



April 02, 2025

Natural Gas Utility Service

Dear Reader:

The following document was created from the CTAS website (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,

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Natural Gas Utility Service

Private Acts of 1995 Chapter 73

SECTION 1. Clay County, by resolution of its county legislative body, is authorized to establish, construct, install, acquire, operate and maintain facilities and do all things necessary to provide natural gas as a utility service to customers within Clay County.

SECTION 2. (a) In the event that Clay County establishes a natural gas service, such service shall be provided by a department of the government of Clay County which shall be headed by a superintendent of natural gas service (hereinafter "superintendent"). The superintendent shall be an employee of the county who shall be appointed by the county executive of Clay County subject to the approval of the county legislative body of Clay County. The superintendent shall serve at the pleasure of the county executive. The superintendent shall be a person qualified by training and experience to supervise the maintenance and operation of a natural gas service. The compensation of the superintendent shall be determined by resolution of the county legislative body after the body receives the recommendation of the county executive.

(b) The superintendent shall be responsible for the management and operation of all the facilities herein provided and the enforcement of all rules, regulations, and programs adopted by resolution of the county legislative body.

(c) The superintendent shall hire and supervise all other employees of the natural gas service, and shall determine such employees' compensation subject to the approval of the county executive.

(d) The superintendent shall develop a proposed budget and a plan of service and shall submit such proposed budget and plan of service to the county executive according to a time schedule determined by the county executive. Upon approval of a proposed budget and plan of service by the county executive, the county executive shall submit the proposed budget and plan of service to the county legislative body for its approval. The county legislative body may approve, modify or disapprove the proposed budget and plan of service. The superintendent shall propose updates to the plan as needed. The plan shall include areas to be served, anticipated capital and operational costs, service fees and other necessary financial arrangements.

(e) The superintendent may, with the approval of the county legislative body, acquire and dispose of all property, real and personal, necessary to provide natural gas utility service for Clay County. Title to such property shall in all cases be taken in the name of Clay County.

(f) The superintendent shall at all times operate the natural gas service within the budget approved by the county legislative body. The superintendent, subject to the approval of the county legislative body, may enter into contracts for the construction, repair or maintenance of facilities of the natural gas service, in accordance with applicable general law, and rules adopted by resolution of the county legislative body. The superintendent may make or requisition purchases of personal property according to applicable purchasing laws and rules established by resolution of the county legislative body.

(g) The superintendent, subject to such rules as the county legislative body may establish by resolution, may contract for the purchase of natural gas for the purpose of resale.

(h) The superintendent shall make and keep complete, accurate and proper books and records of all transactions, charges and collection activity of the natural gas service, subject to such rules as may be established by the county legislative body in conformity with the general law.

SECTION 3. The county legislative body of Clay County may by resolution establish a procedure for the collection of service charges from customers of the natural gas service. The county legislative body may provide for late payment charges and delinquency penalties. Delinquent accounts of customers of the natural gas service, including late payment charges and delinquency penalties, shall be civil debt owed to the county for which the county may bring suit in the general sessions court of Clay County.

SECTION 4. The revenues and receipts of the natural gas service of Clay County shall be deposited in the general fund of Clay County and expenditures for the natural gas service shall be made from the general fund upon warrants signed by the county executive. Revenues and receipts of the natural gas service in excess of the expenditures of the natural gas service may be used for any county purpose.

SECTION 5. Clay County, in providing natural gas service to customers within Clay County, shall be subject to all safety standards applicable to transmission and distribution facilities of a natural gas utility district under the Utility District Law of 1937, as amended.

SECTION 6. If any provision of this act or the application thereof to any person or circumstances is held

invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 7. This act shall have no effect unless it is approved by a two-thirds (2/3) majority vote of the county legislative body of Clay County. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified by said presiding officer to the Secretary of State.

SECTION 8. For the purpose of approving or rejecting the provisions of this act, it shall become effective upon becoming a law, the public welfare requiring it. For all other purpose, it shall become effective upon being approved as provided in Section 7.

Passed: May 22, 1995.

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