

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

IN RE:)
)
PETITION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL)
OF NEGOTIATED FRANCHISE) Docket No. 19- 00088
AGREEMENT WITH THE CITY OF)
MARYVILLE, TENNESSEE)

DIRECT TESTIMONY OF
TRAVIS GREENWOOD
ON BEHALF OF ATMOS ENERGY CORPORATION

1 Q: Please state your name and business address.

2 A: My name is Travis Greenwood. My business address is 1639 Robert C. Jackson Drive,
3 Maryville, TN 37801.

4 Q: By whom and in what capacity are you employed?

5 A: I am employed by Atmos Energy Corporation, Kentucky/Mid-States Division ("Atmos
6 Energy") as Operations Supervisor for the Maryville and Alcoa, Tennessee area of
7 operations which includes Atmos Energy's operations in the City of Maryville,
8 Tennessee.

9 Q: Please describe your work history with Atmos Energy.

10 A: I have been employed by Atmos Energy for 16 years. I was a Meter Reader, Service
11 Technician, Construction Operator, Town Operator and Operations Supervisor for Atmos
12 Energy's Mid-Tex Division from 2003 until assuming my current role as Operations
13 Supervisor. I have been in my current position for 2 years.

1 **Q: Have you previously offered testimony in any regulatory proceedings?**

2 A: No.

3 **Q: What is the purpose of your testimony in this case?**

4 A: I am testifying on behalf of Atmos Energy in support of the petition filed to approve the
5 franchise between Atmos Energy and the City of Maryville.

6 **Q: In your capacity as Operations Supervisor for the Maryville and Alcoa areas of**
7 **Atmos Energy, are you familiar with the natural gas distribution system operated**
8 **by Atmos Energy in Maryville, Tennessee?**

9 A: Yes. I am familiar with the operation in Maryville, Tennessee, as well as the operations
10 in the other surrounding communities that are served by the Atmos Energy system.

11 **Q: Please give the Tennessee Public Utility Commission (“TPUC” or “Commission”) an**
12 **overall description of the Maryville, Tennessee system and the customers served.**

13 A: There are approximately 8,400 customers located within the city limits being served by
14 the natural gas distribution system owned and operated by Atmos Energy. Of that
15 amount, approximately 90% are residential customers and 10% are in other customer
16 classes such as commercial and industrial.

17
18 The Atmos Energy system consists of approximately 311 miles of pipe within the
19 Maryville, Tennessee city limits. This pipe is comprised of distribution mains,
20 transmission mains, and service lines. The majority of this pipe is located within the
21 public rights-of-way of Maryville. Without access to these public rights-of-way, Atmos
22 Energy could not adequately maintain, replace and/or operate its distribution system.

1 **Q: Has Atmos Energy operated a natural gas distribution system in Maryville for a**
2 **number of years?**

3 A: Yes. Atmos Energy and its predecessor entity have operated for many years in Maryville
4 under franchise agreements with the City. For the past fifteen years, the Company has
5 operated under the franchise agreement Ordinance No. 2004-34.

6 **Q: Could you please explain the circumstances that caused a need for a new franchise**
7 **agreement between Atmos Energy and the City of Maryville.**

8 A: Yes. Under § 65-26-101 of the Tennessee Code Annotated, Atmos Energy is required to
9 have the consent of the City of Maryville, in the form of a municipal ordinance, in order
10 to enter onto the streets and alleys of Maryville for the purpose of placing, maintaining,
11 or expanding its natural gas distribution facilities. Atmos Energy and its predecessor
12 entity have been providing natural gas service to the City of Maryville for the last several
13 years pursuant to the ordinances I have previously mentioned. As the fifteen-year term of
14 the ordinance 2004-34 originally expires in August 2019, Atmos Energy and the City of
15 Maryville have entered into a new franchise agreement to amend the term of Ordinance
16 2004-34 and to extend the term of the franchise for twenty years, allowing Atmos Energy
17 to continue to serve the City of Maryville into the future.

18 **Q: When did Atmos Energy begin pursuing a new franchise arrangement with the City**
19 **of Maryville?**

20 A: The Company and the City of Maryville began discussions in summer 2018 and a
21 proposed ordinance to extend the term of the franchise approved in Ordinance 2004-34
22 followed from those discussions.

23 **Q: How does the new franchise agreement compare with the old one?**

1 A: The proposed franchise amends the current franchise and extends the term of the current
2 franchise for twenty years. The franchise fee will remain the same of five percent (5%)
3 of Atmos Energy's gross receipts derived from retail natural gas sales within the
4 corporate limits of the City of Maryville, while transport volumes per CCF rate will be
5 \$0.005.

6 **Q: Is TPUC approval required for this new franchise agreement?**

7 A: Yes. Under § 65-4-107 of Tennessee Code Annotated, the new franchise agreement will
8 not be valid unless and until approved by this Commission.

9 **Q: What is the standard to be utilized by the Commission in determining whether to**
10 **approve the new franchise agreement?**

11 A: Under the statute, the Commission is authorized to approve the ordinance if it finds that it
12 "is necessary and proper for the public convenience and properly conserves the public
13 interest."

14 **Q: In your opinion, are the Maryville franchise agreement's terms necessary and**
15 **proper for the public convenience and in the public interest?**

16 A: Yes, on a number of grounds.

17
18 First, the new franchise terms reflected in the new agreement will establish a long-term
19 arrangement through which the current and future residents, business enterprises and
20 governmental facilities located within the City of Maryville will be able to receive, under
21 the supervisory jurisdiction of the Commission, the benefits of continuing natural gas
22 service provided by Atmos Energy for an extended period. This arrangement will help

1 ensure the continuing availability of high-quality natural gas service to the City of
2 Maryville for the foreseeable future.

3
4 Second, the new franchise facilitates the provision of such natural gas service to the City
5 of Maryville by an established and proven provider of that service well-known to both the
6 City of Maryville and this Commission and possessing the requisite expertise, facilities,
7 systems and gas supply and transportation assets necessary to provide such service.

8
9 Third, the new franchise arrangement establishes adequate and proper mechanisms for
10 access by the Company to public rights-of-way, new and existing customers, and its
11 distribution facilities. These mechanisms help to ensure that Atmos Energy is able to
12 provide both adequate and efficient service and to comply with the requirements of this
13 Commission to ensure the safety and protection of residents and property within the City
14 of Maryville.

15
16 Fourth, the various other protective provisions set forth in the new franchise arrangement
17 provide useful and important tools for the City of Maryville to ensure that its citizens are
18 benefited and not economically harmed by the activities of Atmos Energy within the City
19 of Maryville.

20
21 Fifth, the new franchise arrangement provides an incentive for Atmos Energy to invest in
22 infrastructure needed to provide improved and expanded service within the City of
23 Maryville by ensuring that Atmos Energy will have the right to provide service within

1 these areas for a sufficient period in order to permit Atmos Energy the opportunity to
2 recover the capital investment in such facilities under the rates approved by the
3 Commission.

4 **Q: How will Atmos Energy comply with Tennessee Code Annotated § 65-4-105(e),**
5 **which requires the franchise fee, insofar as practicable, to be billed pro rata to the**
6 **utility customers receiving serviced within the municipality?**

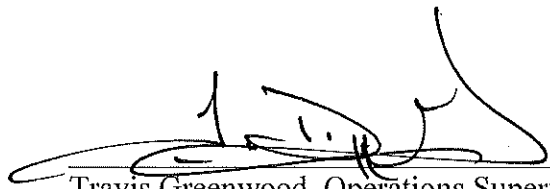
7 A: As required by the statute, Atmos Energy will bill and collect the Maryville, Tennessee
8 franchise fees directly from customers located there. The franchise fee will be charged
9 directly to City of Maryville customers and in turn passed along to the City. The
10 franchise fee will appear as a line item on each customer's bill.

11 **Q: What are you asking the Commission to do in this proceeding?**

12 A: Based on the facts discussed above, we are asking the Commission to approve the new
13 franchise agreement between Atmos Energy and the City of Maryville as reflected in
14 Exhibit 1 to the Petition in this matter.

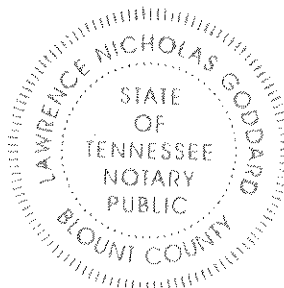
15 **Q: Do you have anything further to add to your testimony?**

16 A: Not at this time.


Travis Greenwood, Operations Supervisor
for the Maryville and Alcoa, TN area of operations

Sworn to and subscribed before me
this 12th day of September, 2019


Notary Public



COMMISSION EXPIRES
MAY 23, 2023

My Commission Expires: _____