

929 Crooked Ridge Road Gatlinburg, TN 37738 April 7, 2019

Tennessee Public Utilities Commission

502 Deaderick Street

Nashville TN, 37243

Re: TWS Petition for Rate Increase - Docket No. 19-00028.

Dear Madam or Sir,

I am a resident of Chalet Village and will be affected by the rate increase proposed by Tennessee Water Service (TWS) as a result of the 2016 wildfire. As a resident, I have no recourse but to accept the financial burden petitioned for by TWS other than to appeal to the TPUC on my behalf. I have listed 4 points that I would like the Tennessee Public Utility Commission to consider when considering this petition from TWS.

- 1. It appears that my average monthly bill of >\$100.00 will increase to >\$277.00 in a period of 3 years. This represents a considerable hardship for my wife and I who are retired and living on a fixed income. Perhaps, TWS is only considering the significant percentage of our neighbors who are investors and intermittently use their homes as vacation rentals. Since their homes are only sporadically occupied, their present monthly bills are lower than ours and the 277% increases will, therefore, represent a lower dollar amount than what we and other permanent residents will suffer. These investors may also be able to absorb such an increase as a business expense but we will not.
- 2. The letter I received from TWS mentions that investments of over \$650,000 were needed to provide for system reliability, efficiency and integrity as customers continue to rebuild their homes and reconnect to the water system. The point is that Chalet Village is being rebuilt and will provide revenue for TWS for a long time to come. Perhaps, a less drastic rate increase will over time provide for the lost revenue and new investments, sparing residents this magnitude of financial hardship.
- 3. It seems ironic that we home owners who lived through the 2016 wildfire had to rely on insurance policies that we purchased to cover our financial losses while Tennessee Water

Service seeks to recover its losses from us. Perhaps, TWS property should also be insured and the premium cost evenly distributed among the entire base of customers, if this is not already the case.

4. It also seems a poor decision for TWS to seek to recover these wildfire losses from the relatively small number of homeowners in Chalet Village rather than from the much larger number represented by their entire base of customers. Apparantly, since the 2016 wildfire was a local event affecting Chalet Village homeowners TWS believes it just to levy this rate increase only on the local homeowners. This doesn't seem to be a good practice since many "local events" will occur in the future in various localities. As a consequence none of TWS customers are safe from the potential of this kind of financial hardship.

Please consider denying TWS the rate increase as presently proposed in this petition and have them establish a more equitable distribution of the burden of recouping the cost of their 2016 wildfire damages.

Sincerely,

Joseph Terrazzino

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