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February 1, 2010

VIA EMAIL AND HAND DELIVERY

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

In Re: Application Of Piedmont Natural Gas Company, Inc. For Approval of Negotiated Gas Redelivery Agreement With Bridgestone/Firestone

Docket No. 10- 00015

Dear Chairman Kyle:

Enclosed please find an original and five (5) copies of Piedmont Natural Gas, Inc.'s Petition for Approval of Negotiated Gas Redelivery Agreement with Bridgestone/Firestone. An electronic copy of the filing has also been transmitted via email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon. Please stamp one copy as "filed" and return to me by way of our courier.

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

Sincerely,



Erin M. Everitt

Enclosures

8398700.1

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:)	
)	
APPLICATION OF PIEDMONT NATURAL GAS)	
COMPANY, INC. FOR APPROVAL OF)	Docket No. 10-
NEGOTIATED GAS REDELIVERY AGREEMENT)	
WITH BRIDGESTONE/FIRESTONE)	

PETITION

Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company") (formerly Nashville Gas Company), through counsel, respectfully requests the Tennessee Regulatory Authority (the "Authority") to approve a negotiated Gas Redelivery Agreement ("Contract") with Bridgestone Americas Tire Operations, LLC ("Bridgestone") (formerly Bridgestone/Firestone), including the rates set forth therein. In support of its Petition, Piedmont respectfully shows unto the Authority as follows:

1. It is respectfully requested that any notices or other communications with respect to this Petition be sent to:

Jane Lewis-Raymond
Vice President & General Counsel
Piedmont Natural Gas Company, Inc.
Post Office Box 33068
Charlotte, NC 28233
Telephone: 704-731-4261

and

Erin M. Everitt
Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, TN 37201
Telephone: 615-742-7997

and

James H. Jeffries IV
Moore & Van Allen PLLC
100 North Tryon Street, Suite 4700
Charlotte, NC 28202-4003
Telephone: 704-331-1079

2. Piedmont is incorporated under the laws of the State of North Carolina and is duly domesticated and is engaged in the business of transporting, distributing, and selling natural gas in the States of Tennessee, North Carolina, and South Carolina. Piedmont's principal office and place of business is located at 4720 Piedmont Row Drive, Charlotte, North Carolina.

3. Piedmont's natural gas distribution business is subject to regulation and supervision by the Authority pursuant to Chapter 4 of Title 65 of the Tennessee Code Annotated.

4. Piedmont is engaged in the business of furnishing natural gas to customers located in Nashville and the remainder of Davidson County as well as portions of the adjoining counties of Cheatham, Dickson, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson and in certain incorporated towns and cities located therein.

5. On April 14, 1998, Piedmont and Bridgestone executed a Gas Redelivery Agreement ("Agreement") which permitted Bridgestone to acquire third-party gas supplies, transport, or cause to have transported said supplies through interstate pipeline facilities to Piedmont's interconnection with Tennessee Gas Pipeline Company at meter station No. 2-0312 or Piedmont's interconnection with Columbia Gulf Transmission, and have Piedmont redeliver such supplies through its natural gas distribution system to Bridgestone's LaVergne, Tennessee manufacturing plant.

6. By Order issued on January 22, 1999 in Docket No. 98-00339, the Authority approved the provision of natural gas service by Piedmont to Bridgestone pursuant to the Agreement through December 31, 2002. The underlying justification for the Authority's approval

of this Agreement was the threat of bypass, a condition that persists in the ongoing provision of service to Bridgestone.

7. On November 27, 2002, Piedmont filed an Application with the Authority for approval of an amendment extending and revising the Gas Redelivery Agreement under which Piedmont provides natural gas service to Bridgestone. By Order issued on April 4, 2003, the Authority approved the amendment to the Agreement, extending the term of the Agreement until December 31, 2005, and required that Piedmont and Bridgestone submit each succeeding one-year extensions of the Agreement to the Authority for approval. The Authority concluded that the conditions supporting approval of the Agreement in Docket No. 98-00339 were still present and continued to support a finding that bypass by Bridgestone is feasible and therefore, that a special contract between Piedmont and Bridgestone is appropriate.

8. Piedmont and Bridgestone inadvertently failed to execute (or file with the Authority) annual extensions of the prior agreement following December 31, 2005. Since that date, Piedmont has continued to provide service to Bridgestone under the previously approved rates and terms and Bridgestone has accepted service under those terms. Piedmont recently discovered the failure to file extensions of the prior agreement and after discussions with Bridgestone regarding this matter, Piedmont and Bridgestone determined to negotiate a new successor agreement for the redelivery of gas to Bridgestone at rates designed to avoid bypass of Piedmont's system by Bridgestone and to seek approval from the Authority of such agreement. A true and accurate copy of this new successor agreement ("Contract") is attached hereto as Exhibit A.¹

9. The Contract between Piedmont and Bridgestone has a five (5)-year term and automatic successive one (1)-year term extensions. Pursuant to the Contract, Piedmont agrees

¹ The Contract attached to this Petition as Exhibit A has been redacted to remove the rates Bridgestone pays to Piedmont for the transportation services. In today's competitive gas markets, this information is highly sensitive, and disclosure of the rates could have an adverse effect on Piedmont and its other customers. A non-redacted copy of the Contract is being filed under seal for use by the Authority, the Authority Staff, and any qualified intervenor who executes an appropriate non-disclosure agreement.

to provide daily firm Redelivery service up to 250 Dths per day to Bridgestone at the LaVergne Plant. Piedmont further agrees to provide Bridgestone interruptible redelivery service at the LaVergne Plant up to an additional 5,750 Dths per day.

10. Piedmont respectfully represents good cause exists for approval of the Contract as the Contract permits Bridgestone to maintain its service from Piedmont at negotiated rates, rather than seek to bypass Piedmont or to incur a dramatic increase in gas costs during this economic recession which could endanger the economic viability of Bridgestone's operations at the LaVergne plant and the jobs provided by that facility.

11. In Docket No. 96-00977, the Authority approved a procedure that permits Piedmont to recover 100% of its margin losses related to negotiated rates. Piedmont has been recovering its margin losses associated with the Bridgestone negotiated rates in accordance with this procedure, and requests authorization to continue to recover any margin losses associated with the Contract in the same manner.

WHEREFORE, Piedmont Natural Gas Company, Inc., respectfully requests that the Authority: (1) approve the Contract and authorize Piedmont to provide the natural gas services and to charge the rates set forth therein; (2) grant Piedmont any waivers it deems appropriate; (3) permit Piedmont to recover its margin losses associated with the Contract in the manner set forth above; and (4) grant Piedmont such other relief as may be necessary or appropriate.

Respectfully submitted this 1 day of February, 2010.

Piedmont Natural Gas Company, Inc.



R. Dale Grimes, *eng by permission*
Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, TN 37201
Telephone: 615-742-7200

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

David R. Carpenter, being duly sworn, deposes and says that he is Managing Director, Regulatory Affairs of Piedmont Natural Gas Company, Inc.; that as such, he has read the foregoing Petition and knows the contents thereof; that the same are true of his own knowledge except as to those matters stated on information and belief and as to those he believes them to be true.

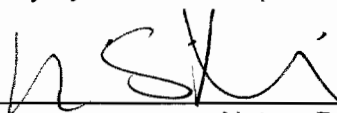


David R. Carpenter

Mecklenburg County, North Carolina

Signed and sworn to before me this day by David R. Carpenter

Date: 1/29/10



, Notary Public

(Official Seal)

My commission expires: March 2, 2010

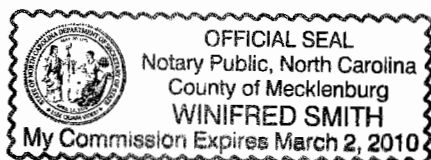


EXHIBIT A

GAS REDELIVERY AGREEMENT

This Gas Redelivery Agreement (the "Agreement") is made this 27th day of October, 2009 (the "Effective Date"), by and between Piedmont Natural Gas Company, Inc. ("Piedmont") and Bridgestone Americas Tire Operations, LLC ("BATO"). Piedmont and BATO are referred to hereinafter individually as "Party" and collectively as "Parties."

WHEREAS, BATO owns and operates a manufacturing facility in LaVergne, Tennessee for the production of truck and bus tires ("LaVergne Plant"); and

WHEREAS, the LaVergne Plant is in close proximity to the interstate natural gas pipeline facilities of Texas Eastern Transmission Company such that construction of bypass facilities by Bridgestone is economically feasible: and

WHEREAS, Piedmont desires to avoid such bypass and retain BATO as a customer; and

WHEREAS, BATO desires to forego the opportunity to construct bypass facilities and receive service directly from Piedmont instead, on the terms and conditions set forth in this agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants contained herein, Piedmont and BATO mutually agree as follows:

ARTICLE I Definitions

Section 1.01 "Agent" means a person or entity specifically authorized in writing by Piedmont to act on behalf of Piedmont or by BATO to act on behalf of BATO, as applicable.

Section 1.02 "Agreement" means this Gas Redelivery Agreement, any exhibits, attachments or appendices hereto, as well as Piedmont's Tennessee Rate Schedule 313 and Piedmont's Tennessee Service Regulations, which are incorporated herein by reference.

Section 1.03 "BTU" means one British Thermal Unit and is defined as the amount of heat required to raise the temperature of one (1) pound of water from fifty-nine degrees Fahrenheit to sixty degrees Fahrenheit at a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psi).

Section 1.04 "Balancing" means equalizing the quantities delivered to the Piedmont system for Redelivery to BATO with the quantities used by BATO at the LaVergne Plant.

Section 1.05 "Cashout" means the process to resolve imbalances by cash payments pursuant to Piedmont's Rate Schedule 313, as that Rate Schedule may be changed from time to time.

Section 1.06 "Custody Transfer Point" shall be a designated point on the discharge side of the pressure reduction facilities at the Redelivery Point where control of the natural gas redelivered hereunder is conveyed from Piedmont to BATO.

Section 1.07 "Day" means the twenty-four hour period commencing at ten o'clock (10:00) A.M. Eastern prevailing time or as defined in the Texas Eastern Transmission Company's FERC Gas Tariff.

Section 1.08 "Demand Charge" means the monthly fixed charges due from BATO hereunder as described in Section 8.01 below.

Section 1.09 "Dth" means dekatherm or ten (10) therms. "Therm" means a quantity of heat equal to one hundred thousand British thermal units (100,000 Btus). "MMBTU" or "Dekatherm" means one million (1,000,000) BTU's.

Section 1.10 "BATO" means Bridgestone Americas Tire Operations, LLC.

Section 1.11 "BATO Facilities" means the pipeline and any other facilities owned by BATO located downstream of the Redelivery Point.

Section 1.12 "BATO's Transporters" means any interstate pipeline or other entity through which BATO, or its Third Party Agent, arranges to have Gas delivered to Piedmont at the Receipt Point.

Section 1.13 "Effective Date" means the date this Agreement is allowed to go into effect by and after approval of the Tennessee Regulatory Authority.

Section 1.14 "FERC" means the Federal Energy Regulatory Commission or any successor governmental entity.

Section 1.15 "Force Majeure" shall mean acts of God, extreme weather conditions, strikes, lockouts, other labor or industrial disturbances, acts of the public enemy, war, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, act of sabotage or terrorism, partial or complete curtailment of deliveries by suppliers due to unforeseen acts as noted herein, inability to obtain rights-of-way or permits, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of a Party hereto and which, by the exercise of due diligence, cannot be prevented or overcome. It is understood and agreed that the settlement of strikes or lockouts or other labor or industrial disturbances shall be entirely within the discretion of the Party subject to such condition, and that such party shall not be required to settle strikes or lockouts or other labor or industrial disturbances when such course is inadvisable in the sole discretion of such Party and that a decision not to settle a strike or lockout or other labor or industrial disturbance shall not be classified as a failure to exercise due diligence as described above.

Section 1.16 "Fuel Rate" means the rate specified for Large General Transportation Service (Rate Schedule No. 313) or Large General Interruptible Transportation Service (Rate Schedule No. 314), as appropriate, under Piedmont's approved Tennessee Tariff.

Section 1.17 "Gas" or "Natural Gas" means natural gas processed or unprocessed, vaporized liquid natural gas, synthetic gas, gas from coal seams or any mixture of these gases delivered off the Tennessee Gas Pipeline Company's pipeline.

Section 1.18 "Initial Term" shall have the meaning set forth in Section 7.01.

Section 1.19 "Regulating Station" means that portion of the Piedmont Facilities required for Piedmont to regulate the gas pressure to the BATO Facilities.

Section 1.20 "Month" means a calendar month.

Section 1.21 "TRA" or "Authority" means the Tennessee Regulatory Authority.

Section 1.22 "Piedmont" means Piedmont Natural Gas Company, Inc., a North Carolina Corporation.

Section 1.23 "Piedmont Facilities" means all Natural Gas facilities owned or operated by Piedmont that are necessary to provide Redelivery service to the LaVergne Plant.

Section 1.24 "Piedmont's Tennessee Tariff" means the tariffs (including any rules and regulations attached thereto) filed by Piedmont with and approved (or allowed to go into effect) by the Authority as the same may be modified or amended from time to time.

Section 1.25 "Prudent Utility Practices" shall mean those practices, methods, equipment, specifications and standards of safety and performance, as the same may change from time to time, as are commonly used by professional construction and engineering firms performing engineering and construction services in the United States natural gas industry for facilities of the type and size similar to the Piedmont Facilities that, in the exercise of reasonable judgment and in the light of the facts known at the time the decision was made, are considered good, safe and prudent practices in connection with the design, construction and use of natural gas and other equipment, facilities and improvements, with commensurate standards of safety, performance, dependability, efficiency and economy. Prudent Utility Practices are not intended to be limited to the optimum practices, methods, equipment, specifications and standards to the exclusion of all others, but rather to include any acceptable practices, methods, equipment, specifications and standards generally accepted in the United States.

Section 1.26 "Psig" means pounds per square inch gauge.

Section 1.27 "Operational Order" means a system notice issued by Piedmont directing customers to observe specified scheduling, transportation or physical take requirements based on the operational requirements of Piedmont's system. Such Operational Orders shall be issued on a non-discriminatory basis taking into account the nature of the operational constraints necessitating such order.

Section 1.28 "Receipt Point" means the point of interconnection between Tennessee Gas Pipeline Company mainline facilities and the Piedmont Facilities utilized for purposes of receiving gas delivered to Piedmont for Redelivery to BATO under this Agreement.

Section 1.29 "Redelivery" means the transportation by Piedmont of Natural Gas received from BATO or a Third Party Agent at the Receipt Point and the transportation and redelivery of such Gas to BATO at the Redelivery Point.

Section 1.30 "Redelivery Point" means the point of interconnection between the Piedmont Facilities and the BATO Facilities, which point shall be at the discharge flange outlet located beyond the filter/separator and the over-protection relief valve in the regulating station at the terminus of the Piedmont Facilities at the LaVergne Plant.

Section 1.31 "Service Taxes" means all taxes, fees, levies, licenses or other charges imposed by any governmental authority on or with respect to the Redelivery of Gas on Piedmont's Facilities under this Agreement.

Section 1.32 "TCQ" or "Transportation Contract Quantity" means the maximum firm quantity of Gas Piedmont is obligated to transport and redeliver to the LaVergne Plant under this Agreement, as specified in Section 2.02 hereof.

Section 1.33 "Term" means the Initial Term, plus any Rollover Term, as applicable.

Section 1.34 "Third Party Agent" means an agent designated by BATO for the purpose of delivering natural gas to Piedmont on behalf of BATO.

Section 1.35 "Unauthorized Gas" means any quantity of Gas consumed by BATO at the LaVergne Plant on any Day in excess of 6,000 Dth or in excess of limits or restrictions on any such quantities imposed by Piedmont pursuant to a Piedmont Operational Order or through interruption of service by Piedmont for all quantities of Gas in excess of 250 Dth/day, except when such consumption is the result of Force Majeure.

Section 1.36 "Unauthorized Over Run Penalty" shall mean the charge applicable to any quantities of Unauthorized Gas consumed by BATO which shall be the same as set forth in Rate Schedule 306, as the same may be changed from time-to-time.

Section 1.37 "Year" means the period of three hundred sixty-five (365) consecutive Days beginning as of the date on which the facilities of both Parties are in place and ready for service, or any anniversary thereof; provided, however, that any such year which contains a date of February 29 shall consist of three hundred sixty-six (366) consecutive Days.

ARTICLE II

Transportation Redelivery Service

Section 2.01 Piedmont agrees to provide daily firm Redelivery service to BATO at the LaVergne Plant in an amount up to the TCQ specified herein. Except as expressly modified herein, all such Redelivery service shall be provided under and pursuant to the terms and conditions of service applicable to service provided under Piedmont's Rate Schedule 313, as the same may be modified from time to time by order of the Authority. In the event of a conflict between the provisions set forth in this Agreement and the terms and conditions applicable to Large General Transportation service under Piedmont's Rate Schedule 313, the provisions of this Agreement shall control.

Section 2.02 The TCQ is 250 Dths per day at the LaVergne Plant based on 1030 BTUs per standard cubic foot of Natural Gas.

Section 2.03 In addition to the firm Redelivery service to be provided pursuant to Sections 2.01 and 2.02 above, Piedmont further agrees to provide interruptible Redelivery service to BATO at the LaVergne Plant of up to an additional 5,750 Dths per day. Except as expressly modified herein, all such interruptible Redelivery service shall be provided under and pursuant to the terms and conditions of service applicable to service provided under Piedmont's Rate Schedule 314, as the same may be modified from time to time by order of the Authority. In the event of a conflict between the provisions set forth in this Agreement and the terms and conditions applicable to Large General Interruptible Transportation service under Piedmont's Rate Schedule 314, the provisions of this Agreement shall control.

Section 2.04 Piedmont's service under this agreement will not include interstate balancing service to BATO.

Section 2.05 Gas delivered by BATO for Redelivery hereunder shall be considered as a single and discrete pool and shall not be netted or aggregated with Gas nominated or received by any other service provided to BATO, or with the Gas of any other customers.

Section 2.06 During the Term of this Agreement, BATO waives the right to receive Redelivery service at the LaVergne Plant pursuant to any other approved, generally applicable Piedmont tariff. Notwithstanding the foregoing, Piedmont agrees to negotiate in good faith with BATO for the provision of other Natural Gas services as may be desired by BATO. Nothing herein shall limit BATO's ability to purchase Gas from any Piedmont authorized marketer, broker, or other party for delivery using the Piedmont Facilities; provided, however, that any such marketer, broker, or third party shall be required to comply with all provisions of Piedmont's tariffs addressing the use of the Piedmont Facilities for such deliveries. Any additional Redelivery services provided by Piedmont to the LaVergne Plant shall be governed by the applicable Piedmont tariff for such services and shall not be deemed to be part of the services provided pursuant to this Agreement.

ARTICLE III

Force Majeure

Section 3.01 If either Party is rendered unable, wholly or in part, by an event of Force Majeure to carry out its obligations, except for the payment of money, under this Agreement, it is agreed that on such Party's giving notice and reasonably full particulars of the reason for the Force Majeure in writing (by electronic communication or by facsimile) to the other Party within a reasonable time after the occurrence of the cause relied on, then the obligations of the Party giving such notice, so far as they are affected by such event of Force Majeure, shall be suspended during the continuance of any such Force Majeure event, but for no longer period, provided that such Party exercises due diligence to overcome such Force Majeure with all reasonable dispatch.

ARTICLE IV

Redelivery Point

Section 4.01 The Redelivery of Natural Gas purchased by BATO and transported by Piedmont for BATO's account to the LaVergne Plant pursuant to Article II hereof shall be made at the Redelivery Point only.

Section 4.02 For purposes of measuring the Natural Gas Redelivered hereunder, Piedmont will utilize its metering equipment located at the Redelivery Point.

Section 4.03 In the event that the measurement, by Piedmont, of Redeliveries of Natural Gas to BATO at the Redelivery Point is determined to be inaccurate, the measurement of Gas redelivered to BATO shall be determined based upon the historical consumption of Natural Gas during similar manufacturing conditions and periods, unless some other mechanism for resolving such inaccuracy is otherwise mutually agreed upon.

Section 4.04 All pipelines and other facilities provided by Piedmont, up to and including the gas pressure reduction equipment at the Redelivery Point, are and shall remain the exclusive property of Piedmont. Piedmont reserves the right to install taps into the Piedmont Facilities to provide service to additional customers.

ARTICLE V

Receipt and Redelivery Pressure

Section 5.01 All Natural Gas delivered to Piedmont for Redelivery to BATO shall be at sufficient pressure to enter Piedmont's Facilities, and Piedmont shall have no obligation to provide compression prior to Redelivery to BATO. Piedmont agrees to maintain pressure from the Receipt Point to the Redelivery Point less any pressure decrease reasonably attributable to the normal operation, maintenance and repair of the Piedmont Facilities in accordance with the terms of this Agreement. Piedmont shall be responsible for the installation and operation of adequate safety equipment upstream of the Redelivery Point. BATO shall have the sole and exclusive responsibility for the design, installation, operation, and maintenance of overpressure protection, at and beyond the Redelivery Point, for the safe and reliable operation of the BATO Facilities and equipment at the LaVergne Plant.

ARTICLE VI

Quality

Section 6.01 All Natural Gas delivered to Piedmont for BATO's account at the Receipt Point shall conform in all respects to the rules, guidelines, policies, practices, and tariff requirements of the BATO Transporters, as the same may be changed from time to time, with respect to units of measurement, measurement specifications, quality, composition, constituent components, contaminants, temperature, heating value, Wobbe value, testing specifications and delivery terms. BATO shall be solely responsible for any further processing, purification or modification of the Natural Gas Redelivered under this Agreement as may be necessary in order to utilize such Natural Gas at the LaVergne Plant.

Section 6.02 Piedmont shall be under no obligation to process, purify or in any way modify the Gas Redelivered to BATO under this Agreement. Except due to act or omission of Piedmont which causes the Gas to no longer meet the gas quality specifications of the BATO Transporters, Piedmont shall bear no responsibility for the physical composition or properties of such Gas upon Redelivery to BATO.

ARTICLE VII

Term and Termination

Section 7.01 This Agreement shall become effective on the Effective Date hereof and shall remain in effect for a period of five (5) years ("Initial Term"). At the expiration of the Initial Term, this Agreement shall automatically extend for successive one year terms ("Rollover Term(s)") unless and until either Party gives written notice of its intent to terminate this Agreement to the other Party at least twelve (12) months prior to the expiration of the Initial term or the then current Rollover Term.

ARTICLE VIII

Payments and Reimbursements

Section 8.01 During the initial Term of this Agreement and in lieu of applicable charges under Piedmont's Tennessee Rate Schedules 313 and 314, BATO agrees to pay Piedmont the sum of the following amounts for the Redelivery Service as provided hereunder:

REDACTED

In addition to the foregoing, BATO also agrees that Piedmont shall be compensated for fuel and lost and unaccounted for quantities as provided in Rate Schedules 313 and 314, as applicable.

ARTICLE IX
Billing, Payment and Dispute Resolution

Section 9.01 Piedmont shall submit a monthly invoice to BATO for the Demand Charge, Volumetric Charge, and any Other Charges due hereunder, any operations and maintenance charges and any ad valorem taxes due hereunder. These charges will be invoiced by the 10th calendar Day of the following month and are due by the 25th calendar Day of the following month. In the event that Piedmont is late in invoicing such charges in any month, payment of such invoice shall be due (15) Days following the receipt thereof. A late payment charge as specified in Piedmont's Tennessee Tariff will be applied to all balances not paid by the due date. If BATO has declared a good faith dispute of the charge, BATO shall pay the undisputed portion of the invoice and both Parties shall promptly and with due diligence seek to resolve such dispute and the account will be credited or debited as necessary. If BATO owes additional funds upon resolution of a dispute, such payment shall be made within ten (10) days, plus interest as noted below. If the account of BATO is to be credited, it shall be credited with both the principal amount of the refund due, plus interest calculated at an average prime rate for each calendar quarter on all excessive rates or charges held (including all interest applicable to such rates and charges). The applicable average prime rate for each calendar quarter must be the arithmetic mean, to the nearest one-hundredth of one percent, of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G, 13), for the fourth, third, and second months preceding the first month of the calendar quarter which is consistent with the FERC regulation for utility refunds. The interest required to be paid shall be compounded quarterly.

Section 9.02 With respect to disputes arising out of or relating to this Agreement for which a dispute resolution procedure is not prescribed elsewhere in this Agreement, the Parties will attempt in good faith to resolve such disputes through prompt negotiations between senior managers, or their authorized representatives, of the respective Parties. The Party with the dispute shall submit a written description of the disputed matter to the other Party. If after fifteen (15) days from the submission of the dispute to such senior managers, or their authorized representatives, the dispute is not resolved to the mutual satisfaction of the Parties, either Party may pursue resolution of the dispute with the Authority or other tribunal having jurisdiction over the subject matter Parties.

ARTICLE X
Delinquent Balances, Credit Information, and Suspension of Service

Section 10.01 BATO shall pay its account in accordance with the established terms for Redelivery service and shall not make deduction or withhold payment for claims not authorized by this Agreement, Piedmont's Tennessee Tariffs or otherwise in writing. BATO shall have no delinquent balances outstanding for transportation service; as used herein, "delinquent balances" does not mean or include payments for transportation service that are in dispute pursuant to Article IX.

Section 10.02 BATO shall provide its Dun & Bradstreet reporting number.

Section 10.03 Piedmont shall have the ability to suspend Redelivery service under this Agreement to BATO if: (i) BATO has become insolvent, or (ii) upon Piedmont's reasonable

request for reasonable assurances of payment, BATO fails to provide Piedmont with such reasonable assurances of payment, provided, however, BATO may receive or continue to receive service under the this Agreement, if BATO elects one of the following options:

- (i) Payment in advance for up to two (2) months service.
- (ii) A standby irrevocable letter of credit in form and substance satisfactory to Piedmont in a face amount up to two (2) months service.
- (iii) A guaranty in form and substance satisfactory to Piedmont, executed by a person Piedmont deems credit worthy, of BATO's performance of its obligation to Piedmont.
- (iv) Any other forms of security as BATO may agree to provide and as may be acceptable to Piedmont.

For purposes of this Agreement, the insolvency of BATO shall be evidenced by the filing by BATO of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging the BATO bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition, or in respect of the BATO under the Federal Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the BATO or of any substantial part of its property, or the ordering of the winding up or liquidation of its affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

Section 10.04 Either Party may suspend performance under this Agreement during the Term hereof for a breach of any material covenant, condition or agreement contained herein, unless excused as a *force majeure* event as described in Section 3.01 herein, if such breach has not been cured within thirty (30) days of receipt of written notice of the breach, except in the event of a bona fide, good faith dispute of charges. If such breach has not been cured with sixty (60) days of written notice, such non-breaching Party may terminate this Agreement for cause. The termination of this Agreement due to a breach by one Party for any reason shall not relieve the other Party of its obligation to perform any provision of this Agreement or its obligation to make payments required under this Agreement prior to the time of termination.

ARTICLE XI

Warranties

Section 11.01 BATO warrants that it has, or will have at the time of delivery of the Gas to the Receipt Point for transportation hereunder, title to such Gas. BATO warrants that the Gas shall be free and clear of all liens, encumbrances and claims, and that it will indemnify and save Piedmont harmless from and against all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said Gas or to royalties, taxes, license fees, or charges thereon which are directly applicable to such Gas. BATO shall also indemnify and save Piedmont harmless from and against all taxes and assessments, which are applicable, that may be directly levied and assessed upon the Gas other than taxes imposed as a result of Piedmont's receipt, transportation, and Redelivery of Gas for BATO, which taxes shall be paid as provided under this Agreement.

Section 11.02 Piedmont warrants that it will deliver the Gas to BATO free and clear from any claims, liens, or encumbrances arising from Piedmont's receipt, transportation, and Redelivery of such Gas to BATO, and that it will indemnify and save BATO harmless from and against all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said Gas or arising from Piedmont's receipt, transportation, and Redelivery of such Gas to BATO.

ARTICLE XII

Law and Regulation

Section 12.01 This Agreement shall be subject to applicable federal and state laws and applicable orders, rules and regulations of any local, state or federal governmental authority having or asserting jurisdiction; provided, however, that nothing contained herein shall be construed as a waiver of any right to question or contest any such law, order, regulation in any forum having jurisdiction over the subject matter. This Agreement is subject to all necessary regulatory and governmental approvals and permits including all necessary authorizations from the Authority and other applicable federal, state, county, and local authorities. The Parties agree to use their best efforts to obtain such approvals and permits and to cooperate in good faith to execute all papers necessary to effectuate the mutual obligations contemplated hereunder. It is understood that if the necessary regulatory approvals cannot be obtained, this Agreement shall terminate immediately, and the Parties shall have no further obligation or liability to each other hereunder.

Section 12.02 Piedmont and BATO agree that:

- (i) Except as provided in (ii) below, neither Piedmont nor BATO will voluntarily make any filing with the Authority or any other governmental authority that could reasonably be expected to have a material adverse effect on Piedmont's ability to provide the services or collect the charges provided under this Agreement or on the ability of BATO to receive such services and pay the charges for the Redelivery Service to be provided under this Agreement; and
- (ii) Notwithstanding the foregoing, Piedmont shall not be restricted from proposing and pursuing Authority approval of general changes in the terms and conditions under which it provides firm or interruptible Redelivery service to its customers under Rate Schedules 313 and 314 and BATO shall not be restricted from intervening in and protecting its interests with respect to any such regulatory filings; provided that such changes shall not alter the charges set forth in this Agreement.

ARTICLE XIII

Assignment

Section 13.01 This Agreement shall inure to the benefit of and be binding upon the successors in interest and assigns of the Parties hereto. Neither Party shall assign this Agreement and the rights hereunder without first having obtained the written consent of the other Party, which consent shall not be unreasonably withheld, provided, however, that either Party may assign this Agreement to an affiliate or to an entity succeeding to substantially all the assets of the

Party, or in the case of BATO, to an entity succeeding to substantially all the assets related to the LaVergne Plant, without such consent.

ARTICLE XIV

Liability

Section 14.01 Piedmont shall indemnify and hold harmless BATO from all liability and expense, including reasonable fees of attorneys, on account of any and all damages, claims, actions, including injury to and death of persons, arising from Piedmont's breach of this Agreement or Piedmont's or its agents' or its employees' negligent act or omission in the performance of Piedmont's obligations under this Agreement. BATO shall indemnify and hold harmless Piedmont from all liability and expense, including reasonable fees of attorneys, on account of any and all damages claims, actions, including injury to and death of persons, arising from BATO's breach of this Agreement or BATO's or its agents' or employees' negligent act or omission in the performance of BATO's obligations under this Agreement.

Section 14.02 Piedmont and BATO each assume full responsibility and liability for the maintenance and operation of their respective properties and facilities and shall indemnify and hold harmless the other Party from all liability and expense, including reasonable fees of attorneys, on account of any and all damages, claims, actions, including injury to and death of persons, arising from any negligent act or omission in connection with the installation, maintenance and operation of the property, equipment and facilities of the indemnifying Party, its agents or employees.

Section 14.03 Piedmont shall be deemed to be in control and in possession of the Natural Gas received by Piedmont at the Receipt Point and responsible, as between the Parties, for any damage, injury, or penalty caused or associated with such Gas until such Gas shall have been Redelivered to BATO at the Redelivery Point, and Piedmont shall indemnify and hold BATO harmless from all liability and expense, including reasonable fees of attorneys, on account of any and all damages, claims, actions, including injury to and death of persons, arising from any negligent act or omission in connection with the Redelivery of Gas by Piedmont, its agents or employees.

Section 14.04 BATO shall be deemed to be in control and in possession of the natural Gas and responsible, as between the Parties, for any damage, injury or penalty caused or associated with such Gas until such Gas shall have been delivered to Piedmont at the Receipt Point for Redelivery to BATO, and after such Gas shall have been Redelivered at the Redelivery Point, and BATO shall indemnify and hold Piedmont harmless from all liability and expense, including reasonable fees of attorneys, on account of any and all damages, claims, actions, including injury to and death of persons, arising from any negligent act or omission before the receipt or after the Redelivery of Gas by Piedmont, its agents or employees.

ARTICLE XV

General

Section 15.01 The section headings are for identification and reference only and shall not be used in interpreting any part of this Agreement.

Section 15.02 This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, submittal, or other event of negotiation, drafting or execution thereof.

Section 15.03 This Agreement is subject to the applicable rules and regulations of regulatory agencies having jurisdiction. Piedmont and BATO acknowledge and agree that this Agreement is subject to the review and approval of the Authority.

Section 15.04 This Agreement is subject to approval by the Parties' respective Management.

Section 15.05 This Agreement and the rights and duties of the Parties shall be governed and interpreted according to the laws of the State of Tennessee without regard to the conflict of laws provisions thereof.

Section 15.06 This Agreement and the relationship of the Parties shall be held in strict confidence by each of the Parties unless the prior written consent for a disclosure has been received from the other Party; provided, however, that both of the Parties shall be permitted to disclose the existence and substance of this Agreement or the relationship between the Parties to their directors, shareholders, investors, attorneys, accountants and insurance carriers who agree to be bound by the terms of this confidentiality provision or to regulatory agencies having jurisdiction over this Agreement or over one of the Parties to this Agreement, provided that such disclosure to regulatory agencies shall, to the extent allowed, be made under seal and with a designation of confidentiality. Disclosures of such confidential information by either Party to such third parties shall be only on a need-to-know basis in order to carry out the purposes of such Party's internal business. Both Parties shall take all reasonable measures to avoid wrongful disclosures by such third parties and shall be fully responsible and liable for the wrongful disclosure by the persons listed above. Notwithstanding the above, the following information shall be excluded from this requirement of confidentiality:

- (i) Information which was in the public domain prior to execution of this Agreement, or which subsequently becomes part of the public domain by publication or otherwise, except by the wrongful act of either Party;
- (ii) Information which can be demonstrably shown to have been received from a third party who had no obligation of confidentiality; and
- (iii) Information that either Party has been compelled to produce by subpoena or other legal process.

Each Party agrees not to use the other Party's name, or the fact that Piedmont is performing services for BATO, in any press releases, media statements or public communications or otherwise publicize this agreement without the other Party's prior written consent. Neither Piedmont nor BATO shall use the other's (including its subsidiaries and affiliates) name, logos, copyrights, trademarks, service marks, trade names or trade secrets in any

way, and neither Party shall be deemed to have granted the other a license of, or any rights in, any of the foregoing by entering into this Agreement

Section 15.07 Any notice, request, demand, statement, or report with reference to this Agreement shall be made in writing and shall be considered as duly delivered when received by mail, electronic communication or fax.

To Piedmont Natural Gas Company:

Notices:

Managing Director, Transportation and Major Account Services
P.O. Box 33068 Phone: (704) 364-3120
Charlotte, NC 28233 Fax: (704) 364-8320

Operations:

Gas Control Phone: (704) 364-3120
P.O. Box 33068 Fax: (704) 365-8740
Charlotte, NC 28233

Scheduling:

Gas Scheduling Phone: (704) 731-4413
P.O. Box 33068 Fax: (704) 364-8320

Evenings/weekends Phone: 704-241-7465
Group E-mail PNGGasSchedulingServices@piedmontng.com

To BATO:

Notices:

Bridgestone Americas Tire Operations, LLC
Attn: Kim Peterson
1201 Bridgestone Parkway
LaVergne, TN 37086
Facsimile: 615-493-0399

Invoices:

Bridgestone Americas Tire Operations, LLC
Attn: Accounts Payable
1201 Bridgestone Parkway
LaVergne, TN 37086
Facsimile: 615-287-7576

Section 15.08 The terms and conditions set forth herein, including any attachments hereto, are intended by Piedmont and BATO to constitute the final, complete and exclusive statement of their agreement and all prior proposals, communications, negotiations, and understandings relating to the subject matter of this Agreement, whether verbal or written, are hereby superseded. No modification or amendment of this Agreement shall be effective unless

the same is in writing and signed by both Parties. In the event of a conflict between the provisions of Piedmont's Tennessee Tariff and this Agreement, the provisions of this Agreement shall control.

Section 15.09 For any waiver of any right, obligation or privilege to be binding, the waiver must be in writing and signed by the Party against whom such waiver is sought to be enforced. A waiver of any one or more obligations, defaults or breaches under this Agreement shall not operate as a waiver of any future obligation, default or defaults, whether of a like or different character.

Section 15.10 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the day and year first above written.

Piedmont Natural Gas Company, Inc.

Bridgestone Americas Tire Operations, LLC

By: [Signature]

By: [Signature]

Title: SR. VP

Title: Controller