



November 18, 2024

Michelle Mairs
c/o Docket and Records Manager
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

Electronically Filed in TPUC Docket Room
on November 18, 2024, 2024 at 8:56 a.m.

Re: Docket No. 04-00097

Dear Ms. Mairs:

My communication herein in to provide a copy RS 2024-696, enclosed herein, within the record of Docket No. 04-00097. As background, the Nashville Metropolitan Council passed RS 2024-696 on September 3, 2024 and Mayor Freddie O'Connell signed it on September 4, 2024. This resolution approves the extension of Piedmont Natural Gas Company's franchise for an additional 5-year period (2024-2029). This resolution extends the franchise originally approved by the TRA in Docket No. 04-00097.

A copy of RS 2024-696 is also accessible at the following public website:

<https://nashville.legistar.com/LegislationDetail.aspx?ID=6843729&GUID=1A47A871-E57D-4E6F-8E65-D2656B3CD7EB>

Should you have any questions concerning this matter, please do not hesitate to contact me at 704-249-6685 or Pia.Powers@duke-energy.com

Sincerely,

A handwritten signature in blue ink that reads "Pia Powers".

Pia Powers
Managing Director - Gas Rates & Regulatory

cc: Eddie Davidson

Enclosure



Metropolitan Nashville and Davidson County, TN

Legislation Details (With Text)

File #: RS2024-696

Type: Resolution **Status:** Passed

File created: 8/22/2024 **In control:** Metropolitan Council

On agenda: 9/3/2024 **Final action:** 9/3/2024

Title: A resolution extending the license and franchise of Nashville Gas Company for an additional period.

Sponsors: Delishia Porterfield, Sean Parker, Terry Vo

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
9/4/2024	1	Mayor	approved	
9/3/2024	1	Metropolitan Council	adopted	
9/3/2024	1	Transportation and Infrastructure Committee	approved	
9/3/2024	1	Budget and Finance Committee	approved	
8/27/2024	1	Metropolitan Council	filed	

A resolution extending the license and franchise of Nashville Gas Company for an additional period.

WHEREAS, Nashville Gas Company, whose parent company is Piedmont Natural Gas, has held a franchise to sell and transport natural gas within the area of the Metropolitan Government since 1912. The franchise agreement was extended in 1950 and again in 1974; and,

WHEREAS, Ordinance No. BL2003-36 extended the license and franchise (the "Gas Franchise") of Nashville Gas Company for a period of ten years, beginning on the date of the approval of that ordinance at a referendum held on February 10, 2004; and,

WHEREAS, Ordinance No. BL2003-36 provides that the Gas Franchise may be extended for four additional five-year periods by resolution of the Metropolitan Council; and,

WHEREAS, Resolution No. RS2014-951 extended the Gas Franchise for the first of those four additional five-year periods, from 2014-2019; and,

WHEREAS, Resolution No. RS2019-1558 extended the Gas Franchise for the second of those four additional five-year periods, from 2019 to 2024; and,

WHEREAS, extension of the Gas Franchise for an additional five-year period (from 2024-2029) is in the best interests of the Metropolitan Government.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1: That the Gas Franchise is hereby affirmed, continued, and extended for an additional period of five years (from 2024-2029) in accordance with the terms of Ordinance No. BL2003-36.

Section 2: That this resolution shall take effect from and after its adoption, the welfare of the Metropolitan

Government of Nashville and Davidson County requiring it.

Analysis

This resolution extends the existing license and franchise of the Nashville Gas Company for a five-year period in accordance with Ordinance No. BL2003-36.

Nashville Gas Company, which is owned by Piedmont Natural Gas, has possessed a franchise to sell and transport natural gas in Nashville and Davidson County since 1912. This franchise was further extended in 1950 and 1974.

BL2003-36 extended the license and franchise for a 10-year period starting on February 10, 2004, when voters ratified the franchise by referendum as required by the Metropolitan Charter. The ordinance provided that the license and franchise could be extended for four additional five-year periods by resolution. The Metropolitan Council has approved two of those extensions through Resolutions No. RS2014-951 and RS2019-1558.

The ordinance under consideration would extend the Nashville Gas Company license and franchise for a third five-year period from 2024 to 2029.

Fiscal Note: Under the existing agreement, Piedmont is required to pay Metro an annual franchise fee of 5% of its gross receipts from the sale, transportation, and distribution of gas. This 5% annual franchise fee amounted to \$14.2 million in revenue to Metro for fiscal year 2023. In addition, Piedmont paid approximately \$5.7 million in property taxes to Metro for fiscal year 2023.

The franchise fee will continue to remain in effect unless the Metropolitan Government grants a franchise to another company to sell, transport, and distribute gas.