

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

December 10, 2013

IN RE:

**PETITION OF PIEDMONT NATURAL GAS COMPANY,
INC. FOR APPROVAL OF AN INTEGRITY
MANAGEMENT RIDER TO ITS APPROVED RATE
SCHEDULES AND SERVICE REGULATIONS**

)
) **DOCKET NO.**
) **13-00118**
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)
)

PRE-HEARING ORDER

Pursuant to Tenn. Code Ann. § 4-5-306(d) and TRA Rule 1220-1-2-.12, this matter is before the Hearing Officer to establish the orderly conduct of the hearing set during the Authority Conference to be held on December 18, 2013 at 1:00 p.m. CST. This Order is entered in lieu of a pre-hearing conference with the parties: Petitioner, Piedmont Natural Gas Company (“Piedmont” or the “Company”) and the sole intervening party, the Consumer Advocate and Protection Division of the Office of the Attorney General (“Consumer Advocate”).

I. PROCEDURAL MATTERS

A. Notice of Hearing & Public Comment

The purpose of the hearing is to consider Piedmont’s proposed Service Schedule 317 Integrity Management Rider, filed on August 30, 2013, which allows it to recover certain costs that it has incurred in complying with federal and state pipeline safety requirements.¹ On December 6, 2013, a *Notice of Hearing* was issued notifying the public that the hearing will be held during the Authority Conference scheduled to begin at **1:00 p.m. CST on Monday, December 18, 2013**. As

¹ *Petition of Piedmont Natural Gas Company, Inc. for Approval of an Integrity Management Rider to Its Approved Rate Schedules and Service Regulations* (August 30, 2013).

included in the *Notice of Hearing*, members of the public are encouraged to participate by filing written comments in the docket file and/or presenting verbal comments during the hearing.

B. Opening Statements

After preliminary matters are considered, if any, each party is permitted a maximum of ten (10) minutes to present an opening statement. Piedmont will present its opening statement first, followed by the Consumer Advocate.

C. Witnesses

Piedmont has identified two witnesses that it will present:

- 1) Victor M. Gaglio – Piedmont Senior Vice President & Chief Utility Operations Officer
- 2) David R. Carpenter – Piedmont Vice President, Planning and Regulatory Affairs

The Consumer Advocate will not present a witness. During direct examination, each witness will be permitted ten (10) minutes to summarize his pre-filed testimony. In addition, each witness should be advised that he remains subject to recall for rebuttal purposes and should remain available throughout the length of the proceedings.

D. Examination of Witnesses and Questions by the Authority

While redirect examination of a witness is allowed, the parties are reminded that it is limited to matters elicited during cross-examination that require clarification. It is not appropriate to raise new issues during redirect examination. Re-cross examination is not permitted except in the event that a new issue is raised during the immediately preceding redirect examination. The Authority's Advisory Staff has the opportunity to ask questions following cross-examination, before redirect examination. The parties should be aware that the Directors might ask questions at any time during a witness's testimony, as well as following cross-examination.

E. Closing Arguments

The parties will present closing arguments, and forgo filing post-hearing briefs. Closing arguments will be presented first by Piedmont, and then by the Consumer Advocate. Each party will be given a maximum of ten (10) minutes to present closing arguments. Piedmont may reserve a portion of its time for rebuttal.

F. Exhibits

The parties should exchange any demonstrative exhibits related to a witness's pre-filed testimony before that witness appears on the stand. Each party should have its own copy of all exhibits, including those appended to pre-filed testimony, available for reference during the hearing, and is responsible for supplying a sufficient number of copies of any exhibits that it intends to reference or discuss with a witness. A party should use its own judgment and discretion in determining the total number of copies to have on hand, but at a minimum, copies of an exhibit should be provided to the court reporter, each Director, Legal Staff, and each Authority Division Chief. Delaying or interrupting the proceedings to make copies is disfavored and, in the discretion of the panel, may not be permitted.

Further, the parties should inform the Hearing Officer of any requests or requirements as to visual display aids and technology that might be needed during the hearing. So that the appropriate arrangements and accommodations may be made, all such requests and information should be provided via email to the Hearing Officer at kelly.grams@tn.gov no later than 12:00 noon on December 12, 2013.

II. GENERAL OUTLINE & PRESENTATION OF PROOF @ HEARING

Public Comment

Opening Statements:

- Piedmont (10 minutes)
- Consumer Advocate (10 minutes)

Witness Testimony:

Piedmont witness #1

*Summary of pre-filed

Cross-examination

Questions

Re-direct examination

Re-cross examination

Victor Gaglio - Chief Utility Operations Officer

Limited to ten (10) minutes

Consumer Advocate

TRA Advisory Staff and/or Directors²

Piedmont

(if requested & determined appropriate)

Piedmont witness #2

*Summary of pre-filed

Cross-examination

Questions

Re-direct examination

Re-cross examination

David R. Carpenter-VP Regulatory Affairs

Limited to ten (10) minutes

Consumer Advocate

TRA Advisory Staff and/or Directors

Piedmont

(if requested & determined appropriate)

Final Public Comment (if any)

IT IS THEREFORE ORDERED THAT:

1. Requests for visual aids or technology or information concerning the technical requirements of the parties should be provided via email to the Hearing Officer at kelly.grams@tn.gov **no later than 12:00 noon on December 12, 2013.**

2. The hearing scheduled to begin during the Authority Conference scheduled for **December 18, 2013, at 1:00 p.m. CST** shall be conducted in accordance with this Pre-Hearing Order unless otherwise ordered by the Chairman/Presiding Director.


Kelly Cashman-Grams, Hearing Officer

² The TRA Advisory Staff has an opportunity to question a witness between cross and re-direct examination. Directors may ask questions at any time, including between cross and re-direct examination.