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December 14, 2022

**Via Electronic Filing & U.S. Mail**

Electronically Filed in TPUC Docket Room on  
December 14, 2022 at 11:20 a.m.

Chairman Herbert H. Hilliard  
c/o Ectory Lawless  
Tennessee Public Utility Commission  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

Re: **Piedmont Natural Gas Company, Inc.  
Petition for Approval of Negotiated Franchise Agreement with  
Hartsville/Trousdale County, Tennessee Pursuant to Tennessee Code  
Annotated § 65-4-107  
Docket No.: 22- 00136**

Dear Chairman Hilliard:

Enclosed please find the Petition of Piedmont Natural Gas Company, Inc. for Approval of Negotiated Franchise Agreement with Hartsville/Trousdale County, Tennessee Pursuant to Tennessee Code Annotated § 65-4-107, along with its Exhibit A, and the Testimony of Eddie Davidson. Also enclosed is a check for the filing fee in the amount of \$25.00.

This material is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original and provide us a "filed" stamped copy of each by email to my assistant, at [denise.guye@wallerlaw.com](mailto:denise.guye@wallerlaw.com).

Very truly yours,

Paul S. Davidson

PSD:cdg  
Enclosures

cc: David Foster  
Michelle Mairs  
Bruce Barkley  
Pia Powers  
James Jeffries

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

IN RE:	)	
	)	
PETITION OF PIEDMONT NATURAL	)	
GAS COMPANY, INC. FOR APPROVAL	)	
OF NEGOTIATED FRANCHISE	)	
AGREEMENT WITH	)	Docket No. 22- <u>00136</u>
HARTSVILLE/TROUSDALE COUNTY,	)	
TENNESSEE PURSUANT TO	)	
TENNESSEE CODE ANNOTATED § 65-4-	)	
107	)	
	)	

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**PETITION OF PIEDMONT NATURAL GAS COMPANY, INC. FOR APPROVAL OF  
NEGOTIATED FRANCHISE AGREEMENT WITH HARTSVILLE/TROUSDALE COUNTY,  
TENNESSEE PURSUANT TO TENNESSEE CODE ANNOTATED § 65-4-107**

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Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”), through counsel and pursuant to Tennessee Code Annotated § 65-4-107, hereby requests approval by the Tennessee Public Utility Commission (“Commission”) of a negotiated franchise agreement between Piedmont and the County of Hartsville/Trousdale, Tennessee (“Hartsville/Trousdale” or the “County”). In support of its Petition, Piedmont respectfully shows unto the Commission as follows:

1. Piedmont is incorporated under the laws of the state of North Carolina and is engaged in the business of transporting, distributing and selling natural gas in the states of Tennessee, North Carolina and South Carolina.
2. Piedmont’s natural gas distribution business in Tennessee is subject to regulation and supervision by the Commission pursuant to Chapter 4 of Title 65 of the Tennessee Code Annotated.
3. Piedmont has its principal offices in Tennessee at 83 Century Boulevard, Nashville, Tennessee, and is engaged in the business of furnishing natural gas to customers located in Nashville and the remainder of Davidson County as well as portions of the counties of Cheatham, Dickson, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson and in certain incorporated towns and cities located therein.

4. Piedmont is currently providing natural gas service within the County of Hartsville/Trousdale pursuant to a thirty (30) year franchise agreement between the Company and the City of Hartsville (“Original Franchise”). The Original Franchise was approved by the City and accepted by Piedmont on March 5, 1990. Subsequent to the execution of the Original Franchise, the City of Hartsville and Trousdale County elected to form a Metropolitan Government.

5. Piedmont’s Original Franchise and the authorizations contained therein expired in accordance with their terms on March 5, 2020.

6. Prior to the expiration of the Original Franchise, and in the ordinary course of the Company’s business, Piedmont began negotiations with the County for renewal of its franchise authority.

7. Negotiations ultimately resulted in a franchise agreement acceptable to both the Company and the County. The franchise agreement was then incorporated into County Ordinance 251-2022-21 and presented to the County’s Board of Commissioners for approval. Ordinance 251-2022-21, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, was subsequently approved by the County’s Board of Commissioners on its second reading on August 29, 2022, and signed by the Mayor of the County.

8. Consistent with the procedures established by the County, the Company subsequently executed its written acceptance of Ordinance 251-2022-21, as reflected on page 3 of Exhibit A.

9. Pursuant to Tennessee Code Annotated § 65-4-107, the new franchise agreement between Piedmont and the County must be approved by the Commission in order to be valid. Such approval is proper where, as here, the franchise is necessary and proper for the public convenience and properly conserves the public interest.

10. In this case, Piedmont submits that the new franchise agreement contained in Ordinance 251-2022-21 is necessary and proper for the public convenience and properly conserves the public interest on the following grounds:

a. The new franchise agreement establishes a twenty-five (25) year arrangement, effective March 5, 2020, which secures the provision of natural gas service to citizens, businesses and governmental institutions within the County.

b. The new franchise agreement ensures the continued and uninterrupted provision of high-quality natural gas service by an established provider of such service to existing customers, as well as the availability of such service to new customers within the County.

c. The new franchise agreement establishes adequate and proper mechanisms for access to public rights-of-way, new and existing customers, and existing service lines, transmission and distribution facilities and thereby ensures the protection of the property and citizenry of the County; and

d. Piedmont shall pay franchise fees to the County in the amount of up to, but not more than five percent (5%) of the annual gross revenues collected from all customers who are located and provided service by the Company within the geographical areas of the County if, during the term of the franchise, the County passes a resolution that calls for the payment of such franchise fee.

11. Piedmont hereby advises the Commission that pursuant to Tennessee Code Annotated § 65-4-105(e), Piedmont has in the past and intends in the future, insofar as practicable, to bill its customers subject to the franchise agreement on a pro rata basis for any “franchise payment or other payment for the use of public streets, alleys or other public places or any license, privilege, occupation or excise tax payment.”

12. Piedmont recognizes and apologizes for the delay in filing this Petition and notes that it has continued to provide service to the County under the Original Franchise in the interim, as authorized by Tennessee Code Annotated § 65-4-107(b).

WHEREFORE, Piedmont Natural Gas Company, Inc., respectfully requests that the Commission approve the negotiated franchise agreement incorporated into Ordinance 251-2022-21 attached hereto as Exhibit A.

Respectfully submitted this 14th day of December, 2022.

**Piedmont Natural Gas Company, Inc.**

By: /s/ Paul S. Davidson

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# **EXHIBIT A**

HARTSVILLE/TROUSDALE COUNTY GOVERNMENT  
**ORDINANCE #251-2022-21**

**AN ORDINANCE GRANTING FRANCHISE TO PIEDMONT NATURAL GAS COMPANY, INC.**

**BE IT ORDAINED BY THE HARTSVILLE/TROUSDALE COUNTY COMMISSION** as follows:

**I. DEFINITIONS**

1.01 As used in this Ordinance, the following terms, words, and phrases shall have the meanings respectively ascribed to them in this section:

"Company" shall mean Piedmont Natural Gas Company, Inc., a corporation organized under the laws of the State of North Carolina and authorized to do business in the State of Tennessee, and any successor in interest to Piedmont Natural Gas Company, Inc. under this franchise Ordinance.

"County" or "Hartsville/Trousdale County" shall mean:

The Metropolitan Government of Hartsville/Trousdale County located in Trousdale County, Tennessee,

The area within the territorial limits of Metropolitan Hartsville/Trousdale County and within the extraterritorial area surrounding the County to the extent it may be lawfully included as presently or hereafter fixed by law or ordinance, or

The Commission of the Hartsville/Trousdale County Government or any officer or agent duly authorized in acting on behalf of the County as a metropolitan government, as indicated by the context by which the term is used;

"Commission of the Hartsville/Trousdale County Government" shall mean the governing body of the Metropolitan Government of Hartsville/Trousdale County;

"Gas" when used as an unqualified term shall mean either natural or artificial gas, by whatever process or processes derived or manufactured, or both such gases either separately or a mixture of them.

**II. FRANCHISE GRANTED**

2.01 The Company is hereby granted the exclusive right to construct operate and maintain a gas utilities system within the County for production, transmission, distribution, and sale of gas to consumers and users within the County and to the County and any and all agencies and departments thereof.

2.02 The Company is hereby granted the right, authority and privilege to construct and install, operate, maintain, lay or relay, renew, replace and repair gas pipes, mains, pipelines,

conduits, regulators, connections and services thereto, in, through, across, along and under streets, avenues, roads, public alleys, lanes, parks and squares, and other public places and ways in the County for the production, pumping, handling, transmission, distribution and sale of gas for any and all purposes, subject to the terms and conditions hereinafter set forth in this Ordinance.

2.03 Whenever the Company causes any opening, excavation, or alteration to be made in any street, lane or public place within the County in the construction, operation or maintenance of any of its pipelines or other appliances owned or used by it, the Company shall repair and restore such portions of such streets, lanes or public places to the same condition in which it found them as nearly as practicable.

2.03.1 Whenever the Company shall cause any opening, excavation, or alteration to be made in any street, lane, or public place within the County in the construction, operation, or maintenance of any of its pipelines or other appliances owned or used by it, the Company shall comply with all safety regulations required by federal, state and local laws.

2.04 This franchise is granted for a term of twenty-five years beginning March 5, 2020 and ending at midnight March 5, 2045. This franchise supersedes any and all former rights or franchises of the Company to operate a gas utilities system in the County with respect to all acts and things done or admitted to be done, on or after March 5, 2020.

2.05 The Company hereby agrees to indemnify, defend, and hold harmless the County, its elected officials, officers, boards, commissions, and employees, against any and all claims and liabilities arising from the Company's, and its assignees or licensees, activities or Gas System, including reasonable attorney fees and court costs.

2.06 The Company shall not be obligated to the County or any of its departments or agencies for any tax, license fee, other fee, or any other payment whatsoever, relating to the rights granted herein, other than that which is levied by state law.

2.07 The Company is hereby granted the right during the existence of this franchise to mortgage or hypothecate this franchise, together with all rights and privileges there under and any right or interest therein, as security for indebtedness, subject to acceptance by any legal successor in interest of the obligations, duties, liabilities, limitations and prohibitions set out herein and subject to the approval by the Tennessee Regulatory Authority or other governmental agency whose approval is required by law. The Company shall not assign or transfer its rights under this agreement, provided, however, that this provision shall not prohibit the Company from assigning its rights hereunder to the surviving corporation in any corporate reorganization in which the Company is a party.

2.08 The Company shall pay to the County an amount equal to five percent (5%) of the annual gross revenues collected from all customers who are located and provided service by the Company within the geographical areas identified on Exhibit A. The payment of the fee



shall be on an annual basis, and the first payment shall be made by the Company within sixty (60) days after the approval by the TPUC of the Ordinance. Thereafter, payment of such fee and the recovery thereof by the Company shall be pursuant to Tenn. Code Ann. Section 65-4-105(e). Upon County request, the Company agrees to make the appropriate records available that will allow the County to determine that taxes collected in the County's name are being remitted to the County. The County shall limit such requests to not more than once every two years.

### III. ACCEPTANCE OF FRANCHISE

This Ordinance shall be submitted to the Tennessee Public Utility Commission pursuant to Tenn. Code Ann. Section 65-4-107 for approval and shall take effect from the day and date of its passage, but only after it has been accepted in all its terms and revisions by the Company, in writing, within sixty days after its passage; otherwise, the same shall be null and void and of no effect.

Public Hearing to be held on August 29, 2022

	1M	<u>Rachel Jones</u>		<b>Electronic Voting</b>									
First Reading:		<u>July 25, 2022</u>	2m	<u>Mary Ann Baker</u>	Yes	<u>19</u>	No	<u>0</u>	Abstain	<u>0</u>	Absent	<u>1</u>	<b>PASSED</b>
	1M	<u>Landon Gulley</u>		<b>Electronic Voting</b>									
Second Reading:		<u>August 29, 2022</u>	2m	<u>Beverly Atwood</u>	Yes	<u>19</u>	No	<u>0</u>	Abstain	<u>0</u>	Absent	<u>1</u>	<b>PASSED</b>

## IN EFFECT AND APPROVED IN REGULAR SESSION ON AUGUST 29, 2022

Approved:

  
Dwight Jewell, Commission Chairman

Attest:

  
Rita Crowder, County Clerk


PIEDMONT NATURAL GAS COMPANY, INC.

BY:   
Brian Weisker, Senior Vice President  
Chief Operations Officer, Natural Gas

ATTEST:

  
Jeffrey James, Senior Counsel

METROPOLITAN GOVERNMENT OF HARTSVILLE/TROUSDALE COUNTY

BY:   
Mayor

STATE OF TENNESSEE  
COUNTY OF TROUSDALE

Before me, **Amy L Thomas**, a Notary Public of the state and county mentioned, personally appeared **Stephen Chambers, County Mayor**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he is County Mayor of Hartsville/Trousdale County, the within named bargainer and that he, as such County Mayor, executed the foregoing instrument for the purpose therein, by signing the name of **Stephen Chambers** by himself as County Mayor.

Witness my hand and seal, at my office, on August 29, 2022.

My Commission Expires: February 25, 2025

