

**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**

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

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

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

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

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

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

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

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,  
AND SHARED SERVICES UNIT  
DEPRECIATION STUDY

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DOCKET NO. 23-00050

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VERIFICATION

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COMMONWEALTH OF PENNSYLVANIA

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COUNTY OF CUMBERLAND

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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 Rutler, Notary Public  
Cumberland County  
My commission expires February 20, 2027  
Commission number 1143028  
Member, Pennsylvania Association of Notaries