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August 14, 2019

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, Inc.'s ("Piedmont" or the "Company") Integrity Management Rider ("IMR") Monthly Report for the month ending June 30, 2019.

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 ended June 30, 2019.

Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

/s/ James H. Jeffries IV
James H. Jeffries IV

JHJ/sko

cc: Pia Powers
Bruce Barkley
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.		June 2019 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of June 2019 ³	Cumulative Capital Expenditure as of June 2019 ⁶
<i>TN Direct</i>					
1	Corrosion Control	\$ 6,945.10	\$ 443,170.33	\$ 450,115.43	\$ 7,793,634.41
2	Casing Remediation	\$ -	\$ (4,789.54)	\$ (4,789.54)	\$ 877,274.85
3	Distribution Integrity	\$ 1,351,989.70	\$ 7,822,414.32	\$ 9,174,404.02	\$ 78,286,748.78
4	Transmission Integrity	\$ 1,350,966.37	\$ 10,356,524.73	\$ 11,707,491.10	\$ 202,342,191.70
5	Total	\$ 2,709,901.17	\$ 18,617,319.84	\$ 21,327,221.01	\$ 289,299,849.74
<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	15.80%			
8	Total Allocated to TN	\$ -	\$ -	\$ -	\$ 23,535,435.31
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 2,709,901.17	\$ 18,617,319.84	\$ 21,327,221.01	\$ 312,835,285.05
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 2,709,901.17	\$ 18,617,319.84	\$ 21,327,221.01	\$ 279,935,285.05

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	June 2019
1	CORR-Corrosion Control	F0228699	17	Nashville Anode Bed	6,056.45
2	CORR-Corrosion Control	F0216211	17	Paint Main Shelby Pedestrian bridge	888.65
3	DIMP-Distribution Integrity	F0216582	17	Rural Hill Isolation Valve Removal	47,066.22
4	DIMP-Distribution Integrity	F0221354	17	Davidson Drive @ Charlotte Pike Valve	26.42
5	DIMP-Distribution Integrity	F0222666	17	331006 - Stratford Avenue	578.47
6	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	36,797.00
7	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	85,919.58
8	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	92,172.96
9	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	7,451.33
10	DIMP-Distribution Integrity	F0224363	17	Maxon Ave Main Replacement	332,599.41
11	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	16,072.39
12	DIMP-Distribution Integrity	F0225705	17	Old Harding Pike Insulator	7,689.98
13	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	5,774.12
14	DIMP-Distribution Integrity	F0228432	17	21st and Jefferson	2,339.56
15	DIMP-Distribution Integrity	F0228466	17	Dr. Walter S Davis Valve Removal	80.03
16	DIMP-Distribution Integrity	F0229053	17	Culvert Street Creek Bore	3,915.61
17	DIMP-Distribution Integrity	FP1733763	17	Harding Place	301,028.14
18	DIMP-Distribution Integrity	FP1734427	17	Grinstead Place	141,880.86
19	DIMP-Distribution Integrity	FP1734432	17	Visco Dt	11,287.20
20	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	255,420.69
21	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	3,889.73
22	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	416,624.54
23	TIMP-Transmission Integrity	FP1734119	17	Line 307 Replacement	29,432.30
24	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	655,724.98
25	TIMP-Transmission Integrity	F0228443	17	Line 320 ILI Retrofit	247,716.97
26	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	1,467.58

Total (unallocated)

\$ 2,709,901.17

subtotal: TN Direct (unallocated)

\$ 2,709,901.17

subtotal: CO-3 (unallocated)

\$ -

\$ 2,709,901.17

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>Jun-19</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (6,612,543.04)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	927,722.41
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(917,464.94)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(6,602,285.57)
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	(6,607,414.31)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(30,010.88)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (6,632,296.45)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.054500
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004542
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ (6,632,296.45)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue		
47136 0253139 GA489 PTOP		927,722.41
47136 0480000 GA489 PTOP 0526 RESVAL		(553,330.76)
47136 0481200 GA489 PTOP 0526 COMSTD		(289,449.40)
47136 0481000 GA489 PTOP 0526 INDSLS		(12,514.97)
47136 0483011 GA489 PTOP 0526 GASRSL		(259.76)
47136 0489000 GA489 PTOP 0526 BOTHRV		(72,167.52)

Journal Entry: To Record Interest		
47136 0253139 GA626 PTOP		(30,010.88)
47136 0431150 GA626 PTOP 0526		30,010.88

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		June 2019			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		2,502,052	365,424.69
2	Small General Sales (302)	0.12759		2,129,356	271,684.53
3	Medium General Sales (352)	0.12759		720,606	91,942.12
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		4,213	537.54
5	Firm Lg General Sales (303)	0.05667		339,531	19,241.22
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		33,996	1,926.55
7	Firm Lg General Transportation (313)	0.05667		1,177,264	66,715.55
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		139,634	7,913.06
9	Firm Resale (310)	0.05667		500	28.34
10	Interruptible Lg General Sales (304)	0.01417		12,359	175.13
11	Interruptible Lg General Transportation (314)	0.01417		6,483,854	91,876.21
12	Total				\$ 917,464.94

Journal Entry: To Record Collections

47136 0480000 GA489 PTOP 0526 RESVAL	365,424.69
47136 0481200 GA489 PTOP 0526 COMSTD	271,684.53
47136 0481200 GA489 PTOP 0526 COMSTD	92,479.66
47136 0481000 GA489 PTOP 0526 INDSLS	21,167.77
47136 0489000 GA489 PTOP 0526 BOTHRV	74,628.61
47136 0483011 GA489 PTOP 0526 GASRSL	28.34
47136 0481000 GA489 PTOP 0526 INDSLS	175.13
47136 0489000 GA489 PTOP 0526 BOTHRV	91,876.21
47136 0253139 GA489 PTOP	(917,464.94)
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