

FNB given credit for helping expand gas distribution system

By FREDDY BISHOP FNB Guest Columnist

W. H. Swain and the First National Bank have played a major role in the development of a natural gas distribution system for the residential, business, commercial and industrial customers of Scott and Morgan counties.

In 1958, a group of local businessmen, including W. H. Swain and Sen. Howard H. Baker, Jr., worked to form Citizens Gas Utility District, which developed into approximately 1,500 customers and 156 miles of natural gas mains by 1983. By that time, several natural gas wells had been drilled in Scott and Morgan counties and Citizens Gas was receiving numerous phone calls and visits from potential natural gas customers all over both counties to provide natural gas service to their homes and businesses.



Figure 1 - Freddy Bishop - Citizens Gas General Manager

Citizens Gas Utility District's first Board of Commissioners and management visited with W. H. Swain at First National Bank seeking Mr. Swain's help in securing financial assistance for the cost of expanding the natural gas distribution system to those areas requesting service. Mr. Swain introduced Citizens Gas Commissioners and management to the various officials at Farmers Home Administration in Nashville. First National Bank began providing the short-term financing for the expansion of the natural gas distribution system with the Farmers Home Administration providing the long term, 30-year loans. With the support of W. H. Swain and the First National Bank, Citizens Gas Utility District was the first natural gas utility district in the United States to ever receive a Farmers Home Loan for the purpose of expanding a natural gas utility district system.

Since 1983, Citizens Gas has been able to obtain more than \$17 million in loans which were used to expand the gas system that now consists of 756 miles of 2-inch, 3-inch, 4-inch and 8-inch mains throughout Scott and Morgan counties, as well as various gathering lines in Fentress and Campbell counties. During this time Citizens Gas has either replaced or updated all of the original gas system that was in existence between 1958 and 1979, making the natural gas distribution safe for the communities of Scott and Morgan counties. Citizens Gas Utility District provides service to approximately 10,000 natural gas customers and 700 propane customers in Scott and Morgan counties.

Citizens Gas has been fortunate to have had the opportunity to expand the natural gas distribution system as much as we have in the rural areas of Scott and Morgan counties. The expansion would not have been possible over the years without the help and support of W. H. Swain and the First National Bank of Oneida.