

**Before the
Tennessee Public Utility Commission**

Docket No. 22-00136

**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**

**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, the City of
9 Mt. Juliet., the City of Franklin, and the City of Brentwood. In addition, I
10 have testified before numerous legislative committees at the state and local
11 level.

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

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

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

19 A. The purpose of my testimony is to present information to the Commission
20 relating to the franchise agreement entered into between Piedmont and the
21 County of Hartsville/Trousdale, Tennessee (“Hartsville/Trousdale” or the
22 “County”), as authorized by Ordinance 251-2022-21.

1 **Q. Could you please explain the circumstances that caused a need for a**
2 **franchise agreement between Piedmont and the County?**

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

8 Piedmont is currently providing natural gas service to the County pursuant
9 to a thirty (30) year franchise agreement between the Company and the
10 City of Hartsville that was approved by the City and accepted by Piedmont
11 on March 5, 1990 ("Original Franchise"). Pursuant to the terms of the
12 Original Franchise, the existing authorization to enter onto the property of
13 the City and to provide natural gas service expired March 5, 2020. As
14 such, under Tennessee law, a new franchise agreement is necessary in
15 order for Piedmont to continue its provision of service to the County after
16 that date. Subsequent to the execution of the Original Franchise, the city
17 of Hartsville and Trousdale County elected to form a metropolitan
18 government.

19 **Q. When and how did Piedmont begin pursuing a new franchise**
20 **arrangement with the County?**

21 A. Prior to the expiration of the Original Franchise, and in the ordinary
22 course of the Company's business, Piedmont began negotiations with the

1 County for renewal of its franchise authority in the fourth quarter of 2019
2 but those negotiations were discontinued during the pandemic.

3 **Q. What was the result of those negotiations?**

4 A. The negotiations were successful and ultimately resulted in a franchise
5 agreement acceptable to both the Company and the County. The franchise
6 agreement was incorporated into County Ordinance 251-2022-21 and
7 addressed by the County's Board of Commissioners with a first reading on
8 July 25, 2022 and a second reading and public hearing on August 29,
9 2022.

10 **Q. Was the ordinance approved by the County?**

11 A. Yes. Ordinance 251-2022-21 was presented to the County's Board of
12 Commissioners for approval. Ordinance 251-2022-21, a copy of which is
13 attached as Exhibit A to the Petition filed in this docket, and incorporated
14 herein by reference, was subsequently approved by the County's Board of
15 Commissioners on its second reading on August 29, 2022 and signed by
16 the Mayor of the County. Ordinance 251-2022-21 renews Piedmont's
17 franchise arrangement with the County for a period of twenty-five (25)
18 years.

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

20 A. The new franchise ordinance grants Piedmont the right to provide service
21 to customers within the municipal limits of the County and access to the
22 streets and public rights-of-way within the County. In exchange for these

1 rights and accesses, Piedmont will pay an annual franchise fee no more
2 than five percent (5%) of the annual gross revenues it collects from
3 customers who are located and provided service within the County limits
4 if, during the term of the franchise, the County passes a resolution that
5 calls for the payment of such franchise fee. In addition, Piedmont must
6 comply with certain procedures with respect to the conduct of its business
7 within the County's corporate limits.

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

9 A. Yes. Both parties were ultimately able to agree with the negotiated result
10 and that result is reflected in Ordinance 251-2022-21, which was approved
11 by the County's Board of Commissioners on August 29, 2022, and
12 subsequently accepted by Piedmont.

13 **Q. In your opinion, are the franchise terms set forth in Ordinance 251-2022-**
14 **21 necessary and proper for the public convenience and in the public**
15 **interest?**

16 A. Yes.

17 **Q. Do you know of any facts that would indicate that the new franchise**
18 **arrangement reflected in Ordinance 251-2022-21 is not in the public**
19 **interest?**

20 A. No.

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

2 A. Based on the facts discussed above, we are asking the Commission to
3 approve the new franchise agreement between Piedmont and the County
4 as reflected in Ordinance 251-2022-21 to be effective March 5, 2020.

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

7 A. We have continued to serve our customers in the County under the
8 authority provided by T.C.A. § 65-4-107(b) pending approval of the new
9 franchise.

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

11 A. Yes.