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July 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") Integrity Management Rider ("IMR") Monthly Report for the month ending May 31, 2020.

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 May 31, 2020.

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 via email to my assistant, Denise Guye, at [denise.guye@wallerlaw.com](mailto:denise.guye@wallerlaw.com).

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paul S. Davidson", written over a horizontal line.

Paul S. Davidson

Enclosures

cc: Bruce Barkley  
Pia Powers  
Michelle Mairs  
Alex Bradley  
Daniel Whitaker  
James Jeffries

Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

**Cumulative Integrity Management Investment Amount**  
**Actual Integrity Management Investment, by Integrity Project Type**

		Current Vintage Year: Vintage Year 8			All Vintage Years
Line No.		May 2020 Capital Expenditure <sup>1</sup>	Prior Cumulative Capital Expenditure <sup>2</sup>	Cumulative Capital Expenditure as of May 2020 <sup>3</sup>	Cumulative Capital Expenditure as of May 2020 <sup>6</sup>
<i>TN Direct</i>					
1	Corrosion Control	\$ 49,528.96	\$ 531,195.11	\$ 580,724.07	\$ 8,522,447.50
2	Casing Remediation	\$ 1,948.20	\$ 416.06	\$ 2,364.26	\$ 879,639.11
3	Distribution Integrity	\$ 1,684,200.15	\$ 6,488,753.44	\$ 8,172,953.59	\$ 94,088,268.27
4	Transmission Integrity	\$ 5,753,598.91	\$ 19,509,298.58	\$ 25,262,897.49	\$ 236,534,136.85
5	Total	\$ 7,489,276.22	\$ 26,529,663.19	\$ 34,018,939.41	\$ 340,024,491.73
<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>	15.65%			
8	Total Allocated to TN	\$ -	\$ -	\$ -	\$ 23,535,435.31
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 7,489,276.22	\$ 26,529,663.19	\$ 34,018,939.41	\$ 363,559,927.04
10	Less: Amount Included in the Attrition Period <sup>5</sup>	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	<b>Total Integrity Management Investment</b>	<b>\$ 7,489,276.22</b>	<b>\$ 26,529,663.19</b>	<b>\$ 34,018,939.41</b>	<b>\$ 330,659,927.04</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).

Piedmont Natural Gas Company, Inc.  
 Integrity Management Rider  
 State of Tennessee

Schedule 2

**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	May 2020
1	CORR-Corrosion Control	F0228798	17	Hillsboro Rd. Rectifier&Ground Bed	84.95
2	CORR-Corrosion Control	F0229657	17	461 Paragon Mills Rd. Bridge Attach	56.26
3	CORR-Corrosion Control	F0229695	17	Bridge Attach Mufreesboro Rd	45,951.52
4	CORR-Corrosion Control	FP1708010	17	Nashville Anodes	3,436.23
5	CSNG-Casing & Remediation	F0231471	17	44th Ave N @ I-40 - 8" Pipe	4,111.69
6	CSNG-Casing & Remediation	FP1734401	17	Tallwood Dr. Across Briley Pkwy	(2,163.49)
7	DIMP-Distribution Integrity	F0221354	17	Davidson Drive @ Charlotte Pike Valve	230.76
8	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	838.92
9	DIMP-Distribution Integrity	F0222865	17	Post Place Retirement and pressure	11,370.50
10	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	385,392.45
11	DIMP-Distribution Integrity	F0224337	17	Van Buren Renewel	69,116.74
12	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	(43,996.74)
13	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	75,695.44
14	DIMP-Distribution Integrity	F0224357	17	Patton Ave	38,767.58
15	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	345.67
16	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	236,764.19
17	DIMP-Distribution Integrity	F0229092	17	39th Ave North	483.75
18	DIMP-Distribution Integrity	F0229495	17	1st ave south 12" 175# Replacement	330,300.66
19	DIMP-Distribution Integrity	F0230684	17	Bordeaux Bridge Expainsion Joint -	629.95
20	DIMP-Distribution Integrity	F0231296	17	Ed Temple Blvd DIMP	161,220.70
21	DIMP-Distribution Integrity	F0231458	17	Charlotte Ave Casing Retirement	400,259.74
22	DIMP-Distribution Integrity	FP1734428	17	Broadmoor Drive	(22,761.92)
23	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	(3,749.43)
24	DIMP-Distribution Integrity	FP1734695	17	Spence Lane	23,996.57
25	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	19,294.62
26	TIMP-Transmission Integrity	F0230575	17	Line 384 - Valve Automation - Stati	29,152.51
27	TIMP-Transmission Integrity	F0231014	17	ILI anomaly excavations on Line 307	231.03
28	TIMP-Transmission Integrity	F0231279	17	Level 1 dig repair on Line 308 imme	731.64
29	TIMP-Transmission Integrity	F0231370	17	Line 320 ILI Retrofit	96,113.09
30	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	8,748.96
31	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	65,958.05
32	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	5,552,663.63

33 **Total (unallocated)****\$ 7,489,276.22**

subtotal: TN Direct (unallocated)

\$ 7,489,276.22

subtotal: CO-3 (unallocated)

\$ -

**\$ 7,489,276.22**

Piedmont Natural Gas Company, Inc.  
Integrity Management Rider  
State of Tennessee

Schedule 3

**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**

Line No.			Jan-20	Feb-20	Mar-20	Apr-20	May-20
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (7,457,425.22)	\$ (7,233,932.91)	\$ (7,594,055.75)	\$ (8,230,956.56)	\$ (8,219,821.07)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	4,845,385.36	4,610,910.03	3,481,575.78	2,249,852.96	1,424,440.83 1/
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(4,591,595.97)	(4,940,454.02)	(4,085,841.64)	(2,206,225.68)	(1,624,717.99)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(7,203,635.83)	(7,563,476.90)	(8,198,321.61)	(8,187,329.28)	(8,420,098.23)
5	Average Balance	<i>(Line 1 + Line 4) / 2</i>	(7,330,530.53)	(7,398,704.91)	(7,896,188.68)	(8,209,142.92)	(8,319,959.65)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(30,297.08)	(30,578.85)	(32,634.95)	(32,491.79)	(32,930.40)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (7,233,932.91)	\$ (7,594,055.75)	\$ (8,230,956.56)	\$ (8,219,821.07)	\$ (8,453,028.63)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.049600	0.049600	0.049600	0.047500	0.047500
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004133	0.004133	0.004133	0.003958	0.003958
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ (7,623,560.19)	\$ (8,356,066.00)	\$ (9,276,076.78)	\$ (9,449,977.33)	\$ (8,453,028.63)
11	Variance	<i>Line 7 - Line 10</i>	\$ 389,627.28	\$ 762,010.25	\$ 1,045,120.22	\$ 1,230,156.26	\$ - 2/

**Journal Entry: To Record Revenue**

47136 0253139 GA489 PTOF	4,456,561.59	4,240,902.01	3,202,192.54	2,069,310.80	1,424,440.83
47136 0480000 GA489 PTOF 0526 RESVAL	(2,658,071.60)	(2,529,443.60)	(1,909,915.72)	(1,234,219.73)	(849,593.49)
47136 0481200 GA489 PTOF 0526 COMSTD	(1,390,447.22)	(1,323,161.42)	(999,084.07)	(645,624.97)	(444,425.54)
47136 0481000 GA489 PTOF 0526 INDSLS	(60,119.01)	(57,209.77)	(43,197.58)	(27,915.00)	(19,215.71)
47136 0483011 GA489 PTOF 0526 GASRSL	(1,247.84)	(1,187.45)	(896.61)	(579.41)	(398.84)
47136 0489000 GA489 PTOF 0526 BOTHRV	(346,675.92)	(329,899.77)	(249,098.56)	(160,971.69)	(110,807.25)

**Journal Entry: To Record Interest**

47136 0253139 GA626 PTOF	(31,100.59)	(32,953.80)	(36,361.68)	(36,985.67)	(32,930.40)
47136 0431150 GA626 PTOF 0526	31,100.59	32,953.80	36,361.68	36,985.67	32,930.40

1/ Pursuant to the TPUC's May 11, 2020 ruling in Docket No. 19-00107, this schedule reflects the approved monthly amortization of the annual Integrity Management Revenue Requirement from Piedmont's 2019 Annual Integrity Management Rider Report, which was filed by the Company on December 11, 2019.

2/ Pursuant to the TPUC's ruling, Piedmont recorded the approved IM Revenue Requirement to its general ledger for January 2020 thru April 2020. It was recorded as a true-up adjustment in May 2020.

Piedmont Natural Gas Company, Inc.  
 Integrity Management Rider  
 State of Tennessee

Schedule 4

**General Ledger Support****Integrity Management Deferred Account Adjustment Recorded for the Month**

Calculation of the IM Adjustment Collections:

		May-20			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		6,868,528	1,003,148.51
2	Small General Sales (302)	0.12759		2,376,269	303,188.16
3	Medium General Sales (352)	0.12759		1,014,043	129,381.75
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		1,743	222.39
5	Firm Lg General Sales (303)	0.05667		338,166	19,163.86
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		1,572	89.09
7	Firm Lg General Transportation (313)	0.05667		1,204,863	68,279.57
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		119,620	6,778.87
9	Firm Resale (310)	0.05667		1,575	89.26
10	Interruptible Lg General Sales (304)	0.01417		14,343	203.24
11	Interruptible Lg General Transportation (314)	0.01417		6,645,962	94,173.29
12	<b>Total</b>				<b>\$ 1,624,717.99</b>

**Journal Entry: To Record Collections**

47136 0480000 GA489 PTOP 0526 RESVAL	1,003,148.51
47136 0481200 GA489 PTOP 0526 COMSTD	303,188.16
47136 0481200 GA489 PTOP 0526 COMSTD	129,604.14
47136 0481000 GA489 PTOP 0526 INDSLS	19,252.95
47136 0489000 GA489 PTOP 0526 BOTHRV	75,058.44
47136 0483011 GA489 PTOP 0526 GASRSL	89.26
47136 0481000 GA489 PTOP 0526 INDSLS	203.24
47136 0489000 GA489 PTOP 0526 BOTHRV	94,173.29
47136 0253139 GA489 PTOP	(1,624,717.99)
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