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SUPPLEMENTAL TESTIMONY OF

NED W. ALLIS

VICE PRESIDENT

**GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC**

ON BEHALF OF

ATMOS ENERGY CORPORATION

TENNESSEE PUBLIC UTILITY COMMISSION

DOCKET NO. 23-00050

**SUPPLEMENTAL TESTIMONY
OF
NED W. ALLIS
ON BEHALF OF
ATMOS ENERGY CORPORATION
BEFORE THE
TENNESSEE PUBLIC UTILITY COMMISSION
DOCKET NO. 23-00050**

I. INTRODUCTION

1

2 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

3 A. My name is Ned W. Allis. My business address is 207 Senate Avenue, Camp Hill,
4 Pennsylvania, 17011.

5 **Q. ARE YOU THE SAME NED W. ALLIS WHO PREVIOUSLY SUBMITTED**
6 **TESTIMONY IN THIS PROCEEDING?**

7 A. Yes. I have previously submitted both direct and pre-filed testimony on behalf of Atmos
8 Energy (“Atmos Energy” or “the Company”) in this proceeding.

9 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY?**

10 A. My supplemental testimony is intended to provide an update to the Tennessee Public Utility
11 Commission (“Commission”) regarding the result of negotiations between the Company
12 and the Consumer Advocate Division of the Office of The Tennessee Attorney General
13 (“CAD”) in this docket.

14 **Q. WHAT HAVE THE PARTIES AGREED UPON TO DATE?**

15 A. CAD’s depreciation witness, Michael Majoros, proposed changes to both the service life

1 and net salvage components of the depreciation study. As a result of their negotiations, the
2 Company and the CAD have agreed to all the provisions of the depreciation study related
3 to service lives. Specifically, the CAD agreed to withdraw its prior objections to the
4 proposed average service lives and Iowa survivor curves reflected on Page VI-4 of Exhibit
5 NWA-1. The resolution of the service lives issue means there is only one outstanding item
6 that will need to be resolved by the Commission in this proceeding.

7 **Q. WHAT IS THAT SINGLE OUTSTANDING ITEM REMAINING IN THIS**
8 **PROCEEDING FOR DELIBERATION BY THE COMMISSION?**

9 A. The only unresolved item remaining in this proceeding is the net salvage component of the
10 depreciation study.

11 **Q. DID MR. MAJOROS RAISE ANY OTHER OBJECTIONS IN HIS PRE-FILED**
12 **TESTIMONY?**

13 A. Yes. He also raised certain objections to the proposed average services lives and Iowa
14 curves reflected on Page VI-4 of Exhibit NWA-1.

15 **Q. HAVE THE COMPANY AND THE CONSUMER ADVOCATE REACHED AN**
16 **AGREEMENT ON THAT ISSUE?**

17 A. Yes. The CAD has agreed to the withdraw its objections to the Company's
18 recommendation regarding service lives as filed in the Company's direct testimony and
19 also located within the deprecation study on Page VI-4 attached to my direct testimony as
20 Exhibit NWA-1. I also further discuss the Company's position on service lives beginning
21 on page 17 of my rebuttal testimony.

22 **Q. ARE THERE ANY OTHER OUTSANDING ISSUES IN THIS PROCEEDING**
23 **BETWEEN THE COMPANY AND THE CONSUMER ADVOCATE OF WHICH**

1 **THE COMPANY IS AWARE?**

2 A. No. The lone remaining issue in this proceeding is the proper accounting for cost of
3 removal and resultant net salvage proposals as discussed on pages 18 through 25 of Mr.
4 Majoros's testimony and pages 1 through 17 of my rebuttal testimony. All other issues
5 have been resolved between the Company and CAD in agreement with the Company's
6 originally filed direct testimony.

7 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

8 A. Yes.

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

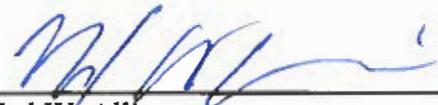
IN RE:

ATMOS ENERGY CORPORATION)	
TENNESSEE DIRECT,)	
KENTUCKY/MID-STATES DIVISION,)	DOCKET NO. 23-00050
AND SHARED SERVICES UNIT)	
DEPRECIATION STUDY)	

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF CUMBERLAND)

I, Ned W. Allis, being first duly sworn, state that I am Vice President of Gannett Fleming Valuation and Rate Consultants, LLC, that I am authorized to testify on behalf of Atmos Energy Corporation in the above referenced docket, that the Supplemental Testimony of Ned W. Allis in support of Atmos Energy Corporation's filing is true and correct to the best of my knowledge, information and belief.



 Ned W. Allis

Sworn and subscribed before me this 26th day of October, 2023.



 Notary Public

My Commission Expires: February 20, 2027

Commonwealth of Pennsylvania - Notary Seal Cheryl Ann Ruttler, Notary Public Cumberland County My commission expires February 20, 2027 Commission number 1143028 Member, Pennsylvania Association of Notaries
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