

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

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IN RE:

PETITION OF PIEDMONT NATURAL GAS
COMPANY, INC. TO ADJUST THE JUNE 30, 2012
ACCOUNTING BALANCE FOR PRIOR PERIOD
ADJUSTMENTS

Docket No. 13-00119

**NOTICE OF SETTLEMENT IN PRINCIPLE AND
REQUEST FOR SUSPENSION OF PROCEDURAL SCHEDULE**

Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company"), through counsel, hereby respectfully: (1) provides notice to the Tennessee Regulatory Authority ("TRA" or "Authority") that it is finalizing a settlement in principle with the Tennessee Attorney General and Reporter, through the Consumer Advocate and Protection Division ("Consumer Advocate"), and the TRA Staff participating as a Party ("Party Staff") which resolves all issues in this proceeding, subject to applicable approvals, (2) requests that the procedural schedule established in the *Order Establishing Procedural Schedule to Completion*, issued in this proceeding on September 2, 2014, be suspended in light of such settlement in principle, and (3) requests that Piedmont, the Consumer Advocate and Party Staff be allowed until October 31, 2014 to file a formal Stipulation and Settlement Agreement in this proceeding. In support hereof, Piedmont shows unto the Authority as follows:

1. On August 30, 2013, Piedmont filed a petition requesting authorization from the Authority to make an accounting adjustment to the reported balance in its deferred Actual Cost Adjustment ("ACA") account in order to reflect the appropriate balance in that account consistent with the Company's general ledger balance for the costs included in that account.

2. On October 4, 2013, the Consumer Advocate filed a Petition to Intervene in this proceeding which was allowed by Authority Order dated October 23, 2013 without an objection from Piedmont.

3. On November 20, 2013, the Party Staff filed a Motion to Intervene which was allowed by Authority Order dated December 19, 2013 without an objection from Piedmont.

4. From October 2013 through February 2014, Piedmont and Party Staff exchanged numerous discovery requests and responses regarding the matters at issue in this docket.

5. On February 21, 2014, Piedmont and the Party Staff filed a statement of stipulated facts for consideration by the Authority in conjunction with its resolution of the preliminary issues in this docket.

6. Piedmont filed a Motion for Summary Judgment on February 26, 2014. The Consumer Advocate filed its response neither supporting nor opposing Piedmont's motion. The Party Staff filed its objection to Piedmont's motion on March 10, 2014 in which it raised a multitude of defenses to Piedmont's motion. Piedmont filed its response to Party Staff's objection on March 21, 2014. Party Staff filed its reply on April 2, 2014.

7. Oral arguments were heard on Piedmont's Summary Judgment motion by the Authority on May 5, 2014 and on June 16, 2014 the Authority denied Piedmont's motion finding that genuine issues of material fact existed with respect to the Parties relative claims and defenses in this docket.

8. On September 2, 2014, the Authority issued its Order Establishing Procedural Schedule to Completion.

9. On September 17, 2014, Piedmont filed the Testimony and Exhibit of Mandi J. King and the Testimony of Robert L. Thornton.

10. On September 19, 2014, Piedmont met with the Party Staff and the Consumer Advocate to discuss possible settlement of this matter and on September 23, 2014, the Parties reached a settlement in principle of this proceeding, subject to applicable approvals.

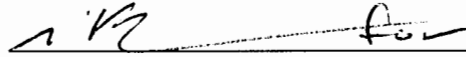
11. Since September 23, 2014, Piedmont, the Consumer Advocate and the Party Staff have worked diligently toward the preparation of a Stipulation and Settlement Agreement to be filed with the Authority in this proceeding. These parties are close to finalizing such an agreement but require additional time to finalize the document and for the Consumer Advocate to obtain approval of such agreement by the Attorney General. As the Consumer Advocate is a party, such agreement is contingent on the approval of the Attorney General. Additional time is needed to complete these tasks prior to filing with the Authority.

12. Piedmont is authorized to represent that the Consumer Advocate and Party Staff support this motion.

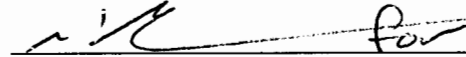
WHEREFORE, Piedmont respectfully requests that the Authority enter an order suspending the procedural schedule established in the *Order Establishing Procedural Schedule to Completion* and allow Piedmont, the Consumer Advocate, and the Party Staff until October 31, 2014 to file the Stipulation and Settlement Agreement in this docket.

Respectfully submitted, this the 7th day of October, 2014.

Piedmont Natural Gas Company, Inc.



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached documents were served upon the parties in this action by electronic mail and by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, addressed as follows:

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This the 7th day of October 2014.

