



Water Division  
Rules and Regulations

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## Rules and Regulations for the Water Division

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## Section I. Purpose

It is the intent of the *Knoxville Utilities Board* (“*KUB*”) that these *Rules and Regulations* promote the following principles:

1. Assure the safe and efficient use, administration, operation, expansion, extension, and preservation of *KUB’s water system*.
2. Assure its *customers’* compliance with these *Rules and Regulations, Rate Schedules* for *water service* adopted by the *Board* and *Service Procedures* established by *KUB* to implement these *Rules and Regulations*.
3. Promote fair, reasonable, and uniform treatment of *customers* in each of the *rate classes* of *KUB’s Water Division*.
4. Protect our environment through the professional management of our *system* and maintain public confidence in *KUB’s water system*.
5. Encourage economic development by promoting extensions of the *KUB water system*.
6. Simplify, clarify, and modernize the policies governing the operation of *KUB’s Water Division*.
7. Assure that the *KUB water system* operating practices are as uniform as appropriate.
8. Promote the continued evolution and development of *KUB’s water system* operating guidelines and practices.

## Section II. Scope

These *Rules and Regulations* apply to the application, implementation, and operation of *KUB’s water system* and the provision of *water service*, and have been adopted pursuant to authority granted the *Board* by Section 1106(G) of the *City Charter*.

**1. Conflict.** In addition to these *Rules and Regulations*, the following documents, listed in order of precedence, are hereby made a part of all contracts and are enforceable through all contracts, actual and implied, for *customers* and *users* receiving *water service* from *KUB* and apply to all *water services* received by *customers*, whether the service is based upon contract, agreement, signed application or otherwise:

- i) the *Water Division Rate Schedules*;
- ii) these *Rules and Regulations* as may be amended from time to time; and
- iii) the *Service Procedures*.

In the event of a conflict between the documents listed above, the order of precedence shall govern.

**2. Severability.** If any clause, sentence, paragraph, section or part of these *Rules and Regulations*, any applicable *Water Division Rate Schedule*, or any provision of the *Service Procedures* shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of these *Rules and Regulations* or the applicable *Water Division Rate Schedule*, or the *Service Procedures*.

**3. Authority.** Subject to the limitations set forth in the Charter, these *Rules and Regulations*, applicable *Rate Schedules* and any other official *Board* action or resolution, the *President and CEO*, and his/her designees, has all rights, powers, duties and authorities to implement, and enforce these *Rules and Regulations*. The *President and CEO*, and his/her designees, has all rights, powers, duties, and authorities to establish and enforce *Service Procedures* and other such policies and programs necessary to implement these *Rules and Regulations*.

**4. Rules and Regulations Oversight Committee.** The *Rules and Regulations Oversight Committee* shall consist of the *Chief Operating Officer (COO)*, and other members of *KUB* management, as so designated by the *President and CEO*. The *COO* shall chair the Committee. The *Rules and Regulations Oversight Committee* will provide oversight of the implementation, enforcement and administration of the *Rules and Regulations*. The *Rules and Regulations Oversight Committee* is responsible for recommending changes to the *Rules and Regulations* to the *President and CEO*. Any substantive amendments or changes to these *Rules and Regulations* are subject to the approval of the *President and CEO* and adoption by the *Board* in accordance with the *Board's* procedures.

**5. Access to Premises.** The *customer, user*, and if a different *person*, owner of *premises* to which *water service* is provided shall, by its receipt and acceptance of *water service*, grant to *KUB* permission to access the *premises* at all times, including immediate access, if determined to be necessary by *KUB* in the event of an emergency, for the purpose of:

- i. Reading meters;
- ii. Installing, testing, inspecting, repairing, operating, maintaining, removing, and replacing any *KUB water system* component;
- iii. Clearing hazards away from *KUB's water system*;
- iv. Inspecting and operating the *customer's, user's*, and if a different *person*, owner's water facilities;
- v. Inspecting the *premises*; and
- vi. Providing notifications

in order to determine that *KUB's Rules and Regulations* and/or *Service Procedures* implementing the *Rules and Regulations*, and the regulations and requirements of the applicable Tennessee state regulatory authority, are being complied with and to ensure compliance with applicable federal, state, and local law(s) and regulation(s).

**6. Responsibility for KUB's Property.** The *customer, user,* and if a different *person, owner* shall provide a space for and exercise proper care to protect any *KUB* property located on the *premises*; and in the event of loss or damage to *KUB's* property, arising from the negligence to care for said property, the cost of necessary repairs or replacements shall be paid by the negligent party.

No *person* shall perform excavation without a valid TN811 locate request ticket. The Tennessee Underground Utility Damage Prevention Act specifies the requirements for safe digging or other work near utilities.

**7. Responsibility for Compliance with Rules and Regulations.** Every *customer, user,* and if a different *person, owner* shall comply with these *Rules and Regulations, Rate Schedules* of the *Water Division* adopted by the *Board,* and *Service Procedures* established by *KUB* to implement these *Rules and Regulations.*

**8. Promotion of Technology.** *KUB* may establish and maintain processes consistent with these *Rules and Regulations* that promote and utilize new technologies for the operation of its *water system* which improve system reliability, increase operational flexibility and/or lower costs of operation. Examples include, but are not limited to, automated remote metering, estimated metering, etc.

**9. Health and Safety.** All *Rules and Regulations* and *Service Procedures* affecting health and safety, including (without limitation) all provisions relating to inspection, general safety precautions for utilization, operation and maintenance of *KUB's water system,* and rules governing installations, are for the guidance and benefit of *customers, users,* and if a different *person, owners,* and *KUB* shall not be responsible for the health and safety thereof, or for any loss, damage, or injury resulting from any violation thereof, but *KUB* reserves the right, in its discretion, to refuse to furnish *water service,* or to discontinue furnishing *water service,* where the *customer, user,* and if a different *person, owner* fails to comply therewith.

**10. Interpretation.** It is the intent of *KUB* that these *Rules and Regulations* be liberally interpreted.

### **Section III. Definitions**

For the purpose of these *Rules and Regulations,* and unless the context specifically indicates otherwise, the following terms shall have the meaning ascribed:

Wherever the context shall require, words used herein in the singular shall include the plural, words used in the plural shall include the singular, words used in the masculine shall include the feminine, and words used in the feminine shall include the masculine.

*Board* shall mean the *KUB Board of Commissioners*, as appointed from time to time by the Mayor and City Council of the City of Knoxville, Tennessee.

*Chief Executive Officer or President and CEO* shall mean the *President and Chief Executive Officer of the Knoxville Utilities Board*.

*Chief Operating Officer or COO* shall mean the *Chief Operating Officer of the Knoxville Utilities Board*. The *COO*, subject to the supervision of the *CEO*, shall administer, implement, and enforce the provisions of these *Rules and Regulations*.

*City* shall mean the City of Knoxville, Tennessee.

*Commercial and industrial use* shall mean all uses with the exception of *domestic use* as defined in these *Rules and Regulations*.

*Connection* shall mean the point at which the *water service line* connects with the *KUB water system*. For metered *water service*, the point of *connection* shall be where the outlet pipe leaves the outlet side of the meter box. For unmetered *water service*, the point of *connection* shall be at the control valve of the *water service main*.

*Contribution in Aid of Construction (CIAC)* shall mean a payment required of the *customer* for the extension of *KUB's water system*.

*Cross connection* shall mean any actual or potential physical connection between *KUB's water system* and an unapproved water supply or other potential source of contamination.

*Customer* shall mean any *person* who receives *water service* from *KUB* under either an express or implied contract requiring such *person* to pay *KUB* for such service. The term shall also include illicit *users of water service* from *KUB*.

*Domestic use of the water system* shall be defined and limited to single-family, multifamily, apartment or other *dwelling unit* or *dwelling unit equivalent* connecting to *KUB's water system* and used for residential purposes only.

*Dwelling unit* shall mean any structure occupied by one or more *persons* of a single family for residential purposes. Apartment buildings and other structures occupied by more than one family shall be considered multiple *dwelling units*.

*Fee* is any amount levied that is: (1) infrequent in nature, and/or (2) generally not consumption based, and/or (3) set at the discretion of management of *KUB* as authorized by the *Board*, but does not include a *rate*.

*Knoxville Utilities Board, or KUB, shall mean the Knoxville Utilities Board of the City of Knoxville, Tennessee, or, as the context requires, the management of KUB, its contractors or agents.*

*Person shall mean any individual, partnership, firm, company, association, society, corporation, limited liability company, trust, estate, governmental entity, or any other legal entity, or its legal representatives, agents, or assigns. This definition includes all federal, state and local governmental entities and shall also include illicit users of water service from KUB.*

*Point of Delivery, unless otherwise designated by KUB, shall be where the outlet pipe leaves the outlet side of the meter box. For unmetered water service, the point of delivery, unless otherwise designated by KUB, shall be at the control valve of the water service main.*

*Premises shall mean any structure, group of structures, or property, whether occupied or unoccupied, operated as a single business, enterprise, or dwelling unit, but shall not include more than one dwelling unit.*

*Private fire line shall mean a water service line to be used exclusively to access water flow for private fire protection purposes.*

*Private water system is any water system owned and maintained by the customer, whose operation is regulated by entities other than KUB including but not limited to the applicable Tennessee state regulatory authority. The water use of a private water system shall be master metered by KUB at a central location.*

*Rate is any quantitative value used to determine an amount levied on a customer directly related to the provision and/or consumption of water typically associated with utility usage, as set forth in a Water Division Rate Schedule adopted by the Board.*

*Rules and Regulations means the rules and regulations adopted by the Board governing the operation and use of KUB's water system.*

*Service Procedures means those governing procedures set forth in a document or document(s) adopted by the President and CEO implementing the Rules and Regulations for the KUB water system and outlining the guidelines necessary to oversee the daily operation of KUB's water system.*

*Standards and specifications shall mean a set of processes or procedures regarding certain aspects of the KUB water system, which may be in effect from time to time, but may not be included in the Service Procedures.*

*User* shall mean any *premise* having a connection to the *KUB water system* or having access thereto. The term shall include *illicit users* of *water service* from *KUB*.

*Water and/or water service* means water made available for consumption by *KUB* for its *customers, users*, and if a different *person, owner* for *domestic, commercial and/or industrial use* by delivering or distributing water via the *KUB water system*.

*Water Division* or *division* shall mean the part of the *KUB system* having charge of the physical operation and financial oversight of *KUB's water system*.

*Water main* shall mean the principal or major pipes in the *water system* conveying *water* to *water service lines* for distribution. A *water main* consists of a *water distribution main* and a *water service main*.

*Water distribution main* shall mean the *water main* that is ordinarily located in and extends longitudinally along a public street, road, similar public right of way or easement. The *water distribution main* shall be owned and maintained by *KUB*.

*Water service main* shall mean the portion of the *water main*, which leads from the *water distribution main* to the *point of delivery*. The *water service main* shall exclude the meter, meter box, control valve, and meter connections. The *water service main* shall be owned and maintained by *KUB*.

*Water service line* shall mean the pipe, which extends from the *point of delivery* to the *customer's, user's*, or if a different *person, owner's premises*. The *water service line* shall exclude the meter, meter box, control valve, and meter connections. The *water service line* shall be owned and maintained by the individual property owner.

*Water system* shall mean all facilities for distributing and receiving *water*, including but not limited to *water distribution mains, water service mains*, meters, meter boxes, meter connections, and control valves.

#### **Section IV. Initiation of *Water Service***

**1. Residential use.** A formal request for either original or additional *water service* must be made to *KUB* by the *customer* and be duly approved by *KUB* before *connection* to the *KUB water system* is made. The request shall be in the prescribed form according to the *Service Procedures*. The receipt by *KUB* of a prospective *customer's* request for *water service* shall not obligate *KUB* to render *water service*. *KUB* may, at its sole discretion, require the *customer* to provide security, assurance, or guaranty prior to *KUB* rendering *water service*.

**2. Commercial and industrial use.** A formal request for either original or additional *water service* must be made to *KUB* and be duly approved before *connection* is made. The request shall be in the prescribed form according to the *Service Procedures*. The receipt by *KUB* of a prospective *customer's* request for *water service* shall not obligate *KUB* to render the *water service*. *KUB* may, at its sole discretion, require the *customer* to provide security, assurance, or guaranty prior to *KUB* rendering *water service*.

**3. Intergovernmental agreements.** At *KUB's* sole discretion, *KUB* may enter into agreements with municipalities, utility districts, and unincorporated areas for the distribution of *water service*. Any such agreement must comply with all applicable federal, state and local laws, ordinances, regulations and *KUB's Rules and Regulations*. There shall be no liability on the part of *KUB* to the requestor for refusal of such service.

**4. Private water systems.** At *KUB's* sole discretion, *KUB* may allow the *connection* of *private water systems* to the *KUB water system*. Any *person* owning or controlling *premises* either within or without the current *KUB water system* area of service desiring to install a *private water system* and to *connect* to the *KUB water system* must comply with all applicable federal, state and local laws, ordinances, regulations and *KUB's Rules and Regulations* and *Service Procedures*. *KUB* may enter into an agreement with said *persons* at *KUB's* sole discretion. There shall be no liability on the part of *KUB* to the requestor for refusal of such service.

## **Section V. Connections to KUB Water System**

**1. Water system extensions or relocations.** *Water system* extensions or relocations will be located in a right-of-way or dedicated easement acceptable to *KUB*. Unless approved by *KUB*, the right-of-way must be adjacent to a road that is suitably maintained so as to permit *KUB* to have direct access to the *KUB water system*. Should the right-of-way be adjacent to a private road, rights of ingress and egress shall be granted to *KUB*, and a dedicated easement shall be provided to *KUB* without cost before any *water main* is installed. If additional easements are required, the *customer* shall bear *KUB's* costs of obtaining said easements.

*KUB* may offer temporary *water service* in accordance with its *Rate Schedules* and/or *Service Procedures*.

### **2. Point of delivery**

- A. The *point of delivery* for metered *water service*, unless otherwise designated by *KUB*, shall be the point where the outlet pipe leaves the outlet side of the meter box. In the event the meter and meter box are located inside the *customer's*, *user's*, and if a different *person*, owner's property line, *KUB* shall be granted access, without cost to *KUB*, to that

portion of the *water service main* inside the property line, in accordance with Section II.5. The *point of delivery* for unmetered *water service*, unless otherwise designated by *KUB*, shall be at the control valve of the *water service main*, which provides *water service* to the *customer, user*, and if a different *person, owner*.

- B. All *connections* to the *KUB water system* are to be made in accordance with all applicable *KUB standards and specifications*. All *water service line* installations shall be made by the *persons* desiring a *connection* to the *KUB water system*, and in accordance with all applicable codes and ordinances.
- C. The Plumbing Inspector for the *City* for connections within the *City* must inspect and approve the *water service line* and the connection before any meter is set by *KUB*. For connections outside the *City* within *KUB's* service territory, the appropriate regulatory authority, if any, shall inspect the *water service line* and the connection before any meter is set by *KUB*.
- D. The *water service line* and any other *water* piping or equipment beyond the *point of delivery* shall be owned and maintained by the individual property owner. Costs and expenses incidental to the installation, connection and inspection of *water* piping and equipment beyond the *point of delivery* shall be borne by the *customer*, excluding any costs incident to the meter, meter box, and meter connections.
- E. The maintenance of the *water service line*, including repair and rehabilitation, shall be performed by a licensed contractor and be in accordance with all applicable codes and ordinances.
- F. The *water distribution main, water service main, meter, meter box, meter connections, and control valve* shall be owned and maintained by *KUB*.
- G. The location of *KUB's* meter, meter box, *water service main*, or other equipment on the *customer's, user's, and if a different person, owner's* property shall not change the location of the *point of delivery*.
- H. As described elsewhere in this Section V(2), *KUB* shall own and maintain all *water* facilities up to the *point of delivery*, and the individual property owner shall own and maintain all *water* facilities and other piping and equipment beyond the *point of delivery*. However, under certain circumstances, as determined by *KUB* in its sole discretion (i.e. *KUB* designates control valve at the *water service main* as *point of delivery* for a metered *water service*), *KUB* may also own and maintain certain water facilities beyond the *point of delivery*, including but not limited to the meter, meter box, and meter connections.

- I. *KUB* shall not be liable for any injury to *persons* or property on account of any defect or negligence in the installation, maintenance, or use of the *customer's, user's*, and if a different *person*, owner's equipment beyond the *point of delivery*.

**3. Cross Connections.** No *cross connections* shall be permitted without the written authorization of *KUB*.

**4. Mains on Private Property.** *KUB* reserves the right to install *water main* in dedicated easements on private property for residential and business developments, including but not limited to condominium developments and commercial strip malls. In such instances, the *point of delivery* shall be the point where the *water main* crosses the dedicated easement, or where the outlet pipe extends from the meter within the easement.

**5. Restriction on Continuous Flow of Unmetered Service.** Except for fire-fighting use or testing, no *customer, user*, and if a different *person*, owner shall take any *water* through an unmetered service without the written authorization of *KUB*.

**6. Additional Volume or Pressure.** The *water service line, water service main*, and meter for each *customer, user*, and if a different *person*, owner have definite capacity and no major addition to *water* volume or pressure, as determined by *KUB* in its sole discretion, will be allowed except by consent of *KUB*. Failure to give written notice of major additions or changes in *water* volume or pressure, as determined by *KUB* in its sole discretion, and to obtain *KUB's* written consent for same shall render said party liable for any damage to *KUB's water system* caused by the additional or changed installation. In addition, in such instances, *KUB* shall not be liable for any damage to any *premises* caused by the additional or changed installation.

**7. Interconnection.** No interconnection of any kind shall be permitted between *KUB's water system* and any other *water* supply from any other source, nor shall any other *water* supply from any other source be permitted to migrate into *KUB's water system*, unless approved in writing by the *COO* or the *President and CEO*. Additionally, *KUB* will require technical information, including but not limited to manufacturer drawings and equipment layout, in regard to the interconnection. *KUB* reserves the right to alter or modify the requesting party's plans to address safety concerns or *KUB's water system* integrity.

**8. Unauthorized Use or Interference with Water Supply.** No *person(s)* shall turn on or turn off any of *KUB's* valves, spigots, or fire hydrants, except when expressly authorized by *KUB*.

**9. Limited Use of *Private Fire Line*.** In the case of a *private fire line*, no *water* shall be used from such *fire line* or from any hydrant thereon, except for fire protection or when the line is being tested or inspected.

## **Section VI. Interruption of *Water Service***

*KUB* shall not be liable for any damage resulting from failure of any *KUB water system* component, or by fluctuations in *water* pressure, or by discontinuing the operation of any segment of its *water system* for repair, extensions or connections, or from the accidental failure of its *water system* from any cause whatsoever, or the termination of *water service* as the result of violations by any *customer, user*, and if a different *person, owner*, of any applicable federal, state and local laws and/or these *Rules and Regulations* or *KUB's Service Procedures*, or damage resulting from *KUB's* failure to terminate *water service* after notice of termination of *water service* by the *customer*. In cases of emergency, *KUB* shall have the right to restrict the use of its *water system* in any reasonable manner for the protection of *KUB's water system, customers*, the public, and the environment.

## **Section VII. Restricted Use of *Water***

In the event of an emergency or other condition causing a shortage in the amount of *water* for *KUB* to meet the demands on its *water system*, *KUB* may, by a method deemed equitable by *KUB*, fix the amount of *water* to be made available for use by *customers* and/or may otherwise restrict the time and purpose of *water* use by *customers*. A method for the distribution of *water* under such circumstances may be set forth in the *Service Procedures*.

If such conditions become necessary, a *customer* may request a variance because of unusual circumstances including matters adversely affecting public health, safety, and welfare. If the *customer* fails to comply with such restriction, *KUB* may take such remedial action, as it deems appropriate under the circumstances including but not limited to temporarily disconnecting *water service* or charging additional amounts because of the excess use of *water*.

*KUB* also reserves the right to grant no further applications for *water service* until such time that the shortage of *water* for *KUB* to meet the demands on its *water system* has been alleviated.

## **Section VIII. Termination of *Water Service*; Refusal to Connect *Water Service***

*KUB* has the right to terminate or refuse *water service* based on outstanding debts owed to *KUB* related to the non-payment of utility bills, a dispute as to the ownership or right to occupancy of the *premises* requesting *water service*, a violation of these *Rules and Regulations*, a violation of *Service Procedures*, a violation of a *customer* contract, non-payment of a utility bill by the *customer*, non-usage of *water service* for a reasonable period of time, a violation of any other applicable rule, law, or ordinance, or

any other legitimate reason deemed in *KUB's* best interests and the best interests of *KUB's water system*.

### **Section IX. Rates for Water Service**

*Water service rates* shall be set forth in the *Water Division Rate Schedules* as adopted by the *KUB Board*.

### **Section X. Billing for Water Service**

The billing for *water service* shall be in accordance with the *Rate Schedules* of the *Water Division* as approved by the *Board* and this section of the *Rules and Regulations*.

1. **Minimum charges.** The minimum charge, if any, will be as stated in the *Rate Schedules* of the *Water Division*.
2. **Estimated billing.** *KUB* may periodically estimate a *customer's water* consumption and submit to *customer* for payment such estimated service bill.
3. **Billing adjustments.** *KUB* may adjust *customer* billing for reasons including but not limited to the following: billing for over or under registration of meters, for the determination of *water* consumption by *customers* when meters have been inoperative, for an obviously incorrect meter reading, or for other recognized and proper adjustments as are determined by *KUB*.

### **Section XI. Authority to Levy Charges and Fees**

Under the provisions of the City Charter and of the general laws of the State of Tennessee, *KUB* is authorized and empowered to fix, levy and collect *fees*, rents, tolls or other charges for the use of or in connection with the *KUB water system*. This authorization includes but is not limited to the establishment, levy and collection of a service charge, improvement charge or other charges deemed necessary. The *CEO* and/or his/her designee may establish *Service Procedures* addressing the establishment of charges and *fees* associated with *water service*.

### **Section XII. KUB Water System Extensions**

#### **1. General Extension Policy**

- A. The investment that *KUB* will make, if any, toward an extension of the *KUB water system* will be equitably determined by *KUB* on the basis of economic and/or technical feasibility. In making such determination, *KUB* shall consider the total capital cost, the anticipated revenues, the estimated expenses associated with the extension, such other economic factors as *KUB* may deem appropriate under the circumstances and the

availability of adequate capacity in the *KUB water system*. *KUB* may require the *person* to pay a *CIAC*.

- B. *Persons* desiring *water system* extensions to and within new developments, including but not limited to land development projects and new subdivisions, shall be required to design and install all *water mains* and related facilities to support the new development. In addition, such *persons* shall be required to pay a tap fee toward the cost of connecting the *water mains* in the new development to the *water system*.
- C. *KUB* may require the *person* to execute an extension agreement which requires and/or provides for assurances or other security or credit arrangements as may be required by *KUB* in its sole discretion, with respect to the extension, including, but not limited to, refundable construction advances, minimum demand or bill requirements, and such other forms of security, assurance, and/or guaranty, as *KUB* determines to be necessary or appropriate to protect the interest of *KUB* and its *customers*. *KUB* shall not be obligated to provide refunds unless specified in a contract. In no event shall a refund be in excess of the amount of the advance for or actual cost of construction.
- D. *KUB* shall have the authority to extend its *water system* in a manner different from that set forth in the *Rules and Regulations* and charge a *CIAC* when any such extension is determined to be in the best interest of *KUB*, economic interest of the community, or to the benefit of the public health of the community.
- E. The authority to make *water system* extensions is in *KUB's* sole discretion even though all requirements have been met. Nothing contained herein shall be construed as requiring *KUB* to extend *water service* to any property. *KUB water system* extensions shall not be denied on the basis of race, sex, religion, color, age or national origin.

## **2. Construction of *KUB Water System***

- A. *KUB's water system* shall be constructed by *KUB* personnel or by a contractor acceptable to *KUB*.
- B. The size, type and installation of *water system* components shall comply with *KUB's standards and specifications* and must be approved by *KUB*.
- C. Construction work on *KUB's water system* shall at all times be subject to inspection by *KUB* to assure that the work conforms to *KUB's standards and specifications*.

- D. No approval or inspection by *KUB* hereunder shall relieve the *customer*, *person* or the contractor of the *customer* or *person* of any liability for work performed on the *KUB water system*.
- E. Upon the completion of construction and subsequent inspection and approval by *KUB*, such construction shall become the property of *KUB* and thereafter become a part of *KUB's water system*. The *persons* paying the cost of construction shall execute any written instrument requested by *KUB* to provide evidence of *KUB's* title. In consideration of such being transferred to *KUB*, *KUB* shall incorporate such as an integral part of *KUB's water system* in accordance with these *Rules and Regulations*.
- F. *KUB* may, at the request of a *person*, relocate or change existing *KUB water system* components. The *person* may be required to reimburse *KUB* for costs of such relocation or change including but not limited to appropriate overheads and associated costs for easement acquisitions. When a public right-of-way is changed for the benefit of private interests and *KUB's water system* must be adjusted to accommodate said change, the cost of such adjustments shall be paid in advance on a non-refundable basis by the requesting parties.
- 3. Construction and Responsibility for *Private Water Systems*.** *KUB* reserves the authority to allow and/or deny *private water systems* that either directly or indirectly draw *water* flow from the *KUB water system*. Any such *private water system* shall be approved by the applicable governing entities, including but not limited to the applicable Tennessee state regulatory authority. The owner of the *private water system*, such as the developer, the developer's legally authorized successor, property owner, etc., shall retain ownership of and be responsible for all operation and maintenance of the *private water system*. *KUB* shall retain ownership of and be responsible for the operation and maintenance of the master meter(s), which registers *water* usage by the *private water system*, and all applicable *water* facilities related to the operation of the master meter.

### **Section XIII. Prohibition of *Water* Resale**

No *person* shall resell *water* from *KUB's water system* without *KUB's* express written permission or written authorization from the applicable Tennessee state regulatory authority.