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September 16, 2019

**Electronically Filed in TPUC Docket Room on September 16, 2019 at 11:50 a.m.**

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**

**13-00118**

Dear Ms. Foster:

Enclosed is Piedmont Natural Gas Company, Inc.'s ("Piedmont" or the "Company") Integrity Management Rider ("IMR") Monthly Report for the month ending July 31, 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 July 31, 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.		July 2019 Capital Expenditure <sup>1</sup>	Prior Cumulative Capital Expenditure <sup>2</sup>	Cumulative Capital Expenditure as of July 2019 <sup>3</sup>	Cumulative Capital Expenditure as of July 2019 <sup>6</sup>
<i>TN Direct</i>					
1	Corrosion Control	\$ 20,266.99	\$ 450,115.43	\$ 470,382.42	\$ 7,813,901.40
2	Casing Remediation	\$ -	\$ (4,789.54)	\$ (4,789.54)	\$ 877,274.85
3	Distribution Integrity	\$ 2,796,608.50	\$ 9,174,404.02	\$ 11,971,012.52	\$ 81,083,357.28
4	Transmission Integrity	\$ 1,397,341.12	\$ 11,707,491.10	\$ 13,104,832.22	\$ 203,739,532.82
5	Total	\$ 4,214,216.61	\$ 21,327,221.01	\$ 25,541,437.62	\$ 293,514,066.35
<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 <sup>4</sup>	15.80%			
8	Total Allocated to TN	\$ -	\$ -	\$ -	\$ 23,535,435.31
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 4,214,216.61	\$ 21,327,221.01	\$ 25,541,437.62	\$ 317,049,501.66
10	Less: Amount Included in the Attrition Period <sup>5</sup>	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	<b>Total Integrity Management Investment</b>	<b>\$ 4,214,216.61</b>	<b>\$ 21,327,221.01</b>	<b>\$ 25,541,437.62</b>	<b>\$ 284,149,501.66</b>

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 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	July 2019
1	CORR-Corrosion Control	F0228699	17	Nashville Anode Bed	20,266.99
2	DIMP-Distribution Integrity	F0216582	17	Rural Hill Isolation Valve Removal	52,451.22
3	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	98,829.44
4	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	652,619.27
5	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	44,876.01
6	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	49,878.37
7	DIMP-Distribution Integrity	F0224363	17	Maxon Ave Main Replacement	241,366.27
8	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	8,060.34
9	DIMP-Distribution Integrity	F0225705	17	Old Harding Pike Insulator	(2,627.27)
10	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	60.68
11	DIMP-Distribution Integrity	F0227045	17	Highway 76 Valve Replacement	4,782.34
12	DIMP-Distribution Integrity	F0228466	17	Dr. Walter S Davis Valve Removal	91,319.23
13	DIMP-Distribution Integrity	F0229053	17	Culvert Street Creek Bore	78,473.27
14	DIMP-Distribution Integrity	FP1733763	17	Harding Place	224,695.74
15	DIMP-Distribution Integrity	FP1734401	17	Tallwood Dr. Across Briley Pkwy	623.66
16	DIMP-Distribution Integrity	FP1734427	17	Grinstead Place	116,382.08
17	DIMP-Distribution Integrity	FP1734428	17	Broadmoor Drive	16,411.04
18	DIMP-Distribution Integrity	FP1734432	17	Visco Dt	907,734.91
19	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	207,599.16
20	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	3,072.74
21	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	873,826.49
22	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	489,829.81
23	TIMP-Transmission Integrity	F0228443	17	Line ILI Retrofit	24,860.71
24	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	1,525.05
25	TIMP-Transmission Integrity	F0226414	17	Line 304 Convert to Dist (Station)	945.30
26	TIMP-Transmission Integrity	F0229405	17	Line 203 Anomalies ILI Excavations	6,353.76

**Total (unallocated)**

**\$ 4,214,216.61**

*subtotal: TN Direct (unallocated)*

\$ 4,214,216.61

*subtotal: CO-3 (unallocated)*

\$ -

**\$ 4,214,216.61**

**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>Jul-19</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (6,632,296.45)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	863,795.36
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(823,291.45)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(6,591,792.54)
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	(6,612,044.50)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(30,303.00)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (6,622,095.54)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.055000
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004583
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ (6,622,095.54)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue		
47136 0253139 GA489 PTOP		863,795.36
47136 0480000 GA489 PTOP 0526 RESVAL		(515,202.10)
47136 0481200 GA489 PTOP 0526 COMSTD		(269,504.16)
47136 0481000 GA489 PTOP 0526 INDSLS		(11,652.60)
47136 0483011 GA489 PTOP 0526 GASRSL		(241.86)
47136 0489000 GA489 PTOP 0526 BOTHRV		(67,194.64)
Journal Entry: To Record Interest		
47136 0253139 GA626 PTOP		(30,303.00)
47136 0431150 GA626 PTOP 0526		30,303.00

**General Ledger Support**

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

Calculation of the IM Adjustment Collections:

		July 2019			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		2,012,046	293,859.32
2	Small General Sales (302)	0.12759		1,982,692	252,971.67
3	Medium General Sales (352)	0.12759		684,020	87,274.11
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		4,804	612.94
5	Firm Lg General Sales (303)	0.05667		337,253	19,112.13
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		38,219	2,165.87
7	Firm Lg General Transportation (313)	0.05667		1,114,796	63,175.49
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		151,495	8,585.22
9	Firm Resale (310)	0.05667		675	38.25
10	Interruptible Lg General Sales (304)	0.01417		9,547	135.28
11	Interruptible Lg General Transportation (314)	0.01417		6,729,793	95,361.17
12	<b>Total</b>				<b>\$ 823,291.45</b>

**Journal Entry: To Record Collections**

47136 0480000 GA489 PTOP 0526 RESVAL	293,859.32
47136 0481200 GA489 PTOP 0526 COMSTD	252,971.67
47136 0481200 GA489 PTOP 0526 COMSTD	87,887.05
47136 0481000 GA489 PTOP 0526 INDSLS	21,278.00
47136 0489000 GA489 PTOP 0526 BOTHRV	71,760.71
47136 0483011 GA489 PTOP 0526 GASRSL	38.25
47136 0481000 GA489 PTOP 0526 INDSLS	135.28
47136 0489000 GA489 PTOP 0526 BOTHRV	95,361.17
47136 0253139 GA489 PTOP	(823,291.45)
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