



# *State of Tennessee*

## **PUBLIC CHAPTER NO. 1129**

**SENATE BILL NO. 2852**

**By Bailey, Bowling, Rose**

Substituted for: House Bill No. 1987

**By Vaughan, Hardaway, Todd**

AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 65 and Title 67, relative to utilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 65, Chapter 5, is amended by adding the following as a new part:

### **65-5-401. Part definitions.**

As used in this part:

(1) "Connection cost":

(A) Means a rate, fee, or charge, or an estimate of a rate, fee, or charge, for a connection of utility service that is necessary for the customer or a potential customer to pay to the utility system to receive a utility service from the utility system to an unserved location or to upgrade a service to a location on or after the effective date of this act; and

(B) Does not include the cost for the construction of utility system improvements when the utility's rules, regulations, or policies require the customer to hire a qualified contractor at the customer's expense to construct the necessary utility system improvements and to dedicate the utility system improvements constructed to the utility system upon their completion by the customer; and

(2) "Utility" means:

(A) An entity subject to the jurisdiction of the water and wastewater financing board in accordance with § 68-221-1008;

(B) An entity subject to the jurisdiction of the utility management review board in accordance with § 7-82-701;

(C) A county-owned or municipal-owned utility that provides electric, broadband, natural gas, or propane services to the public;

(D) A public utility, as defined in § 65-4-101; and

(E) A cooperative, as defined in § 65-25-102.

### **65-5-402. Description of costs relative to rates, fees, charges, or estimates.**

(a) Upon request or application for a connection of utility service by a customer, a utility system shall promptly provide the customer the connection cost.

(b) A customer may request the utility system provide the customer connection cost in writing along with a written itemized and detailed description of the costs that comprise the

connection cost. Upon receipt of a request, the utility system shall promptly provide the customer the connection cost in writing along with a written itemized and detailed description of the costs that comprise the connection cost.

(c) If a utility cannot promptly provide to the customer the connection cost, the connection cost in writing, or a written itemized and detailed description of the costs that comprise the connection cost, then the utility shall within fourteen (14) days from completion of the approved design:

(1) Provide to the customer in writing the connection cost and a written itemized and detailed description of the costs that comprise the connection cost;

(2) Provide to the customer in writing the time reasonably necessary to calculate or determine the connection cost or to provide a written itemized and detailed description of the connection cost; or

(3) Request from the customer information necessary to calculate or determine the connection cost and to provide a written itemized and detailed description to the customer as soon as practicable.

(d) To aid a customer, a utility may provide the customer a verbal or unofficial initial approximation of the connection cost. However, an approximation is not considered an attempt to comply with subsections (a)-(c).

**65-5-403. Violations.**

(a) If a utility:

(1) As defined in § 65-5-401(2)(A), fails to comply with § 65-5-402, then the water and wastewater financing board shall order reasonable sanctions against the utility;

(2) As defined in § 65-5-401(2)(B), fails to comply with § 65-5-402, then the utility management review board shall order reasonable sanctions against the utility;

(3) As described in § 65-5-401(2)(C) or (2)(E), fails to comply with § 65-5-402, then the comptroller of the treasury, or the comptroller's designee, shall order reasonable sanctions against the utility; and

(4) As described in § 65-5-401(D), fails to comply with § 65-5-402, then the Tennessee public utility commission shall order reasonable sanctions against the utility.

(b) A utility may receive sanctions from only one (1) of the entities listed in subsection (a) that is authorized to order sanctions.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 3. This act takes effect July 1, 2022, the public welfare requiring it.

SENATE BILL NO. 2852

PASSED: April 27, 2022

  
\_\_\_\_\_  
RANDY McNALLY  
SPEAKER OF THE SENATE

  
\_\_\_\_\_  
CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 1<sup>st</sup> day of June 2022

  
\_\_\_\_\_  
BILL LEE, GOVERNOR