



# TACIR

The Tennessee Advisory Commission  
on Intergovernmental Relations



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## *MEMORANDUM*

**TO:** Commission Members

**FROM:**  Wynnis Roehrich-Patrick  
Executive Director

**DATE:** 10 December 2013

**SUBJECT:** Water and Wastewater Rates—Draft Report for Review and Comment

The attached draft report is submitted for review and comment. It was prepared in response to House Bill 600 by Representative Timothy Hill [Senate Bill 735 by Green], which was sent to the Commission for study by the House Local Government Committee. That bill would have prevented Johnson City from charging customers in the Piney Flats community in Sullivan County more than one and a half times the rates charged customers living inside the city.

The report includes a draft recommendation against House Bill 600 in its current form. It goes on to say that nevertheless, rates should be both reasonable and justified and that whether a customer lives inside or outside the city is not enough on its own to justify a rate difference. It also says that some means of ensuring that rate differentials are fairly set is warranted, either through representation on the utility board or through an appeal process.

A final report will be submitted for approval at the January commission meeting.