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January 12, 2009

Via Hand-Delivery

Chairman Tre Hargett
c/o Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

filed electronically in docket office on 01/12/09

**Re: *Generic Contested Case to Analyze and Evaluate the Cost Benefits and
Funding Mechanisms for Energy Conservation Research***
Docket No. 08-00064

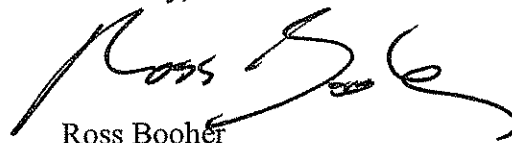
Dear Chairman Hargett:

Enclosed please find an original and six (6) of Piedmont Natural Gas Company, Inc.'s Comments on the Briefs of the Consumer Advocate and GTI.

Please stamp a copy of this document as "filed and return it to me by way of our courier.

Should you have any questions concerning the enclosed, please do not hesitate to contact me.

Sincerely,



Ross Booher

RIB/smb
Enclosure

Chairman Tre Hargett
January 12, 2009
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cc: Hon. Mary Freeman
Hon. Sara Kyle
Hon. Eddie Roberson
Ryan McGehee
Archie Hickerson
Elizabeth Wade
J.W. Luna
Jennifer L. Brundige
William Ramsey
Scott Ross
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BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

GENERIC CONTESTED CASE TO)	
ANALYZE AND EVALUATE THE)	
COST BENEFITS AND FUNDING)	DOCKET NO. 08-00064
MECHANISMS FOR ENERGY)	
CONSERVATION RESEARCH)	

PIEDMONT NATURAL GAS COMPANY, INC. COMMENTS
ON THE BRIEFS OF THE CONSUMER ADVOCATE AND GTI

Piedmont Natural Gas Company, Inc. ("Piedmont"), through counsel and pursuant to schedule agreed to by the parties and the Hearing Officer, respectfully submits the following comments on the authority of the Tennessee Regulatory Authority ("TRA") to approve recovery of modest incremental charges in the rates of Tennessee natural gas distribution companies in order to support targeted research and development activities by the Gas Technology Institute ("GTI").

Prior to submitting these comments, Piedmont carefully reviewed the briefs of both GTI and the Consumer Advocate Division of the Tennessee Attorney General's Office on this subject. Based on that review, Piedmont both supports and finds compelling GTI's arguments in support of the TRA's authority to adopt, implement and approve recovery of relatively modest charges in the natural gas rates of Tennessee natural gas distribution companies designed to support targeted research and development by GTI. Piedmont believes that such charges are within the authority of the TRA and also serve the public interest of the citizens of the State of Tennessee by promoting the development of new and improved technologies designed to reduce the costs and increase the efficiency of using natural gas, both of which ultimately benefit natural gas consumers. Further, given GTI's substantial experience in this area, and the TRA's ability to monitor both the collection of research and development dollars and manner in which those

dollars are expended by GTI, Piedmont perceives a very low risk that these funds will not be used responsibly and productively.

Based on the foregoing factors, Piedmont supports both the funding of GTI research and development activities through modest, incremental and recoverable charges to natural gas customers in Tennessee and the proposed expenditure of those funds as proposed by GTI.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Ross Booher", written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Brief was served on the parties below via facsimile, U.S. Mail, hand delivery, commercial delivery, or e-mail, on the 12th day of January, 2009.

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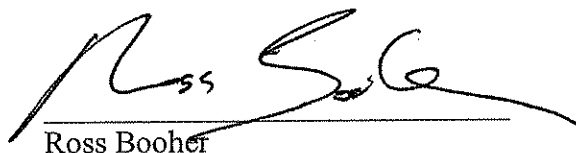
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