

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

December 17, 2025

IN RE:)
)
PETITION OF CONVENTIONAL SEPTIC) DOCKET NO.
SYSTEM AT 0 OLD TULLAHOMA HIGHWAY,) 25-00084
TULLAHOMA, FRANKLIN COUNTY,)
TENNESSEE TO DETERMINE IF A CCN IS)
NEEDED)

INITIAL DETERMINATION THAT A CCN IS NOT REQUIRED

This matter is before the Administrative Judge of the Tennessee Public Utility Commission (“Commission” or “TPUC”) upon the Petition of Determination (“*Petition*”) filed on October 6, 2025, by Joseph Denby (“Petitioner”) requesting a determination by the Commission whether a Certificate of Public Convenience and Necessity (“CCN”) is required to provide sewer service to the Pine Ridge Townhomes, a proposed project in Tullahoma, Franklin County, Tennessee.

THE *PETITION*

The *Petition* describes the proposed project as follows:

This project consists of a total of three lots and a total of three buildings containing a total of 22 townhome units. There is one building being proposed for each lot. Each lot will consist of two conventional septic systems serving the buildings. Lot 1A contains a six unit building with two conventional gravity septic systems serving the six units. Lot 1B contains an eight unit building with two conventional gravity septic systems serving the eight units, and Lot 28 contains an eight unit building with two conventional gravity septic systems serving the eight units. The conventional septic systems will be permitted through TDEC like all conventional systems and be installed by the owner of the development. The conventional septic systems will be maintained by the Home Owners Association for the entire development for the life of the development.¹

¹ *Petition*, p. 1 (October 6, 2025).

The *Petition* also states that a Homeowners Association (“HOA”) will be created as part of the Horizontal Property Regime and “the septic system will be dedicated to be a portion of the common elements with maintenance and repair provided by the HOA.”² In its Response to a Commission Staff Data Request, the Petitioner explained that the final plat cannot be approved by the Franklin County Planning Commission until the septic issue is finalized. The Petitioner filed a draft of the Declaration of Covenants, Conditions, and Restrictions for Pine Ridge Townhomes that includes the creation of the HOA and agreed to file the final plat within 20 days after it is approved by the Franklin County Planning Commission.³ The Petitioner also verified that Pine Ridge Townhomes will be a strictly residential community, the HOA will be a non-profit corporation, and a person must own a unit to be a member of the HOA.⁴

FINDINGS AND CONCLUSIONS

Tenn. Code Ann. § 65-4-101(6)(A) defines public utility and sets forth certain nonutilities that shall not be considered a public utility for purposes of regulation by the Commission. Tenn. Code Ann. § 65-4-101(6)(B) includes additional entities that shall not be considered public utilities. Specifically, Tenn. Code Ann. § 65-4-101 (6)(B)(i) provides:

“Public utility” does not mean nonprofit homeowners associations or organizations whose membership is limited to owners of lots in residential subdivisions, which associations or organizations own, construct, operate or maintain water, street light or park maintenance service systems for the exclusive use of that subdivision; provided, however, that the subdivisions are unable to obtain such services from the local utility district. None of the property, property rights or facilities owned or used by the association or organization for the rendering of such services shall be under the jurisdiction, supervision or control of the Tennessee public utility commission;

Based on the information provided in the *Petition*, the Administrative Judge finds that the Pine

² *Id.* at 2.

³ Data Response, p. 1 (November 20, 2025).

⁴ *Id.*

Ridge Townhomes project is not a public utility because a nonprofit HOA comprised solely of unit owners will be established to own and maintain the septic systems at Pine Ridge Townhomes. Therefore, under the facts set forth in the *Petition*, the Administrative Judge concludes that the Pine Ridge Townhomes project is not a “public utility” as defined by the exclusion contained in Tenn. Code Ann. § 65-4-101(6)(B)(i), and Joseph Denby is not required to obtain a CCN from the Commission. If any of the facts or circumstances set forth in the *Petition* regarding the provision of sewer service at Pine Ridge Townhomes should change, the Petitioner must notify the Commission immediately.

IT IS THEREFORE ORDERED THAT:

1. Joseph Denby is not required to obtain a Certificate of Public Convenience and Necessity from the Tennessee Public Utility Commission to provide sewer service in the manner set forth in the *Petition* to its proposed Pine Ridge Townhomes project to be built in Franklin County, Tennessee.

2. Joseph Denby and Pine Ridge Townhomes must notify the Tennessee Public Utility Commission immediately of any changes in the provision of sewer service to Pine Ridge Townhomes by filing an update in this docket file. Changes to the provision of sewer service may alter the determination set forth in this Order.

3. As agreed in the Data Response, Joseph Denby should file the final plat in this docket file within 20 days after it is received from the Franklin County Planning Commission.

4. Any party aggrieved by the decision of the Administrative Judge in this Initial Order may file a Petition for Appeal with the Tennessee Public Utility Commission within fifteen (15) days from the date of this Initial Order.


Monica Smith-Ashford, Administrative Judge