposed Wildfire Restoration, Water Service Availability and Make-Whole surcharges, fee, and an operational pass-through mechanism to be paid by TWS's customers under the *Emergency Petition*, may be affected by determinations and orders made by TPUC with respect to (A) the interpretation, application, and implementation of Tenn. Code Ann. § 65-5-103 and other relevant statutory and regulatory provisions and (B) the review and analysis of the documentation, financial spreadsheets, and materials provided by TWS.

8. Only by participating as a party in this Docket can the Consumer Advocate adequately carry out its statutory duty to represent the interests of Tennessee consumers.

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<sup>7</sup> *Id.* at pg. 8.

<sup>8</sup> *Id.* at pg. 5.

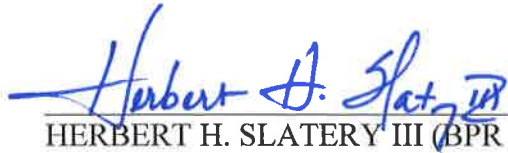
<sup>9</sup> *Id.* at pgs. 5-6.

<sup>10</sup> *Id.* at pgs. 6-7.

<sup>11</sup> *Id.* at pg. 7.

WHEREFORE, Petitioner respectfully asks the Commission to grant this Petition to Intervene.

RESPECTFULLY SUBMITTED,



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State of Tennessee



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

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This the 28<sup>th</sup> day of September 2017.

  
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Karen H. Stachowski