

From: <Diane.Coley@piedmontng.com>
To: <Paul.Greene@state.tn.us>
Date: 10/5/2006 6:36:11 AM
Subject: Fw: email to Paul Green

Paul,

David asked me to forward you this e-mail.

Diane Coley
Supervisor - Customer Accounts
Piedmont Natural Gas
4720 Piedmont Row Drive
Charlotte, NC 28210
704.731.4629

TRA DOCKET ROOM

2006 OCT -5 PM 4:34

PT 02:00 PM

As we discussed by phone, the following are clarifications of the Company's position regarding the filing for treatment related to FIN 47

- 1) The treatment sought by the Company will result in no current impact to customer rates. It will result in no impact to revenues, expenses, rate base or customer rates as reported on the PSC 303.
- 2) The Company is seeking only to segregate the FIN 47 adjustments to accounts so as to defer any financial and regulatory impact.
- 3) Future rates can only be effected by the FIN 47 amounts through a filing by the Company seeking TRA approval of recovery of such costs and following an audit by the TRA.

Please let me know if there are any further questions. We again apologize for the timing of the filing and greatly appreciate efforts expended to bring it before the TRA in a timely manner.

David Carpenter

Managing Director - Regulatory Affairs

CC: <David.Carpenter@piedmontng.com>, <Barbara.Ashford@piedmontng.com>