



January 14, 2019

Via Email

David Foster
Chief, Utility Division
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

**Re: *Piedmont Natural Gas Company, Inc.
Integrity Management Rider Monthly Report***

Dear Mr. Foster:

Enclosed is Piedmont Natural Gas Company's ("Piedmont" or "Company") Integrity Management Rider ("IMR") Monthly Report for the month ending November 30, 2018.

Paragraph 7 of Piedmont's Service Schedule 317 requires monthly IMR 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 IMR monthly report for the month ending November 30, 2018.

Should you have any questions concerning this matter, please do not hesitate to contact me at 704-731-4356 or laura.hager@duke-energy.com.

Sincerely,

A handwritten signature in grey ink that reads "Laura M. Hager".

Laura M. Hager
Senior Regulatory Analyst

cc: Pia Powers
 Bruce Barkley
 James Jeffries
 Michelle Mairs
 Emily Knight

Cumulative Integrity Management Investment Amount

Actual Integrity Management Investment, by Integrity Project Type

		Current Vintage Year: Vintage Year 7		All Vintage Years	
Line No.		November 2018 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of November 2018 ³	Cumulative Capital Expenditure as of November 2018 ⁶
<i>TN Direct</i>					
1	Corrosion Control	\$ 269,864.75		\$ 269,864.75	\$ 7,613,383.73
2	Casing Remediation	\$ -		\$ -	\$ 882,064.39
3	Distribution Integrity	\$ 804,703.49		\$ 804,703.49	\$ 69,917,048.25
4	Transmission Integrity	\$ 1,309,933.04		\$ 1,309,933.04	\$ 191,944,633.64
5	Total	\$ 2,384,501.28	\$ -	\$ 2,384,501.28	\$ 270,357,130.01
<i>Joint Property: CO3-State</i>					
6	OASIS Project (Work & Asset Management System)	\$ -	\$ -	\$ -	\$ 133,880,060.70
7	TN % of CO-3 for Current Month ⁴	16.33%			
8	Total Allocated to TN	\$ -	\$ -	\$ -	\$ 23,535,435.31
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 2,384,501.28	\$ -	\$ 2,384,501.28	\$ 293,892,565.32
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 2,384,501.28	\$ -	\$ 2,384,501.28	\$ 260,992,565.32

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, 3, 4, 5 and 6, which captures amounts through 10/31/18, is \$258,608,064.04 (\$100,306,282.52 for Vintage Year 1, \$53,974,676.19 for Vintage Year 2, \$18,441,896.09 for Vintage Year 3, \$20,076,717.97 for Vintage Year 4, \$38,244,253.18 for Vintage Year 5 and \$27,564,238.09 for Vintage Year 6).

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	November 2018
1	CORR-Corrosion Control	F0214467	17	Nashville Bridge New Coating	175,320.19
2	CORR-Corrosion Control	FP1734718	17	Nashville Galvanic Anode	48,811.06
3	CORR-Corrosion Control	FP1734720	17	Nashville HP Dist Remediation	1,106.90
4	CORR-Corrosion Control	FP1734721	17	Nashville Trans Remediation	44,626.60
5	DIMP-Distribution Integrity	F0215064	17	Elizabethan Rd Valve Replacement	7,184.01
6	DIMP-Distribution Integrity	F0215066	17	Maplewood Rd Valve	3.07
7	DIMP-Distribution Integrity	F0216582	17	Rural Hill Isolation Valve Removal	65.64
8	DIMP-Distribution Integrity	F0221329	17	10th Ave N Valve Replacement	28.09
9	DIMP-Distribution Integrity	F0221354	17	Davidson Drive @ Charlotte Pike Valve	22.51
10	DIMP-Distribution Integrity	F0222120	17	31st Ave @ West end Valve Replacement	4.81
11	DIMP-Distribution Integrity	F0222124	17	Harding Pl & Granny White Pk Valve	14.95
12	DIMP-Distribution Integrity	F0222670	17	Donelso Plaza Regulator Removal	(385.11)
13	DIMP-Distribution Integrity	F0223608	17	Old Hickory Blvd Replacement	50,492.94
14	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	1,451.55
15	DIMP-Distribution Integrity	F0225705	17	Old Harding Pike Insulator	2,775.98
16	DIMP-Distribution Integrity	F0225786	17	Woodcrest Leak Repair	13.75
17	DIMP-Distribution Integrity	F0227045	17	Highway 76 Valve Replacement	11440.17
18	DIMP-Distribution Integrity	FP1733762	17	Grandview Ave	(19,524.00)
19	DIMP-Distribution Integrity	FP1733763	17	Harding Place	242,257.01
20	DIMP-Distribution Integrity	FP1733931	17	Shelby Park RR Bridge Project	(2,186.26)
21	DIMP-Distribution Integrity	FP1733940	17	Hadley to Buffolo St Wilming	(17,162.00)
22	DIMP-Distribution Integrity	FP1734138	17	Electric Avenue Project	(6,299.75)
23	DIMP-Distribution Integrity	FP1734415	17	Foster Ave	(4,604.75)
24	DIMP-Distribution Integrity	FP1734421	17	4th Ave Sounth Inspection	11,958.36
25	DIMP-Distribution Integrity	FP1734430	17	Keaton Ave	739.66
26	DIMP-Distribution Integrity	FP1734432	17	Visco Dt	384,811.46
27	DIMP-Distribution Integrity	FP1734480	17	Emergency Nesbit Ln	(7,765.39)
28	DIMP-Distribution Integrity	FP1734688	17	Abbott Martin @ Walnut Dr.	419.58
29	DIMP-Distribution Integrity	FP1734690	17	Belmont Pit Regulator Replacement	706.01
30	DIMP-Distribution Integrity	FP1734693	17	Cliff Dr Main replacement	3,626.25
31	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	2,399.40
32	DIMP-Distribution Integrity	FP1734696	17	West Tyne & Old Harding Place	84,330.13
33	DIMP-Distribution Integrity	FP1734799	17	Nashville Bridge Attachments	62,651.03
34	DIMP-Distribution Integrity	FP1734818	17	Bryan St #1852	(160.86)
35	DIMP-Distribution Integrity	FP1734410	17	Georgia Ave Renewal	(4,604.75)
36	TIMP-Transmission Integrity	FP1734119	17	Line 307 Replacement	(25,620.05)
37	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	1,254,734.35
38	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II 20 & 12"Transmission	80,818.74

Total (unallocated)

\$ 2,384,501.28

subtotal: TN Direct (unallocated)

\$ 2,384,501.28

subtotal: CO-3 (unallocated)

\$ -

\$ 2,384,501.28

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. 0253139

<u>Line No.</u>			<u>Nov-18</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ 1,375,025.85
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	2,031,731.19
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(2,970,020.43)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	436,736.61
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	905,881.23
6	Accrued Interest	<i>Line 5 * Line 9</i>	3,744.01
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ 440,480.62
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.049600
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004133
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ 440,480.62
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue

47136 0253139 GA489 PTOPTOP	2,031,731.19
47136 0480000 GA489 PTOPTOP 0526 RESVAL	(1,211,805.75)
47136 0481200 GA489 PTOPTOP 0526 COMSTD	(633,900.13)
47136 0481000 GA489 PTOPTOP 0526 INDSLS	(27,408.06)
47136 0483011 GA489 PTOPTOP 0526 GASRSL	(568.88)
47136 0489000 GA489 PTOPTOP 0526 BOTHRV	(158,048.37)

Journal Entry: To Record Interest

47136 0253139 GA626 PTOPTOP	3,744.01
47136 0431150 GA626 PTOPTOP 0526	(3,744.01)

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		November 2018			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.16057		10,307,018	1,654,997.88
2	Small General Sales (302)	0.14027		5,194,641	728,652.29
3	Medium General Sales (352)	0.14027		1,732,494	243,016.93
4	Experimental Motor Vehicle Fuel (343/352)	0.14027		11	1.54
5	Firm Lg General Sales (303)	0.06230		817,101	50,905.39
6	Experimental Motor Vehicle Fuel (343/303)	0.06230		30,759	1,916.29
7	Firm Lg General Transportation (313)	0.06230		2,191,121	136,506.84
8	Experimental Motor Vehicle Fuel (343/313)	0.06230		136,704	8,516.66
9	Firm Resale (310)	0.06230		2,826	176.06
10	Interruptible Lg General Sales (304)	0.01557		38,910	605.83
11	Interruptible Lg General Transportation (314)	0.01557		9,295,101	144,724.72
12	Total				\$ 2,970,020.43

Journal Entry: To Record Collections

47136 0480000 GA489 PTOP 0526 RESVAL	1,654,997.88
47136 0481200 GA489 PTOP 0526 COMSTD	728,652.29
47136 0481200 GA489 PTOP 0526 COMSTD	243,018.47
47136 0481000 GA489 PTOP 0526 INDSLS	52,821.68
47136 0489000 GA489 PTOP 0526 BOTHRV	145,023.50
47136 0483011 GA489 PTOP 0526 GASRSL	176.06
47136 0481000 GA489 PTOP 0526 INDSLS	605.83
47136 0489000 GA489 PTOP 0526 BOTHRV	144,724.72
47136 0253139 GA489 PTOP	(2,970,020.43)
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