

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

July 16, 2021

IN RE:)	
)	
RULEMAKING PROCEEDING TO)	DOCKET NO.
PROMULGATE RULES FOR THE)	20-00025
EVALUATION OF PUBLIC UTILITY)	
ACQUISITIONS)	

**FINAL ORDER ADOPTING RULES TO ESTABLISH THE PROCEDURAL AND
SUBSTANTIVE STANDARDS FOR EVALUATION OF PUBLIC UTILITY
ACQUISITIONS**

This matter came before Chairman Kenneth C. Hill, Vice Chairman Herbert H. Hilliard, Commissioner Robin L. Morrison, Commissioner John Hie, and Commissioner David F. Jones of the Tennessee Public Utility Commission (the “Commission”), during a regularly scheduled Commission Conference held on May 19, 2021. The Commission opened this rulemaking docket to promulgate rules to evaluate public utility acquisitions due to two recent utility acquisition dockets.¹ Regulated public utilities must obtain the Commission’s approval to purchase a public utility system.² This final proposed rule sets forth a transparent process for evaluating public utility acquisitions that preserves and maintains meaningful oversight by the Commission to ensure

¹ *In re: Joint Application of Aqua Utilities Company, Inc. and Limestone Water Utility Operating Company, LLC for Authority to Sell or Transfer Title to the Assets, Property, and Real Estate of a Public Utility and for a Certificate of Public Convenience and Necessity*, Docket No. 19-00062, *Order Approving Sale of Assets, Property, and Real Estate and Certificate of Public Convenience and Necessity of Aqua Utilities Company, LLC Subject to Conditions and Requirements of the Tennessee Public Utility Commission* (December 7, 2020); *In re: Joint Petition of Tennessee-American Water Company and Thunder Air, Inc. d/b/a Jasper Highlands Development, Inc. for the Approval of an Asset Purchase Agreement and for the Issuance of a Certificate of Convenience and Necessity*, Docket No. 20-00011, *Order Approving Asset Purchase Agreement and Granting Certificate of Convenience and Necessity* (February 26, 2021).

² Tenn. Code Ann. §§ 65-4-104, 65-4-112 & 65-4-113.

that these transactions are in the public interest and that post-acquisition rates and charges are just and reasonable.

During the Commission Conference, the Commissioners voted unanimously to adopt the rules to establish the procedural and substantive standards for evaluation of public utility acquisitions, as reflected in the filing made in this docket on April 30, 2021, and directed Commission Staff to act as needed to obtain the necessary approvals to finalize promulgation of the rules.

FOR THE TENNESSEE PUBLIC UTILITY COMMISSION:

**Chairman Kenneth C. Hill,
Vice Chairman Herbert H. Hilliard,
Commissioner Robin L. Morrison,
Commissioner John Hie, and
Commissioner David F. Jones concurring.**

None dissenting.

ATTEST:

A handwritten signature in black ink, appearing to read "Earl Taylor", written in a cursive style.

Earl R. Taylor, Executive Director