

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

July 16, 1999

Mr. William W. Geary, Jr., President
Hickory Star Water Company, L. L. C.
6171 West Century Blvd.
Los Angeles, CA 90045

Dear Mr. Geary:

data Request

After reviewing Hickory Star Water Company, L. L. C.'s application for a Certificate of Public Convenience and Necessity (CCN), Docket # 99-00485, we find that we need additional information to clarify the filing.

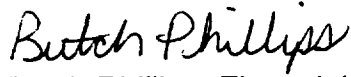
Please furnish thirteen copies of the information requested below to Mr. David Waddell, Executive Secretary of the Tennessee Regulatory Authority (TRA).

1. Provide documentation of how the proposed tariff rates were calculated for the customers of Hickory Star Water Company.
2. Provide the TRA with a copy of any new franchise agreements you have with any governing bodies.
3. Submit a photocopy of the current water tariffs from the city of Maynardville, Tennessee.
4. Provide the tariff rates used by the Hickory Star Marina to charge its current customers for water service.
5. The filing indicates that this company will have payroll expense of \$12,000, \$12,000, \$12,500, \$20,000, and \$20,000 for years 2000 through 2004, respectively. Provide the breakdown of salary expenses for these periods. Also, indicate the employees that will be physically operating the utility.

As a reminder, if a CCN is granted, the company will be required to maintain its financial records in accordance with "Uniform System of Accounts For Class C Water Utilities" as mandated by the National Association of Regulatory Commissioners. Also, for your information, I am enclosing a copy of the TRA's rules for water companies.

Should you have any questions regarding the above items, please contact me at (615) 741-2904, extension 183, before furnishing the response. Please submit the requested information no later than July 30, 1999.

Sincerely,

A handwritten signature in cursive script that reads "Butch Phillips".

Butch Phillips, Financial Analyst
Energy and Water Division

Enclosure

cc: David Waddell

EEP99-03

**RULES
OF
TENNESSEE PUBLIC SERVICE COMMISSION
DIVISION OF PUBLIC UTILITIES**

**CHAPTER 1220—4—3
WATER REGULATIONS**

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1220—4—3—.01 and 1220—4—3—.02 REPEALED.

Authority: T.C.A. §65—2—102. Administrative History: Original rule certified May 9, 1974. Repeal by Public Chapter 440; effective July 1, 1985.

1220—4—3—.03 DEFINITIONS.

- (1) Commission — The word "Commission" shall mean the regulatory body prescribing these rules.
- (2) Utility — The word "utility or public utility" shall mean any person, partnership, corporation, company, association, or two or more persons having a joint or common interest who owns, operates, or manages any facility used for on in connection with the diverting, developing, pumping, impounding, treating, distributing or furnishing of water to or for the public for compensation within the state.
- (3) Customer — The word "customer" shall mean any person, firm, corporation, association, or governmental unit furnished water service by a water utility.
- (4) Meter — The word "meter" shall mean any device for measuring the quantity of water used as a basis for determining charges for water service to a customer.
- (5) Premises — The word "premises" as used herein shall be restricted to the following:
 - (a) A building under one roof owned or leased by one customer and occupied as one residence or one place of business, or

- (b) A combination of buildings owned or leased by one customer, on one common enclosure occupied by one family as a residence or one corporation or firm as a place of business.
- (c) Each unit of a multiple house or building separated by a solid vertical partition wall occupied by one family as a residence or one firm as a place of business, or
- (d) A building owned or leased by one customer and having a number of apartments, offices, or lofts which are rented to tenants using in common one hall and one or more means of entrances, or
- (e) A building two or more stories high under one roof owned or leased by one customer and having an individual entrance for the ground floor occupants and one for the occupants of the upper floors, or
- (f) A combination of buildings, such as a garden-type apartment, owned by one customer, on one common enclosure, none of the individual buildings of which is adapted to separate ownership, or
- (g) A public building, or

(h) A single plot, used as a park or recreational area.

(6) **Property** — The word "property" shall mean all facilities owned and operated by a water utility.

(7) **Main** — The word "Main" shall mean a water pipe, owned, operated and maintained by a utility, which is used for the purpose of transmission or distribution of water but is not a water service pipe.

(8) **Service Pipe** — The words "service pipe" shall mean the pipe that runs between the main and the customer's place of metering.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.04 RETENTION OF RECORDS. Unless otherwise specified by the Commission, all records required by these rules shall be preserved for the period of time specified in the current edition of the National Association of Railroad and Utilities Commissioners' publication "Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities."

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.05 DATA TO BE FILED WITH THE COMMISSION.

(1) The utility shall file with the Commission the following documents and information, and shall maintain such documents and information in a current status.

(a) A copy of the utility's tariff, which shall include, but not be limited to:

1. A copy of each schedule of rates for service, together with the applicable riders.
2. A copy of the utility's rules, or terms and conditions, describing the utility's policies and practices in rendering service. These rules shall include:

- (i) The lists of the items which the utility furnishes, owns, and maintains on the customer's premises, such as water services, meters, and shut-off valves.
- (ii) General statements of the utility's policy in making adjustments for wastage of water when such wastage occurs without the knowledge of the customer.
- (iii) A statement indicating the minimum number of days allowed for payment of a customer's bill before service will be discontinued for non-payment.
- (iv) The utility's extension plan as required in Rule 603.7.

(b) A copy of each special contract for service.

(c) A copy of each type of customer bill form.

(d) The name, title, address, and telephone number of the person who should be contacted in connection with:

1. General management duties.
2. Customer relations (complaints).
3. Engineering operations.
4. Meter tests and repairs.
5. Emergencies during non-office hours.

(e) Conform with all applicable rules and regulations contained in Section 1 (General Public Utilities Rules Applicable to all Utilities).

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.06 DISPOTION OF WATER.

(1) All water sold by a utility shall be on a basis of meter measurement or as otherwise provided in its rate schedule.

(2) Wherever practicable, consumption of water within the utility itself, or by administrative units associated with it, shall be metered.

(3) Separate premises shall be separately metered and billed. Combined billing or submetering shall not be permitted.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.07 METER READING SHEETS OR CARDS. The meter reading sheets or cards shall show:

- (a) Customer's name, address and service classification.
- (b) Identifying number and/or description of the meter (s).
- (c) Meter readings and dates.
- (d) Identification of an estimated bill.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.08 METER READING INTERVAL. Meters shall be scheduled to be read at not greater than quarterly intervals. Utilities shall avoid sending a customer two successive estimated bills.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.09 METER TEST RECORDS.

Each utility shall maintain records of at least the last two tests made of any meter. The record of the meter test made at the time of the meter's retirement shall be maintained for a minimum of 6 months. Test records shall include the following:

- (a) The date and reason for the test.
- (b) The reading of the meter before making any test.
- (c) The accuracy "as found" at each rate of flow.
- (d) The accuracy "As left" at each rate of flow.
- (e) In the event test of the meter is made by using a standard meter the utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the test methods and the calculations.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-10 RECORDS OF METERS AND ASSOCIATED METERING DEVICES. Each utility shall maintain records of the following data, where applicable, for each meter and/or associated metering device until retirement:

- (a) The complete identification-manufacturer, number, and type.
- (b) The dates of installation and removal from service, together with the location.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-11 TEMPORARY SERVICE. When the utility renders temporary service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-12 EXTENSION PLAN. Each utility shall file a plan, acceptable to the Commission, for extension of mains for which the customer shall be required to pay all or part of the cost. This plan must be related to the investment that prudently can be made for the probable revenue.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-13 SERVICE CONNECTIONS.

- (1) Ownership of Service Pipe.
- (a) The utility shall furnish and install at its own expense, for the purpose of connecting its distribution system to the customer's premises, the service pipe from its main to and including the curb stop at or adjacent to the customer's property line. All service lines shall include a curb stop, curb box, and meter, or an approved equal installation, or unless otherwise provided.

WATER REGULATIONS

CHAPTER 1220-4-3

- (b) The customer shall be responsible for furnishing and laying the necessary service pipe from the property line and shall keep the service line in good repair and in accordance with reasonable requirements of the utility as may be incorporated in its rules.
- (c) The utility shall make a thorough inspection of customer's plumbing before making a service connection and shall not make a connection when plumbing is unsanitary or unsafe. Where adequate inspection is required by a city ordinance and made by an agency other than the utility, the utility may be relieved of making an inspection.
- (2) **Location of Service Pipe.**
Prior approval of the utility shall be secured as to the proper location for the service pipe.
- (3) **Location of Meters.**
 - (a) **Outside** — Meters installed out of doors shall be readily accessible for maintenance and reading and so far as practicable the location should be mutually acceptable to the customer and the utility. The meter shall be installed so as to be unaffected by climatic conditions and reasonably secure from injury.
 - (b) **Inside** — Meters installed inside the customer's building shall be located as near as possible to the point where the service pipe enters the building and at a point reasonably secure from injury and readily accessible for reading and testing. In cases of multiple buildings such as two-family flats or apartment building the meter shall be located within the premises served or in a common location accessible to the customers and the utility.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.14 CUSTOMER RELATIONS. Each utility shall:

- (a) Post a notice in conspicuous place in each office of the utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the Commission, are available for inspection.
- (b) Upon request, inform its customers as to the method of reading meters, computing the charges billed and assist in choosing the appropriate rate.
- (c) Notify customers affected by a change in rates or rate classification.
- (d) Furnish such additional information as the customer may reasonably request.
- (e) Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the utility to advise prospective customers, and other entitled to the information, as to the facilities available for serving any locality.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.15 CUSTOMER DEPOSITS.

(1) Each utility may require from any customer or prospective customer a cash deposit to guarantee payment of bills. Such required deposits shall not exceed an amount equivalent to the estimated maximum bill for one billing period plus thirty (30) days.

(2) Each utility having on hand deposits from customers, or hereafter receiving deposits from customers, shall keep records to show: (a) the name of the customer making the deposits, (b) the account number or other identification of the premises occupied by the customer when the deposit was made, (c) the amount and date of making the deposit, and (d) a record of each transaction concerning the deposit.

(3) Each utility shall issue to every customer from whom a deposit is received a nonassignable receipt. Each utility shall provide reasonable ways and means whereby the depositor who makes application for the return of his deposits or any balance to which he is entitled but is unable to produce the original receipt may receive his deposit or balance.

(4) Any interest on deposits will be approved by the Commission.

(5) A record of each unclaimed deposit must be maintained for at least 3 years, during which time the utility shall make a reasonable effort to return the deposit.

(6) Unclaimed deposits, together with accrued interest, if any, shall be credited to an appropriate account.

(7) Deposits may be retained by the utility as long as required to insure payment of bills.

(8) Upon final discontinuance of service the utility may apply such deposits including accrued interest to any amount due from the customer for service. Any balance due to the customer shall be promptly refunded.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.16 CUSTOMER BILL FORMS. The bill form used shall show:

(a) The name of the utility furnishing the service.

(b) The reading of the meter at the beginning and at the end of the period for which the bill is rendered.

(c) The dates on which the meter was read at the beginning and end of the billing period.

(d) The number and kind of units metered.

(e) The gross and/or net amount of the bill.

(f) The date by which the customer must pay the bill in order to benefit from any discount or to avoid any penalty.

(g) A distinct marking to identify an estimated bill.

(h) Any conversions from meter reading units to billing units. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the utility's principal office.

(i) Main Office Address.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.17 CUSTOMER RECORDS. The utility shall retain customer billing records for the length of time necessary to permit the utility to comply with Rule 1220-4-3-.18 but not less than 3 years.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.18 ADJUSTMENT OF BILLS. Bills which are incorrect due to meter or billing errors are to be adjusted as follows:

(a) Whenever a meter in service is tested and found to have overregistered more than 2%, the utility shall adjust the customer's bill for the excess amount paid. If the time at which the error first developed or occurred can be definitely determined, the estimated amount of over-charge is to be based thereon.

(b) Whenever a meter in service is found not to register, the utility may render an estimated bill. The utility shall estimate the charge for the water used by averaging the amount registered over a similar period preceding or subsequent to the period of nonregistration or for corresponding period in previous years, adjusting for any changes in the customer's usage. When it is found that the error in a meter is due to some cause, the date of which can be fixed, the over-charge or the under charge shall be computed back to but not beyond such date.

(c) When a customer has been overcharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, or other similar reasons, the amount of the over-charge shall be adjusted, refunded, or credited to the customer.

(d) When a customer has been undercharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, or other similar reasons, the amount of the undercharge may be billed to the customer.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.19 REASONS FOR DENYING SERVICE. Service may be refused or discontinued only for the reasons listed below. Unless otherwise stated, the customer shall be permitted at least seven days following mailing in which to comply with the rule before service is discontinued.

(a) Without notice in the event of a condition determined by the utility to be hazardous.

(b) Without notice in the event of customer use of equipment in such a manner as to adversely affect the utility's equipment or the utility's service to others.

(c) Without notice when the utility has discovered clear and convincing evidence that by fraudulent means a customer has obtained unauthorized water service or has diverted the water service for unauthorized use or has obtained water service without same being properly registered upon the utility's meters.

(d) In the event of tampering with the equipment furnished and owned by the utility.

(e) For violation of and/or non-compliance with the rules which the utility has filed with the Commission.

(f) For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulations by the Commission.

(g) For failure of the customer to permit the utility reasonable access to its equipment.

(h) For non-payment of bill provided that the utility has made a reasonable attempt to effect collection and has given the customer written notice to make settlement on his account or have his service denied.

(i) For failure of the customer to furnish such service equipment, permits, certificates, and/or rights-of-way, as shall have been specified by the utility as a condition to obtaining service, or in event such equipment or permissions are withdrawn or terminated.

(j) No service shall be disconnected on the day prior to a week end or holiday except as provided in subparagraph (a), (b) and (c) of this paragraph, unless the utility has provided arrangements for reconnection on a week end or a holiday.

(k) When a prospective customer is refused service under the provisions of this section, the utility shall notify him promptly of the reason for the refusal to serve and of his right to appeal the utility's decision to the Commission.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.20 RECONNECTION. In all cases of discontinuance of service as herein defined, where the cause for discontinuance has been corrected, and all rules of the utility on file with the Commission have been complied with the utility shall promptly restore service to the customer.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.21 RECONNECTION CHARGE. Where service has been discontinued in accordance with this section, the utility may make a reasonable charge for reconnection of service. This charge, however, shall be applied uniformly and shall be incorporated in the rules of the utility.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.22 INSUFFICIENT REASONS FOR DENYING SERVICE. The following shall not constitute sufficient cause for refusal of service to a present or prospective customer:

- (a) Non-payment for service by a previous occupant of the premises to be served.
- (b) Failure to pay for merchandise or special services purchased from the utility.
- (c) Failure to pay the bill of another customer as guarantor thereof.
- (d) Failure to pay for a different type or class of public utility service.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.23 CUSTOMER COMPLAINTS.

(1) For the purpose of this section, the word "complaint" shall mean objection to the charge, facilities, or quality of service of a utility concerning which an investigation is necessary.

(2) When such complaints are made to the utility by a customer, the utility shall make a prompt and complete investigation and advise the complainant thereof.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.24 ACCESS TO PROPERTY. The utility shall have access at all reasonable hours to meters, service connections, and other property owned by it which may be located on customer's premises for purposes of installation, maintenance, operation, or removal of its property at the time service is to be terminated. Any employee of the utility whose duties require him to enter the customer's premises shall wear a distinguishing uniform or other insignia, identifying him as an employee of the utility, or carry on his person a badge or other identification which will identify him as an employee of the utility, the same to be shown by him upon request.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.25 REQUIREMENT OF GOOD ENGINEERING PRACTICE. The design and construction of the utility's water plan shall conform to good standard engineering practice. It shall be designed and operated so as to provide reasonably adequate and safe service to its customers and shall conform to the requirements of the State Department of Health with reference to sanitation and potability of water.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.26 STANDARDS OF CONSTRUCTION.

(1) Mains

- (a) **Depths of Mains** — Water mains shall be placed at such a depth below ground level, or otherwise protected, as will prevent freezing during the coldest weather experienced in the community in which laid, and to prevent damage by traffic.
- (b) **Dead Ends** — Insofar as practicable, the utility shall design its distribution system so as to avoid dead ends in its mains. Where dead ends are necessary, the utility shall provide hydrants or valves for the purpose of flushing the mains. Mains with dead ends shall be flushed as often as necessary to maintain the quality of the water.
- (c) **Segmentation of System** — Valves or stop cocks shall be provided at reasonable intervals in the mains so that repairs may be effected by the utility with interruptions to the service of a minimum number of customers.
- (d) **Disinfection of Water Mains** — All new mains shall be thoroughly disinfected before being connected to the system. The method of disinfecting shall be in compliance with State Department of Health practices.
- (e) **Grid Systems** — Wherever feasible the distribution system shall be laid out in a grid so that in case of breaks or repairs the interruptions of service to the customers shall be at a minimum.

(2) Service Pipes

- (a) **Size of Service Pipe** — The size, design, and material and installation of the service pipe shall conform to such reasonable requirements of the utility as may be incorporated in its rules and regulations, provided, however, that the minimum size of the pipe shall not be less than ¾" nominal size except under unusual circumstances which shall be clearly defined.
- (b) **Depth of Service Pipes** — All service pipes shall be laid at such a depth as will prevent freezing, except where services are not intended for use during freezing weather, and are actually drained during such periods.
- (c) **Inspection of Service Pipe** — In the installation of a service pipe the customer shall leave the trench open and pipe uncovered until it is inspected by the utility or other duly authorized agency and shown to be at proper depth, free from any tee, branch connection, connection, irregularity or defect.

(3) Construction and Maintenance

- (a) Whenever normal excavation discloses unsatisfactory foundation one or more of the following corrective measures shall be adopted:
 - 1. Excavate to good bearing soil and backfill to pipe grade with suitable material will tamped to provide adequate support.
 - 2. Support with a concrete slab.
 - 3. Support with piling.

- (b) Pipe on a highway bridge shall be located so as to reduce hazard to a minimum and be protected from freezing.
- (c) Pipes laid in trench with other facilities.
 - 1. All water mains shall be laid clear of all other underground structures and should not be laid in the same trench with other underground utilities in order to minimize the possibility of water leakage by reason of any movement of such structures or of the mains.
 - 2. Water services may be laid in the same trench with other underground utilities with the exception of sewer pipes, provided such service pipes are laid at least twelve (12) inches in a horizontal plane from other subsurface facilities.
 - 3. At crossings of mains and services with other underground structures clearances shall be not less than twelve (12) inches.
 - 4. To secure compliance with the requirements of these rules by others doing underground construction work, the utility should arrange with the other agencies having highway subsurface rights for adequate notification and inspection procedure.
- (d) Pipe laid shall be tested and made tight before being placed in service.
- (e) The ditch underneath, around and over the pipe shall be backfilled with good material thoroughly tamped to secure a firm support. To disclose any settlement of the backfill which may need correcting, newly filled ditches shall be reinspected at intervals for sufficient period of time subsequent to completion of backfilling operations.
- (f) Service connections may be tapped into cast iron mains if the diameter of the hole does not exceed one-quarter of the diameter of the main. Otherwise, and in mains other than cast iron, a saddle, sleeve or welded connection may be used or a tee cut into the line.
- (g) The service connection at the main or the run of service pipe shall allow for a reasonable amount of flexibility to prevent fracture or leaks at the connection with the main.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.27 TEST MEASUREMENT STANDARDS.

- (1) Measuring devices for test of meter may consist of a calibrated tank for volumetric measurement or tank mounted upon scales for weight measurement. If a volumetric standard is used, it shall be accompanied by a certificate of accuracy from any standard laboratory as may be approved by the Commission. If a weight standard is used, the scales shall be tested and calibrated periodically by such approved laboratory and a record maintained of the results of the test.
- (2) When basic standards are used for meter test, they shall be of a capacity sufficient to insure accurate determination of accuracy and shall be subject to the approval of the Commission.

(3) By special permission of the Commission, a standard meter may be provided and used by a utility for the purpose of testing meters in place. This standard meter shall be tested and calibrated periodically to insure its accuracy within the limits required by these rules and regulations. In any event, such test shall be made at least once every sixty days while the standard meter is in use and a record of such tests shall be kept by the utility.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-28 ACCURACY REQUIREMENTS.

(1) All meters used for measuring quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure and shall be accurate to the following standards.

(2) For determination of minimum test flow and normal test flow limits, the Commission will use as a guide the appropriate standard specifications of the American Water Works Association for the various types of meters.

(3) Displacement meters shall be tested at each of the rates of flow stated above for the various size meters. A meter shall not be placed in service if it registers less than 95% of water passed through it at the minimum flow or over-registers or under-registers more than 2% at the intermediate or maximum limit except that a repairs meter shall not over-register or under-register more than 2% of the intermediate and maximum flows and shall register not less than the following appropriate percentage of the water passed through it at the minimum test flow:

If manufactured on or after January 1, 1947 — 90%

If manufactured prior to January 1, 1947 — 85%

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-29 AS FOUND TESTS. All meters tested in accordance with these rules for periodic or complaint tests shall be tested in the condition as found in the customer's service prior to any alteration or adjustment in order to determine the average meter error. Tests shall be made at the intermediate and maximum rates of flow and the meter error shall be the algebraic average of the errors of the two tests.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-30 SEALING OF METER. Upon completion of adjustment and test of any water meter under the provisions of these rules, the utility shall affix thereto a suitable seal in such a manner that adjustment or registration of the meter cannot be changed without breaking the seal.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.31 RECORD OF TEST. A complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations shall be recorded. Such record shall include: the identifying number of the meter; the type and capacity of the meter; the constant of the meter; the date and kind of tests made; the reading of the meter before making any test; the error as found at each test, and, if readjusted, the percentage of registration as left after each test. The complete record of tests of each meter shall be maintained for at least continuous periodic tests and in no case for less than two years.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.32 INITIAL TEST AND STORAGE OF METERS. Every water meter shall be tested as required by these rules prior to its installation either by the manufacturer, the utility or any approved organization equipped for meter testing. Meters with oil-enclosed gear trains should be stored in an inverted position, and, unless so stored, shall be tested immediately before installation.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.33 REPAIRED OR TESTED METERS. All water meters removed from service for repair or testing in accordance with these rules shall be restored to the prescribed limits of accuracy as required by these rules before again being placed in service.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.34 PERIODIC AND ROUTINE TESTS. Each utility shall adopt schedules for periodic and routine tests and repair of its meters.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.35 REQUEST TEST. Each utility shall make a test of any water meter upon written request of any customer provided such request is not made more frequently than once each 18 months. The customer shall be given the opportunity of being present at such request tests.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.36 REFEREE TESTS. Any customer, by written application to the Commission accompanied by payment of such fee for the test as may be prescribed by statute or by the Commission from time to time, may have a test conducted by the utility in the presence of a representative of the Commission. Upon receipt of such request, the Commission will notify the utility to leave the customer's meter in place until arrangements are made for the test. If such test shows that the meter is in error greater than 2% fast, the total cost of such test including the cost of transportation of the Commission's representative shall be borne by the utility and the amount of the fee paid by the customer shall be refunded.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-37 INSTALLATION OF METERS. Each water utility shall adopt a standard method of meter installation. Such methods shall be set out with a written description and/or drawing to the extent necessary to a clear understanding of the requirements. Copies of approved standard methods shall be made available upon request to prospective customers, contractors or others engaged in the business of placing pipe for water utilization. All meters shall be set in place by the utility.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-38 REGISTRATION OF METERS. All meters used for metered sales shall have registration devices indicating the volume of water in either cubic feet or United States gallons. Where a constant or multiplier is necessary to convert the meter reading to cubic feet or gallons, the constant shall be indicated upon the face of the meter, and on the meter reading sheet or card.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-39 CHARGE FOR METER INSTALLATION. No utility shall charge for the installation or use of any devices for metering service to a customer, except for temporary service where the utility may charge the actual cost of installation and removal of metering devices.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-40 QUALITY OF WATER.

(1) Any utility furnishing water service for human consumption or for domestic uses shall provide water that is wholesome, potable, free from objectional odors and taste, and in no way harmful or dangerous to health.

(2) Any utility furnishing water service for human consumption or domestic use shall conform to all legal requirements of the State Department of Health for construction and operation of its water system as pertains to sanitation and potability of the water.

(3) In absence of comparable requirements of the State Department of Health the following rules shall apply:

(a) Source — Water supplied by any utility shall be:

1. Obtained from a source free from pollution and adequately protected from pollution or
2. Adequately protected by artificial treatment.
3. Reasonably free from objectionable color, turbidity, taste, and odor.

4. From a source reasonably adequate to provide a continuous supply of water.
5. Of such quality at all times as to meet the standards of purity for drinking water as set out in Public Health Service Drinking Water Standards, Revised 1962, PHS Publication No. 956.

(b) Operation of Supply System.

1. The water supply system, including wells, reservoirs, pumping equipment, treatment works, mains, and service pipes shall be free from sanitary defects.
2. No physical connection between the distribution system of a public potable water supply and that of any other water supply shall be permitted, unless such other water supply maintains a safe sanitary quality in accordance with these rules and regulations and the interconnections of both supplies is approved by the State Department of Health.
3. The growth of algae in the water at the source of supply, in reservoirs or other basins, and in the water mains, shall be controlled by proper treatment.
4. Utilities obtaining water supplies from driven or drilled wells shall maintain the tightness of well casings and provide protection at the surface of the ground to prevent the infiltration of water other than from the strata tapped by such wells.

(4) Testing

- (a) Each utility shall have representative samples of the water supplied by it examined by the State or local Department of Health or by a competent chemist and bacteriologist, skilled in the sanitary examination of water, at intervals sufficient to insure a safe water supply.
- (b) In the event that the above-prescribed tests show that the water furnished by the utility is contaminated or otherwise unsafe for human consumption, the utility shall forward a report of such test to the Commission or other state agency having correctional jurisdiction without delay, and shall take immediate steps to correct the condition.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.41 PRESSURES.

- (1) Under normal conditions of use of water the pressure at a customer's service connection shall be not less than 25 psig.
- (2) Pressure outside the limits specified will not be considered a violation when the variations:
 - (a) Arise from the action of the elements.
 - (b) Are infrequent fluctuations not exceeding 5 minutes' duration.

- (c) Arise from service interruptions.
- (d) Are from causes beyond the control of the utility.

(3) Each utility shall, subject to the approval of the Commission, adopt and maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure."

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.42 INTERRUPTION OF SUPPLY.

(1) Prompt notice by telephone or telegraph shall be given to the Commission by each utility of all interruptions (except those occurring in the course of routine operations) to, or major impairment of, service for periods of a duration of one (1) hour or more occurring on production works, storage works or transmission mains, or on distribution mains or of accident or damage to portions of the plant which might lead to such interruptions of service.

(2) Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to re-establish service with the shortest possible delay consistent with the safety to its customers and the general public. Where an emergency interruption affects fire protection service, the utility shall immediately notify the Fire Chief or other responsible local official.

(3) Whenever any utility finds it necessary to schedule an interruption to its service, it shall make all reasonable efforts to notify all customers to be affected by the interruption, stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be at such hours as will provide least inconvenience to the customer.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.

1220-4-3-.43 SHORTAGE OF SUPPLY.

(1) The utility shall exercise reasonable diligence to furnish a continuous and adequate supply of water to its customers and to avoid any shortage or interruption of delivery thereof.

(2) If a utility finds that it is necessary to restrict the use of water it shall notify its customers, and give the Commission written notice. Such notifications shall specify:

- (a) The reason for the restriction.
- (b) The nature and extent of the restriction, i.e., on outdoor use of water, use by certain classes of customers, etc.
- (c) The date such restriction is to go into effect.

(d) The probably date of termination of such restrictions.

(3) During times of threatened or actual water shortage the utility shall make an apportion of its available water supply among its customers with due regard to the health and safety.

Authority: T.C.A. 65-202. Administrative History. Original Rule certified May 9, 1974.