

October 15, 2019

Electronically Filed in TPUC Docket Room on October 15, 2019 at 3:22 p.m.

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

13-00118

**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 August 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 August 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.		August 2019 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of August 2019 ³	Cumulative Capital Expenditure as of August 2019 ⁶
<i>TN Direct</i>					
1	Corrosion Control	\$ 46,604.42	\$ 470,382.42	\$ 516,986.84	\$ 7,860,505.82
2	Casing Remediation	\$ -	\$ (4,789.54)	\$ (4,789.54)	\$ 877,274.85
3	Distribution Integrity	\$ 2,109,609.06	\$ 11,971,012.52	\$ 14,080,621.58	\$ 83,192,966.34
4	Transmission Integrity	\$ 2,400,931.29	\$ 13,104,832.22	\$ 15,505,763.51	\$ 206,140,464.11
5	Total	\$ 4,557,144.77	\$ 25,541,437.62	\$ 30,098,582.39	\$ 298,071,211.12
<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]	\$ 4,557,144.77	\$ 25,541,437.62	\$ 30,098,582.39	\$ 321,606,646.43
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 4,557,144.77	\$ 25,541,437.62	\$ 30,098,582.39	\$ 288,706,646.43

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 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	August 2019
1	CORR-Corrosion Control	F0228699	17	Nashville Anode Bed	46,604.42
2	DIMP-Distribution Integrity	F0216582	17	Rural Hill Isolation Valve Removal	40,035.38
3	DIMP-Distribution Integrity	F0222124	17	Harding Pl & Granny White Pk Valve	5,267.97
4	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	27,960.29
5	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	905,835.07
6	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	6,595.40
7	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	5,503.03
8	DIMP-Distribution Integrity	F0224363	17	Maxon Ave Main Replacement	114,908.10
9	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	427.93
10	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	17,721.08
11	DIMP-Distribution Integrity	F0228466	17	Dr. Walter S Davis Valve Removal	5,810.10
12	DIMP-Distribution Integrity	F0229053	17	Culvert Street Creek Bore	260,663.52
13	DIMP-Distribution Integrity	F0229092	17	39th Ave North	71.14
14	DIMP-Distribution Integrity	FP1733763	17	Harding Place	86,634.96
15	DIMP-Distribution Integrity	FP1733763	17	Harding Place	243.00
16	DIMP-Distribution Integrity	FP1734401	17	Tallwood Dr. Across Briley Pkwy	270,333.71
17	DIMP-Distribution Integrity	FP1734427	17	Grinstead Place	120,990.77
18	DIMP-Distribution Integrity	FP1734428	17	Broadmoor Drive	130,689.83
19	DIMP-Distribution Integrity	FP1734432	17	Visco Dt	1,272.23
20	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	105,199.15
21	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	3,446.40
22	TIMP-Transmission Integrity	F0226414	17	Line 304 Convert to Dist (Station)	11,411.98
23	TIMP-Transmission Integrity	F0228443	17	Line 320 ILI Retrofit	115,469.12
24	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	44,766.40
25	TIMP-Transmission Integrity	F0229405	17	Line 203 Anomalies ILI Excavations	19,007.41
26	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	1,748,247.83
27	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	4,341.63
28	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	457,686.92

29 **Total (unallocated)** **\$ 4,557,144.77**

subtotal: TN Direct (unallocated) *\$ 4,557,144.77*

subtotal: CO-3 (unallocated) *\$ -*

\$ 4,557,144.77

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>Aug-19</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (6,622,095.54)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	870,548.13
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(778,554.20)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(6,530,101.61)
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	(6,576,098.58)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(30,138.26)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (6,560,239.87)
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>	\$ (6,560,239.87)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue		
47136 0253139 GA489 PTOP		870,548.13
47136 0480000 GA489 PTOP 0526 RESVAL		(519,229.73)
47136 0481200 GA489 PTOP 0526 COMSTD		(271,611.02)
47136 0481000 GA489 PTOP 0526 INDSLS		(11,743.69)
47136 0483011 GA489 PTOP 0526 GASRSL		(243.75)
47136 0489000 GA489 PTOP 0526 BOTHRV		(67,719.94)
Journal Entry: To Record Interest		
47136 0253139 GA626 PTOP		(30,138.26)
47136 0431150 GA626 PTOP 0526		30,138.26

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		Aug-19			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		1,853,321	270,677.53
2	Small General Sales (302)	0.12759		1,856,635	236,888.06
3	Medium General Sales (352)	0.12759		624,281	79,652.01
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		3,866	493.26
5	Firm Lg General Sales (303)	0.05667		362,265	20,529.56
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		34,372	1,947.86
7	Firm Lg General Transportation (313)	0.05667		1,166,777	66,121.25
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		152,663	8,651.41
9	Firm Resale (310)	0.05667		751	42.56
10	Interruptible Lg General Sales (304)	0.01417		2,845	40.31
11	Interruptible Lg General Transportation (314)	0.01417		6,599,181	93,510.39
12	Total				\$ 778,554.20

Journal Entry: To Record Collections

47136 0480000 GA489 PTOP 0526 RESVAL	270,677.53
47136 0481200 GA489 PTOP 0526 COMSTD	236,888.06
47136 0481200 GA489 PTOP 0526 COMSTD	80,145.27
47136 0481000 GA489 PTOP 0526 INDSLS	22,477.42
47136 0489000 GA489 PTOP 0526 BOTHRV	74,772.66
47136 0483011 GA489 PTOP 0526 GASRSL	42.56
47136 0481000 GA489 PTOP 0526 INDSLS	40.31
47136 0489000 GA489 PTOP 0526 BOTHRV	93,510.39
47136 0253139 GA489 PTOP	(778,554.20)
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