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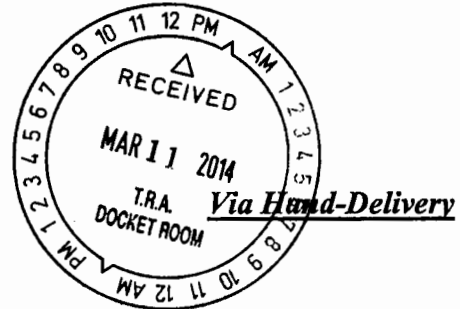
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March 11, 2014



Executive Director Earl Taylor  
c/o Sharla Dillon  
Tennessee Regulatory Authority  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

**Re: *Petition of Piedmont Natural Gas, Inc. for Approval of an Integrity Management Rider to its Approved Rate Schedules and Service Regulations***  
**Docket No. 13-00118**

Dear Mr. Taylor:

I am enclosing an original and five (5) copies of Piedmont Natural Gas Company's Monthly Report for the Month Ending January 31, 2014. On December 18, 2013, the Authority approved Piedmont's Integrity Management Rider as proposed in Docket No. 13-00118. Paragraph 7 of Service Schedule 317 requires monthly reports to be filed within 45 days after the end of the month for which the report is being filed. This filing consists of various schedules constituting Piedmont's monthly report for the month ending January 31, 2014.

This material is also being filed by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon. Please file the original and four copies of this filing and stamp the additional copy as "filed". Then please return the stamped copies to me by way of our courier.

Should you have any questions concerning this matter, please do not hesitate to contact me at the email address or telephone number listed above.

With kindest regards, I remain

Very truly yours,

R. Dale Grimes

Enclosures

Docket No. 13-00118

Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

Schedule 1

Cumulative Integrity Management Investment Amount  
Actual Integrity Management Investment, by Integrity Project Type

		Current Vintage Year: Vintage Year 2			All Vintage Years
Line No.		January 2014 Capital Expenditure <sup>1</sup>	Prior Cumulative Capital Expenditure <sup>2</sup>	Cumulative Capital Expenditure as of January 2104 <sup>3</sup>	Cumulative Capital Expenditure as of January 2014 <sup>6</sup>
TN Direct					
1	Corrosion Control	\$ 5,119.64	\$ 58,022.39	\$ 63,142.03	\$ 3,568,001.03
2	Casing Remediation	\$ -	\$ -	\$ -	\$ 305.52
3	Distribution Integrity	\$ 263,067.87	\$ 986,364.86	\$ 1,249,432.73	\$ 5,817,975.77
4	Transmission Integrity	\$ 4,796,146.84	\$ 14,811,737.29	\$ 19,607,884.13	\$ 137,359,700.46
5	Total	\$ 5,064,334.35	\$ 15,856,124.54	\$ 20,920,458.89	\$ 146,745,982.78
Joint Property: CO3-State					
6	OASIS Project (Work & Asset Management System)	\$ 3,517,973.79	\$ 5,156,051.51	\$ 8,674,025.30	\$ 49,792,457.76
7	TN % of CO-3 for Current Month <sup>4</sup>	17.95%			
8	Total Allocated to TN	\$ 631,476.30	\$ 925,511.25	\$ 1,556,987.55	\$ 8,937,746.18
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 5,695,810.65	\$ 16,781,635.79	\$ 22,477,446.44	\$ 155,683,728.96
10	Less: Amount Included in the Attrition Period <sup>5</sup>	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 5,695,810.65	\$ 16,781,635.79	\$ 22,477,446.44	\$ 122,783,728.96

1/ Represents, for the current month, the actual Integrity Management Investment that is subject to this Rider

2/ Represents, as of the prior month, the cumulative Integrity Management Investment for the current Vintage Year that is subject to this Rider; this amount is shown in the prior month's report

3/ Represents, for the current Vintage Year through the current month, the cumulative Integrity Management Investment that is subject to this Rider

4/ Represents the TN% of Total Company Gas Plant Excluding Joint Property, which is updated annually

5/ Amount being recovered in existing base rates, per the Relevant Rate Order in Docket 11-00144

6/ Represents, for all Vintage Years through the current month, the cumulative Integrity Management Investment that is subject to this Rider. The cumulative Integrity Management Investment for Vintage Year 1, which captures amounts through 10/31/13, is \$100,306,282.52

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Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

Schedule 2

**Detail of Current Month's Integrity Management Investment Amount**  
**Actual Capital Investment for Current Month, by Capital Funding Project**

Line No.	Capital Project Type	Funding Project Number	District	Funding Project Description	January 2014
1	CORR-Corrosion Control	FP1733548	17	Nashville Distribution New Coating	\$ 39.12
2	CORR-Corrosion Control	FP1733567	17	Nashville Bridge New Coating-Dist	\$ 4,927.42
3	CORR-Corrosion Control	FP1733568	17	Nashville Bridge New Coating-Trans	\$ 153.10
4	DIMP-Distribution Integrity	FP1733603	17	Hogan Road - Main Replacement	\$ 48,838.96
5	DIMP-Distribution Integrity	FP1733649	17	Crutcher St - Insertion	\$ 190,761.45
6	DIMP-Distribution Integrity	FP1733827	17	Elm Hill Pike Bridge Replaceme	\$ 23,467.46
7	TIMP-Transmission Integrity	FP1733363	17	ILI Retrofit - Line J	\$ 7,355.65
8	TIMP-Transmission Integrity	FP1733364	17	ILI Retrofit - Lines R,V,W,X,Y	\$ 772.20
9	TIMP-Transmission Integrity	FP1733365	17	ILI Retrofit - Lines A,B,D	\$ 4,939.11
10	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	\$ 4,713,004.94
11	TIMP-Transmission Integrity	FP1733409	17	Line C and E TIMP retrofits	\$ 286.66
12	TIMP-Transmission Integrity	FP1733446	17	Nashville "J" line replacement	\$ 12,041.76
13	TIMP-Transmission Integrity	FP1733461	17	Nashville ILI Retrofit Holtsholder	\$ 4,588.66
14	TIMP-Transmission Integrity	FP1733462	17	Nashville ILI Retrofit-Holtsholder2	\$ 18,095.82
15	TIMP-Transmission Integrity	FP1733463	17	Nashville ILI Retrofit-Bordeau	\$ 35,062.04
16	ISENP-Information Serv Enterprise	FP0026658	00	Work & Asset Management (OASIS)	\$ 3,517,973.79
17	<b>Total (unallocated)</b>				<b>\$ 8,582,308.14</b>
18	<i>subtotal: TN Direct (unallocated)</i>				<i>\$ 5,064,334.35</i>
19	<i>subtotal: CO-3 (unallocated)</i>				<i>\$ 3,517,973.79</i>
					<b>\$ 8,582,308.14</b>

Docket No. 13-00118

Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

Schedule 3

Schedule Detailing the Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Deferred Account Balance

Amount Due From (To) Customers per GL Account No. 25351

<u>Line No.</u>			<u>January 2014</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ -
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	\$ 2,255,117.41
3	(Collections from IM Adjustment)	<i>see Schedule 4</i>	\$ (3,088,223.66)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	\$ (833,106.25)
5	Average Balance	<i>(Line 1 + Line 4) / 2</i>	\$ (416,553.13)
6	Accrued Interest	<i>Line 5 * Line 9</i>	\$ (1,128.03)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (834,234.28)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.032500
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.002708
10	Actual GL #25351 EOM Balance	<i>per GL</i>	\$ (834,234.28)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue

01 01 25351 3 17 6250 489	2,255,117.41
01 01 48010 3 17 6220 489	(1,345,042.22)
01 01 48110 3 17 6220 489	(703,889.80)
01 01 48120 3 17 6220 489	(30,128.37)
01 01 48300 3 17 6220 489	(631.43)
01 01 48900 3 17 6220 489	(175,425.59)

Journal Entry: To Record Interest

01 01 25351 3 17 6250 626	(1,128.03)
01 01 43101 3 17 6220 626	1,128.03

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Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

Schedule 4

**General Ledger Support**

**Integrity Management Deferred Account Adjustment Recorded for the Month**

Calculation of the IM Adjustment Collections:

		January 2014			
<u>Line No.</u>		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.07018		27,986,071	1,964,062.46
2	Small Commerical (302)	0.06130		11,809,960	723,950.55
3	Medium Commerical (352)	0.06130		3,603,556	220,897.98
4	Firm Lg General Sales (303)	0.02723		1,284,198	34,968.71
5	Firm Lg General Transportation (313)	0.02723		2,952,561	80,398.24
6	Firm Resale (310)	0.02723		43,638	1,188.26
7	Interruptible Lg General Sales (304)	0.00681		38,796	264.20
8	Interruptible Lg General Transportation (314)	0.00681		9,176,686	62,493.23
10	<b>Total</b>				<b>\$ 3,088,223.63</b>

**Journal Entry: To Record Collections**

01 01 48010 3 17 6220 489	1,964,062.46
01 01 48110 3 17 6220 489	723,950.55
01 01 48110 3 17 6220 489	220,897.98
01 01 48120 3 17 6220 489	34,968.71
01 01 48900 3 17 6220 489	80,398.24
01 01 48300 3 17 6220 489	1,188.26
01 01 48110 3 17 6220 489	264.20
01 01 48900 3 17 6220 489	62,493.23
01 01 25351 3 17 6250 489	(3,088,223.63)

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the attached documents were served upon the parties in this action by electronic mail and by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, addressed as follows:

Joe Shirley  
Senior Counsel  
Office of the Attorney General  
Consumer Advocate and Protection Division  
Post Office Box 20207  
Nashville, Tennessee 37202  
joe.shirley@ag.tn.gov

This the 11th day of March, 2014.

