

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

IN RE:

PETITION OF ATMOS ENERGY
CORPORATION FOR APPROVAL
OF NEGOTIATED FRANCHISE
EXTENSION WITH BLOUNT
COUNTY, TENNESSEE

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Docket No. 19- 00096

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, Tennessee 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 Blount County.

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 Blount County, Tennessee?**

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

12 **Q: Please give the Commission an overall description of the Blount County, Tennessee**
13 **system and the customers served.**

14 A: There are approximately 5,044 customers located within the unincorporated areas of
15 Blount County being served by the natural gas distribution system owned and operated
16 by Atmos Energy. Of that amount, approximately 96% are residential customers and 4%
17 are in other customer classes such as commercial and industrial.

18
19 The Atmos Energy system consists of approximately 192 miles of pipe within the
20 unincorporated areas of Blount County. This pipe is comprised of distribution mains,
21 transmission mains, and service lines. The majority of this pipe is located within the
22 public rights-of-way of Blount County. Without access to these public rights-of-way,

1 Atmos Energy could not adequately maintain, replace and/or operate its distribution
2 system.

3 **Q: Has Atmos Energy operated a natural gas distribution system in Blount County for**
4 **a number of years?**

5 A: Yes. Atmos Energy and its predecessor entity have operated for many years in Blount
6 County under franchise agreements with the County. For the past fifteen years, the
7 Company has operated under the franchise agreement Resolution No. 04-38-008.

8 **Q: Could you please explain the circumstances that caused a need for a new franchise**
9 **agreement between Atmos Energy and Blount County.**

10 A: Yes. Under § 65-26-101 of the Tennessee Code Annotated, Atmos Energy is required to
11 have the consent of Blount County, in the form of a municipal ordinance, in order to enter
12 onto the streets and alleys of Blount County for the purpose of placing, maintaining, or
13 expanding its natural gas distribution facilities. Atmos Energy and its predecessor entity
14 have been providing natural gas service to Blount County for the last several years
15 pursuant to the ordinances I have previously mentioned. As the fifteen-year term of
16 Resolution No. 04-08-008 originally expires in August 2019, Atmos Energy and Blount
17 County have entered into a new franchise agreement to amend the term of Resolution No.
18 04-08-008 and to extend the term of the franchise for twenty years, allowing Atmos
19 Energy to continue to serve Blount County into the future.

20 **Q: When did Atmos Energy begin pursuing a new franchise arrangement with Blount**
21 **County?**

1 A: The Company and Blount County began discussions in summer 2018 and a proposed
2 resolution to extend the term of the franchise approved in Resolution No. 04-08-008
3 followed from those discussions.

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

5 A: The proposed franchise amends the current franchise and extends the term of the current
6 franchise for twenty years. The franchise fee will remain the same of five percent (5%)
7 of Atmos Energy's gross receipts derived from retail natural gas sales within the
8 unincorporated limits of Blount County, while transport volumes per CCF rate will be
9 \$0.005.

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

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

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

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

18 **Q: In your opinion, are the Blount County franchise agreement's terms necessary and**
19 **proper for the public convenience and in the public interest?**

20 A: Yes, on a number of grounds.

21
22 First, the new franchise terms reflected in the new agreement will establish a long-term
23 arrangement through which the current and future residents, business enterprises and

1 governmental facilities located in Blount County will be able to receive, under the
2 supervisory jurisdiction of the Commission, the benefits of continuing natural gas service
3 provided by Atmos Energy for an extended period. This arrangement will help ensure
4 the continuing availability of high-quality natural gas service to Blount County for the
5 foreseeable future.

6
7 Second, the new franchise facilitates the provision of such natural gas service to Blount
8 County by an established and proven provider of that service well-known to both Blount
9 County and this Commission and possessing the requisite expertise, facilities, systems
10 and gas supply and transportation assets necessary to provide such service.

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

18
19 Fourth, the various other protective provisions set forth in the new franchise arrangement
20 provide useful and important tools for Blount County to ensure that its citizens are
21 benefited and not economically harmed by the activities of Atmos Energy within Blount
22 County.

1 Fifth, the new franchise arrangement provides an incentive for Atmos Energy to invest in
2 infrastructure needed to provide improved and expanded service within Blount County by
3 ensuring that Atmos Energy will have the right to provide service within these areas for a
4 sufficient period in order to permit Atmos Energy the opportunity to recover the capital
5 investment in such facilities under the rates approved by the Commission.

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

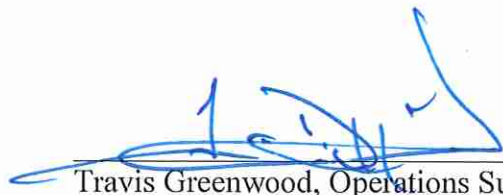
9 A: As required by the statute, Atmos Energy will bill and collect the Blount County
10 franchise fees directly from customers located there. The franchise fee will be charged
11 directly to Blount County customers and in turn passed along to Blount County. The
12 franchise fee will appear as a line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

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

14 A: Based on the facts discussed above, we are asking the Commission to approve the new
15 franchise agreement between Atmos Energy and Blount County as reflected in Exhibit 1
16 to the Petition in this matter.

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

18 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 16th day of October, 2019



Notary Public



MY COMMISSON EXPIRES
JUNE 22, 2021

My Commission Expires:_____