

filed electronically in docket office on 02/11/16

**BASS BERRY SIMS** PC

150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
(615) 742-6200

**Virginia M. Yetter**

PHONE: (615) 742-7858  
FAX: (615) 742-6293  
E-MAIL: [VYetter@bassberry.com](mailto:VYetter@bassberry.com)

February 11, 2016

**Via Hand-Delivery**

The Honorable Earl Taylor  
c/o Sharla Dillon  
Tennessee Regulatory Authority  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

**Re: Application of Duke Energy Corporation and Piedmont Natural Gas Company  
for Approval of a Change in Control Pursuant to T.C.A § 65-4-113  
Docket No. 16-00006**

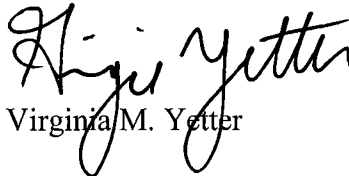
Dear Mr. Taylor:

Enclosed please find an original and five (5) copies of Piedmont Natural Gas Company, Inc. ("Piedmont") and Duke Energy Corporation's ("Duke Energy") Responses to the Tennessee Regulatory Authority's ("TRA") Discovery Requests dated February 3, 2016.

This material is also being filed by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon. Please file the original and four copies 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.

Very truly yours,



Virginia M. Yetter

Enclosures

cc: Bruce Barkley  
Pia Powers

**PIEDMONT NATURAL GAS COMPANY, INC.**  
**DOCKET NO. 16-00006**  
**DUKE-PIEDMONT APPLICATION**  
**Date Issued: February 3, 2016**

1. Provide updates on the status of approvals of the Transaction described in the application by other state regulatory commissions.

**Response:** See summary descriptions of various state proceedings below. These constitute all Transaction related proceedings before state regulatory commissions.

Kentucky: Duke Energy Corporation (“Duke Energy”) and Piedmont Natural Gas Company, Inc. (“Piedmont”) do not believe that approval of the Kentucky Public Service Commission (“KYPSC”) is required for the Transaction described in the Tennessee change of control application. On December 11, 2015, Duke Energy filed a petition with the KYPSC seeking a declaratory order confirming that opinion. Duke Energy has responded to discovery related to this request and has had conversations with the KYPSC Staff regarding this petition and a decision by the KYPSC on Duke Energy’s declaratory order petition is pending. On February 5, 2016, Duke Energy filed an Acknowledgement and Motion to Submit the Case on the Existing Record in which the company agreed to make an informational filing (post-close) reflecting the post-transaction organizational structure and renewed a commitment, made in previous merger transactions, that in future rate cases it would not seek a higher rate or return on equity than would have been sought if the proposed acquisition had not occurred.

South Carolina: Duke Energy and Piedmont do not believe that approval of the Public Service Commission of South Carolina (“PSCSC”) is required for the Transaction described in the Tennessee change of control application. On January 13, 2016, Duke Energy and Piedmont participated in an allowable ex parte proceeding before the PSCSC during which they briefed the PSCSC on the proposed acquisition transaction and informed the PSCSC of their conclusion that approval of the transaction was not required by the PSCSC under South Carolina law. On the same date, the Company provided the required materials presented and referenced to the Office of Regulatory Staff for filing with the PSCSC, as required by statute. The companies have committed to making informational filings on the status of the transaction for information purposes, but no further action by or before the PSCSC with regard to approval of the proposed Transaction is contemplated or anticipated by Duke Energy and Piedmont.

North Carolina: On January 15, 2016, Duke Energy and Piedmont filed the “Application of Duke Energy Corporation and Piedmont Natural Gas, Inc. to Engage in a Business Combination Transaction and Address Regulatory Conditions and Code of Conduct” with the North Carolina Utilities Commission (“NCUC”) in Docket Nos. E-2, Sub 1095, E-7, Sub 1100, and G-9, Sub 682. That application was accompanied by the testimony of witnesses for Duke Energy, Piedmont and the Brattle Group (outside experts retained to present evidence on market power issues). It was also accompanied by a separate Duke Energy filing (in the same dockets) seeking expedited approval of certain financing transactions related to the proposed acquisition.

On January 29, 2015, the NCUC issued its Order Approving Piedmont Transaction-Related Financing. Approval of the proposed acquisition Transaction is pending further NCUC action.

**PIEDMONT NATURAL GAS COMPANY, INC.**  
**DOCKET NO. 16-00006**  
**DUKE-PIEDMONT APPLICATION**  
**Date Issued: February 3, 2016**

Duke Energy and Piedmont anticipate that such action will include a hearing process before the NCUC and expect a procedural order governing that process to be issued in the near future.

Response provided on February 11, 2016.

**PIEDMONT NATURAL GAS COMPANY, INC.**  
**DOCKET NO. 16-00006**  
**DUKE-PIEDMONT APPLICATION**  
**Date Issued: February 3, 2016**

2. Provide updates on the status of approvals of the Transaction described in the application by any federal agency.

**Response:** On December 2, 2015, Duke Energy filed with the Federal Trade Commission ("FTC") a Premerger Notification and Report Form for Certain Mergers and Acquisitions regarding the acquisition of Piedmont Natural Gas Company, Inc. This filing also included certain documents that address the competitive aspects of, or synergies associated with, the acquisition Transaction as required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976. On December 21, 2015, the FTC granted early termination of the thirty-day waiting period, which otherwise would have expired on January 4, 2016. This action effectively removed any federal antitrust obstacles to the closing of the proposed acquisition Transaction.

No further approvals of the proposed acquisition by federal agencies are required or pending.

Response provided on February 11, 2016.