



**Piedmont
Natural Gas**

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T.R.A. DOCKET ROOM

December 18, 2008

The Honorable Tre Hargett, Chairman
c/o Sharla Dillion – Docket Room
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

08-00227

Re: Piedmont Natural Gas Company, Inc.- Nashville Gas Division – Actual Cost
Adjustment Account Filing

Dear Chairman Hargett:

Enclosed is Piedmont Natural Gas Company's Actual Cost Adjustment Account filing for the twelve months ended December 31, 2007, as required by the Tennessee Regulatory Authority. Two additional copies of the enclosed documentation are also being sent by the Company directly to TRA Audit Staff.

Piedmont Natural Gas Company requests that a contested case be convened in this matter solely for the purpose of the entry of a protective order which would protect the proprietary business information of Piedmont Natural Gas Company contained in this filing from public disclosure. Pending action on this request, we hereby designate the materials provided to the Authority as the confidential and proprietary trade secrets of Piedmont Natural Gas Company and respectfully request that the Authority treat those materials in a manner consistent with that designation.

Piedmont Natural Gas Company appreciates the Authority's consideration of this request. If there are any questions regarding this matter, I can be reached at (704) 731-4560.

Sincerely,

Jenny Furr
Manager, Regulatory Reporting

Enclosures

cc: Pat Murphy
Kelly Choate

*Ending Balance at 12/31/06 Per TRA 2006
ACA Audit Report is Jan'07 Beginning
Balance

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL
236,807.23	236,807.23	(586,199.55)	2,474,046.57	3,396,460.83	4,784,320.44	5,496,827.19	6,093,633.83	6,046,872.97	5,148,735.43	4,037,014.68	2,423,982.10	76,148.40	
511,576.00	511,576.00												
0.00	257,337.00	0.00	0.00	368,316.00	240,051.00	90,279.00	67,524.66	44,905.00	66,303.00	0.00	0.00	0.00	1,134,715.66
1,358,425.86	1,902,126.66	978,757.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	798,296.00	1,277,557.32	6,315,163.42
645,109.90	516,248.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,161,358.60
1,243,865.16	4,016,999.62	843,857.76	12,727.27	13,151.52	13,151.52	13,151.52	13,152.00	13,152.00	12,727.00	13,152.00	12,727.00	13,152.00	6,221,814.85
0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	297.79	1,679.00	3,576.79
3,906.00	3,999.00	2,504.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,805.00	3,326.47	15,540.47
6,330,619.14	7,257,509.24	5,531,441.53	809.89	0.00	0.00	0.00	2,483.65	836.88	809.89	836.88	7,992,508.64	8,038,466.81	35,156,422.55
109,914.55	150,322.55	72,119.81	6,136.32	(109,694.55)	306.17	1,364.03	0.00	653.71	682.63	97,528.59	2,264,489.56	441,395.44	2,710,948.75
2,833,181.21	2,285,592.99	515,866.87	2,001,637.50	0.00	0.00	0.00	0.00	0.00	0.00	(639.75)	3,015,422.33	112,701.38	13,639,034.43
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
124,026.62	69,727.68	59,752.40	11,202.92	10,699.92	7,446.64	4,405.44	4,405.44	3,966.32	3,426,015.65	16,931.46	33,028.19	62,816.73	407,484.23
9,392.37	186,034.88	51,340.11	9,095,754.79	6,012,767.64	6,518,928.33	6,518,928.33	4,499,883.33	3,523,773.23	3,426,015.65	6,551,121.95	0.00	0.00	39,875,012.28
0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,495.32
1,195,344.76	390,213.54	223,831.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,058.42	714,567.58	2,527,015.42
2,255,465.95	2,656,513.86	2,656,513.86	3,659.29	3,781.26	3,795.02	3,795.02	3,795.02	3,795.02	3,659.29	3,781.26	2,596,528.20	2,531,278.34	12,073,482.22
507,750.00	2,719,350.00	2,529.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,249,629.60
138,286.33	13,286.64	0.00	79,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	230,552.97
625.86	85,219.01	26,878.53	(87,582.97)	19,511.84	19,511.84	(2,251.93)	(1,463.37)	793.24	(509.02)	448.35	9,638.95	5,986.19	57,274.77
0.00	53,325.06	108,786.96	57,942.50	44,453.87	44,453.87	24,132.84	18,634.21	18,634.21	7,373.87	8,788.20	0.00	32,754.04	374,856.45
16,528,808.52	22,164,538.52	11,076,080.22	11,549,623.51	6,234,722.60	6,234,722.60	6,655,654.86	4,609,806.06	3,610,499.61	3,520,552.22	6,594,420.35	16,825,328.67	16,226,739.08	125,596,774.22
(263,758.96)	E1-a	(1,962.24)	E1-a	(60,704.53)	E1-a	(2,251.93)	(1,463.37)	793.24	(509.02)	448.35	9,638.95	5,986.19	(876,177.50)
0.00	D1-a	53,325.06	D1-a	57,942.50	D1-a	24,132.84	18,634.21	18,634.21	7,373.87	8,788.20	0.00	32,754.04	(1,716,016.59)
(20,206,127.82)	J1-a	(28,469,442.76)	J1-a	(9,058,587.82)	J1-a	(3,353,842.94)	(2,955,977.30)	(3,325,631.61)	(3,438,978.05)	(3,759,222.86)	(9,512,146.92)	(19,109,143.51)	(128,627,693.44)
1,081,657.34	J1-c	1,489,582.13	J1-c	472,519.31	J1-c	171,776.47	(83,644.77)	(79,163.16)	(81,720.16)	(88,043.26)	(226,127.44)	(462,348.16)	3,519,440.76
(15,591,331.73)	M1-b	(13,574,861.64)	M1-b	(4,175,406.84)	M1-b	(999,686.65)	(1,085,521.07)	(1,253,983.16)	(1,388,760.87)	(1,334,732.49)	(9,808,511.89)	(11,731,431.40)	(68,284,611.38)
11,039,232.77	M1-a	15,591,331.73	M1-a	4,279,930.63	M1-a	1,260,453.01	999,686.65	1,085,521.07	1,253,983.16	1,388,760.87	3,134,732.49	9,808,511.89	67,592,412.75
(83,675.17)	O1-b	(14,348.71)	O1-b	(40,258.82)	O1-b	(135,748.95)	(135,752.63)	(135,754.84)	(162,850.54)	(162,395.44)	(162,390.19)	(162,390.19)	(1,354,355.17)
14,348.71	O1-a	24,853.92	O1-a	133,935.77	O1-a	135,748.95	135,752.63	162,850.54	162,395.44	162,390.19	162,390.19	162,390.19	1,433,070.19
(834,713.60)	H3-b	(637,550.69)	H3-b	(1,653,057.81)	H3-b	(1,541,371.88)	(1,068,335.47)	(1,049,002.09)	(967,330.83)	(1,897,032.72)	(2,705,376.08)	(1,808,943.42)	(18,665,407.05)
0.00	0.00	0.00	(283,008.00)	0.00	(318,331.10)	(326,225.24)	(298,527.60)	(257,717.37)	(228,532.12)	(272,543.75)	(460,215.56)	0.00	(2,443,100.74)
0.00	0.00	0.00	(617,805.00)	0.00	(612,855.12)	(621,099.96)	(585,902.51)	(495,061.73)	(439,877.16)	(521,421.09)	0.00	0.00	(3,874,022.57)
0.00	0.00	0.00	0.00	0.00	0.00	(958,740.98)	(967,532.71)	0.00	0.00	0.00	0.00	0.00	(1,861,552.15)
4,246,814.58	H3-d	4,884,309.90	708,035.03	727,334.00	H3-a	263,037.30	1,176,063.16	556,090.85	569,911.57	442,943.13	721,955.41	2,070,941.74	16,486,659.25
482,148.84	H1-a	876,809.61	570,027.36	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	468,515.07	2,448,723.66
1,421,182.51	H5-a	847,150.08	440,560.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	233,143.55	825,354.99	3,767,391.76
253,096.84	H7-d	173,665.65	66,725.72	65,325.48	H7-a	5,785.10	5,106.22	85,020.12	71,669.15	74,617.50	75,996.08	81,854.53	1,016,424.42
260,827.37	H9-a	250,482.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	578,166.84
21,777.63	I1-a	21,983.91	21,270.10	20,974.43	I1-a	21,033.79	153,447.56	165,925.83	21,374.14	20,686.14	21,634.98	20,691.15	531,430.38
0.00	G1-b	7,096.78	0.00	0.00	13,857.28	0.00	0.00	0.00	0.00	(12,030.12)	(22,381.88)	(300.00)	(15,385.97)
0.00	G1-b	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(185,314.82)	0.00	(38,372.24)	(223,687.06)
0.00	P1-a	50,221.78	15,030.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,030.50
0.00	H3-a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(586,715.49)	2,467,579.33	3,378,350.09	4,756,295.34	5,461,606.81	5,111,378.94	5,005,282.94	6,005,282.94	5,111,378.94	4,005,543.41	2,407,827.95	67,563.08	(3,659,128.93)	35,467,513.60
75,045.87	940,689.89	2,925,198.33	4,076,378.08	5,122,963.62	5,775,377.65	6,049,458.39	6,049,458.39	5,579,125.95	4,577,639.42	3,222,421.32	1,248,772.59	(1,791,489.27)	259,885.88
8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%
515.94	6,467.24	20,110.74	28,025.10	35,220.38	39,705.72	41,590.03	41,590.03	38,356.49	31,471.27	22,154.15	8,585.31	(12,316.48)	35,727,399.47
(586,199.55)	2,474,046.57	3,396,460.83	4,784,320.44	5,496,827.19	5,148,735.43	6,093,633.83	6,046,872.97	5,148,735.43	4,037,014.68	2,423,982.10	76,148.40	(3,671,443.42)	

Balance