

**RULES
OF
THE TENNESSEE COMPTROLLER OF THE TREASURY
TENNESSEE BOARD OF UTILITY REGULATION**

**CHAPTER 1715-01
DEFINITIONS**

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1715-01-.01 DEFINITIONS.

As used in these rules, the following terms and acronyms have the following meanings:

- (1) “Administrative review” is the review of a utility system at the direction of the Board, as described in 1715-02(09).
- (2) “Adverse action” is an action taken by a utility system’s governing board in response to a grievance presented to the utility system’s governing board which does not fully grant the relief requested by the aggrieved party. Adverse action also includes the refusal to hear or consider a grievance, and the failure to acknowledge or respond to a grievance.
- (3) “Ailing utility system,” “ailing system,” or “ailing utility” is a utility system that is:
 - (a) Financially distressed, as described in T.C.A. § 7-82-703(b);
 - (b) Financially unable to expand the amount or type of service as set forth and described in its founding documents or petition for creation as described under T.C.A. §§ 7-82-201, 68-221-604, 68-221-1304, or any other public or private act; or
 - (c) Displays a pattern of severe managerial incompetence such that the utility system cannot provide the public it serves with safe, consistent access to its services.
- (4) “Board” is the Tennessee Board of Utility Regulation (“TBOUR”) created in the office of the Comptroller by T.C.A. §§ 7-82-701 to -708, or its successor entity.
- (5) “Board chair” or “chair” is the Comptroller or the Board member designated by the Comptroller to serve as the Board chair, pursuant to T.C.A. § 7-82-701(c)(1)(A). Board chair may refer to the Board vice-chair if the Board chair is unavailable, pursuant to 1715-02-.04.
- (6) “Board counsel” is any attorney within the Comptroller’s office that is directed to provide legal advice, prepare documents, or act as counsel to the Board in any other capacity.
- (7) “Board staff” or “staff” includes the Comptroller’s designated manager for the Board, Board counsel, and any other employee of the Comptroller assigned as staff to the Board.
- (8) “Board vice-chair” is the Commissioner of Environment and Conservation, or the Board member designated by the Commissioner of Environment and Conservation to serve as the Board vice-chair, pursuant to T.C.A. § 7-82-701(c)(1)(B).

(Rule 1715-01-.01, continued)

- (9) "Complaint" or "customer complaint" is a grievance against a utility system submitted to the Comptroller or Board staff by a customer or potential customer of a utility system, requesting that the Board review the grievance under T.C.A. § 7-82-702(b).
- (10) "Complainant" is the customer or group of customers which submit a complaint.
- (11) "Completed complaint" is a complaint deemed complete by Board staff, as described in 1715-03-.03(3).
- (12) "Completed grant request" is a grant request that is deemed complete by Board staff, as described in 1715-06-.02(2).
- (13) "Comptroller" is the Tennessee Comptroller of the Treasury or the staff of the Tennessee Comptroller of the Treasury.
- (14) "Contested case" is any case commenced pursuant to the UAPA and the uniform rules for contested cases.
- (15) "Formal review" is the review of a utility system that is referred to the Board by operation of law, as described in 1715-02-.08.
- (16) "Good cause" is, in reference to an omission or an untimely action, a reason based on circumstances outside the party's control and despite the party's reasonable efforts.
- (17) "Grant" is the schedule or series of payments from the URF authorized by the Board.
- (18) "Grant payment" is a payment made from the URF pursuant to an approved grant request.
- (19) "Grant request" is the request for payments from the URF submitted by a utility system.
- (20) "Informal hearing" is the hearing of a customer complaint that is not subject to the contested case requirements of the UAPA or the uniform rules for contested cases.
- (21) "Merger" is the merger or consolidation of two or more utility systems by operation of law or by action of the Board. A merger may be voluntary or ordered by the Board. The acquisition of the utility infrastructure of a city, county, or other local government by a utility system can be considered a merger for purposes of Chapter 1715 of the Tennessee Comprehensive Rules and Regulations.
- (22) "Order" is the decision of the Board in any given matter, as evidenced by the Board's vote on a motion and any amendments adopted. An order is effective as of the date it is entered unless it states otherwise.
- (23) "Policy" has the same meaning as assigned in the UAPA.
- (24) "Professional" or "qualified professional" is, in the context of a feasibility or rate study, an individual or entity qualified to conduct a feasibility or rate study and approved by Board staff.
- (25) "Severe managerial incompetence" includes, but is not limited to:
 - (a) Frequent interruptions in service to multiple customers, lasting multiple days;
 - (b) Frequent infrastructure failures that result in interruptions in service, or cause the quality of service to fall below safe levels; or,
 - (c) Failure to:

(Rule 1715-01-.01, continued)

1. Respond to reports of damage to, or failure of, infrastructure within a reasonable timeframe;
 2. Improve or attempt to improve infrastructure, including necessary maintenance, upgrades, or construction of redundant infrastructure where necessary; or
 3. Correct a deficiency in oversight, operational management, or finance management, which leads to repeated harm to the utility system, a violation of state or federal law, or fraud, waste, or abuse of the utility system's resources.
- (26) "Special meeting" or "special-called meeting" has the same meaning that it does in T.C.A. § 8-44-101-112.
- (27) "UAPA" is the Uniform Administrative Procedures Act, codified at T.C.A. §§ 4-5-301, et seq.
- (28) "Uniform rules for contested cases" are the Uniform Rules of Procedure for Hearing Contested Cases Before State Administrative Agencies as set out in Tenn. Comp. R. & Regs. chapter 1360-04-01.
- (29) "Utility Revitalization Fund" or "URF" is the fund created by T.C.A. §§ 7-82-708(a)(1).
- (30) "Utility system" or "utility" is:
- (a) The water, wastewater, or natural gas systems of a county, metropolitan government, or incorporated town or city;
 - (b) A treatment authority created pursuant to:
 1. The Water and Wastewater Treatment Authority Act, compiled in T.C.A. Title 68, Chapter 221, Part 6;
 2. The Regional Water and Wastewater Treatment Authority Act, compiled in T.C.A. Title 68, Chapter 221, Part 13; or
 3. Another public or private act of the general assembly that operates a water, wastewater, or natural gas facility;
 - (c) The water, wastewater, and natural gas systems of an energy or utility authority created pursuant to the Municipal Energy Authority Act, compiled in T.C.A. Title 7, Chapter 36, or a private act of the general assembly; and
 - (d) Any utility district created under T.C.A. Title 7, Chapter 68, or any other public or private act of the general assembly.
- (31) "Valid dispute" is a dispute which, if resolved in favor of the complainant, would justify the Board ordering remedial action. A purely speculative or hypothetical grievance or injury does not constitute a valid dispute.

Authority: T.C.A. §§ 4-5-201, et seq., and 7-82-702. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Amendment filed August 2, 1994; effective December 29, 1994. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016. Amendments filed May 5, 2025; effective August 3, 2025.

1715-01-.02 REPEALED.

Authority: T.C.A. §§ 4-5-202 and 7-82-701 through 7-82-709. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Amendment filed August 2, 1994; effective December 29, 1994. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016. Repeal filed May 5, 2025; effective August 3, 2025.

1715-01-.03 REPEALED.

Authority: T.C.A. §§ 4-5-202 and 7-82-701 through 7-82-709. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Amendment filed August 2, 1994; effective December 29, 1994. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016. Repeal filed May 5, 2025; effective August 3, 2025.

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Authority: T.C.A. §§ 4-5-202, and 7-82-701 through 7-82-709. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Amendment filed August 2, 1994; effective December 29, 1994. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016.

1715-01-.05 REPEALED.

Authority: T.C.A. §§ 4-5-202 and 7-82-701 through 7-82-709. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Amendment filed August 2, 1994; effective December 29, 1994. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016.

1715-01-.06 REPEALED.

Authority: T.C.A. §§ 4-5-202 and 7-82-701 through 7-82-709. **Administrative History:** Original rule filed June 13, 1989; effective July 28, 1989. Chapter 1200-22-07 moved to 1715-01 by the Secretary of State under the authority of Public Chapter 86 of Acts of 2007. Repeal and new rule filed June 29, 2010; effective September 27, 2010. Repeal and new rule filed May 20, 2016; effective August 18, 2016.