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Piedmont
Natural Gas

T.R.A. DOCKET ROOM



December 20, 2012

Mr. Larry K. Borum
Chief, Gas Pipeline Safety Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

Subject: Piedmont Natural Gas Line M Event

Dear Mr. Borum:

This letter acknowledges Piedmont Natural Gas Company, Inc.'s ("Piedmont") receipt of the Tennessee Regulatory Authority's ("TRA") Report of Natural Gas Safety Inspection #12-217. Piedmont will not contest the findings of the Report nor the notice of violation or civil penalty imposed therein.

All of Piedmont's engineering policies and procedures manuals are reviewed and updated annually. The last such review and update of the Construction Manual, which includes pipeline installation and inspection requirements, occurred on October 8, 2012. Additionally, all of Piedmont's pipeline construction contracts include inspection and contractor performance requirements that specifically address hazard elimination prior to placing newly constructed pipelines into service. These contract requirements align with and reference back to Piedmont's engineering policies, procedures and manuals. They also address the unique specifications of each new pipeline project, including visual inspection, non-destructive inspection (X-ray), hydrostatic inspection, and in-line inspection prior to commissioning of the completed pipeline project.

Should you have additional questions regarding this matter, please call me at (704) 731-4351.

Sincerely,

Neil Moser, PE
Director – Operations Compliance & Performance

c: Victor Gaglio
Rodney Myers
Keith Napier
Deborah Edwards
Jim Thweatt
Pia Powers