

BASS BERRY + SIMS_{PLC}

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

VIRGINIA YETTER
TEL: (615) 742-7858
vyetter@bassberry.com

150 THIRD AVENUE SOUTH, SUITE 2800
NASHVILLE, TN 37201
(615) 742-6200

www.bassberry.com

OTHER OFFICES:
KNOXVILLE
MEMPHIS
WASHINGTON, D.C.

May 15, 2014

Via Hand-Delivery

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:

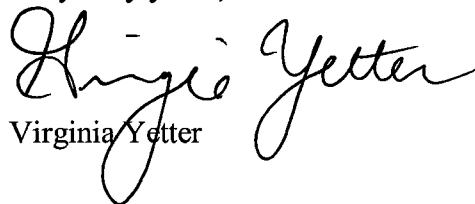
I am enclosing an original and five (5) copies of Piedmont Natural Gas Company's Monthly Report for the Month Ending March 31, 2014. On December 18, 2013, the Authority approved Piedmont's Integrity Management Rider as proposed in Docket No. 13-00118. Paragraph 7 of Service Schedule 317 requires monthly 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 February 28, 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,


Virginia Yetter

Enclosures

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee
TRA Docket No. 13-00118

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

Line No.		Current Vintage Year: Vintage Year 2				All Vintage Years
		March 2014 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	- Cumulative Capital Expenditure as of March 2014 ³	Cumulative Capital Expenditure as of March 2014 ⁶	
	<i>TN Direct</i>					
1	Corrosion Control	\$ 271,843.85	\$ 70,927.83	\$ 342,771.68	\$ 3,847,630.68	
2	Casing Remediation	\$ -	\$ -	\$ -	\$ 305.52	
3	Distribution Integrity	\$ 124,437.00	\$ 1,380,481.79	\$ 1,504,918.79	\$ 6,073,461.83	
4	Transmission Integrity	\$ 2,108,342.93	\$ 24,642,057.28	\$ 26,750,400.21	\$ 144,502,216.54	
5	Total	\$ 2,504,623.78	\$ 26,093,466.90	\$ 28,598,090.68	\$ 154,423,614.57	
	<i>Joint Property: CO3-State</i>					
6	OASIS Project (Work & Asset Management System)	\$ 3,960,367.62	\$ 12,191,750.60	\$ 16,152,118.22	\$ 57,270,550.68	
7	TN % of CO-3 for Current Month ⁴	17.95%				
8	Total Allocated to TN	\$ 710,885.99	\$ 2,188,419.24	\$ 2,899,305.23	\$ 10,280,063.86	
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 3,215,509.77	\$ 28,281,886.14	\$ 31,497,395.91	\$ 164,703,678.43	
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00	
11	Total Integrity Management Investment	\$ 3,215,509.77	\$ 28,281,886.14	\$ 31,497,395.91	\$ 131,803,678.43	

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.

**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	March 2014
1	CORR-Corrosion Control	FP1733548	17	Nashville Distribution New Coating	\$ 907.49
2	CORR-Corrosion Control	FP1733567	17	Nashville Bridge New Coating-Dist	\$ 24,856.74
3	CORR-Corrosion Control	FP1733568	17	Nashville Bridge New Coating-Trans	\$ 194.71
4	CORR-Corrosion Control	FP1733727	17	James St-Nashville Bridge New Coat	\$ 61.51
5	CORR-Corrosion Control	FP1733728	17	Sneed Rd-Nashville Bridge New Coat	\$ 93,012.58
6	CORR-Corrosion Control	FP1733730	17	Newsome Station Rd-Nashville Bridge	\$ 58,029.46
7	CORR-Corrosion Control	FP1733732	17	Vaughn Rd-Nashville Bridge New Coat	\$ 63,625.54
8	CORR-Corrosion Control	FP1733733	17	E Main St-Nashville Bridge New Coat	\$ 31,155.82
9	DIMP-Distribution Integrity	FP1733603	17	Hogan Road - Main Replacement	\$ 47,851.48
10	DIMP-Distribution Integrity	FP1733752	17	Murfreesboro Rd. Fessler to Menzler	\$ 15,733.94
11	DIMP-Distribution Integrity	FP1733755	17	Wheeler Ave. and Hewlett Dr.	\$ 49,350.79
12	DIMP-Distribution Integrity	FP1733827	17	Elm Hill Pike Bridge Replacement	\$ 2,184.92
13	DIMP-Distribution Integrity	FP1733874	17	Wendell Ave. insertion	\$ 9,315.87
14	TIMP-Transmission Integrity	FP1733363	17	ILI Retrofit - Line J	\$ 16,957.63
15	TIMP-Transmission Integrity	FP1733365	17	ILI Retrofit - Lines A,B,D	\$ 7,069.00
16	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	\$ 2,067,993.55
17	TIMP-Transmission Integrity	FP1733461	17	Nashville ILI Retrofit Holtsholder	\$ 5,684.49
18	TIMP-Transmission Integrity	FP1733462	17	Nashville ILI Retrofit-Holtsholder2	\$ 12,611.33
19	TIMP-Transmission Integrity	FP1733463	17	Nashville ILI Retrofit-Bordeau	\$ (1,973.07)
20	ISENP-Information Serv Enterprise	FP0026658	00	Work & Asset Management (OASIS)	\$ 3,960,367.62

21 **Total (unallocated)** \$ **6,464,991.40**

22 subtotal: TN Direct (unallocated) \$ 2,504,623.78

23 subtotal: CO-3 (unallocated) \$ 3,960,367.62
\$ 6,464,991.40

Piedmont Natural Gas Company, Inc.
 Integrity Management Rider
 State of Tennessee
 TRA Docket No. 13-00118

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

Line No.		Mar-14
1	Beginning Balance	\$ (2,031,681.48)
2	IMR Revenue Recognition	1,620,379.30
3	(Collections from IM Adjustment)	(2,214,591.80)
4	Ending Balance Before Interest	(2,625,893.98)
5	Average Balance	(2,328,787.73)
6	Accrued Interest	(6,306.36)
7	Ending Balance After Interest	\$ (2,632,200.34)
8	Applicable Annual Interest Rate	0.032500
9	Monthly Interest Rate	0.002708
10	Actual GL #25351 EOM Balance	\$ (2,632,200.34)
11	Variance	\$ -

Journal Entry: To Record Revenue		
01 01 25351 3 17 6250 489		1,620,379.30
01 01 48010 3 17 6220 489		(966,459.02)
01 01 48110 3 17 6220 489		(505,768.99)
01 01 48120 3 17 6220 489		(21,648.27)
01 01 48300 3 17 6220 489		(453.71)
01 01 48900 3 17 6220 489		(126,049.31)

Journal Entry: To Record Interest		
01 01 25351 3 17 6250 626		(6,306.36)
01 01 43101 3 17 6220 626		6,306.36

Piedmont Natural Gas Company, Inc.
 Integrity Management Rider
 State of Tennessee
 TRA Docket No. 13-00118

General Ledger Support
 Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

March - 2014				
Line No.	IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1 Residential (301)	0.07018		20,066,499	1,408,266.90
2 Small Commercial (302)	0.06130		8,303,869	509,027.17
3 Medium Commercial (352)	0.06130		2,543,767	155,932.92
4 Firm Lg General Sales (303)	0.02723		844,293	22,990.10
5 Firm Lg General Transportation (313)	0.02723		2,201,958	59,959.32
6 Firm Resale (310)	0.02723		22,487	612.32
7 Interruptible Lg General Sales (304)	0.00681		33,413	227.54
8 Interruptible Lg General Transportation (314)	0.00681		8,454,557	57,575.53
10 Total				\$ 2,214,591.80

Journal Entry: To Record Collections

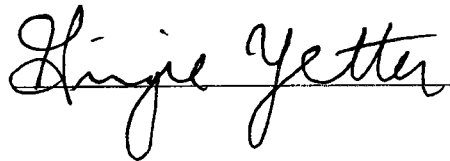
01 01 48010 3 17 6220 489	1,408,266.90
01 01 48110 3 17 6220 489	509,027.17
01 01 48110 3 17 6220 489	155,932.92
01 01 48120 3 17 6220 489	22,990.10
01 01 48900 3 17 6220 489	59,959.32
01 01 48300 3 17 6220 489	612.32
01 01 48110 3 17 6220 489	227.54
01 01 48900 3 17 6220 489	57,575.53
01 01 25351 3 17 6250 489	(2,214,591.80)

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:

Vance Broemel
Office of the Attorney General
Consumer Advocate and Protection Division
Post Office Box 20207
Nashville, Tennessee 37202
Vance.Broemel@ag.tn.gov

This the 15th day of May 2014.

A handwritten signature in cursive script, reading "Linje Yetter", written over a horizontal line.