WEST TENNESSEE GAS PIPELINE, LLC

DOCKET NO. <u>22-00138</u>

DIRECT TESTIMONY

OF

MARK JOHNSON

ON

EXPEDITED PETITION OF WEST TENNESSEE GAS PIPELINE, LLC FOR THE ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

- 1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 2 A. My name is Mark Johnson and my business address is 4200 E. Skelly Dr. Site 1025, Tulsa,
- 3 OK 74135.
- 4 Q. WHAT IS YOUR ROLE AND INVOLVEMENT WITH WEST TENNESSEE GAS
- 5 PIPELINE, LLC?
- 6 A. I am the President of West Tennessee Gas Pipeline, LLC ("West Tennessee Gas" or
- 7 "WTGP"). Also, I have an indirect equity ownership interest in WTGP through my
- 8 ownership interest in WTGP members of Whispering Palms Properties, LLC and JT
- 9 Energy, LLC.
- 10 Q. HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THIS OR ANY
- 11 OTHER UTILITY COMMISSION?
- 12 A. No.
- 13 Q. PLEASE STATE YOU EDUCATIONAL AND PROFESSIONAL BACKGROUND.
- 14 A. In additional to my role with WTGP, I am the President of Southwest Energy, LP
- 15 ("Southwest Energy"). In 2012 I started my career in the oil and gas industry with Gavilon,
- aa wholesale commodity trading company. In 2014 I started the Tulsa office of Southwest
- 17 Energy. Southwest Energy's Tulsa office manages oil and gas marketing for both producers
- and end users throughout the country. In 2018, I started a crude oil transportation company
- 19 called Anadarko Crude, LLC. I also serve as the Vice President of Johnson Properties,
- which holds investments in various industries. Finally, I am the President of Otter Creek
- 21 Midstream, which owns and operates approximately 285 miles of oil and gas pipelines with
- 22 three (3) compressor stations. I earned my degree from Oklahoma State University in
- Finance and Marketing.

Q. WHAT ARE YOUR DUTIES AS PRESIDENT FOR WTGP?

- 2 A. As President of WTGP, I will oversee the entire WTGP operation, including working
- directly with Ford Motor Company ("Ford") and Brownsville Energy Authority ("BEA").
- Ford's BlueOval City Project, formally known as BlueOval SK, LLC, is expected to create
- 5 rapid growth in the local economy. As President of WTGP, I will work to ensure that Ford
- and BEA have reliable, safe and affordable natural gas services via the WTGP. I will also
- 7 oversee the long-term success of the company to ensure it's well capitalized for any future
- 8 projects needed in the proposed service area.

9 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

- 10 A. The purpose of my testimony is to support the Expedited Petition submitted by
- West Tennessee Gas to the Tennessee Public Utility Commission ("TPUC" or
- 12 "Commission") seeking the granting of a Certificate of Convenience and
- Necessity("CCN"), with its accompanying privilege and franchise, to WTGP to construct,
- own and operate a gas pipeline in West Tennessee serving Ford Motor Company's
- BlueOval City Project, including BEA. A map of the proposed gas pipeline is attached to
- the Petition as **EXHIBIT D**.

17 Q. ARE YOU SPONSORING ANY EXHIBITS?

- 18 A. Yes. I am sponsoring the following Petition exhibits: Petition **EXHIBITS A** and **B.** I may
- also discuss other Petition exhibits sponsored by WTGP Witnesses Robert Mitchell and
- Andrew Therrell.
- 21 Q. WERE THE EXHIBITS THAT YOU ARE SPONSORING PREPARED BY YOU
- OR UNDER YOUR SUPERVISION?
- 23 A. Yes.

- 2 PETITIONER'S EXHIBITS THAT YOU ARE SPONSORING?
- 3 A. The data used to prepare the exhibits was acquired from the records of WTGP and its
- 4 members, as well as public records, that I examined in the course of my work related to
- 5 this testimony and the Petition.
- 6 Q. DO YOU CONSIDER THE DATA TO BE RELIABLE AND OF A TYPE THAT IS
- 7 NORMALLY USED AND RELIED ON IN YOUR BUSINESS FOR SUCH
- 8 **PURPOSES?**
- 9 A. Yes.
- 10 Q. WHO ARE THE MEMBERS OF WTGP?
- 11 A. West Tennessee Gas is a Tennessee limited liability company, and its members are as
- follows: Whispering Palms Properties, LLC, Carrera Blue Oval, LLC, JT Energy, LLC,
- BDJ Investments, LLC, JTW Investments, LLC, Ryan Meske, Victor Jordan, RAL
- Holdings, LLC, JDilley Holdings, LLC, RDH Investments, LLC and Michael Miller. All
- members are committed both professionally and financially to ensuring WTGP is built and
- operated to the high standards that are maintained in their other investments.
- 17 Q. HAS WTGP PRODUCED A SCHEDULE OF MEMBERS CHART OUTLINING
- 18 THE CONTRIBUTIONS OF EACH MEMBER?
- 19 A. Yes. The schedule of members chart is attached to the Petition as **EXHIBIT A**.
- 20 Q. CAN YOU PROVIDE A BRIEF SUMMARY OF EACH MEMBER'S
- 21 BACKGROUND?
- 22 A. Yes. I will provide a summary directly below.
- ≥ BDJ Investments, LLC

Brad Jones, who joined Southwest Energy in 2014, leads the Southwest Energy commercial and business development team and has built strong relationships with gas producers, end users, midstream and gas pipelines throughout the United States. Prior to helping lead the formation of Southwest Energy's Tulsa office, Mr. Jones served as Senior Trader for Gavilon, where his responsibilities were focused on commercial gas trading and business development. At Gavilon, Mr. Jones led teams to develop a strategy and execute on natural gas trading, transportation and storage. The primary focus was on production areas, including the Barnett, Haynesville, Mid-continent, Marcellus and Utica Shale. Mr. Jones held various positions with Constellation Energy Group prior to joining Southwest Energy, including manager of the commercial gas business unit to gas scheduling. He successfully led a commercial team that managed the execution of various projects providing incremental production growth of more than 1 billion cubic feet per day in less than 3 years. Mr. Jones holds a Bachelor of Science degree in Finance from the University of Kentucky. He is an active member of the Natural Gas & Energy Association of Oklahoma and is a member of the Energy Society of North Texas. He is the President of BDJ Investments, LLC.

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► JTW Investments, LLC

Tyler Williams grew up in Tulsa, Oklahoma and graduated from Oklahoma State University in 2011 with a Bachelor of Science degree in Accounting. After graduation Mr. Williams started his career in oil and gas in 2012 with Gavilon, a wholesale commodity trading company. While at Gavilon, Mr. Williams acted as a Natural Gas Scheduler and Junior Trader. At Gavilon Mr. Williams focused on the physical movement of natural gas across various pipelines with the use of transportation and storage utilization. In 2014 Mr. Williams took a position with Seminole Energy Trading ("Seminole"). While at Seminole, Mr. Williams focused on retail natural gas trading and producer service management. Mr. Williams managed retail gas for several hundred customers across multiple pipelines. In 2016 Mr. Williams joined Southwest Energy. Initially, Mr. Williams was hired as a Scheduler and Trader for Southwest Energy's Midcontinent business. As the business has grown, Mr. Williams has taken on many roles within the company and now is leading Origination and Trading while still optimizing daily supply, storage, and transport in the Midcontinent region. Mr. Williams is an active member of the Natural Gas & Energy Association of Oklahoma and the Energy Society of North Texas. Mr. Williams is President of JTW Investments, LLC, which has a variety of investments in oil and gas properties and midstream assets.

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Ryan Meske

• Ryan Meske has worked in the energy sector for nearly ten (10) years with established success developing and leading the strategic vision for natural gas assets. Mr. Meske excels in originating and structuring multi-million dollar pipeline projects, achieving stakeholder buy-in and managing commercial operations. He has proven to be a disciplined Physical Trader with concrete business relationships throughout the Gulf Coast, Midcontinent, and Southeast United States. Mr. Meske began his career as an investment banking associate for Merrill Lynch, where he led the development of

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financial modeling and A&D valuations for publicly traded companies within the Alerian MLP Index. He performed internal and external due diligence, industry research, and quantitative analysis in developing investment recommendations for client and corporate portfolios. After two years in the banking sector, Mr. Meske opted to join Boardwalk Pipeline Partners ("Boardwalk") in 2013. At Boardwalk, Mr. Meske held various roles of increasing responsibility ultimately managing the commercial growth initiatives for interstate facilities, which included 14,000 miles of pipeline and 190 Bcf of working gas storage capacity. After a successful tenure at Boardwalk, Mr. Meske was asked to join Southwest Energy as Manager of Trading and Origination for the Southeast US Region. Currently, Mr. Meske is responsible for transporting and optimizing over 1.2 Bcf/d of physical supply across more than 22 separate interstate and intrastate systems from various supply basins. Mr. Meske manages daily trading activities, hedging implementation, imbalance resolutions, and account supervision by effectively communicating and coordinating with all aspects of the organization to ensure quality customer service and proper deal execution. This past year, Mr. Meske was promoted to Director and now oversees all commercial strategy and deal execution for Southwest Energy's Houston office. Prior to his professional endeavors, Mr. Meske graduated from the University of Dallas with a Double Major and Bachelor of Science in Finance and Economics. Mr. Meske is a two-time All American Student Athlete and was recently inducted into the Athletic Hall of Fame at the University of Dallas for his on and off the field successes while competing as a student athlete. Mr. Meske is currently an Ambassador for the Young Professionals in Energy (YPE) Houston Chapter, a non-profit organization that fosters career development through social, educational, and civic service opportunities. He also serves on the Economic Development Committee for the Houston Chamber of Commerce, where he supports continued city-wide recovery efforts from Hurricane Harvey.

Victor Jordan

After graduating from Louisiana State University in May 2010 with a Bachelor of Science in Petroleum Engineering, Victor began his career as a Lease Operator for SM Energy in Shreveport, LA. After 24 months of extensive field work, he moved into the role of Production Engineer, where he managed SM Energy's production assets in the East Texas basin. He also assisted with field supervision of SM Energy's granite wash completion operations and worked on several exploration teams for the SM Energy Mid-continent region. Victor joined Equal Energy in 2014 as an Operations Engineer. During his time at Equal Energy, Victor managed drilling, completion, and production operations for Equal Energy's Hunton Lime Program. After spending two years with Equal Energy, Victor joined Casillas Operating as Production Manager in November 2016. While at Casillas Operating, Victor managed the construction, production, facility, EHS, and midstream divisions. Victor was promoted to Vice President of Operations of Casillas Petroleum Resource Partners Services in 2020. Victor joined Estis Compression in 2021, where he serves as subject matter expert for High Pressure Gas Lift. Victor is a member of the Society of Petroleum Engineers, where he served as chair of the Mid-continent Region for the 2015-2016 year. He currently serves on the Steering Committee for the ALRD Gas Lift workshop and is an active member at

his children's school. Victor is currently pursuing his Masters of energy Business from the University of Tulsa with an anticipated graduation date of December 2022.

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► RAL Holdings, LLC

• Rob Laird graduated from the University of Tulsa with a bachelor's degree in Finance in 2010 and a Master of Business Administration in 2013. Rob started in the energy industry in 2010 at Gavilon on their natural gas trading desk. In 2013 Rob started work at Pacer Energy Marketing as a Manager of Crude Oil Trading and Logistics. Since 2013 Rob has worked in the crude oil marketing, transporting, and trading. Rob Laird joined Southwest Energy in 2019 to help build Southwest Energy's crude oil marketing and trucking business. Mr. Laird is the President of RAL Holdings, LLC.

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▶ JDilley Holdings, LLC

James Dilley graduated from the University of Tulsa with a degree in Finance and Economics. In 2013 James went to work for Dexxon Oil as a roughneck and Rig hand managing their wells. In 2016 James worked for American Heritage Bank as a bank teller and lender. In 2017 James went to work for Miller truck lines as a Financial Analyst and Internal Auditor. James joined Southwest Energy in 2018 as a Gas Scheduler and now handles all the crude oil scheduling, accounting, and trading. Mr. Dilley is the President of JDilley Holdings, LLC.

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► RDH Investments, LLC

Ryan Homan grew up in Tulsa, Oklahoma and graduated from Oklahoma State University in 2010. After graduation Mr. Homan started his career in oil and gas in 2012 with Crescent Services LLC ("Crescent"), a fluid logistics and oilfield services company. While at Crescent, Mr. Homan acted as Field Supervisor and Line of Business Manager for the Ponca City Field Office while also overseeing several drilling and completion projects. In 2014 Mr. Homan took a position with McElroy Manufacturing ("McElroy") in Tulsa, OK as a Senior Account Manager in the company's Fusion Equipment Department. While at McElroy, Mr. Homan helped the company start a new line business that targeted industrial and commercial construction piping systems by working closely with contractors and local unions across the United States. During this time, Mr. Homan collaborated with the company's mechanical engineering team on a regular basis to help develop and launch new products tailored to industrial and commercial applications. At the same time, Mr. Homan oversaw a portfolio of existing clients that focused on more traditional uses of thermal plastic piping, such as natural gas infrastructure and distribution, as well as engineered systems for oil and gas production and gathering. In 2015, while still working at McElroy, Mr. Homan began work on his Masters of Energy Business at The University of Tulsa, which he completed in 2017. In 2018 Mr. Homan started at Southwest Energy as a Natural Gas Scheduler, focusing on the Mid-continent area. By 2020, Mr. Homan was overseeing more than 750,000mcf/d of natural gas processing, marketing, and

1 2 3 4 5	>	optimization for Southwest Energy and its customers. Mr. Homan is President of RDH Investments, LLC, which has a variety of investments in oil and gas properties and midstream assets. Michael Miller
6 7 8 9 10 11 12 13 14 15	Q.	 Michael Miller graduated from Oklahoma State University with a Bachelor's Degree in Business in 2011. While at Oklahoma State Michael was a member of the Oklahoma State men's golf team. Michael began his career with industrial pump manufacturer Ruhrpumpen, Inc. working in Inside Sales. In 2016 Michael started working at Sunoco Logistics, which would later merge with Energy Transfer, as an Analyst and eventually became an Account Manager for the Crude Oil Acquisition and Marketing team. Michael Miller joined Southwest Energy in 2021 to help manage wellhead scheduling and continue to grow the Natural Gas business. CAN YOU COMMENT ON THE FINANCIAL COMMITMENT OF THE
16		MEMBERS OF WEST TENNESSEE GAS TO THE LONG-TERM SUCCESS AND
17		SUSTAINABILITY OF THE PROPOSED GAS PIPELINE?
18	A.	Yes. All members have the financial stability and willingness to participate in this project.
19		The WTGP members do not require financing and will be providing cash for this
20		investment. WTGP is a major investment for the members and each member is committed
21		to the long-term success of the project. WTGP members have a unique mixture of young
22		and old generations that are key to making this project a success from the beginning and
23		into the future. This ensures the State of Tennessee and the Commission that WTGP will

25 Q. HAS WTGP PRODUCED A CHART OF OFFICERS?

provide the best service for future generations.

- 26 A. Yes. WTGP's Chart of Officers showing each officer and other key personnel is attached
- to the Petition as **EXHIBIT B**.
- 28 Q. CAN YOU PROVIDE A BRIEF SYNOPSIS OF EACH OFFICER AND OTHER

PETITION	AND	SUPPORTING	DOCUMENTATION	SUCH	BACKGROUNDS

2 MAY BE FOUND?

- 3 A. Yes. The backgrounds of Mark Johnson, Robert Mitchell, Andrew Therrell, Bob Jackson
- and Dave Johnson are set forth either in the Petition, supporting pre-filed direct testimony
- or in Petition **COLLECTIVE EXHIBIT G**. The backgrounds of Galen Smith and Mark
- Neil are set forth in the Pre-filed Direct Testimony of WTGP Witness Robert Mitchell.
- 7 Q. IN ADDITION TO YOUR PRE-FILED DIRECT TESTIMONY, WTGP WITNESS
- 8 ROBERT MITCHELL'S PRE-FILED DIRECT TESTIMONY OUTLINES
- 9 WTGP'S TECHNICAL AND MANAGERIAL FITNESS. DO YOU HAVE ANY
- 10 ADDITIONAL TESTIMONY REGARDING WTGP'S TECHNICAL AND
- 11 MANAGERIAL FITNESS?
- 12 A. Yes. As President of WTGP, I will be providing lead management experience to ensure
- that WTGP will operate with the same high standards of care that are applied to all other
- businesses that the member's own and operate. As outlined in the Petition and supporting
- pre-filed direct testimony, you will find that the members are not only sophisticated and
- 16 competent investors with proven records, but that the members also bring decades of
- experience in various segments of the energy industry. Each member's unique experiences
- in the energy industry are complementary to the whole, which ensures that WTGP will be
- operationally successful for years to come.
- 20 O. DOES WTGP POSSESS THE TECHNICAL AND MANAGERIAL EXPERTISE
- TO CONSTRUCT, OWN, OPERATE AND MANAGE THE PROPOSED GAS
- 22 PIPELINE?

- 1 A. Yes. For the reasons outlined in my testimony, coupled with the Petition, I agree with the
 2 Pre-filed Direct Testimony of WTGP Witness Robert Mitchell on WTGP's technical and
 3 managerial capabilities.
- Q. YOU HAVE OUTLINED THE MEMBERS OF WTGP AND THEIR RESPECTIVE
 BACKGROUNDS AND YOU HAVE OUTLINED, OR APPROPRIATELY
 REFERENCED, THE OFFICERS AND KEY PERSONNEL OF WTGP AND
 THEIR RESPECTIVE BACKGROUNDS. CAN YOU BRIEFLY DESCRIBE HOW
 WTGP WILL OPERATE AND HOW IT WILL BE MANAGED?
 - A. Certainly. WTGP will operate as a Tennessee Intrastate Pipeline delivering natural gas to Ford and BEA. Ford will transport gas on WTGP and deliver it to the BlueOval City Facility. Gas will be used for heating, manufacturing, and electrical generation. BEA will transport gas on WTGP and then to their distribution lines for consumption by suppliers to BlueOval City. WTGP will connect to Trunkline Gas then transport it roughly 7 miles to the BlueOval City Project and BEA. Of the potential pipelines that Southwest Energy and Ford reviewed, Trunkline Gas proved to be the best option. It was the most affordable supply source to purchase gas, offered ample capacity to provide for future growth, and offered the best transport rates. Trunkline Gas will deliver natural gas into WTGP anywhere between ~500 PSIG and ~900 PSIG for delivery to BEA and BlueOval City. With respect to the BlueOval City Project, WTGP will measure and odorize the gas, split the gas into two streams, and drop the pressure of one stream down to ~450 PSIG and the other to ~80 PSIG. Together, the measurement, odorization, and pressure reduction equipment is commonly referred to as a gate station. Robert Mitchell and the technical team will manage the day-to-day physical operations, such as pigging, measurement,

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- 2 customers and the public. Andrew Therrell will handle the day-to-day and month-to-month
- accounting and invoicing. I will handle all commercial communications with Ford and
- BEA, but also oversee each group to ensure everything is running smoothly. WTGP is
- 5 expecting to have at least two local full-time employees that monitor the operations and
- 6 work directly with Ford and BEA.
- 7 Q. WTGP WITNESSES ROBERT MITCHELL AND ANDREW THERRELL
- 8 SUBMITTED PRE-FILED DIRECT TESTIMONY EVIDENCING WTGP'S
- 9 FINANCIAL FITNESS. DO YOU HAVE ANY ADDITIONAL TESTIMONY
- 10 **REGARDING WTGP'S FINANCIAL FITNESS?**
- 11 A. Yes. As outlined above, and as demonstrated by Petition **EXHIBIT A**, the members of
- WTGP have multiple businesses that create substantial free cash flow every year and have
- the immediate cash to fund this project and any future projects in the proposed service area
- with no financing.
- 15 Q. DOES WTGP POSSESS THE FINANCIAL ABILITY AND EXPERTISE TO
- 16 CONSTRUCT, OWN, OPERATE AND MANAGE THE PROPOSED GAS
- 17 **PIPELINE?**
- 18 A. Yes. For the reasons expressed in my testimony and in the Petition, I agree with the Pre-
- 19 filed Direct Testimony of WTGP Witnesses Robert Mitchell and Andrew Therrell on
- WTGP's financial ability and expertise.
- 21 Q. IS WTGP'S PROPOSED GAS PIPLINE IN THE PUBLIC'S INTEREST?
- 22 A. Yes. For the reasons set forth in the Petition and in the Pre-filed Direct Testimony of WTGP
- Witness Robert Mitchell, I believe the proposed gas pipeline will serve the public interest.

- 1 Q. WHAT DO YOU RECOMMEND WITH REGARD TO THIS PETITION?
- 2 A. I recommend that the Petition be approved on an expedited basis.
- 3 Q. WILL WTGP ABIDE BY ALL LAWS, RULES, REGULATIONS AND ORDERS
- 4 OF THE COMMISSION AND THE TENNESSEE DEPARTMENT OF
- 5 ENVIRONMENT AND CONSERVATION?
- 6 A. Yes.
- 7 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?
- 8 A. Yes.

STATE OF Oklahoma)
COUNTY OF Tulsa)

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Mark Johnson, being by me first duly sworn deposed and said that:

He is appearing as a witness on behalf of West Tennessee Gas Pipeline, LLC before the Tennessee Public Utility Commission, and if present before the Commission and duly sworn, his testimony would be as set forth in his pre-filed testimony in this matter.

Mark Johnson

Sworn to and subscribed before me

this 19 day of December, 202

Notary Public

My Commission Expires: 7/25/2023

DESIREE DAVIS Notary Public, State of Oklahoma Commission # 19007427 My Commission Expires 07-25-2023