

BASS

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A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

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KNOXVILLE
MEMPHIS

July 22, 2010

Via Hand Delivery

Chairman Mary W. Freeman
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

filed electronically in docket office on 07/22/10
Docket no. 10-00151

Re: Petition of Piedmont Natural Gas Company, Inc. for Approval of Negotiated Franchise Agreement With the Town of Nolensville, Tennessee Pursuant to T.C.A. § 65-4-107

Dear Chairman Freeman:

Attached you will find an original and five (5) copies of the above-described Petition of Piedmont Natural Gas Company, Inc., together with exhibits and testimony of Eddie Davidson. Also attached is a check for the filing fee in the amount of \$25.00. Please file four copies of the Petition and Testimony, and have the additional copies stamp filed and returned to me by way of our courier.

This petition also is being filed today by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon.

Should you have any questions concerning the enclosed, please do not hesitate to contact me at the email address listed above.

With kindest regards, I remain

Very truly yours,



Erin M. Everitt

EME/smb

Enclosures

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

IN RE:)	
)	
PETITION OF PIEDMONT NATURAL GAS)	
COMPANY, INC. FOR APPROVAL OF)	Docket No. 10-
NEGOTIATED FRANCHISE AGREEMENT)	
WITH THE TOWN OF NOLENSVILLE,)	
TENNESSEE PURSUANT TO TENNESSEE)	
CODE ANNOTATED § 65-4-107)	

**PETITION OF PIEDMONT NATURAL GAS COMPANY, INC. FOR APPROVAL OF
NEGOTIATED FRANCHISE AGREEMENT WITH THE TOWN OF NOLENSVILLE, TENNESSEE
PURSUANT TO TENNESSEE CODE ANNOTATED § 65-4-107**

Piedmont Gas Company, Inc. ("Piedmont" or the "Company"), through counsel and pursuant to Tennessee Code Annotated § 65-4-107, hereby requests approval by the Tennessee Regulatory Authority ("Authority") of a negotiated franchise agreement between Piedmont and the Town of Nolensville, Tennessee ("Nolensville" or the "Town"). In support of its Petition, Piedmont respectfully shows unto the Authority as follows:

1. Piedmont Natural Gas Company, Inc. is incorporated under the laws of the State of North Carolina and is engaged in the business of transporting, distributing and selling natural gas in the States of Tennessee, North Carolina and South Carolina.

2. 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.

3. Piedmont has its principal offices in Tennessee at 83 Century Boulevard, Nashville, Tennessee, and 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 counties of Cheatham, Dickson, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson and in certain incorporated towns and cities located therein.

4. On June 2, 2010, Revised via Ordinance #10-01, An Ordinance to Amend Title 19, of the Municipal Code of the Town of Nolensville, Tennessee to Add Chapter 2, Granting Franchise to Piedmont Natural Gas Company, Inc., was executed by Beth Lothers, Mayor of the Town of Nolensville. This franchise revised previously enacted Ordinance 09-06 in order to correct and restate the length of the franchise to the maximum allowable under Tennessee law. Collectively, these ordinances grant the Company the right to construct, operate and maintain a gas utilities system within the Town for the transmission, distribution, and sale of gas to consumers and users within the Town and to the Town and any and all agencies and departments thereof. A copy of this Ordinance is attached hereto as Exhibit A.

5. Piedmont submits that the franchise agreement contained in Ordinance #09-06 and Revised via Ordinance #10-01, is necessary and proper for the public convenience and properly conserves the public interest on at least the following grounds:

a. The franchise agreement establishes a twenty-five (25) year term arrangement which secures the provision of natural gas service to citizens, businesses and governmental institutions within Nolensville.

b. The franchise agreement ensures the provision of high quality natural gas service by an established provider of such service.

c. The franchise agreement establishes adequate and proper mechanisms for access to public rights-of-way, new and existing customers, and existing service lines, transmission and distribution facilities and thereby ensures the protection of the property and citizenry of Nolensville.

d. The Company shall pay franchise fees to the Town on a quarterly basis in an amount equal to three percent (3%) of the annual gross revenues collected from all customers who are located and provided service by the Company within the geographical areas within the Town of Nolensville.

The testimony of Eddie Davidson, in support of these factors and the Nolensville franchise in general, is being filed concurrently with the filing of this petition.

6. Pursuant to Tennessee Code Annotated § 65-4-107, the franchise agreement between Piedmont and Nolensville must be approved by the Authority in order to be valid. Such approval is proper where, as here, the franchise is necessary and proper for the public convenience and properly conserves the public interest.

7. Piedmont hereby advises the Authority that pursuant to Tennessee Code Annotated § 65-4-105(e), Piedmont has in the past and intends in the future, insofar as practicable, to bill its customers subject to the franchise agreement on a pro rata basis for any "franchise payment or other payment for the use of public streets, alleys or other public places or any license, privilege, occupation or excise tax payment."

WHEREFORE, Piedmont Natural Gas Company, Inc., respectfully requests that the Authority approve the negotiated franchise agreement incorporated into Ordinance #09-06, Revised via Ordinance #10-01, attached hereto as Exhibit A.

Respectfully submitted this 22nd day of July, 2010.

Piedmont Natural Gas Company, Inc.

By: R. Dale Grimes *att by permission*
R. Dale Grimes
Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, Tennessee 37201
Telephone: 615-742-6244

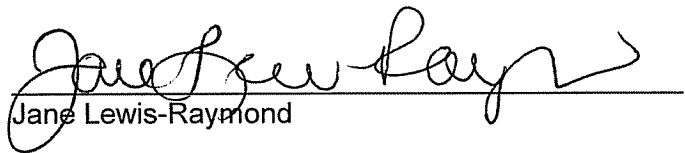
By: James H. Jeffries IV
James H. Jeffries IV
Moore & Van Allen
Bank of America Corporate Center
100 N. Tryon Street, Suite 4700
Charlotte, NC 28202
Telephone: 704-331-1000

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

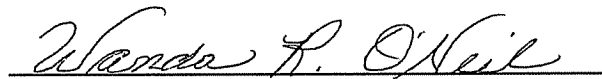
Jane Lewis-Raymond, being duly sworn, deposes and says that she is Vice President & General Counsel of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.


Jane Lewis-Raymond

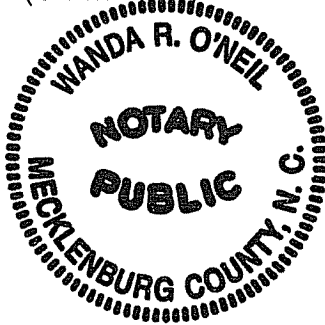
Mecklenburg County, North Carolina

Signed and sworn to before me this day by Jane Lewis-Raymond

Date: July 21, 2010


Wanda R. O'Neil, Notary Public

(Official Seal)



My commission expires: April 26, 2011

EXHIBIT A

Ordinance #09-06
Revised via Ordinance #10-01

**AN ORDINANCE TO AMEND TITLE 19, OF THE MUNICIPAL CODE OF THE TOWN
OF NOLENSVILLE, TENNESSEE TO ADD CHAPTER 2, GRANTING FRANCHISE
TO PIEDMONT NATURAL GAS COMPANY, INC.**

WHEREAS, the Charter of the Town of Nolensville, Tennessee authorizes the Town to adopt regulatory activities necessary to promote health, safety and welfare of the inhabitants of the Town of Nolensville; and

WHEREAS, the Board of Mayor and Aldermen for the Town of Nolensville wish to exercise its authority to regulate floodplain issues within the Town of Nolensville; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF NOLENSVILLE that Title 19, Electricity and Gas, of the Nolensville Municipal Code is amended to add Chapter 2 as follows:

19-201. DEFINITIONS As used in this Ordinance, the following terms, words and phrases shall have the meanings respectively ascribed to them in this section:

"Company" shall mean Piedmont Natural Gas Company, Inc., a corporation organized under the laws of the State of North Carolina and authorized to do business in the State of Tennessee, and any successor in interest to Piedmont Natural Gas Company, Inc. under this franchise Ordinance.

"Town" or "Town of Nolensville" shall mean:

The Town of Nolensville, a municipal corporation located in Williamson County, Tennessee,

The area within the territorial Town limits of the Town of Nolensville and within the extraterritorial area surrounding the Town to the extent it may be lawfully included as presently or hereafter fixed by law or ordinance, or

The Board of Mayor and Aldermen of the Town of Nolensville or any officer or agent duly authorized in acting on behalf of the Town as a municipal corporation, as indicated by the context by which the term is used;

"Board of Mayor and Aldermen" shall mean the governing body of the Town of Nolensville;

"Gas" when used as an unqualified term shall mean either natural or artificial gas, by whatever process or processes derived or manufactured, or both such gases either separately or a mixture of them.

19-202. Authority granted. The Company is hereby granted the right to construct operate and maintain a gas utilities system within the Town for production, transmission, distribution, and sale of gas to consumers and users within the Town and to the Town and any and all agencies and departments thereof.

The Company is hereby granted the right, authority and privilege to construct and install, operate, maintain, lay or relay, renew, replace and repair gas pipes, mains, pipelines, conduits, regulators, connections and services thereto, in, through, across, along and under streets, avenues, roads, public alleys, lanes, parks and squares, and other public places and ways in the Town for the production, pumping, handling, transmission, distribution and sale of gas for any and all purposes, subject to the terms and conditions hereinafter set forth in this Ordinance.

19-203. Cuts/Excavation. Whenever the Company shall cause any opening, excavation or alteration to be made in any street, lane or public place within the Town in the construction, operation or maintenance of any of its pipelines or other appliances owned or used by it, the Company shall repair and restore such portions of such streets, lanes or public places to the same condition in which it found them as nearly as practicable. Additionally, if the Company shall fail to restore the area to its approximate former condition within a reasonable period of time no less than thirty working days after notification by the Town, the Town shall proceed to restore such streets, lanes and public places as nearly as practicable to their original condition and the Town shall submit a statement of the costs for this restoration to the Company. The Company agrees to pay the Town for these costs within thirty days.

19-204. Term Length. This franchise is granted for a term of twenty-five (25) years beginning from the date of approval by the Tennessee Regulatory Board, May 1, 2009 and ending at midnight May 1, 2034. This franchise supersedes any and all former rights or franchises of the Company to operate a gas utilities system in the Town with respect to all acts and things done or admitted to be done, on or after May 1, 2009.

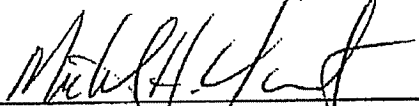

19-205. Permit Fee. The Company shall not be obligated to the Town or any of its departments or agencies for any tax, license fee, other fee, or any other payment whatsoever, relating to the rights granted herein, other than that which is levied by state law.

19-206. Transfer Rights. The Company is hereby granted the right during the existence of this franchise to mortgage or hypothecate this franchise, together with all rights and privileges there under and any right or interest therein, as security for indebtedness, subject to acceptance by any legal successor in interest of the obligations, duties, liabilities, limitations and prohibitions set out herein and subject to the approval by the Tennessee Regulatory Authority or other governmental agency whose approval is required by law. The Company shall not assign or transfer its rights under this agreement, provided, however, that this provision shall not prohibit the Company from assigning its rights hereunder to the surviving corporation in any corporate reorganization in which the Company is a party.

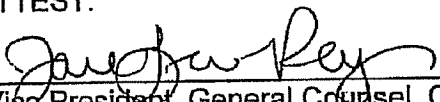
19-207. Franchise Fees. The Company shall pay to the Town an amount equal to three percent (3%) of the annual gross revenues collected from all customers who are located and provided service by the Company within the geographical areas within the Town of Nolensville. The payment of the fee shall be on a quarterly basis, and the first payment shall be made by the Company within sixty (60) days after the approval by the TRA of the Ordinance. Thereafter, payment of such fee and the recovery thereof by the Company shall be pursuant to Tenn. Code Ann. Section 65-4-105(e).

19-208. Acceptance of Franchise. This Ordinance shall be submitted to the Tennessee Regulatory Authority pursuant to Tenn. Code Ann. Section 65-4-107 for approval and shall take effect from the day and date of its passage, but only after it has been accepted in all its terms and revisions by the Company, in writing, within sixty days after its passage; otherwise, the same shall be null and void and of no effect.

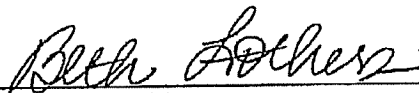
PIEDMONT NATURAL GAS COMPANY, INC.

BY:  
Senior Vice President - Utility Operations


ATTEST:

 6/2/10
Vice President, General Counsel, Corporate
Secretary and Chief Compliance Officer

TOWN OF NOLENSVILLE

BY: 
Beth Lothers, Mayor

ATTEST:


Cindy Lancaster, Town Recorder

First Reading: ___ May 7, 2009 ___

Second Reading: ___ June 4, 2009 ___

Revised Via ordinance #10-01

First Reading: ___ January 1, 2010 ___ Second Reading: ___ February 4, 2010 ___

TENNESSEE

WILLIAMSON COUNTY

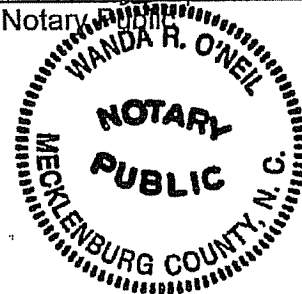
This is to certify that on the 2nd day of June, 2010, before me came Michael H. Yount, with whom I am personally acquainted, who, being by me duly sworn, says that he is the Senior Vice President - Utility Operations of Piedmont Natural Gas Company, Inc., and Jane R. Lewis-Raymond, with whom I am personally acquainted, who, being by me duly sworn, says that she is the Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer of Piedmont Natural Gas Company, Inc.; that the Senior Vice President - Utility Operations and Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer subscribed their names thereto, and the Company's corporate seal was affixed, all with the consent of the Board of Directors of the Company.

Witness my hand and official seal, this the 2nd day of June, 2010.

My Commission expires:

April 26, 2011

Wanda R. O'Neil
Notary Public



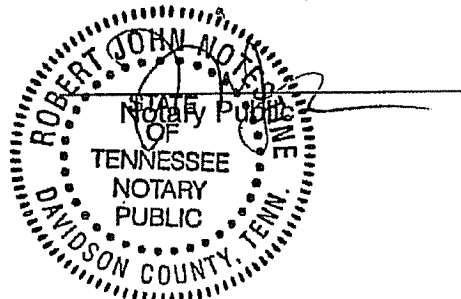
TENNESSEE

WILLIAMSON COUNTY

This 4th day of February, 2010, personally came before me, Robert J. Notestine, III, Town Attorney of the Town of Nolensville who, being by me duly sworn, says that he is acquainted with Beth Lothers, Mayor of this Town, and that he saw the Mayor sign the foregoing instrument, and she signed her name in attestation of the execution of this instrument in the presence of the Mayor of this Town.

Witness my hand and official seal, this the 4th day of February, 2010.

My Commission Expires:



My Commission Expires MAY 6, 2013

**Before the
Tennessee Regulatory Authority**

Docket No. 10-

**Petition of Piedmont Natural Gas Company, Inc. for Approval of
Negotiated Franchise Agreement with the Town of Nolensville, Tennessee
Pursuant to Tennessee Code Annotated § 65-4-107**

**Testimony
of
Eddie Davidson**

**On Behalf Of
Piedmont Natural Gas Company, Inc.**



July 21, 2010

1 **Q. Please state your name and business address.**

2 A. My name is Eddie Davidson. My business address is 83 Century
3 Boulevard, Nashville, Tennessee.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am employed by Piedmont Natural Gas Company, Inc. ("Piedmont" or
6 the "Company") as Senior Manager, Legislative and Community Affairs
7 for our Tennessee Region.

8 **Q. Please describe your educational and professional background.**

9 A. I have a B.S. in Political Science from Middle Tennessee State University.
10 I have worked in various capacities for the Tennessee House of
11 Representatives, and served six years as the Assistant Chief Clerk of the
12 House from 1996 until 2002. In 2002, I joined the administration of
13 Nashville Mayor Bill Purcell as an Associate Director of the Metro
14 Nashville Public Works Department. I then served as a legislative liaison
15 to the Tennessee General Assembly on behalf of Metro Nashville,
16 eventually becoming the Director of Legislative Affairs for the City,
17 managing all government affairs at the local, state, and federal level. I
18 stayed on with Metro Nashville in the administration of Mayor Karl Dean
19 as a Senior Advisor for Infrastructure and Intergovernmental Affairs prior
20 to joining Piedmont.

21 **Q. Have you previously testified before this Authority or any other**
22 **regulatory authority?**

23 A. I previously testified before the TRA regarding Piedmont's flood recovery

1 efforts.

2 **Q. Do you hold any positions in any professional or trade associations?**

3 A. I am a member of the Tennessee Gas Association serving as chair of the
4 2010-2011 Legislative Committee. I am also a member of the Tennessee
5 Lobbyists Association.

6 **Q. What is the purpose of your testimony in this proceeding?**

7 A. The purpose of my testimony is to present information to the Authority
8 relating to the franchise agreement entered into between Piedmont Natural
9 Gas Company and the Town of Nolensville, Tennessee.

10 **Q. Could you please explain the circumstances that caused a need for a**
11 **franchise agreement between Piedmont and Nolensville?**

12 A. Yes. Under Section 65-26-101 of the Tennessee Code Annotated,
13 Piedmont is required to have the consent of the Town of Nolensville, in
14 the form of a municipal ordinance, in order to enter onto the streets and
15 alleys of Nolensville for the purpose of placing, maintaining, or expanding
16 its natural gas distribution and transmission facilities. Piedmont is
17 desirous of expanding its natural gas facilities to serve customers within
18 the Town of Nolensville and, accordingly, is required to obtain
19 Nolensville's consent to such service within its municipal boundaries.

20 **Q. When did Piedmont begin pursuing a franchise arrangement with**
21 **Nolensville?**

22 A. Piedmont started discussions with Nolensville regarding a possible
23 franchise agreement in approximately January of 2009.

1 **Q. How were those negotiations pursued?**

2 A. The negotiations with Nolensville for a franchise ordinance were
3 undertaken primarily by me in my capacity as Senior Manager, Legislative
4 and Community Affairs. Nolensville was represented in these
5 negotiations by Robert Notestine, its city attorney.

6 **Q. What was the result of those negotiations?**

7 A. These negotiations were successful as evidenced by an approved
8 Ordinance No. 09-06, as revised by Ordinance 10-1, attached hereto as
9 Exhibit __ (ED-1) and incorporated herein by reference. This ordinance
10 establishes a franchise arrangement between Piedmont and the Town of
11 Nolensville for a period of twenty-five (25) years.

12 **Q. What are the primary provisions of the new franchise ordinance?**

13 A. The new franchise ordinance provides that in exchange for the right to
14 provide service to customers within the municipal limits of Nolensville
15 and for access to the streets and public rights-of-way within the City,
16 Piedmont agrees to pay an annual franchise fee (in quarterly installments)
17 of three percent (3%) of annual gross revenues collected by Piedmont
18 from customers within the Town of Nolensville, and to comply with
19 certain procedures with respect to the conduct of its business within the
20 Town's corporate limits.

21 **Q. Is Piedmont satisfied with the negotiated resolution of these issues?**

22 A. Yes. Both parties were ultimately able to agree with the negotiated result
23 and that result is reflected in Ordinance No. 09-06/10-01 which was

1 approved by the Mayor and Board of Aldermen of Nolensville on June 4,
2 2009 and February 4, 2010 and subsequently accepted by Piedmont.

3 **Q. What is the standard to be utilized by the Authority in determining**
4 **whether to approve Ordinance 09-06/10-01?**

5 A. My understanding is that under the statute, the Authority is authorized to
6 approve the Ordinance if it finds that it "is necessary and proper for the
7 public convenience and properly conserves the public interest."

8 **Q. In your opinion, are the franchise terms set forth in Ordinance 09-**
9 **06/10-01 necessary and proper for the public convenience and in the**
10 **public interest?**

11 A. Yes, on a number of grounds.

12 First, the franchise terms reflected in Ordinance 09-06/10-01 will establish
13 a twenty-five year arrangement through which the current and future
14 residents, business enterprises and governmental facilities located within
15 the Town of Nolensville will be able to receive, under the supervisory
16 jurisdiction of the Authority, the benefits of natural gas service provided
17 by Piedmont. This arrangement will help ensure the continuing
18 availability of high quality natural gas service to Nolensville for the
19 foreseeable future.

20 Second, the franchise facilitates the provision of such natural gas service
21 to Nolensville by an established and proven provider of that service well
22 known to this Authority and possessing the requisite expertise, facilities,
23 systems and gas supply and transportation assets necessary to provide such

1 service.

2 Third, the new franchise arrangement establishes adequate and proper
3 mechanisms for access by Piedmont to public rights of way, new and
4 existing customers, and existing service lines, transmission and
5 distribution facilities. These mechanisms help to ensure that Piedmont is
6 able to provide both adequate and efficient service and to comply with the
7 requirements of this Authority to ensure the safety and protection of
8 residents and property within Nolensville.

9 Fourth, the new franchise arrangement provides an incentive for Piedmont
10 to invest in infrastructure needed to provide improved and expanded
11 service within Nolensville by ensuring that Piedmont will have the right to
12 provide service within these areas for a sufficient period in order to permit
13 Piedmont the opportunity to recover the capital investment in such
14 facilities under the rates approved by the Authority.

15 Fifth, payment of the franchise fees provided for in the franchise
16 agreement, in addition to Piedmont's ongoing duty to repair excavation
17 work as it is performed, will act to offset long term road maintenance
18 expenses that may be incurred by Nolensville during the term of the new
19 franchise arrangement and will help support the provision of municipal
20 services by Nolensville to its citizens.

21 **Q. Could you please summarize your thoughts on the public convenience**
22 **issue?**

23 **A.** Yes. Approval of the franchise arrangement between Piedmont and

1 Nolensville will ensure that the residents, businesses and governmental
2 entities residing and operating within Nolensville will receive high quality,
3 safe, and economic natural gas service from a provider with a long and
4 successful history of providing that service to these areas. The franchise
5 ordinance also provides substantial protections to the citizens of
6 Nolensville while concurrently offering Piedmont a positive incentive to
7 provide ongoing and expanded natural gas service to this area. That
8 service will contribute to a stable infrastructure and expanded economic
9 opportunity and will be beneficial to customers by bringing the desirable
10 attributes of natural gas service to Nolensville for some time into the
11 future.

12 **Q. Do you know of any facts that would indicate that the new franchise**
13 **arrangement reflected in Ordinance No. 09-06/10-01 is not in the**
14 **public interest?**

15 A. No.

16 **Q. What are you asking the Authority to do in this proceeding?**

17 A. Based on the facts discussed above, we are asking the Authority to
18 approve the new franchise agreement between Piedmont and the Town of
19 Nolensville as reflected in Ordinance No. 09-06/10-01.

20 **Q. Does this conclude your testimony?**

21 A. Yes it does.

EXHIBIT __ (ED-1)

Ordinance #09-06
Revised via Ordinance #10-01

**AN ORDINANCE TO AMEND TITLE 19, OF THE MUNICIPAL CODE OF THE TOWN
OF NOLENSVILLE, TENNESSEE TO ADD CHAPTER 2, GRANTING FRANCHISE
TO PIEDMONT NATURAL GAS COMPANY, INC.**

WHEREAS, the Charter of the Town of Nolensville, Tennessee authorizes the Town to adopt regulatory activities necessary to promote health, safety and welfare of the inhabitants of the Town of Nolensville; and

WHEREAS, the Board of Mayor and Aldermen for the Town of Nolensville wish to exercise its authority to regulate floodplain issues within the Town of Nolensville; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF NOLENSVILLE that Title 19, Electricity and Gas, of the Nolensville Municipal Code is amended to add Chapter 2 as follows:

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The Town of Nolensville, a municipal corporation located in Williamson County, Tennessee,

The area within the territorial Town limits of the Town of Nolensville and within the extraterritorial area surrounding the Town to the extent it may be lawfully included as presently or hereafter fixed by law or ordinance, or

The Board of Mayor and Aldermen of the Town of Nolensville or any officer or agent duly authorized in acting on behalf of the Town as a municipal corporation, as indicated by the context by which the term is used;

"Board of Mayor and Aldermen" shall mean the governing body of the Town of Nolensville;

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19-205. Permit Fee. The Company shall not be obligated to the Town or any of its departments or agencies for any tax, license fee, other fee, or any other payment whatsoever, relating to the rights granted herein, other than that which is levied by state law.

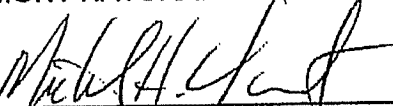
19-206. Transfer Rights. The Company is hereby granted the right during the existence of this franchise to mortgage or hypothecate this franchise, together with all rights and privileges there under and any right or interest therein, as security for indebtedness, subject to acceptance by any legal successor in interest of the obligations, duties, liabilities, limitations and prohibitions set out herein and subject to the approval by the Tennessee Regulatory Authority or other governmental agency whose approval is required by law. The Company shall not assign or transfer its rights under this agreement, provided, however, that this provision shall not prohibit the Company from assigning its rights hereunder to the surviving corporation in any corporate reorganization in which the Company is a party.

19-207. Franchise Fees. The Company shall pay to the Town an amount equal to three percent (3%) of the annual gross revenues collected from all customers who are located and provided service by the Company within the geographical areas within the Town of Nolensville. The payment of the fee shall be on a quarterly basis, and the first payment shall be made by the Company within sixty (60) days after the approval by the TRA of the Ordinance. Thereafter, payment of such fee and the recovery thereof by the Company shall be pursuant to Tenn. Code Ann. Section 65-4-105(e).

19-208. Acceptance of Franchise. This Ordinance shall be submitted to the Tennessee Regulatory Authority pursuant to Tenn. Code Ann. Section 65-4-107 for approval and shall take effect from the day and date of its passage, but only after it has been accepted in all its terms and revisions by the Company, in writing, within sixty days after its passage; otherwise, the same shall be null and void and of no effect.

PIEDMONT NATURAL GAS COMPANY, INC.

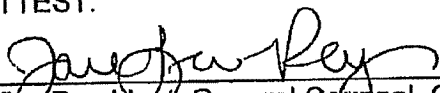
BY:



Senior Vice President - Utility Operations

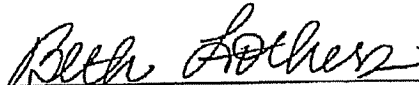


ATTEST:

 6/2/10
Vice President, General Counsel, Corporate
Secretary and Chief Compliance Officer


TOWN OF NOLENSVILLE

BY:



Beth Lothers, Mayor

ATTEST:


Cindy Lancaster, Town Recorder

First Reading: _____ May 7, 2009 _____

Second Reading: _____ June 4, 2009 _____

Revised Via ordinance #10-01

First Reading: _____ January 1, 2010 _____ Second Reading: _____ February 4, 2010 _____

TENNESSEE

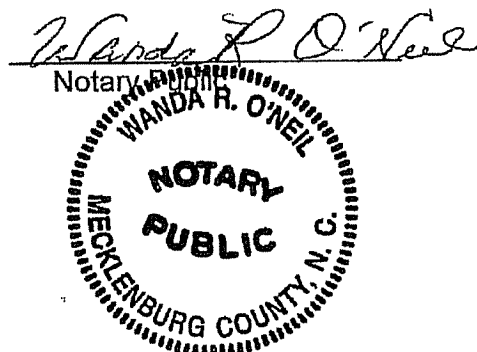
WILLIAMSON COUNTY

This is to certify that on the 2nd day of June, 2010, before me came Michael H. Yount, with whom I am personally acquainted, who, being by me duly sworn, says that he is the Senior Vice President - Utility Operations of Piedmont Natural Gas Company, Inc., and Jane R. Lewis-Raymond, with whom I am personally acquainted, who, being by me duly sworn, says that she is the Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer of Piedmont Natural Gas Company, Inc.; that the Senior Vice President - Utility Operations and Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer subscribed their names thereto, and the Company's corporate seal was affixed, all with the consent of the Board of Directors of the Company.

Witness my hand and official seal, this the 2nd day of June, 2010.

My Commission expires:

April 26, 2011



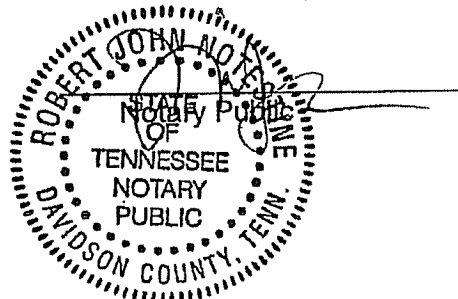
TENNESSEE

WILLIAMSON COUNTY

This 4th day of February, 2010, personally came before me, Robert J. Notestine, III, Town Attorney of the Town of Nolensville who, being by me duly sworn, says that he is acquainted with Beth Lothers, Mayor of this Town, and that he saw the Mayor sign the foregoing instrument, and she signed her name in attestation of the execution of this instrument in the presence of the Mayor of this Town.

Witness my hand and official seal, this the 4th day of February, 2010.

My Commission Expires:



My Commission Expires MAY 6, 2013