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February 5, 2020

VIA HAND DELIVERY AND EMAIL

Executive Director Earl Taylor
c/o Ectory Lawless
Tennessee Public Utility Commission
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. 19-00107**

Dear Mr. Taylor:

Enclosed please find an original and five (5) copies Piedmont Natural Gas Company, Inc.'s ("Piedmont") two corrected attachments in response to the Consumer Protection and Advocate Division's first set of discovery requests dated January 10, 2020 in the above-captioned docket, which was filed on January 22, 2020. **Piedmont requests that these attachments replace the previously filed July 2017 and September 2019 reports in response to request number 2.**

This material is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original and four copies and stamp the additional copies as "filed." Then please return the stamped copy to me by way of our courier.

Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Very truly yours,



Paul S. Davidson

Enclosures

cc: Pia Powers (Piedmont)
Bruce Barkley (Piedmont)

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 1

Cumulative Integrity Management Investment Amount
Actual Integrity Management Investment, by Integrity Project Type

		Current Vintage Year: Vintage Year 5			All Vintage Years
Line No.		July 2017 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of July 2017 ³	Cumulative Capital Expenditure as of July 2017 ⁶
	<i>TN Direct</i>				
1	Corrosion Control	\$ 27,681.61	\$ 476,036.87	\$ 503,718.48	\$ 5,700,682.37
2	Casing Remediation	\$ 52,455.19	\$ 17,971.95	\$ 70,427.14	\$ 813,230.27
3	Distribution Integrity	\$ 3,009,963.29	\$ 16,238,953.24	\$ 19,248,916.53	\$ 48,226,650.70
4	Transmission Integrity	\$ 3,131,914.52	\$ 3,766,629.64	\$ 6,898,544.16	\$ 177,737,703.23
5	Total	\$ 6,222,014.61	\$ 20,499,591.70	\$ 26,721,606.31	\$ 232,478,266.57
	<i>Joint Property: CO3-State</i>				
6	OASIS Project (Work & Asset Management System)	\$ 1,468,126.26	\$ 14,489,813.01	\$ 15,957,939.27	\$ 127,897,864.80
7	TN % of CO-3 for Current Month ⁴	16.30%			
8	Total Allocated to TN	\$ 239,304.58	\$ 2,377,772.52	\$ 2,617,077.10	\$ 22,559,989.61
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 6,461,319.19	\$ 22,877,364.22	\$ 29,338,683.41	\$ 255,038,256.18
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 6,461,319.19	\$ 22,877,364.22	\$ 29,338,683.41	\$ 222,138,256.18

1/ Represents, for the current month, the actual Integrity Management Investment that is subject to this Rider

2/ Represents, as of the prior month, the cumulative Integrity Management Investment for the current Vintage Year that is subject to this Rider; this amount is shown in the prior month's report

3/ Represents, for the current Vintage Year through the current month, the cumulative Integrity Management Investment that is subject to this Rider

4/ Represents the TN% of Total Company Gas Plant Excluding Joint Property , which is updated annually

5/ Amount being recovered in existing base rates, per the Relevant Rate Order in Docket 11-00144

6/ Represents, for all Vintage Years through the current month, the cumulative Integrity Management Investment that is subject to this Rider. The cumulative Integrity Management Investment for Vintage Years 1, 2, 3 and 4, which captures amounts through 10/31/16, is \$192,799,572.77 (\$100,306,282.52 for Vintage Year 1, \$53,974,676.19 for Vintage Year 2, \$18,441,896.09 for Vintage Year 3 & \$20,076,717.97 for Vintage Year 4).

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 2

Detail of Current Month's Integrity Management Investment Amount
Actual Capital Investment for Current Month, by Capital Funding Project

Line No.	Capital Project Type	Funding Project Number	District	Funding Project Description	July 2017
1	CORR-Corrosion Control	FP1734388	17	Nashville MAG Anode 2017	\$ 26,297.08
2	CORR-Corrosion Control	FP1734186	17	Nashville New Rectifier & Ground Be	1,384.53
3	CSNG-Casing & Remediation	FP1734373	17	Hartsville Casing Removal Proj	52,455.19
4	DIMP-Distribution Integrity	FP1734629	17	3914 Cross Creek Rd	3,904.77
5	DIMP-Distribution Integrity	FP1734408	17	3rd and Hart Station Valves	2.73
6	DIMP-Distribution Integrity	FP1734421	17	4th Ave South Insertion	702.95
7	DIMP-Distribution Integrity	FP1734653	17	Blue Hole Rd HDD	337,872.96
8	DIMP-Distribution Integrity	FP1734414	17	Dreamland Drive Greenbrier Tn.	2,865.61
9	DIMP-Distribution Integrity	FP1734592	17	Elm Hill Pk Ext	47,677.56
10	DIMP-Distribution Integrity	FP1734480	17	Emergency Nesbit Ln	4,935.75
11	DIMP-Distribution Integrity	FP1734569	17	Enviro Science DIMP Project	4,474.62
12	DIMP-Distribution Integrity	FP1733767	17	Fesslers LN	82,968.95
13	DIMP-Distribution Integrity	FP1734415	17	Foster Ave	118,556.93
14	DIMP-Distribution Integrity	FP1734647	17	Grassmere Park Road	65,564.27
15	DIMP-Distribution Integrity	FP1733763	17	Harding Place	102,075.52
16	DIMP-Distribution Integrity	FP1734411	17	Knapp Blvd	102.53
17	DIMP-Distribution Integrity	FP1734422	17	Lynwood Blvd / Tyne Blvd _ DIM	81,466.46
18	DIMP-Distribution Integrity	FP1734413	17	McMurray Blvd Royal Elm Circle	2,259.37
19	DIMP-Distribution Integrity	FP1734431	17	Murfreesboro Road at ForestVie	998.36
20	DIMP-Distribution Integrity	FP1733947	17	Nolensville Rd. Over RR S of I-440	1,176.86
21	DIMP-Distribution Integrity	FP1733768	17	Raymond ST	68,363.71
22	DIMP-Distribution Integrity	FP1734417	17	Rayon Drive Renewal	37,303.71
23	DIMP-Distribution Integrity	FP1734656	17	Richard Jones Rd @ Hillsboro P	101,667.60
24	DIMP-Distribution Integrity	FP1734419	17	Rosedale Ave	6,432.94
25	DIMP-Distribution Integrity	FP1734416	17	Sadler Ave and Fox Ave	70,570.02
26	DIMP-Distribution Integrity	FP1733931	17	Shelby Park RR Bridge Project	1,799,642.60
27	DIMP-Distribution Integrity	FP1733764	17	Sunnyside Drive	1.85
28	DIMP-Distribution Integrity	FP1734418	17	Turner St Renewal	8,406.20
29	DIMP-Distribution Integrity	FP1734412	17	Vine Ridge Drive	59,968.46
30	TIMP-Transmission Integrity	FP1734119	17	Line 307 Replacement	3,022,638.83
31	TIMP-Transmission Integrity	FP1734120	17	Line 311 Replacement	80,105.62
32	TIMP-Transmission Integrity	FP1733398	17	South Nashville 20"	29,067.65
33	TIMP-Transmission Integrity	FP1733929	17	White Bridge Road @ Post Rd. r	102.42
34	ISENP-Information Serv Enterprise	FP0026658	17	Work & Asset Management (OASIS)	1,468,126.26

Total (unallocated)

\$ 7,690,140.87

35 subtotal: TN Direct (unallocated)

\$ 6,222,014.61

36 subtotal: CO-3 (unallocated)

\$ 1,468,126.26

\$ 7,690,140.87

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 3

Schedule Detailing the Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Deferred Account Balance

Amount Due From (To) Customers per GL Account No. 25351

<u>Line No.</u>			<u>Jul-17</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ 5,968,422.37
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	769,291.10
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(698,262.51)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	6,039,450.96
5	Average Balance	<i>(Line 1 + Line 4) / 2</i>	6,003,936.67
6	Accrued Interest	<i>Line 5 * Line 9</i>	19,812.99
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ 6,059,263.95
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.039600
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.003300
10	Actual GL #25351 EOM Balance	<i>per GL</i>	\$ 6,059,263.95
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue

01 01 25351 3 17 6250 489	769,291.10
01 01 48010 3 17 6220 489	(458,835.98)
01 01 48110 3 17 6220 489	(240,018.82)
01 01 48120 3 17 6220 489	(10,377.74)
01 01 48300 3 17 6220 489	(215.40)
01 01 48900 3 17 6220 489	(59,843.16)

Journal Entry: To Record Interest

01 01 25351 3 17 6250 626	19,812.99
01 01 43101 3 17 6220 626	(19,812.99)

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 4

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		July - 2017			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.13124		1,969,111	258,426.13
2	Small Commerical (302)	0.11465		1,869,594	214,348.95
3	Medium Commerical (352)	0.11465		584,172	66,975.32
4	Experimental Motor Vehicle Fuel (343/352)	0.11465		6,287	720.80
5	Firm Lg General Sales (303)	0.05092		273,835	13,943.68
6	Experimental Motor Vehicle Fuel (343/303)	0.05092		35,613	1,813.41
7	Firm Lg General Transportation (313)	0.05092		1,055,750	53,758.79
8	Experimental Motor Vehicle Fuel (343/313)	0.05092		126,344	6,433.44
9	Firm Resale (310)	0.05092		121	6.16
10	Interruptible Lg General Sales (304)	0.01273		4,265	54.29
11	Interruptible Lg General Transportation (314)	0.01273		6,424,316	81,781.54
12	Total				\$ 698,262.51

Journal Entry: To Record Collections

01 01 48010 3 17 6220 489	258,426.13
01 01 48110 3 17 6220 489	214,348.95
01 01 48110 3 17 6220 489	67,696.12
01 01 48120 3 17 6220 489	15,757.09
01 01 48900 3 17 6220 489	60,192.23
01 01 48300 3 17 6220 489	6.16
01 01 48120 3 17 6220 489	54.29
01 01 48900 3 17 6220 489	81,781.54
01 01 25351 3 17 6250 489	(698,262.51)

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Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 1

Cumulative Integrity Management Investment Amount
Actual Integrity Management Investment, by Integrity Project Type

		Current Vintage Year: Vintage Year 7		All Vintage Years	
Line No.		September 2019 Capital Expenditure ¹	Prior Cumulative Capital Expenditure ²	Cumulative Capital Expenditure as of September 2019 ³	Cumulative Capital Expenditure as of September 2019 ⁶
<i>TN Direct</i>					
1	Corrosion Control	\$ 76,094.27	\$ 516,986.84	\$ 593,081.11	\$ 7,936,600.09
2	Casing Remediation	\$ -	\$ (4,789.54)	\$ (4,789.54)	\$ 877,274.85
3	Distribution Integrity	\$ 1,140,950.84	\$ 14,080,621.58	\$ 15,221,572.42	\$ 84,333,917.18
4	Transmission Integrity	\$ 922,121.98	\$ 15,505,763.51	\$ 16,427,885.49	\$ 207,062,586.09
5	Total	\$ 2,139,167.09	\$ 30,098,582.39	\$ 32,237,749.48	\$ 300,210,378.21
<i>Joint Property: CO3-State</i>					
6	OASIS Project (Work & Asset Management System)	\$ -	\$ -	\$ -	\$ 133,880,060.70
7	TN % of CO-3 for Current Month ⁴	15.80%			
8	Total Allocated to TN	\$ -	\$ -	\$ -	\$ 23,535,435.31
9	Total Capital Expenditures [Line 5 + Line 8]	\$ 2,139,167.09	\$ 30,098,582.39	\$ 32,237,749.48	\$ 323,745,813.52
10	Less: Amount Included in the Attrition Period ⁵	\$ -	\$ -	\$ -	\$ 32,900,000.00
11	Total Integrity Management Investment	\$ 2,139,167.09	\$ 30,098,582.39	\$ 32,237,749.48	\$ 290,845,813.52

1/ Represents, for the current month, the actual Integrity Management Investment that is subject to this Rider

2/ Represents, as of the prior month, the cumulative Integrity Management Investment for the current Vintage Year that is subject to this Rider; this amount is shown in the prior month's report

3/ Represents, for the current Vintage Year through the current month, the cumulative Integrity Management Investment that is subject to this Rider

4/ Represents the TN% of Total Company Gas Plant Excluding Joint Property , which is updated annually

5/ Amount being recovered in existing base rates, per the Relevant Rate Order in Docket 11-00144

6/ Represents, for all Vintage Years through the current month, the cumulative Integrity Management Investment that is subject to this Rider. The cumulative Integrity Management Investment for Vintage Years 1, 2, 3, 4, 5 and 6, which captures amounts through 10/31/18, is \$258,608,064.04 (\$100,306,282.52 for Vintage Year 1, \$53,974,676.19 for Vintage Year 2, \$18,441,896.09 for Vintage Year 3, \$20,076,717.97 for Vintage Year 4, \$38,244,253.18 for Vintage Year 5 and \$27,564,238.09 for Vintage Year 6).

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 2

Detail of Current Month's Integrity Management Investment Amount
Actual Capital Investment for Current Month, by Capital Funding Project

Line No.	Capital Project Type	Funding Project Number	District	Funding Project Description	September 2019
1	CORR-Corrosion Control	F0228699	17	Nashville Anode Bed	76,094.27
2	DIMP-Distribution Integrity	F0216582	17	Rural Hill Isolation Valve Removal	8,522.44
3	DIMP-Distribution Integrity	F0222727	17	Brick Church Pike to West Trinity	81,186.81
4	DIMP-Distribution Integrity	F0224311	17	Hermitage Pressure Downgrade	436,383.56
5	DIMP-Distribution Integrity	F0224339	17	Greenbrier Main Replacement	17,269.38
6	DIMP-Distribution Integrity	F0224345	17	4934 Whites Creek Pk	3,754.12
7	DIMP-Distribution Integrity	F0224363	17	Maxon Ave Main Replacement	70,918.78
8	DIMP-Distribution Integrity	F0225698	17	Centennial Blvd Main Replacement	3,787.13
9	DIMP-Distribution Integrity	F0226414	17	Line 304 Convert to Dist (Station)	35,730.10
10	DIMP-Distribution Integrity	F0228466	17	Dr. Walter S Davis Valve Removal	7,722.99
11	DIMP-Distribution Integrity	F0229053	17	Culvert Street Creek Bore	7,899.55
12	DIMP-Distribution Integrity	F0229092	17	39th Ave North	12,298.45
13	DIMP-Distribution Integrity	FP1733763	17	Harding Place	17,178.78
14	DIMP-Distribution Integrity	FP1733931	17	Shelby Park RR Bridge Project	541.32
15	DIMP-Distribution Integrity	FP1734401	17	Tallwood Dr. Across Briley Pkwy	95,733.04
16	DIMP-Distribution Integrity	FP1734427	17	Grinstead Place	31,549.15
17	DIMP-Distribution Integrity	FP1734428	17	Broadmoor Drive	128,200.55
18	DIMP-Distribution Integrity	FP1734694	17	Forrest St.	176,992.17
19	DIMP-Distribution Integrity	FP1734695	17	Spence Lane	15.17
20	DIMP-Distribution Integrity	FP1734726	17	Cowan St HP Distribution Pipeline	5,267.35
21	TIMP-Transmission Integrity	F0228443	17	Line ILI Retrofit	58,676.42
22	TIMP-Transmission Integrity	F0229405	17	Line 203 Anomalies ILI Excavations	320,628.72
23	TIMP-Transmission Integrity	F0231014	17	ILI anomaly excavations on Line 307	7.62
24	TIMP-Transmission Integrity	FP1734120	17	Line 431 Replacement	153,353.21
25	TIMP-Transmission Integrity	FP1734142	17	Line 308 Replacement	9,385.09
26	TIMP-Transmission Integrity	FP1734394	17	Line 431 Ph II Land	380,070.92

27	Total (unallocated)				\$ 2,139,167.09
	<i>subtotal: TN Direct (unallocated)</i>				\$ 2,139,167.09
	<i>subtotal: CO-3 (unallocated)</i>				\$ -
					\$ 2,139,167.09

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 3

Schedule Detailing the Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Deferred Account Balance

Amount Due From (To) Customers per GL Account No. 0253139

<u>Line No.</u>			<u>Sep-19</u>
1	Beginning Balance	<i>Prior Month's IMR Report</i>	\$ (6,560,239.87)
2	IMR Revenue Recognition	<i>Prior Annual IMR Report</i>	871,459.90
3	(Collections from IM Adjustment)	<i>see Separate Schedule</i>	(796,930.14)
4	Ending Balance Before Interest	<i>sum Lines 1 thru 3</i>	(6,485,710.11)
5	Average Balance	<i>(Line 1 + Line 4) /2</i>	(6,522,974.99)
6	Accrued Interest	<i>Line 5 * Line 9</i>	(29,894.79)
7	Ending Balance After Interest	<i>Line 4 + Line 6</i>	\$ (6,515,604.90)
8	Applicable Annual Interest Rate	<i>same as for ACA</i>	0.055000
9	Monthly Interest Rate	<i>Line 8 / 12</i>	0.004583
10	Actual GL #0253139 EOM Balance	<i>per GL</i>	\$ (6,515,604.90)
11	Variance	<i>Line 7 - Line 10</i>	\$ -

Journal Entry: To Record Revenue

47136 0253139 GA489 PTOP	871,459.90
47136 0480000 GA489 PTOP 0526 RESVAL	(519,773.54)
47136 0481200 GA489 PTOP 0526 COMSTD	(271,895.49)
47136 0481000 GA489 PTOP 0526 INDSLS	(11,755.99)
47136 0483011 GA489 PTOP 0526 GASRSL	(244.01)
47136 0489000 GA489 PTOP 0526 BOTHRV	(67,790.87)

Journal Entry: To Record Interest

47136 0253139 GA626 PTOP	(29,894.79)
47136 0431150 GA626 PTOP 0526	29,894.79

Piedmont Natural Gas Company, Inc.
Integrity Management Rider
State of Tennessee

Schedule 4

General Ledger Support

Integrity Management Deferred Account Adjustment Recorded for the Month

Calculation of the IM Adjustment Collections:

		Sep-19			
Line No.		IM Adjustment (\$ per therm)	x	Usage (therms)	= Collections (\$)
1	Residential (301)	0.14605		1,957,164	285,843.80
2	Small General Sales (302)	0.12759		1,934,048	246,765.18
3	Medium General Sales (352)	0.12759		665,300	84,885.63
4	Experimental Motor Vehicle Fuel (343/352)	0.12759		3,210	409.56
5	Firm Lg General Sales (303)	0.05667		346,308	19,625.27
6	Experimental Motor Vehicle Fuel (343/303)	0.05667		32,800	1,858.78
7	Firm Lg General Transportation (313)	0.05667		1,045,418	59,243.84
8	Experimental Motor Vehicle Fuel (343/313)	0.05667		147,727	8,371.69
9	Firm Resale (310)	0.05667		762	43.18
10	Interruptible Lg General Sales (304)	0.01417		29,494	417.93
11	Interruptible Lg General Transportation (314)	0.01417		6,313,711	89,465.28
12	Total				\$ 796,930.14

Journal Entry: To Record Collections

47136 0480000 GA489 PTOP 0526 RESVAL	285,843.80
47136 0481200 GA489 PTOP 0526 COMSTD	246,765.18
47136 0481200 GA489 PTOP 0526 COMSTD	85,295.19
47136 0481000 GA489 PTOP 0526 INDSLS	21,484.05
47136 0489000 GA489 PTOP 0526 BOTHRV	67,615.53
47136 0483011 GA489 PTOP 0526 GASRSL	43.18
47136 0481000 GA489 PTOP 0526 INDSLS	417.93
47136 0489000 GA489 PTOP 0526 BOTHRV	89,465.28
47136 0253139 GA489 PTOP	(796,930.14)
	-