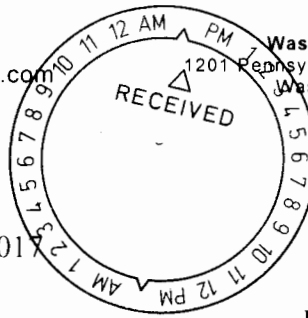


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Washington, DC 20004  
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November 9, 2015

**Via Hand-Delivery**

The Honorable Earl Taylor  
c/o Sharla Dillon  
Tennessee Public Utilities Commission  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

**Re:      *Rate Schedule Report of Piedmont Natural Gas***  
***Docket No. 14-00086***

Dear Mr. Taylor:

Pursuant to Ordering Paragraph No. 6 of the *Order Granting, in Part, and Denying, in Part Petition* issued in this Docket on October 5, 2015, please find an original and five copies of the enclosed report and recommendation concerning Piedmont Natural Gas Company, Inc.'s ("Piedmont"), Rate Schedule 343.

Please file the original and four copies of the public version of this filing and stamp the additional copy as "filed." Then please return the stamped copy to me by way of our courier.

Should you have any questions concerning this matter, please do not hesitate to contact me at the email address or telephone number listed above.

With kindest regards, I remain

Very truly yours,

R. Dale Grimes

cc:      Melvin J. Malone  
         Wayne Irvin

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

IN RE:	)	
	)	
PETITION OF PIEDMONT NATURAL GAS	)	
COMPANY, INC. FOR APPROVAL OF A CNG	)	Docket No. 14-00086
INFRASTRUCTURE RIDER TO ITS APPROVED	)	
RATE SCHEDULES AND SERVICE REGULATIONS	)	
	)	

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**RATE SCHEDULE 343 FINANCIAL AND OPERATIONAL ACTIVITY  
REPORT OF PIEDMONT NATURAL GAS COMPANY, INC.**

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Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company"), through counsel and pursuant to Ordering Paragraph No. 6 of the October 5, 2015 *Order Granting, in Part, and Denying, in Part Petition* ("Order") of the Tennessee Regulatory Authority ("Authority"), hereby provides to the Tennessee Public Utility Commission ("Commission") its report detailing the financial and operational activity under Rate Schedule 343 during the three-year experimental period ("Report").

1. It is respectfully requested that any notices or other communications with respect to this Report be sent to:

R. Dale Grimes  
Bass, Berry & Sims PLC  
150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
Telephone: 615-742-6244

and

James H. Jeffries IV  
Moore & Van Allen PLLC  
100 North Tryon Street, Suite 4700  
Charlotte, NC 28202-4003  
Telephone: 704-331-1079

2. Piedmont is a subsidiary of Duke Energy Corporation and is engaged in the business of transporting, distributing and selling natural gas in the states of Tennessee, North

Carolina, and South Carolina. Piedmont is a public utility under the laws of this State, and its public utility operations in Tennessee are subject to the jurisdiction of the Commission.

3. Piedmont's natural gas distribution business is subject to regulation and supervision by the Commission pursuant to Chapter 4 of Title 65 of the Tennessee Code Annotated.

4. Piedmont is engaged in the business of furnishing natural gas to customers located in Nashville and the remainder of Davidson County as well as portions of the adjoining counties of Cheatham, Dickson, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson and in certain incorporated towns and cities located therein.

5. In the Tennessee Authority's October 5, 2015 Order, the Authority discontinued Piedmont's Rate Schedule 342, denied Piedmont's proposed Compressed Natural Gas ("CNG") Infrastructure Rider, and approved Piedmont's Rate Schedule 343.

6. Rate Schedule No. 343 (Experimental Motor Vehicle Fuel Service) took effect February 9, 2015. This Rate Schedule permits customers to receive natural gas delivered from Piedmont, and use it or resell it, after compression, for use as a motor vehicle fuel.

7. Specifically, pursuant to this approved Rate Schedule, Piedmont provides natural service to customers seeking to purchase or transport natural gas for use as a motor fuel. All gas delivered to Customers pursuant to this Rate Schedule is metered and billed separately from any gas delivered to Customers under any of the Company's other Rate Schedules for non-motor fuel purposes. The rates and charges for gas service pursuant to Rate Schedule 343 are the rates and charges (and components thereof) applicable to the corresponding individual Rate Schedule under which the Customer qualifies for service. For example, a non-residential customer whose average daily usage is less than 20 dekatherms per day, would be billed the rates and charges pursuant to Rate Schedule 302 (Small General Service) for service provided under Rate Schedule 343. A customer qualifying for Rate Schedule 301 (Residential Service) who uses the natural gas delivered by the Company for motor vehicle fuel purposes pursuant to

Rate Schedule 343 would be billed the rates and changes pursuant to Rate Schedule 301. Gas delivered to non-residential Customers under Rate Schedule 343 may be resold solely for use as a motor vehicle fuel.

8. Rate Schedule 343 is experimental in nature and was initially approved for a 3-year period. The purpose behind the experimental implementation of this Rate Schedule was to (a) determine the relative needs for sales/transportation service to meet the natural gas motor vehicle fuel needs of Customers, and (b) to determine whether the Company's existing facilities and structures can accommodate the provision of such service.

9. The Authority's Order required Piedmont to file a report on the financial and operational activity under Rate Schedule 343 at least 90 days before the end of the experimental period, and to make a recommendation regarding whether Rate Schedule 343 should be continued, discontinued or modified.

#### **Report**

10. Four customers are served by Piedmont under Rate Schedule 343. One customer qualifies under Medium General Service (Rate Schedule 352 for billing purposes), and the other three qualify for Large General Service (two of which elected transportation service under Rate Schedule 313, and one of which elected sales service under Rate Schedule 303). From March 2015 through September 2017, these customers used a total of 4.0 million therms pursuant to Rate Schedule 343, generating \$1.8 million in revenue. For the annual period ended September 30, 2017, there was metered usage of 1.7 million therms pursuant to Rate Schedule 343, generating \$0.7 million in revenue.

11. Piedmont has been providing natural gas service to customers under Rate Schedule 343 during this experimental 3-year period. Piedmont believes that the experimental 3-year period served its intended purposes – it identified the needs for motor vehicle fuel service in Piedmont's service territory, and demonstrated Piedmont's ability to accommodate such service without the need for incremental facilities and structures.

12. Pursuant to Ordering Paragraph 6, Piedmont hereby requests that Rate Schedule 343 be allowed to continue going forward in order to provide service to customers who desire to purchase or transport natural gas for use or resale as a motor vehicle fuel. Piedmont further requests that the experimental designation formally associated with this rate schedule be eliminated with respect to such ongoing service.

WHEREFORE, Piedmont Natural Gas Company, Inc., respectfully requests that the Commission: (1) accept this Report; (2) allow Piedmont to continue service under Rate Schedule 343 on a non-experimental basis, and (3) grant Piedmont such other relief as may be necessary or appropriate.

Respectfully submitted this 9th day of November, 2017.

**Piedmont Natural Gas Company, Inc.**

  
R. Dale Grimes  
Bass, Berry & Sims PLC  
150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
Telephone: 615-742-6244

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on November 9, 2017, a copy of the attached was served on the following by electronic mail and by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, addressed as follows:

Wayne Irvin  
Office of the Attorney General  
Consumer Advocate and Protection Division  
P. O. Box 20207  
Nashville TN 37202  
Email: wayne.ivrin@ag.tn.gov

Melvin J. Malone  
Butler Snow  
150 Third Avenue South, Suite 1600  
Nashville, TN 37201

  
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