



July 22, 2024

---

# Electric System

---

Dear Reader:

The following document was created from the CTAS website ([ctas.tennessee.edu](http://ctas.tennessee.edu)). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

The University of Tennessee  
County Technical Assistance Service  
226 Anne Dallas Dudley Boulevard, Suite 400  
Nashville, Tennessee 37219  
615.532.3555 phone  
615.532.3699 fax  
[www.ctas.tennessee.edu](http://www.ctas.tennessee.edu)

Table of Contents

<b>Electric System .....</b>	<b>3</b>
<b>Private Acts of 1941 Chapter 440 .....</b>	<b>3</b>
<b>Private Acts of 1963 Chapter 8 .....</b>	<b>3</b>

# Electric System

## Private Acts of 1941 Chapter 440

**SECTION 1.** That any rural electric membership corporations or any rural electric membership cooperatives heretofore chartered and organized and doing business in Counties having a population of not less than 27,200, nor more than 27,250, according to the Federal Census of 1940, or any subsequent Federal Census, be, and the same are, hereby authorized, permitted and vested with the exclusive right, privilege and franchise of serving, transmitting, distributing, selling and supplying with electric energy and power all territories located within said Counties outside of any incorporated City or Town now being served by other electric membership corporations, cooperatives, or local City electric distribution systems.

**SECTION 2.** That said rural electric membership corporations, or cooperatives, now operating or doing business in said Counties coming under the provisions of this Act, shall have the exclusive right, privilege and franchise to promote, extend, construct, maintain and operate electric transmissions and distribution lines, along, upon, under and across all public thoroughfares, including without limitation all roads, highways, alleys and causeways, and upon, under and across all public owned lands located in said territories outside of any City, Town and Municipal corporation now being served by some other electric membership cooperative or City distribution system; provided, however, that the respective authorities having jurisdiction thereof shall consent thereto.

**SECTION 3.** That any said rural electric membership corporation, cooperative or City electric distribution system now operating in said territory coming under the provisions of this Act is hereby permitted by mutual agreement in writing to permit any other City electric distribution system, rural electric membership corporation or cooperative to encroach upon said territories herein described coming within the provision of this Act and by said mutual agreement in writing permit said other rural electric membership corporation, cooperative, or City electric distribution system to construct electric lines and to serve with electric energy or power any person, firm or corporation located within said territories so described herein and coming within the provisions of this Act.

**SECTION 4.** That should any section, paragraph, clause, phrase or word of this Act be held unconstitutional, the same shall not affect the constitutionality of any portion of this Act other than the part so held to be unconstitutional.

**SECTION 5.** That all laws, or parts of laws, in conflict with this Act, be, and the same are, hereby repealed, and that this Act take effect from and after its passage, the public welfare requiring it.

PASSED: February 15, 1941.

## Private Acts of 1963 Chapter 8

**SECTION 1.** That it is hereby found and declared that the public interest will be served by the consolidation of the electric distribution system of the City of Fayetteville (hereinafter referred to as "Municipality"), which serves within its corporate limits, with the electric system of the Lincoln County Electric Membership Corporation (hereinafter referred to as "Cooperative"), which serves outside the corporate limits of the Municipality. Accordingly, Municipality, acting by and through its Board of Public Utilities, is hereby expressly authorized to make such arrangements with the Cooperative and any other interested public or private agencies or entities for such consolidation and to stipulate and agree to such covenants, terms and conditions in connection therewith as it may deem appropriate to effect such consolidation, subject, however, to the provisions hereof. Any such arrangements, covenants, terms and conditions heretofore agreed to by Municipality not inconsistent with the provisions hereof or with the Constitution of the State of Tennessee are hereby expressly validated.

**SECTION 2.** That any such consolidation of the aforesaid electric systems shall be effected by the transfer to Municipality of all of the Cooperative's property, assets, liabilities, and obligations of every kind and description in accordance with applicable laws and under voluntary arrangements heretofore or hereafter made among the Cooperative, Municipality and any other interested parties; and that, from and after the effective date of any such transfer, such consolidated electric system shall be owned by the Municipality and shall be known as the "Fayetteville Electric System."

As amended by: Private Acts of 1970, Chapter 300

**SECTION 3.** That the Mayor and Alderman of the Municipality shall create and establish a Board of Public Utilities to supervise and control the management and operation of the consolidated system, which Board shall have all the rights, powers, privileges, duties, and responsibilities with respect to the consolidated system as a Board of Public Utilities has under T.C.A. 6-1501 through 6-1537, as amended, with respect

to the electric system under its control and supervision.

**SECTION 4.** That such Board shall consist of seven members appointed by the Mayor of said Municipality and approved by its Board of Aldermen. Two of the appointees shall be residents of Municipality, qualified as provided in T.C.A. 6-1507 et seq. as amended. Four of the appointees shall own property and reside outside the corporate limits of Municipality, shall be electric consumers of the consolidated electric system and otherwise shall be qualified as provided in the aforesaid T.C.A. 6-1507 et seq. as amended. The initial terms of these initial six appointees shall be as follows: Two shall serve for one year; two shall serve for two years; and two shall serve for three years. Succeeding appointees shall serve three year terms. Any appointee may be appointed to successive terms. The seventh member of the Board shall be an alderman of Municipality, whose term of office shall be fixed by the Mayor, but shall not extend beyond his term as alderman.

**SECTION 5.** That except as otherwise provided herein, Municipality shall have all the rights, powers, and responsibilities with respect to the ownership, management, and operation of the aforesaid consolidated system as Municipalities generally have in the State of Tennessee under its general statutes applicable to municipalities, such as T.C.A. 6-1501 through 6-1537, as amended, and T.C.A. 6-1301 through 6-1318 as amended, including the power to assume the indebtedness of the Cooperative to the United States of America and to secure the same, and such other indebtedness to the United States of America as may be incurred for the acquisition, development and expansion of the consolidated system by pledge of any or all of the revenues of the said consolidated system and by mortgage of any or all of the properties included in the said consolidated system.

**SECTION 6.** That nothing herein contained shall be construed as a restriction or limitation upon any authority, power, or right which Municipality may have in the absence hereof; and that this Act shall be construed as cumulative and shall be in addition and supplemental to any power, authority, or right, conferred by any other law.

**SECTION 7.** That this Act is remedial in nature and any power, authority, or right hereby conferred shall be liberally construed, and to this end Municipality shall have the power, authority and right, in addition to those expressly conferred hereby, to do all things necessary or convenient in carrying out the purposes hereof.

**SECTION 8.** That the Legislature expressly declares that each section, subsection, paragraph, and provision of this Act is severable, and that should any portion of the Act be held unconstitutional or invalid, the same shall not affect the remainder of this Act, but such unconstitutional or invalid portion shall be elided, and the Legislature declared that it would have enacted this Act with such unconstitutional or invalid portions elided therefrom.

**SECTION 9.** That all laws or parts of laws in conflict herewith be, and the same are repealed.

**SECTION 10.** That this Act shall have no effect unless the same shall have been approved by two-thirds vote of the legislative body of any municipality to which it may apply on or before the next regular meeting of such legislative body of such municipality occurring more than thirty days after its approval by the Chief Executive of this State, or after its otherwise effective date. Its approval or nonapproval shall be proclaimed by the presiding officer of the body having jurisdiction to approve, and shall be certified by him to the Secretary of State.

**SECTION 11.** That this Act shall be effective from and after its passage, the public welfare requiring it, but the provisions thereof shall not become operative until validated as provided in Section 10 herein.

PASSED: January 23, 1963.

---

**Source URL:** <https://www.ctas.tennessee.edu/private-acts/electric-system>