

Rule 1220-01-04-.13 *Extensions of Service to Contiguous Territory* is created by the following language in its entirety:

- (1) For purposes of this Rule, “contiguous” means immediately adjacent; sharing at least one significant common boundary line. A geographic feature such as a roadway or stream along the common boundary line will not negate contiguity. However, any intervening land or significant body of water will disqualify a territory from being contiguous. An extension that traverses unoccupied territory that will not be served by the extension is not contiguous.
- (2) Neither a Certificate of Public Convenience and Necessity (“CCN”), nor an amendment to an existing CCN, shall be required for the extension of public utility service into territory that is contiguous to the territory occupied by such public utility’s plant, route, line, or system, when:
 - (a) The contiguous territory is not receiving similar service from another utility service provider; and,
 - (b) The contiguous territory is not located within the designated service territory of another utility providing similar service.
- (3) A public utility shall provide written notice to the Commission of its intention to construct, acquire, or commence operation of a utility system or service in territory that is contiguous to the service territory already designated to the public utility for the provision of service of a like character. Concerning such written notice, the public utility shall:
 - (a) File notice with the docket clerk for the Commission at least thirty (30) days before constructing, acquiring, or commencing operation of such utility system or service; and,
 - (b) Provide notice in a form approved by the Commission; which shall include identification of the area to be served by the extension and other information required by the Commission in the performance of its statutory general supervisory and regulatory duties.
- (4) In addition to the written notice to the Commission required by paragraph three (3) herein, the public utility shall provide to the Commission:
 - (a) Proof of notice that may be required to any regulatory agency of the extension of service of contiguous territory;
 - (b) A complete description of the geographic contiguous territory to be served by the expansion including the name and location of the development (subdivision), number of acres, and the existing territory served by the utility proposing to expand its service area. A legible map of the area with the proposed contiguous service territory and the currently served territory shall also be provided.
 - (c) Documentation of permits, permit modifications and/or amendments, or other approval documents certifying the existence of appropriate capacity and/or ability to provide service issued by any regulatory agency; and,
 - (d) Documentation concerning any complaint(s), notices of violation, or administrative action filed with or issued by a regulatory agency concerning the operations of the utility plant, route, line, or system, to be extended. Such documentation shall also be provided for any complaint(s), notices of violation, or

administrative action filed with or issued by a regulatory agency within sixty (60) days after the filing of the written notice required by paragraph three (3) herein.

- (5) In addition to the requirements of paragraphs three (3) and four (4), a public wastewater utility shall provide to the Commission:
 - (a) Proof that the operating permit for the existing system has been modified and reissued by the Tennessee Department of Environment and Conservation ("TDEC") to reflect the additional wasteload; or, demonstrate that the existing system design has capacity to support the design flow of the original system and the design flow expected from the contiguous area, and a public notice confirming that the public utility appropriately announced its intention to serve the contiguous property at issue; and,
 - (b) Certification from a design engineer that the existing wastewater system, before any alteration needed to extend service, was constructed in accordance with the TDEC-approved construction plans and specifications. The certification shall be filed in the docket prior to providing service.
- (6) Upon the filing of a written notice, the Commission shall open a docket for the review and approval of the notice. A commission order, including appropriate findings of fact and conclusions of law, denying or approving an expansion into a contiguous territory shall be entered no more than sixty (60) days from the filing of the written notice and all required documentation.

Authority: T.C.A. §§ 4-5-201 *et seq.*, 65-2-102, 65-3-106 (see Acts 1995, Ch. 305 § 11), and 65-4-201.