

TENNESSEE PUBLIC UTILITY COMMISSION

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502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

February 27, 2019

Paul S. Davidson
Waller Lansden Dortch & Davis, LLP
P.O. Box 198966
Nashville, TN 37219-8966

VIA E-MAIL and U.S. MAIL

RE: Docket No. 18-00040 – *Response of Piedmont Natural Gas Company to the Commission's Order Opening an Investigation and Requiring Deferred Accounting Treatment*

Dear Mr. Davidson:

To assist the Commission in its evaluation of the above-captioned *Response* filed April 2, 2018 it is requested that Piedmont Natural Gas Company, Inc. provide a response to the following:

1. Based upon the closing of the Company's books, what is the final amount of Protected and Unprotected excess ADIT?
2. What is the appropriate amortization treatment for the return of Unprotected excess ADIT including the time frame and amount? Provide rationale for an immediate amortization of the Unprotected amount or postponement until the Company's next rate case.
3. What is the appropriate Tennessee state income tax rate to be used in the computation of Piedmont's excess ADIT?
4. Provide a specific recommendation on the amount of Protected excess ADIT and the time frame in which it should be refunded to customers calculated consistent with the ARAM, including an option for the immediate amortization.

5. If amortization of Unprotected and/or Protected excess ADIT is deferred until the Company's next rate case, should interest be applied to recognize the time delay? If so, what interest rate should be utilized?

It is requested that all responses be provided no later than 2:00 p.m. March 5, 2019. In accordance with Commission rules, submit either (1) original and thirteen written copies of your response or (1) original and four written copies and an electronic version. Should you have any questions or need clarification regarding any requested item, please contact Michelle Mairs at (615) 770-6891.

Sincerely,

A handwritten signature in black ink, appearing to read "D. M. Foster".

David Foster, Director
Utilities Division

cc: Docket File