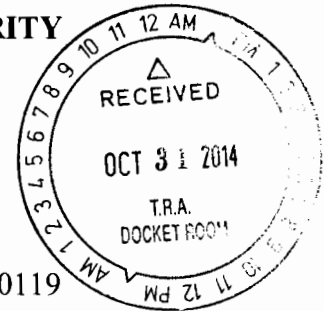


**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**



IN RE: )

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

Docket No. 13-00119

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**JOINT STATUS REPORT AND MOTION FOR EXTENSION OF TIME  
TO FILE SETTLEMENT DOCUMENTS**

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Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company"), Tennessee Regulatory Authority Staff Participating as a Party ("Party Staff") and the Tennessee Attorney General and Reporter, through the Consumer Advocate and Protection Division ("Consumer Advocate") (collectively the "Moving Parties"), through counsel and pursuant to Rule 1220-1-1-.11 of the Rules of the Tennessee Regulatory Authority ("Authority"), hereby respectfully: (1) provide notice to the Authority that the Moving Parties believe that they are in the final stages of finalizing a formal Stipulation and Settlement Agreement that resolves all issues in this proceeding, subject to applicable approvals, including without limitation the approval of the Attorney General, and (2) request that the Moving Parties be allowed until November 14, 2014 to file the Stipulation and Settlement Agreement in this proceeding. In support hereof, the Moving Parties respectfully show 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.

11. Since September 23, 2014, Piedmont, the Consumer Advocate and the Party Staff have worked diligently toward the preparation of a Stipulation of Settlement to be filed with the Authority in this proceeding.

12. On October 7, 2014, Piedmont filed a status report and requested suspension of the Procedural Schedule established on September 2, 2014 to allow the parties until October 31, 2014 to file a formal Stipulation and Settlement Agreement.

13. On October 8, 2014, the Hearing Officer granted Piedmont's request for suspension of the Procedural Schedule established on September 2, 2014 and allowed the parties until October 31, 2014 to file a Stipulation and Settlement Agreement or to file a Joint Status Report concerning the status and anticipated resolution of the parties' negotiations in this matter.

14. In the past weeks, the Moving Parties have continued to work diligently to arrive at a comprehensive settlement agreement. The Moving Parties believe that they are close to finalizing a formal Stipulation and Settlement Agreement and, when finalized, will then conduct the process of obtaining required approvals for execution of the Agreement. Additional time is needed to complete these tasks prior to filing the Stipulation and Settlement Agreement with the Authority.

WHEREFORE, for the reasons set forth above, the Moving Parties respectfully request that the Authority issue an order granting the parties to this proceeding to and until November 14, 2014 in which to file a Stipulation and Settlement Agreement in this proceeding.

Respectfully submitted, this the 31st day of October, 2014.

**PIEDMONT NATURAL GAS COMPANY,  
INC.**

for

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for

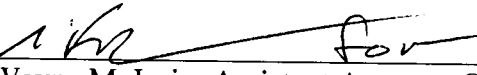
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