

BASS BERRY + SIMS

Nashville Office
150 Third Avenue South, Suite 2800
Nashville, TN 37201
(615) 742-6244

R. Dale Grimes
dgrimes@bassberry.com

RECEIVED

JUN 15 PM 12:53

Washington D.C. Office
1201 Pennsylvania Avenue NW, Suite 300
Washington, DC 20004
(202) 827-2961

T.R.A. DOCKET ROOM

June 14, 2016

Via Email
and Hand-Delivery

David Foster
Chief, Utility Division
Tennessee Regulatory Authority
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

Re: Petition of Piedmont Natural Gas Company, Inc. For Approval of an Integrity Management Rider to its Approved Rate Schedules and Service Regulations

Dear Mr. Foster:

Pursuant to the direction of Sharla Dillon, Clerk of the Tennessee Regulatory Authority, I have enclosed Piedmont Natural Gas Company's Integrity Management Monthly Report for the Month Ending April 30, 2016.

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 April 30, 2016.

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 the kindest regards, I remain

Very truly yours



R. Dale Grimes

Enclosure

Cumulative Integrity Management Investment Amount

Actual Integrity Management Investment, by Integrity Project Type

		Current Vintage Year: Vintage Year 4			All Vintage Years
Line No.		April 2016 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of April 2016 ³	Cumulative Capital Expenditure as of April 2016 ⁶
<i>TN Direct</i>					
1	Corrosion Control	\$ 735.83	\$ 302.70	\$ 1,038.53	\$ 5,160,588.82
2	Casing Remediation	\$ -	\$ 35,975.89	\$ 35,975.89	\$ 742,803.13
3	Distribution Integrity	\$ 264,505.16	\$ 4,375,579.18	\$ 4,640,084.34	\$ 23,651,058.63
4	Transmission Integrity	\$ 210,095.26	\$ 1,244,359.20	\$ 1,454,454.46	\$ 166,014,892.34
5	Total	\$ 475,336.25	\$ 5,656,216.97	\$ 6,131,553.22	\$ 195,569,342.92
<i>Joint Property: CO3-State</i>					
6	OASIS Project (Work & Asset Management System)	\$ 3,988,592.65	\$ 9,252,026.87	\$ 13,240,619.52	\$ 103,281,667.40
7	TN % of CO-3 for Current Month ⁴	17.16%			
8	Total Allocated to TN	\$ 684,442.50	\$ 1,587,647.81	\$ 2,272,090.31	\$ 18,457,155.41
9	Total Capital Expenditures (Line 5 + Line 8)	\$ 1,159,778.75	\$ 7,243,864.78	\$ 8,403,643.53	\$ 214,026,498.33
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 1,159,778.75	\$ 7,243,864.78	\$ 8,403,643.53	\$ 181,126,498.33

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 Years 1, 2 and 3, which captures amounts through 10/31/15, is \$172,722,854.80 (\$100,306,282.52 for Vintage Year 1, \$53,974,676.19 for Vintage Year 2 & \$18,441,896.09 for Vintage Year 3).

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	April 2016
1	CORR-Corrosion Control	FP1733548	17	Nashville Distribution Remediation	1.94
2	CORR-Corrosion Control	FP1734186	17	Nashville New Rectifier & Ground Be	733.89
3	DIMP-Distribution Integrity	FP1733649	17	Crutcher St - Insertion	(27,336.00)
4	DIMP-Distribution Integrity	FP1733753	17	3rd and Hart renewal-upgrade	716.60
5	DIMP-Distribution Integrity	FP1733760	17	Main St @ No 1st St	6,565.84
6	DIMP-Distribution Integrity	FP1733765	17	McGavock Pike	773.22
7	DIMP-Distribution Integrity	FP1733766	17	Overhill Circle	87,586.20
8	DIMP-Distribution Integrity	FP1733885	17	2nd Ave North 14" Replacement	587.63
9	DIMP-Distribution Integrity	FP1733931	17	Shelby Park RR Bridge Project	61,614.67
10	DIMP-Distribution Integrity	FP1733945	17	Old Hickory Blvd. @ Logistics Way R	2,220.68
11	DIMP-Distribution Integrity	FP1733946	17	State Rte 45 Over Cumberland River	11,660.12
12	DIMP-Distribution Integrity	FP1733947	17	Nolensville Rd. Over RR S of I-440	49,856.22
13	DIMP-Distribution Integrity	FP1734040	17	Metro Water building valve replace	515.95
14	DIMP-Distribution Integrity	FP1734136	17	Jones St Renewal	11,143.98
15	DIMP-Distribution Integrity	FP1734137	17	Overton St	45,506.14
16	DIMP-Distribution Integrity	FP1734239	17	47th Ave North	13,093.91
17	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	81,133.51
18	TIMP-Transmission Integrity	FP1733462	17	Nashville ILI Retrofit- Holtsh	223.60
19	TIMP-Transmission Integrity	FP1733747	17	White Bridge Road at Charlotte	1,320.73
20	TIMP-Transmission Integrity	FP1733929	17	White Bridge Road @ Post Rd. r	121,452.43
21	TIMP-Transmission Integrity	FP1733950	17	County Hospital Rd Station LNG	5,337.66
22	TIMP-Transmission Integrity	FP1733989	17	Line 310 T Cut Out R1	415.62
23	TIMP-Transmission Integrity	FP1734119	17	Line 307 Replacement	211.47
24	TIMP-Transmission Integrity	FP1734120	17	Line 311 Replacement	0.24
25	ISENP-Information Serv Enterprise	FP0026658	17	Work & Asset Management (OASIS)	3,988,592.65

Total (unallocated)

\$ 4,463,928.90

26 subtotal: TN Direct (unallocated)

\$ 475,336.25

27 subtotal: CO-3 (unallocated)

\$ 3,988,592.65

\$ 4,463,928.90

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>Apr-16</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (275,383.95)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	1,704,625.41
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(1,407,496.46)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	21,745.00
5	Average Balance	<i>(Line 1 + Line 4) / 2</i>	(126,819.47)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(365.62)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ 21,379.38
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.034600
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.002883
10	Actual GL #25351 EOM Balance	<i>per GL</i>	\$ 21,379.38
11	Variance	<i>Line 7 - Line 10</i>	\$ 0.00

Journal Entry: To Record Revenue

01 01 25351 3 17 6250 489	1,704,625.41
01 01 48010 3 17 6220 489	(1,016,706.77)
01 01 48110 3 17 6220 489	(532,064.73)
01 01 48120 3 17 6220 489	(22,773.80)
01 01 48300 3 17 6220 489	(477.30)
01 01 48900 3 17 6220 489	(132,602.81)

Journal Entry: To Record Interest

01 01 25351 3 17 6250 626	(365.62)
01 01 43101 3 17 6220 626	365.62

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		Apr - 2016			
<u>Line No.</u>		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.10144		7,981,472	809,640.52
2	Small Commerical (302)	0.08861		3,905,905	346,102.24
3	Medium Commerical (352)	0.08861		1,119,340	99,184.72
4	Firm Lg General Sales (303)	0.03936		492,127	19,370.12
5	Firm Lg General Transportation (313)	0.03936		1,484,403	58,426.10
6	Firm Resale (310)	0.03936		-	-
7	Interruptible Lg General Sales (304)	0.00984		7,885	77.59
8	Interruptible Lg General Transportation (314)	0.00984		7,590,973	74,695.17
9	Total				\$ 1,407,496.46

Journal Entry: To Record Collections

01 01 48010 3 17 6220 489	809,640.52
01 01 48110 3 17 6220 489	346,102.24
01 01 48110 3 17 6220 489	99,184.72
01 01 48120 3 17 6220 489	19,370.12
01 01 48900 3 17 6220 489	58,426.10
01 01 48300 3 17 6220 489	-
01 01 48110 3 17 6220 489	77.59
01 01 48900 3 17 6220 489	74,695.17
01 01 25351 3 17 6250 489	(1,407,496.46)

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 14, 2016, a copy of the attached was served on the following by electronic mail and by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, addressed as follows:

Emily Knight
Office of the Attorney General
Consumer Advocate and Protection Division
P. O. Box 20207
Nashville TN 37202
Emily.Knight@ag.tn.gov

