

**Before the
Tennessee Public Utility Commission**

Docket No. 21-00074

**Petition of Piedmont Natural Gas Company, Inc. for
Approval of Negotiated Franchise Agreement with
Brentwood, Tennessee Pursuant to Tennessee Code
Annotated § 65-4-107**

**Testimony
of
Eddie Davidson**

**On Behalf of
Piedmont Natural Gas Company, Inc.**

1 **Q. Please state your name and business address.**

2 A. My name is Eddie Davidson. My business address is 83 Century
3 Boulevard, Nashville, Tennessee.

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

5 A. I am employed by Piedmont Natural Gas Company, Inc. (“Piedmont” or
6 the “Company”) as Director, Government Affairs for the Tennessee
7 Region.

8 **Q. Please describe your educational and professional background.**

9 A. I have a B.S. in Political Science from Middle Tennessee State University.
10 I have worked in various capacities for the Tennessee House of
11 Representatives, and served six years as the Assistant Chief Clerk of the
12 House from 1996 until 2002. In 2002, I joined the administration of
13 Nashville Mayor Bill Purcell as an Associate Director of the Metro
14 Nashville Public Works Department. I then served as a legislative liaison
15 to the Tennessee General Assembly on behalf of Metro Nashville,
16 eventually becoming the Director of Legislative Affairs for the City. In
17 this role, I managed all government affairs at the local, state, and federal
18 level. I stayed on with Metro Nashville in the administration of Mayor
19 Karl Dean as a Senior Advisor for Infrastructure and Intergovernmental
20 Affairs prior to joining Piedmont in 2009.

1 **Q. Have you previously testified before the Tennessee Public Utility**
2 **Commission (“TPUC” or “Commission”) or any other regulatory**
3 **authority?**

4 A. I previously testified before the Tennessee Regulatory Authority (“TRA”),
5 the Commission’s predecessor, and the TPUC regarding Piedmont’s flood
6 recovery efforts and Piedmont’s franchise agreements with the Town of
7 Nolensville, the City of LaVergne, the City of Fairview, the Town of
8 White House, the City of Ashland City, the City of Greenbrier, and the
9 City of Mt. Juliet. In addition, I have testified before numerous legislative
10 committees at the state and local level.

11 **Q. Do you hold any positions in any professional or trade associates?**

12 A. I am a member of board of directors of the Tennessee Gas Association and
13 previously served as chair of the 2010-2011 and 2012-2013 Legislative
14 Committee. I am also currently a board member of the Tennessee
15 Lobbyists Association and the Tennessee Chamber of Commerce and
16 Industry.

17 **Q. What is the purpose of your testimony in this proceeding?**

18 A. The purpose of my testimony is to present information to the Commission
19 relating to the franchise agreement entered into between Piedmont and the
20 City of Brentwood, Tennessee (“Brentwood” or the “City”), as authorized
21 by Ordinance 2020-10.

22 **Q. Could you please explain the circumstances that caused a need for a**

franchise agreement between Piedmont and Brentwood?

A. Yes. Under Section 65-26-101 of the Tennessee Code Annotated, Piedmont is required to have the consent of Brentwood, in the form of a municipal ordinance, in order to enter onto the streets and alleys of Brentwood for the purpose of placing, maintaining, or expanding its natural gas distribution and transmission facilities.

Piedmont is currently providing natural gas service to Brentwood pursuant to a twenty-five (25) year franchise agreement between the Company and Brentwood that was approved by the City and accepted by Piedmont on December 11, 1995 ("Original Franchise"). Pursuant to the terms of the Original Franchise, the existing authorization to enter onto the property of the City and to provide natural gas service expired December 11, 2020. As such, under Tennessee law, a new franchise agreement is necessary in order for Piedmont to continue its provision of service to the City after that date.

Q. When and how did Piedmont begin pursuing a new franchise arrangement with Brentwood?

A. Prior to the expiration of the Original Franchise, and in the ordinary course of the Company's business, Piedmont began negotiations with Brentwood for renewal of its franchise authority in the Spring of 2020 but those negotiations were slowed somewhat by the impacts of the pandemic.

Q. What was the result of those negotiations?

1 A. The negotiations were successful and ultimately resulted in a franchise
2 agreement acceptable to both the Company and the City. The franchise
3 agreement was incorporated into City Ordinance 2020-10 and addressed
4 by the City's Board of Commissioners on January 12, 2021.

5 **Q. Was the ordinance approved by the City?**

6 A. Yes. On January 12, 2021, City Ordinance 2020-10 was presented to the
7 City's Board of Commissioners for approval. Ordinance 2020-10, a copy
8 of which is attached as Exhibit A to the Petition filed in this docket, and
9 incorporated herein by reference, was subsequently approved by the City's
10 Board of Commissioners and signed by the Mayor of the City. Ordinance
11 2020-10 renews Piedmont's franchise arrangement with the City for a
12 period of twenty-five (25) years.

13 **Q. What are the primary provisions of the new franchise ordinance?**

14 A. The new franchise ordinance grants Piedmont the right to provide service
15 to customers within the municipal limits of the City and access to the
16 streets and public rights-of-way within the City. In exchange for these
17 rights and accesses, Piedmont will pay an annual franchise fee no more
18 than five percent (5%) of the annual gross revenues it collects from
19 customers who are located and provided service within City limits if,
20 during the term of the franchise, the City passes a resolution that calls for
21 the payment of such franchise fee. In addition, Piedmont must comply

1 with certain procedures with respect to the conduct of its business within
2 the City's corporate limits.

3 **Q. Is Piedmont satisfied with the negotiated resolution of these issues?**

4 A. Yes. Both parties were ultimately able to agree with the negotiated result
5 and that result is reflected in Ordinance 2020-10, which was approved by
6 the City's Board of Commissioners on January 12, 2021, and subsequently
7 accepted by Piedmont.

8 **Q. In your opinion, are the franchise terms set forth in Ordinance 2020-10**
9 **necessary and proper for the public convenience and in the public**
10 **interest?**

11 A. Yes.

12 **Q. Do you know of any facts that would indicate that the new franchise**
13 **arrangement reflected in Ordinance 2020-10 is not in the public**
14 **interest?**

15 A. No.

16 **Q. What are you asking the Commission to do in this proceeding?**

17 A. Based on the facts discussed above, we are asking the Commission to
18 approve the new franchise agreement between Piedmont and the City as
19 reflected in Ordinance 2020-10 to be effective December 11, 2020.

20 **Q. What parameters has Piedmont been operating under since the**
21 **expiration of the prior franchise?**

1 A. We have continued to serve our customers in Brentwood under the
2 authority provided by T.C.A. 65-4-107(b) pending approval of the new
3 franchise.

4 **Q. Does this conclude your testimony?**

5 A. Yes.