



**Piedmont
Natural Gas**

December 3, 2007

The Honorable Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

7-00267

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Dear Chairman Roberson:

Enclosed for filing are thirteen (13) copies of a Purchased Gas Adjustment (PGA) for Nashville Gas Company ("Nashville"), the purpose of which is to recognize an increase in the Incentive Plan Account (IPA) component included in Nashville's current PGA. If approved, this filing sets the IPA component of all sales tariff rates at \$0.01252 per therm, which reflects an increase of \$0.00124 per therm from the current rate.

It is requested that any necessary waivers be granted to permit this filing to become effective January 1, 2008.

Sincerely,

Pia Powers
Pia Powers
Manager - Regulatory Affairs

Enclosures

cc: Cynthia Kinser, Deputy Attorney General
Darlene Standley, Chief of Utilities Division

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PIEDMONT NATURAL GAS COMPANY
Nashville Gas Division
Billing Rates Effective: January 1, 2008

Seventeenth Revised Sheet No. 1

Rate Schedule	Rate Class	Description	Tariff Rate Approved in Docket No. 03-00313	Cumulative Demand	PG&A Commodity	Current Refund	Current ACA	Current IPA	Total Adj. Factor (Sum Col 2 thru Col 6)	Proposed Billing Rate (Col 1 + Col 7)
Residential										
301	Value	Customer Charge-Nov.-Mar.	\$13.00							\$13.00
301	Value	Nov.-Mar. per TH	\$10.00							\$10.00
301	Value	Apr.-Oct. per TH	0.32000	0.01750	0.87519	0.00000	0.03348	0.01252	0.93869	1.25869
321	Standard	Nov.-Mar. per TH	0.32000	0.01750	0.87519	0.00000	0.03348	0.01252	0.93869	1.25869
321	Standard	Apr.-Oct. per TH	0.27000	0.04733	0.87519	0.00000	0.03348	0.01252	0.96852	1.23852
Small General										
302	Standard	Customer Charge	\$29.00							\$29.0000
302	Standard	Nov.-Mar. per TH	0.35400	0.04811	0.87519	0.00000	0.03348	0.01252	0.96930	1.32330
302	Standard	Apr.-Oct. per TH	0.30300	0.04811	0.87519	0.00000	0.03348	0.01252	0.96930	1.27230
322	Value	First 2,000 TH/TH (Nov.-Mar.)	0.35400	0.01863	0.87519	0.00000	0.03348	0.01252	0.93802	1.29202
322	Value	Over 2,000 TH/TH (Nov.-Mar.)	0.35400	0.00603	0.87519	0.00000	0.03348	0.01252	0.93022	1.28422
332	Value	First 2,000 TH/TH (Apr.-Oct.)	0.30300	0.01863	0.87519	0.00000	0.03348	0.01252	0.93802	1.24102
332	Value	Over 2,000 TH/TH (Apr.-Oct.)	0.30300	0.00603	0.87519	0.00000	0.03348	0.01252	0.93022	1.23322
Medium General										
352	Standard	Customer Charge	\$75.00							\$75.0000
352	Standard	Nov.-Mar. per TH	0.35400	0.01750	0.87519	0.00000	0.03348	0.01252	0.93869	1.29269
352	Standard	Apr.-Oct. per TH	0.30300	0.01750	0.87519	0.00000	0.03348	0.01252	0.88989	1.24189
362	Value	First 5,000 TH/TH (Nov.-Mar.)	0.35400	0.01646	0.87519	0.00000	0.03348	0.01252	0.88765	1.29165
362	Value	Over 5,000 TH/TH (Nov.-Mar.)	0.30300	0.00680	0.87519	0.00000	0.03348	0.01252	0.89009	1.28409
362	Value	First 5,000 TH/TH (Apr.-Oct.)	0.30300	0.01646	0.87519	0.00000	0.03348	0.01252	0.93765	1.24065
362	Value	Over 5,000 TH/TH (Apr.-Oct.)	0.30300	0.00680	0.87519	0.00000	0.03348	0.01252	0.89009	1.23309
Industrial										
303	Firm	Customer Charge	\$300.00							\$300.0000
303	Firm	Peak Demand (Per DT)	0.09742	4.92520	0.87519	0.00000	1.91501	0.01252	8.84021	14.84021
303	Firm	First 15,000 TH/TH	0.08653	0.00374	0.87519	0.00000	0.02265	0.01252	0.81410	1.01152
303	Firm	Next 25,000 TH/TH	0.06853	0.00222	0.87519	0.00000	0.02265	0.01252	0.81258	1.00111
303	Firm	Next 50,000 TH/TH	0.06450	0.00172	0.87519	0.00000	0.02265	0.01252	0.81208	0.97658
303	Firm	Over 90,000 TH/TH	0.02764	0.00000	0.87519	0.00000	0.00000	0.01252	0.88771	0.91535
Interruptible Industrial										
304	Interruptible	Customer Charge	\$300.00							\$300.0000
304	Interruptible	First 15,000 TH/TH	0.09742	0.03333	0.87519	0.00000	0.02265	0.01252	0.94369	1.04111
304	Interruptible	Next 25,000 TH/TH	0.08653	0.01872	0.87519	0.00000	0.02265	0.01252	0.92708	1.01681
304	Interruptible	Next 50,000 TH/TH	0.06450	0.01374	0.87519	0.00000	0.02265	0.01252	0.92410	0.98960
304	Interruptible	Over 90,000 TH/TH	0.02764	0.01019	0.87519	0.00000	0.00000	0.01252	0.88790	0.92554
Transportation										
313	Firm	Customer Charge	\$300.00							\$300.0000
313	Firm	Peak Demand (Per DT)	0.09742	4.92520	0.87519	0.00000	1.91501	0.00000	8.84021	14.84021
313	Firm	First 15,000 TH/TH	0.08653	0.00262	0.87519	0.00000	0.00000	0.00000	0.00542	0.10084
313	Firm	Next 25,000 TH/TH	0.06450	0.00171	0.87519	0.00000	0.00000	0.00000	0.00251	0.06204
313	Firm	Next 50,000 TH/TH	0.06450	0.00100	0.87519	0.00000	0.00000	0.00000	0.00180	0.06630
313	Firm	Over 90,000 TH/TH	0.02764	0.00000	0.87519	0.00000	0.00000	0.00000	0.00000	0.02764
314 Interruptible Transportation										
314	Interruptible	Customer Charge	\$300.00							\$300.0000
314	Interruptible	First 15,000 TH/TH	0.09742	0.00282	0.87519	0.00000	0.00000	0.00000	0.00362	0.10104
314	Interruptible	Next 25,000 TH/TH	0.06853	0.00188	0.87519	0.00000	0.00000	0.00000	0.00288	0.09221
314	Interruptible	Next 50,000 TH/TH	0.06450	0.00106	0.87519	0.00000	0.00000	0.00000	0.00186	0.06636
314	Interruptible	Over 90,000 TH/TH	0.02764	0.00000	0.87519	0.00000	0.00000	0.00000	0.00000	0.02764
310 Resale Service										
310	Resale Service	Demand per DT	8.00000	4.92519	0.87519	0.00000	1.91501	0.01252	8.84020	14.84020
310	Resale Service	Commodity Charge	0.09000	0.00093	0.87519	0.00000	0.02185	0.01252	0.91049	1.00049

NOTE: In accordance with the Tennessee Public Service Commission order in Docket U-074 customers metered inside Davidson County are required to pay an additional 6.04% for collection of the Metro Franchise Fee. Customers served by the Fairview, Greenbrier, Hazardsville, Mt. Juliet and White House systems are required to pay 5.0%. Customers served by the Franklin system are required to pay 3%. Commercial customers on the Ashland City system are required to pay 5%.

NASHVILLE GAS COMPANY
Performance Incentive Plan
Calculation of Adjustment to Recover Balance in Incentive Plan Account
Twelve Months Ended June 30, 2007

Balance in IPA account at June 30, 2007 (including interest)	\$2,187,219
Total sales volumes for the 12 months ended June 30, 2007 (Therms)	174,749,759
Adjustment per therm	<u>\$0.01252</u>

Nashville Gas
Usage - Therms
Per Monthly 303 Reports

	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Totals
Residential	1,753,123	1,565,142	1,723,997	2,760,235	9,178,245	15,172,301	16,534,279	24,492,779	16,700,417	7,287,740	4,756,209	2,124,738	104,049,205
Small Gen. Serv.	2,119,687	1,997,643	2,192,869	2,901,214	5,686,066	8,482,740	10,056,706	13,361,262	8,233,166	4,705,136	3,404,805	2,235,071	65,376,365
Lge Gen. Serv.	216,533	221,969	226,146	394,285	565,256	728,228	813,282	820,053	363,938	305,397	202,290	194,563	5,071,940
Inter. Gen. Serv.	0	0	0	0	0	0	0	0	0	0	0	0	0
Firm Trans. Serv.	1,057,865	1,169,615	1,227,052	1,613,897	1,899,827	2,183,814	2,432,090	2,467,190	1,615,605	1,547,263	1,205,425	1,060,402	19,500,065
Inter. Trans. Serv	4,430,621	4,710,013	4,602,058	5,016,381	6,048,131	6,161,723	6,643,696	6,506,931	5,264,836	4,941,607	4,361,139	4,435,262	63,122,398
Special Contract	730,867	855,306	809,580	1,064,579	1,276,100	1,362,523	1,509,992	1,458,478	1,070,498	871,873	858,620	790,328	12,658,744
Ford	1,118,839	1,223,752	501,345	309,057	441,644	903,675	1,295,941	1,260,963	1,178,787	1,100,122	1,015,150	995,313	11,344,588
Smyrna	2,720	2,699	4,626	16,818	21,688	52,844	70,167	53,551	12,501	9,229	3,050	2,358	252,249
Total	11,430,275	11,746,139	11,287,673	14,076,466	25,116,957	35,047,848	39,356,153	50,441,207	34,459,748	20,768,367	15,806,688	11,838,033	281,375,554

Sales Therms Used 174,749,759