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February 14, 2020

**Via Hand Delivery and Email**

Executive Director Earl Taylor  
c/o Ectory Lawless  
Tennessee Public Utility Commission  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

***Re: Piedmont Natural Gas Company, Inc. Integrity Management  
Rider Monthly Report; Docket No.: 13-00118***

Dear Mr. Taylor:

Enclosed is Piedmont Natural Gas Company, Inc.'s ("Piedmont" or the "Company") Integrity Management Rider ("IMR") Monthly Report for the month ending December 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 December 31, 2019.

This material is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original of each and provide us a "filed" stamped copy of each via our office courier.

Very truly yours,

  
Paul S. Davidson

Enclosures

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 8		All Vintage Years	
Line No.		December 2019 Capital Expenditure <sup>1</sup>	Prior Cumulative Capital Expenditure <sup>2</sup>	Cumulative Capital Expenditure as of December 2019 <sup>3</sup>	Cumulative Capital Expenditure as of December 2019 <sup>6</sup>
<i>TN Direct</i>					
1	Corrosion Control	\$ 361,088.31	\$ 151,896.10	\$ 512,984.41	\$ 8,454,707.84
2	Casing Remediation	\$ -	\$ -	\$ -	\$ 877,274.85
3	Distribution Integrity	\$ 827,967.59	\$ 1,206,294.33	\$ 2,034,261.92	\$ 87,949,576.60
4	Transmission Integrity	\$ 431,550.95	\$ 3,705,074.27	\$ 4,136,625.22	\$ 215,407,864.58
5	Total	\$ 1,620,606.85	\$ 5,063,264.70	\$ 6,683,871.55	\$ 312,689,423.87
<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]	\$ 1,620,606.85	\$ 5,063,264.70	\$ 6,683,871.55	\$ 336,224,859.18
10	Less: Amount Included in the Attrition Period <sup>5</sup>	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	<b>Total Integrity Management Investment</b>	<b>\$ 1,620,606.85</b>	<b>\$ 5,063,264.70</b>	<b>\$ 6,683,871.55</b>	<b>\$ 303,324,859.18</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, 6 and 7 which captures amounts through 10/31/19, is \$296,640,987.63 (\$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, \$27,564,238.09 for Vintage Year 6 and \$38,032,923.59 for Vintage Year 7).

**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	December 2019
1	CORR-Corrosion Control	F0228699	17	Nashville Anode Bed	453.30
2	CORR-Corrosion Control	F0228798	17	Hillsboro Rd. Rectifier&Ground Bed	66.03
3	CORR-Corrosion Control	F0229691	17	Harding Road at Richland Creek and	76.12
4	CORR-Corrosion Control	F0229673	17	Overton Rd. at 685 Hill Rd. Bridge	107.16
5	CORR-Corrosion Control	F0230478	17	Bridge Attach Donelson Pike & I-40	46,411.57
6	CORR-Corrosion Control	F0230546	17	Bridge Attach Stewart FerryPike I40	60,488.13
7	CORR-Corrosion Control	F0229694	17	Bridge Attach Mt. Juliet Rd & I-40	44,591.57
8	CORR-Corrosion Control	F0229701	17	Bridge Attach New Hope RD & I-40	43,513.78
9	CORR-Corrosion Control	F0230547	17	Bridge Attach Hwy96& I40 Fairview	79,640.30
10	CORR-Corrosion Control	F0229672	17	Lebanon Rd. Over Briley Parkway Bri	34,639.43
11	CORR-Corrosion Control	F0229681	17	East Trinity Lane at Ellington Park	29,438.29
12	CORR-Corrosion Control	F0229717	17	Bridge Attach Ashland City Marks	21,662.63
13	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	7,533.57
14	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	470.80
15	DIMP-Distribution Integrity	FP1733763	17	Harding Place	1,632.79
16	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	2,663.43
17	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	12,348.24
18	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	70,320.89
19	DIMP-Distribution Integrity	F0224363	17	Maxon Ave Main Replacement	95,494.57
20	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	103,738.88
21	DIMP-Distribution Integrity	FP1734427	17	Grinstead Place	284.90
22	DIMP-Distribution Integrity	F0229053	17	Culvert Street Creek Bore	10,242.72
23	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	226,190.46
24	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	2,706.66
25	DIMP-Distribution Integrity	FP1734401	17	Tallwood Dr. Across Briley Pkwy	154,214.00
26	DIMP-Distribution Integrity	FP1734428	17	Broadmoor Drive	11,056.49
27	DIMP-Distribution Integrity	F0229092	17	39th Ave North	12,063.87
28	DIMP-Distribution Integrity	FP1734695	17	Spence Lane	2,693.43
29	DIMP-Distribution Integrity	F0225786	17	Woodcrest Leak Repair	55.09
30	DIMP-Distribution Integrity	FP1734688	17	Abbott Martin @ Walnut Dr.	234.47
31	DIMP-Distribution Integrity	F0224357	17	Patton Ave	75,023.24
32	DIMP-Distribution Integrity	F0215066	17	Maplewood Rd Valve	35,806.62
33	DIMP-Distribution Integrity	F0224337	17	Van Buren Renewel	3,192.47
34	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	10,161.12
35	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	145,017.74
36	TIMP-Transmission Integrity	F0228443	17	Line ILI Retrofit	1,757.11
37	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	36,933.65
38	TIMP-Transmission Integrity	F0229405	17	Line 203 Anomalies ILI Excavations	(141,573.29)
39	TIMP-Transmission Integrity	F0231014	17	ILI anomaly excavations on Line 307	143,280.67
40	TIMP-Transmission Integrity	F0231279	17	Level 1 dig repair on Line 308 imme	167,797.99
41	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	68,175.96

42	<b>Total (unallocated)</b>	<b>\$ 1,620,606.85</b>
	<i>subtotal: TN Direct (unallocated)</i>	<i>\$ 1,620,606.85</i>
	<i>subtotal: CO-3 (unallocated)</i>	<i>\$ -</i>
		<b><u>\$ 1,620,606.85</u></b>

**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>Dec-19</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (6,668,403.25)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	3,578,764.04
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(4,335,954.72)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(7,425,593.93)
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	(7,046,998.59)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(31,831.29)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (7,457,425.22)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.054200
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004517
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ (7,457,425.22)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue		
47136 0253139 GA489 PTOP		3,578,764.04
47136 0480000 GA489 PTOP 0526 RESVAL		(2,134,518.02)
47136 0481200 GA489 PTOP 0526 COMSTD		(1,116,574.38)
47136 0481000 GA489 PTOP 0526 INDSLS		(48,277.53)
47136 0483011 GA489 PTOP 0526 GASRSL		(1,002.05)
47136 0489000 GA489 PTOP 0526 BOTHRV		(278,392.06)

Journal Entry: To Record Interest		
47136 0253139 GA626 PTOP		(31,831.29)
47136 0431150 GA626 PTOP 0526		31,831.29

**General Ledger Support**

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

Calculation of the IM Adjustment Collections:

		Dec-19			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		18,333,507	2,677,608.70
2	Small General Sales (302)	0.12759		7,591,560	968,607.14
3	Medium General Sales (352)	0.12759		2,968,945	378,807.69
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		854	108.96
5	Firm Lg General Sales (303)	0.05667		967,154	54,808.62
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		33,162	1,879.29
7	Firm Lg General Transportation (313)	0.05667		2,043,436	115,801.52
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		131,294	7,440.43
9	Firm Resale (310)	0.05667		5,103	289.19
10	Interruptible Lg General Sales (304)	0.01417		34,024	482.12
11	Interruptible Lg General Transportation (314)	0.01417		9,182,855	130,121.06
12	<b>Total</b>				<b>\$ 4,335,954.72</b>

Journal Entry: To Record Collections

47136 0480000 GA489 PTOP 0526 RESVAL	2,677,608.70
47136 0481200 GA489 PTOP 0526 COMSTD	968,607.14
47136 0481200 GA489 PTOP 0526 COMSTD	378,916.65
47136 0481000 GA489 PTOP 0526 INDSLS	56,687.91
47136 0489000 GA489 PTOP 0526 BOTHRV	123,241.95
47136 0483011 GA489 PTOP 0526 GASRSL	289.19
47136 0481000 GA489 PTOP 0526 INDSLS	482.12
47136 0489000 GA489 PTOP 0526 BOTHRV	130,121.06
47136 0253139 GA489 PTOP	(4,335,954.72)

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