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December 13, 2016

Via Hand-Delivery

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

***Re: Petition of Piedmont Natural Gas Company for Approval of an Integrity
Management Rider to its Approved Rate Schedules and Service Regulations
Docket No. 16-00140***

Dear Mr. Taylor:

On November 30, 2016, Piedmont Natural Gas Company, Inc. ("Piedmont") filed its Integrity Management Rider annual filing ("2016 IMR Annual Report") in the above-referenced docket. Subsequent to that filing, Piedmont realized that there will be no opportunity for the Tennessee Regulatory Authority ("TRA") to deliberate on Piedmont's filing prior to the requested effective date of new rates on January 1, 2017. In order to allow the Authority an opportunity to review and deliberate on Piedmont's 2016 IMR Annual Report, Piedmont is filing an original and five (5) copies of a revised rate sheet proposed to be effective February 1, 2017 and requesting TRA approval of those rates at its January 17, 2017 conference. The Fifty-Fourth Revised Sheet No. 1 is attached reflecting the revised effective rates.

Under Piedmont's Service Schedule No. 317, the 2016 Integrity Management Revenue Requirement ("IMRR") is to be effective for accounting and rate adjustment purposes on January 1, 2017. Schedule 5 of Piedmont's 2016 IMR Annual Report sets forth an amortization of the total IMRR over a 12-month period beginning January 2017. Piedmont has proposed a one month delay in the effective date of rate changes to collect the updated IMRR in order to allow the Authority to review these proposed rate changes at a regularly scheduled Authority meeting and because it is much more efficient for Piedmont to implement rate changes at the beginning of its monthly billing cycle – which would not be possible in January if Authority approval is not forthcoming until January 17, 2017. Piedmont is not, however, requesting any delay or change with respect to the January 2017 amortization of the IMRR reflected on Schedule 5 to its 2016 IMR Annual Report. Consistent with that report and the provisions of Service Schedule No. 317, Piedmont intends to implement that amortization schedule upon approval of its 2016 IMR Report at the January 17, 2017 Authority Meeting.

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

A handwritten signature in black ink, appearing to read "R. Dale Grimes". The signature is fluid and cursive, with the first name "R." and last name "Grimes" clearly distinguishable.

R. Dale Grimes

cc: Pia Powers
Bruce Barkley
David Foster
Wayne Irvin

Revised Rate Sheet

PIEDMONT NATURAL GAS COMPANY, INC.
Tennessee Service Territory
Billing Rates Effective: February 1, 2017

Rate Schedule	Description	Tariff Rate Approved In Docket No. 11-00144	Cumulative PG&A Demand	Commodity	Current Refund	Current ACA Demand	Commodity	Current IPA	Current IM Adjustment	Deferred Tax Refund	Total Adj. Factor (Sum Col.2 thru Col.6)	Proposed Billing Rate (Col.1+Col.7)
		<1>	<2>	<3>	<4>	<5a>	<5b>	<6>	<7>	<8>	<9>	<10>
Residential	Monthly Charge-Nov.-Mar.	\$17.45										\$17.45
	Monthly Charge-Apr.-Oct.	\$13.45										\$13.45
	Nov.- Mar. per TH	0.32000	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.13124	0.00000	0.52672	0.84672
301	Apr.- Oct. per TH	0.27000	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.13124	0.00000	0.52672	0.79672
Small General	Monthly Charge	\$44.00										\$44.00
	Nov.- Mar. per TH	0.35400	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.11465	0.00000	0.51013	0.86413
	Apr.- Oct. per TH	0.30000	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.11465	0.00000	0.51013	0.81013
302												
Medium General	Monthly Charge	\$225.00										\$225.00
	Nov.- Mar. per TH	0.35400	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.11465	0.00000	0.51013	0.86413
	Apr.- Oct. per TH	0.30000	0.07577	0.30997	0.00000	(0.00673)	0.01095	0.00552	0.11465	0.00000	0.51013	0.81013
352												
352												
Experimental Motor Vehicle Fuel												
343	Monthly Charge		varies by customer per their corresponding rate schedule									
343	Nov.- Mar. per TH		varies by customer per their corresponding rate schedule									
343	Apr.- Oct. per TH		varies by customer per their corresponding rate schedule									
303 Firm General Sales	Monthly Charge	\$800.00										\$800.00
	Demand Charge per TH	0.80000										1.53731
	First 15,000 TH/TH	0.09682	0.82829	0.30997	0.00000	(0.09098)	0.01095	0.00552	0.05092	0.00000	0.73731	0.47418
	Next 25,000 TH/TH	0.08953		0.30997	0.00000		0.01095	0.00552	0.05092	0.00000	0.37736	0.46689
	Next 50,000 TH/TH	0.06450		0.30997	0.00000		0.01095	0.00552	0.05092	0.00000	0.37736	0.44186
	Over 90,000 TH/TH	0.02764		0.30997	0.00000		0.01095	0.00552	0.05092	0.00000	0.37736	0.40500
304 Interruptible General Sales	Monthly Charge	\$800.00										\$800.00
	First 15,000 TH/TH	0.09682		0.30997	0.00000		0.01095	0.00552	0.01273	0.00000	0.33917	0.43599
	Next 25,000 TH/TH	0.08953		0.30997	0.00000		0.01095	0.00552	0.01273	0.00000	0.33917	0.42870
	Next 50,000 TH/TH	0.06450		0.30997	0.00000		0.01095	0.00552	0.01273	0.00000	0.33917	0.40367
	Over 90,000 TH/TH	0.02764		0.30997	0.00000		0.01095	0.00552	0.01273	0.00000	0.33917	0.36681
313 Firm Transportation	Monthly Charge	\$800.00										\$800.00
	Demand Charge per TH	0.80000	0.82829			(0.09098)					0.73731	1.53731
	First 15,000 TH/TH	0.09682			0.00000				0.05092	0.00000	0.05092	0.14774
	Next 25,000 TH/TH	0.08953			0.00000				0.05092	0.00000	0.05092	0.14045
	Next 50,000 TH/TH	0.06450			0.00000				0.05092	0.00000	0.05092	0.11542
	Over 90,000 TH/TH	0.02764			0.00000				0.05092	0.00000	0.05092	0.07856
314 Interruptible Transportation	Monthly Charge	\$800.00										\$800.00
	First 15,000 TH/TH	0.09682			0.00000				0.01273	0.00000	0.01273	0.10955
	Next 25,000 TH/TH	0.08953			0.00000				0.01273	0.00000	0.01273	0.10226
	Next 50,000 TH/TH	0.06450			0.00000				0.01273	0.00000	0.01273	0.07723
	Over 90,000 TH/TH	0.02764			0.00000				0.01273	0.00000	0.01273	0.04037
310 Resale Service	Demand Charge per TH	0.80000	0.82829		0.00000	(0.09098)	0.01095	0.00552	0.05092	0.00000	0.73731	1.53731
	Commodity Charge	0.09000		0.30997	0.00000						0.37736	0.46736

NOTES:

1) In accordance with the Tennessee Public Service Commission order in Docket U-7074 customers metered inside Davidson County are required to pay an additional 6.20% for collection of the Metro Franchise Fee. Customers served by the Ashland City, Fairview, Greenbrier, Hartsville, Mt. Juliet and White House systems are required to pay 5.0%. Customers served by the Franklin and Nolensville systems are required to pay 3%.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on December 13, 2016, 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:

Emily Knight
Office of the Attorney General
Consumer Advocate and Protection Division
P. O. Box 20207
Nashville TN 37202
Emily.Knight@ag.tn.gov


