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Chk # 4205

Amount 25.00

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Date 6-15-04

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June 14, 2004

VIA FEDERAL EXPRESS

The Honorable Deborah Taylor Tate
Chairman, Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

DOCKET NO.

04-00174

Re: Nashville Gas Company Request for Approval of Extension of Negotiated Gas
Redelivery Agreement with Visteon Corporation

Dear Chairman Tate:

By Order issued November 28, 2001 in Docket No. 01-00530, the Tennessee Regulatory Authority approved an extension and minor amendment of a pre-existing Natural Gas Redelivery Agreement between Nashville Gas Company ("Nashville") and Visteon Corporation ("Visteon") related to the provision of natural gas service by Nashville to Visteon at its Nashville manufacturing plant. This extension and amendment were reflected in a written Gas Delivery Agreement between Nashville and Visteon dated May 15, 2001 ("Agreement"). This Agreement is currently slated to expire on July 1, 2004.

The underlying justification for the Authority's prior approval of the existing Agreement between Nashville and Visteon was the potential loss of load (and corresponding loss of contribution to Nashville's costs) that would result if Visteon were to cease receiving natural gas service from Nashville. Nashville has been informed by Visteon that the same economic conditions that prompted the Authority to approve the existing Agreement continue in effect and that, specifically, it is critical for Visteon to keep its gas redelivery costs at the levels set forth in the Agreement in order to ensure that Visteon remains both economically viable and a continuing customer of Nashville's natural gas services.

In light of the pending expiration of the existing Agreement and the ongoing threat that Visteon could be lost as a customer of Nashville, Nashville and Visteon have negotiated an extension of the term of the existing Agreement and have executed a *First Amendment to Gas Redelivery Agreement Dated May 15, 2001 By and Between Piedmont Natural Gas Company, Inc. and Visteon Corporation* ("First Amendment"), a copy of which

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is attached hereto as Exhibit A. The specific changes to the previously approved Agreement reflected in the First Amendment are as follows:

1. An extension of the effective term of the Agreement until April 1, 2008 in Section 3.01; and
2. A modification of the date upon which the parties agree to begin negotiations to renew or extend this contract to September 30, 2007 in Section 3.02.

The net effect of these changes will be to continue service to Visteon under the same terms and conditions as are currently in effect. All other provisions of the previously approved Agreement remain unchanged

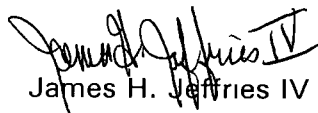
The purpose of this filing is to present the revised version of this previously approved Contract to the Authority pursuant to TRA Rule 1220-4-1-.07 and to request that any approval necessary to implement this revised agreement be granted no later than June 30, 2004. Nashville appreciates that the timeframe provided to the Authority to review this amendment is short, however, the nature of the amendment is relatively straightforward. Further, Nashville has been attempting to get this agreement finalized, executed and filed with the Authority for the last several weeks, however, these tasks have been complicated by the fact that Visteon's management has been focused on out-of-state labor disputes, which has slowed the approval and execution process.

I am enclosing an original and fourteen copies of this letter and the attached First Amendment as well as a check in the amount of \$25.00 to cover the required filing fee. Please accept the original and thirteen copies of these documents for filing and return one file-stamped copy to me in the enclosed self-addressed and stamped envelope.

Mr. Dale Grimes of the Bass Berry firm will be acting as Nashville's local counsel in this matter.

If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,


James H. Jeffries IV

srl/JHJ

Enclosure

c: Mr Dale Grimes

**FIRST AMENDMENT TO GAS REDELIVERY AGREEMENT
DATED MAY 15, 2001 BY AND BETWEEN
PIEDMONT NATURAL GAS COMPANY, INC. AND VISTEON CORPORATION**

This First Amendment to Gas Redelivery Agreement ("Amendment") is made and entered into this 10th day of June, 2004, by and between Piedmont Natural Gas Company, Inc. ("Piedmont") and Visteon Corporation ("Customer").

WITNESSETH

WHEREAS, Piedmont and Customer are parties to that certain Gas Redelivery Agreement dated May 15, 2001 ("Agreement"); and

WHEREAS, Piedmont and Customer desire to amend and modify the terms of that Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the Agreement, Piedmont and Customer hereby agree as follows:

1. Section 3.01 of the Agreement is amended to read as follows:

"Section 3.01 Subject to the terms and conditions herein, this Agreement shall become effective June 1, 2001 or the first day of the month following approval of this Agreement by the TRA and unless extended or terminated by provisions contained herein, shall continue in effect until April 1, 2008."

2. Section 3.02 of the Agreement is amended to read as follows:

"Section 3.02 Unless on or before September 30, 2007, either party shall have provided written notice to the other party of its intent to terminate this Agreement, the parties agree to commence negotiations in good faith toward mutually agreeable terms and conditions for an extension of this Agreement."

3. All other provisions of the Agreement shall remain in effect without modification and shall be fully enforceable in accordance with their terms, for the extended Term of Agreement provided for herein.

4. The term modification set forth in paragraph 1 hereof shall be contingent upon Piedmont and Customer receiving all necessary regulatory or other approvals from the Tennessee Regulatory Authority, or other authority having jurisdiction, upon terms satisfactory to Piedmont and Customer.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives on the date(s) written below.

VISTEON CORPORATION

By: 

Date: 06/10/04

PIEDMONT NATURAL GAS COMPANY, INC. *mw*

By: 

Date: 6/14/04