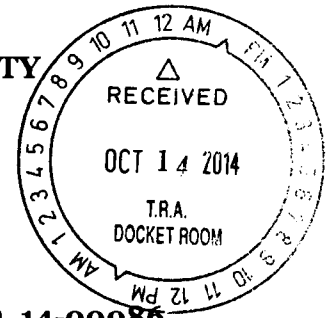


**IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**



IN RE:

**PETITION OF PIEDMONT NATURAL
GAS COMPANY, INC. FOR
APPROVAL OF A CNG
INFRASTRUCTURE RIDER TO ITS
APPROVED RATE SCHEDULES AND
SERVICE REGULATIONS**

DOCKET NO. 14-00086

**TENNESSEE FUEL AND CONVENIENCE STORE ASSOCIATION'S DISCOVERY
REQUESTS TO PIEDMONT NATURAL GAS COMPANY**

Tennessee Fuel and Convenience Store Association ("TFCA") respectfully submits the following data requests to the Petitioner, Piedmont Natural Gas Company, Inc. ("Piedmont" or "Company"). Consistent with the Procedural Schedule established by the Hearing Officer in this matter, the responses are to be produced at the office of the undersigned counsel, Mr. Melvin J. Malone, at Butler Snow LLP, 150 Third Avenue, South, Nashville, Tennessee, 37201 on October 23, 2014.

Instructions

As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of or accessible to Piedmont, its witnesses or counsel.

A. Please identify by name, title, position and responsibility the person or persons answering each of these data requests for information.

B. These requests shall be deemed continuing so as to require further and supplemental responses if Piedmont receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.

C. To the extent that the specific document, work paper or information as requested does not exist, but a similar document, work paper or information does exist, provide the similar document, work paper or information.

D. To the extent that any request may be answered by way of a computer printout, spreadsheet or other form of electronic media, please identify each variable contained in the document or file which would not be self-evident to a person not familiar with the document or file.

E. If Piedmont has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel for TFCA as soon as possible.

F. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; and the nature and legal basis for the privilege asserted.

G. In the event any document requested has been destroyed or transferred beyond the control of the Piedmont or any of its witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

H. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than refer TFCA to the record where the document is located.

DISCOVERY REQUEST NO. 1:

State whether CNG is a regulated commodity.

RESPONSE:

DISCOVERY REQUEST NO. 2:

How much CNG has Piedmont sold as alternative fuel over the past ten (10) years?

RESPONSE:

DISCOVERY REQUEST NO. 3:

Over the past five (5) years, what percentage of Piedmont's revenue resulted from and/or related to CNG?

RESPONSE:

DISCOVERY REQUEST NO. 4:

Explain in detail how existing CNG infrastructure is treated? (For instance, state whether CNG expenses are reported as regulated expenses, whether any party of CNG operations are considered non-regulated, whether CNG are excluded from rate base, etc.).

RESPONSE:

DISCOVERY REQUEST NO. 5:

What is Piedmont's total existing CNG booked investment? With your response, please identify original plant-in-service and accumulated depreciation by year.

RESPONSE:

DISCOVERY REQUEST NO. 6:

State whether there are any CNG stations currently in rate base?

RESPONSE:

DISCOVERY REQUEST NO.7:

Identify Piedmont's CNG competitors (or potential competitors) in Tennessee? (Please include resellers competing directly with Piedmont, but, for the purposes of this Response, do not include electric, gasoline, diesel, or any fuel type other than CNG).

RESPONSE:

DISCOVERY REQUEST NO. 8:

Identify any matters (and provide copies of filings and orders for each) in which a Commission, Court, Judge and/or any other regulating authority approved or denied CNG cost recovery mechanisms or their equivalents.

RESPONSE:

DISCOVERY REQUEST NO. 9:

Identify how Piedmont accounts for its two (2) existing CNG stations? In responding to this request, please explain the proposed accounting treatment for revenue generated by CNG operations.

RESPONSE:

DISCOVERY REQUEST NO. 10:

Refer to Piedmont's Petition, p. 8. Piedmont asserts that the IR will recover "some (but not all) of the costs associated with its investment ..." Please identify all costs that will not be recovered by the proposed IR.

RESPONSE:

DISCOVERY REQUEST NO. 11:

If Piedmont had developed and finalized its projection to invest \$4.6 million in capital investments in CNG during its last rate case, would it have included it in rate base?

RESPONSE:

DISCOVERY REQUEST NO. 12:

Witness Powers states that “This capital investment and costs are not being recovered in Piedmont's currently approved rates, and are not fully offset by any incremental revenues” Please provide a schedule of the dollar amounts and percentages of costs that are being currently offset.

RESPONSE:

DISCOVERY REQUEST NO. 13:

Is the CNG market across the country regulated or non-regulated? Please provide response in a schedule by jurisdiction.

RESPONSE:

DISCOVERY REQUEST NO. 14:

Witness Valentine states that since 2011 Tennessee customers saved over \$1 million in fuel costs by purchasing CNG instead of gasoline. What were the total expenditures made by Piedmont to generate savings and when is the forecast breakeven and profit time periods?

RESPONSE:

DISCOVERY REQUEST NO. 15:

Please provide a copy of Piedmont's projections, business plan, notes, marketing materials, proposals and/or other documents that identify when other third-party CNG station will accessible.

RESPONSE:

DISCOVERY REQUEST NO. 16:

Witness Valentine states that at least one public filling station will be owned and operated at an existing commercial site. How will Piedmont account for the development of such a commercial site and how will profits be shared? Will Piedmont seek to recover costs in IR?

RESPONSE:

DISCOVERY REQUEST NO. 17:

Witness Valentine states that the IR is in the public interest because it creates a partial and interim bridge to recover costs of new capital investments. Does Piedmont propose a full recovery solution and/or a permanent recovery solution?

RESPONSE:

DISCOVERY REQUEST NO. 18:

To the extent not previously provided, please provide electronic copies (on CD) of all tables, charts, diagrams, schedules, and exhibits (collectively, "Exhibits") contained in the testimony of Pia K. Powers of Piedmont. Please include all workpapers, schedules, underlying computations and supporting documentation used and/or relied upon Witness Powers in the preparation of her testimony, including the preparation of all Exhibits. Please provide all electronic spreadsheets with cell formulas, cell references, macros and VBA code intact.

RESPONSE:

DISCOVERY REQUEST NO. 19:

To the extent not previously provided, please provide electronic copies (on CD) of all tables, charts, diagrams, schedules, and exhibits (collectively, "Exhibits") contained in the testimony of Ken Valentine of Piedmont. Please include all workpapers, schedules, underlying computations and supporting documentation used and/or relied upon Witness Valentine in the preparation of his testimony, including the preparation of all Exhibits. Please provide all electronic spreadsheets with cell formulas, cell references, macros and VBA code intact.

RESPONSE:

DISCOVERY REQUEST NO. 20:

Refer to Piedmont's Petition, page 3, ¶ 5. Please explain the basis and support for the statement relative to "the growing demand for natural gas as an alternative motor vehicle transportation fuel in Tennessee."

RESPONSE:

DISCOVERY REQUEST NO. 21:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials which support Piedmont's conclusion that there is growing demand for natural gas as an alternative motor vehicle transportation fuel in Tennessee, as alleged in the Petition.

RESPONSE:

DISCOVERY REQUEST NO. 22:

Refer to Piedmont's Petition, p. 5, ¶ 8. Please explain in detail the basis and support Piedmont's contention that "Transit and school buses fleets, taxi fleets, shuttle bus fleets, courier and

delivery fleets, utility fleets, distributions fleets, commuters, and vocational trucks . . . could and currently do benefit from natural gas vehicles.”

RESPONSE:

DISCOVERY REQUEST NO. 23:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 24:

Refer to Piedmont’s Petition, p. 5, ¶ 8. With respect to the phrase “match the increase in number of NGVs,” please explain in detail the basis and support for this language.

RESPONSE:

DISCOVERY REQUEST NO. 25:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 26:

Refer to Piedmont's Petition, p. 5, ¶ 8. With respect to the phrase "to serve the growing number of large NGVs," please explain in detail the basis and support for this language.

RESPONSE:

DISCOVERY REQUEST NO. 27:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 28:

Refer to Piedmont's Petition, p. 6, ¶ 10. With respect to the phrase "to meet the needs of the rapidly growing CNG market," please explain in detail the basis and support for this language.

RESPONSE:

DISCOVERY REQUEST NO. 29:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 30:

Refer to Piedmont's Petition, p. 6, ¶ 10. With respect to the phrase "As the CNG market in the greater Nashville area is expected to continue its growth," please explain in detail the basis and support for this language.

RESPONSE:

DISCOVERY REQUEST NO. 31:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 32:

Refer to Piedmont's Petition, p. 6, ¶ 10. With respect to the phrase "near-term market interest driven projects," please explain in detail the basis and support for this language.

RESPONSE:

DISCOVERY REQUEST NO. 33:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 34:

Refer to Piedmont's Petition, p. 6, ¶ 11. With respect to the phrase "higher usage usually takes time to ramp up," to the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response.

RESPONSE:

DISCOVERY REQUEST NO. 35:

Refer to Piedmont's Petition, p. 6, ¶ 11. With respect to the phrase "required to respond to the market demand," is Piedmont referring specifically to market demand in Piedmont's service territory?

RESPONSE:

DISCOVERY REQUEST NO. 36:

If the answer to the request directly above is in the affirmative, to the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, developed or produced to support the statement and response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 37:

Refer to Piedmont's Petition, pp. 6-7, ¶ 12. To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies and any other materials upon which Piedmont is relying to support the conclusion that "Utilization of an IR mechanism will promote the continuance of economic development in the region by assisting Piedmont's efforts to respond to consumer need."

RESPONSE:

DISCOVERY REQUEST NO. 38:

Refer to Piedmont's Petition, p. 7, ¶ 12 and p. 7 ¶ 13. With respect to the word "challenges" and as used in the context of said paragraphs within which the word is cited and with the context of Piedmont's Petition, please explain in detail and with specificity what Piedmont means.

RESPONSE:

DISCOVERY REQUEST NO. 39:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used or developed to support the response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 40:

Presently, how much money does Piedmont forecast investing in CNG infrastructure and equipment for the provision of alternative motor vehicle transportation fuel in its service territory over the next three (3) years?

RESPONSE:

DISCOVERY REQUEST NO. 41:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used or developed to support the response in the request directly above.

RESPONSE:

DISCOVERY REQUEST NO. 42:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, relied upon, developed or produced by Piedmont with respect to the market demand and growth for CNG for alternative motor vehicle transportation fuel, now or in the future, in Piedmont's service territory and in other areas in the State of Tennessee.

RESPONSE:

DISCOVERY REQUEST NO. 43:

Please describe, in detail and with specificity, the types of CNG facilities that Piedmont intends to construct, develop and/or invest in, including ownership structure, business/operations model, and whether Piedmont would be a wholesale or retail provider of CNG in each different type of scenario described.

RESPONSE:

DISCOVERY REQUEST NO. 44:

Please refer to the testimony of Witness Valentine, p. 4. To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, relied upon or developed by Piedmont to support the conclusion that Tennessee NGV customers have saved over \$1 million in fuel costs by purchasing CNG instead of gasoline and diesel from Piedmont's stations and third-party stations served by Piedmont.

RESPONSE:

DISCOVERY REQUEST NO. 45:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, relied upon, developed or produced by Piedmont with respect to the time period within which the revenues generated by Piedmont's provision of CNG for alternative motor vehicle transportation fuel will exceed the costs of service associated with this service.

RESPONSE:

DISCOVERY REQUEST NO. 46:

If Piedmont's Petition is approved as submitted, is there a possibility that such an approval might have a negative impact on the future ability of non-public utility entities to compete on a level playing field in the provision of CNG for alternative motor vehicle transportation fuel? Please explain in detail and with specificity.

RESPONSE:

DISCOVERY REQUEST NO. 47:

If Piedmont's Petition is approved as submitted, and market demand for CNG for alternative motor vehicle transportation fuel in its service territory does not sufficiently develop as projected by Piedmont, and the revenues generated from the service do not remotely approach the costs of providing the service, what is the impact in such a scenario upon the ratepayers? Please explain in detail and with specificity.

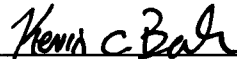
RESPONSE:

DISCOVERY REQUEST NO. 48:

To the extent not previously provided, please provide copies of all schedules and underlying computations, workpapers, analysis, studies, reports and any other materials used, relied upon, developed or produced by Piedmont to project or forecast CNG for alternative motor vehicle transportation fuel sales.

RESPONSE:

RESPECTFULLY SUBMITTED,



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*Attorneys for Tennessee Fuel and Convenience
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Dated: October 14, 2014

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:


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This the 14th day of October, 2014.



Kevin C. Baltz