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July 2, 2020

**Via Email and U.S. Mail**

Executive Director Earl Taylor  
c/o Ectory Lawless  
Tennessee Public Utility Commission  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

**Re: Piedmont Natural Gas Company, Inc. Petition for an Adjustment of Rates, Charges, and Tariffs Applicable to Service in Tennessee; Docket No.: 20- 00086**

Dear Mr. Taylor:

Enclosed please find for filing the original and four copies of the following documents:

1. Petition;
2. Direct testimony and exhibits of:
  - a. Sasha Weintraub
  - b. John Sullivan
  - c. Brian Weisker
  - d. Pia Powers
  - e. Kally Couzens
  - f. Quynh Bowman
  - g. Dylan D'Ascendis
  - h. Dane Watson
  - i. Paul Normand (Cash Working Capital)
  - j. Paul Normand (Cost of Service)
3. Redline of Revised Tariff included as Exhibit\_(PKP-2) to the testimony of Pia K. Powers;
4. Minimum Filing Guidelines (some of which are being filed under seal); and
5. Proposed Procedural Schedule.

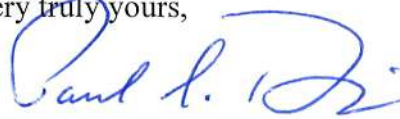
This material is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original and provide a "filed" stamped copy of the same via our office courier.

A courtesy copy of this filing is being provided to the Consumer Advocate and Protection Division of the Office of the Attorney General and Reporter. Please be advised that Piedmont has

reached out to the Consumer Advocate's representatives and is working collaboratively with them on a proposed Protective Order for this proceeding which we hope to file with the Commission shortly.

Please do not hesitate to call me if you have any questions.

Very truly yours,



Paul S. Davidson

PSD:cdg  
Enclosures

cc: David Foster  
Michelle Mairs  
Vance Broemel  
Daniel Whitaker  
Bruce Barkley  
Pia Powers  
James Jeffries  
Melinda McGrath

**Before the  
Tennessee Public Utility Commission**

**Docket No. 20-00086**

**General Rate Case**

**Direct Testimony & Exhibits  
of  
Kally Couzens**

**On Behalf Of  
Piedmont Natural Gas Company, Inc.**

1 **Q. Ms. Couzens, please state your name and business address.**

2 A. My name is Kally Couzens. My business address is 4720 Piedmont Row  
3 Drive, Charlotte, North Carolina.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am employed by Piedmont Natural Gas Company, Inc., (“Piedmont” or “the  
6 Company”) as the Manager of Rates & Regulatory Strategy.

7 **Q. Please describe your educational and professional background.**

8 A. I graduated from the University of South Florida in May of 2001 with a  
9 Bachelor’s Degree in Business Administration. I was employed by TECO  
10 Energy Inc. for six years from 2001 to 2007 as an Analyst in the Strategic and  
11 Financial Analysis department. I was hired by Piedmont as a Business  
12 Development Analyst in December 2007. In 2009, I joined Regulatory  
13 Affairs as a Senior Regulatory Affairs Analyst. In 2016, I was promoted to a  
14 Rates & Regulatory Strategy Manager, and in 2020 I assumed my current  
15 position as the Manager of Rates & Regulatory Strategy.

16 **Q. Have you previously testified before this Commission or any other  
17 regulatory authority?**

18 A. This will be the first time I have submitted testimony before the Tennessee  
19 Public Utility Commission (“TPUC” or “Commission”). I have previously  
20 submitted testimony before the North Carolina Utilities Commission.

21 **Q. What is the purpose of your testimony in this proceeding?**

22 A. My testimony supports the Company’s computation of (i) pro forma revenues  
23 for the sale and transportation of gas based on normalized Attrition Period  
24 throughput, (ii) other pro forma operating revenues, and (iii) proposed rates

1 based on the adoption of the rate design recommended by Piedmont witness  
2 Paul Normand.

3 **Q. Do you have any exhibits as part of your testimony?**

4 A. Yes. The following exhibits are part of my testimony and are attached hereto:

5 Exhibit\_\_(KAC-1) Pro Forma Revenues for the Sale and  
6 Transportation of Gas

7 Exhibit\_\_(KAC-2) Components of Pro Forma Revenues

8 Exhibit\_\_(KAC-3) Present Rates

9 Exhibit\_\_(KAC-4) Proposed Rates

10 Exhibit\_\_(KAC-5) Proposed Allocation of Fixed Gas Costs

11 Exhibit\_\_(KAC-6) Proposed Factors for Weather Normalization  
12 Adjustment

13 **Q. Were these exhibits prepared by you or under your direction?**

14 A. Yes.

15 **Q. What Test Period and Attrition Period did Piedmont utilize in preparing**  
16 **this case?**

17 A. The Test Period is the 12 months ended March 31, 2020. The Attrition Period  
18 for this case is the 12 months ending December 31, 2021.

19 **Pro Forma Revenues for the Sale and Transportation of Gas**

20 **Q. What do the pro forma revenues represent?**

21 A. The computation of pro forma revenues in this rate case represents the  
22 revenues from the sale and transportation of gas that would otherwise occur in  
23 the Attrition Period. For ratemaking, the computation of such pro forma  
24 revenues represents the expected revenues during the Attrition Period from

1 our current base margin rates, the Integrity Management Rider (“IMR”), the  
2 rider for the give-back of unprotected excess Accumulated Deferred Income  
3 Taxes (“ADIT”), and our Purchased Gas Adjustment rider. These pro forma  
4 revenues do not incorporate revenues associated with true-ups on related  
5 deferred accounts, nor do they incorporate the revenues associated with the  
6 rate component for the Incentive Plan Account.<sup>1</sup>

7 The amount of pro forma revenues for the sale and transportation of  
8 gas in this proceeding is \$202,921,922.

9 **Q. Please explain the approach used by Piedmont for the computation of**  
10 **pro forma revenues for the sale and transportation of gas.**

11 A. The starting point for these calculations is actual Test Period number of  
12 customer bills and usage. Column (A) of Exhibit \_\_ (KAC-1) shows the actual  
13 Test Period bills and the sales and transportation volumes by Rate Schedule.  
14 Column (B) shows the adjustment made to normalize the Test Period volumes  
15 to reflect the expected throughput levels under normal weather conditions.  
16 Column (C) shows the results of the adjustments in Column (B) on the actual  
17 volumes shown in Column (A). Column (D) shows the growth factor  
18 adjustment applied to bills and normalized consumption through December  
19 31, 2021. Column (E) shows the resulting total bills and the sales and  
20 transportation levels after adjustments due to normalization and customer  
21 growth. Column (F) shows the current approved rates. These “clean” rates<sup>2</sup>

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1 The related deferred accounts are for the IMR deferred account, the Actual Cost Adjustment (“ACA”) deferred account, and the give-back of over-collected revenues associated with the 2017 Tax Act.

2 “Clean” rates, as applied to billing determinants for the computation of pro forma revenues in Exhibit (KAC-1) are comprised of Piedmont’s current base margin rates, Piedmont’s current cost of gas commodity rates, and Piedmont’s current cost of gas demand rates.

1 were applied to pro forma bills and volumes to compute the pro forma  
2 revenues in Column (G) labeled as Attrition Period Revenues Before  
3 Unprotected Excess ADIT Refund. The rates in Column (H), which are the  
4 sum of the “clean” rates in Column (F) and the current rates used to flow-back  
5 unprotected excess ADIT,<sup>3</sup> were then applied to pro forma bills and volumes  
6 to compute the revenues in Column (I) labeled as Attrition Period Revenues  
7 Including Unprotected Excess ADIT Refund.

8 **Q. How did Piedmont normalize and grow the Test Period billing**  
9 **determinants for the Attrition Period revenue adjustment?**

10 A. In Piedmont’s last general rate case, the Tennessee Regulatory Authority  
11 (“TRA”), the Commission’s predecessor, established normal annual weather  
12 for Piedmont at 3,552.5 heating degree days. This represented the thirty-year  
13 average of heating degree days through the end of the Test Period for that  
14 proceeding. Piedmont has refreshed the computation of normal annual  
15 heating degree days to be 3,423.5 for this rate case, using the thirty-year  
16 average through this Test Period. Piedmont used its standard statistical  
17 regression method of normalizing Test Period customer usage for Residential,  
18 Small General and Medium General Service.<sup>4</sup> Given that the Test Period was  
19 approximately 14% warmer than normal, Piedmont’s normalizing  
20 methodology for Residential, Small General and Medium General Service

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3 Pursuant to Docket No. 18-00040, Piedmont was authorized to flow-back to customers unprotected excess ADIT through a rate decrement included in the Company’s total billing rates. This rate decrement is shown on Exhibit (KAC-2) in Column (H).

4. In this rate case, Piedmont employed the same weather normalization methodology as was previously accepted by this Commission in Docket No. 11-00144.

1 resulted in a normalizing adjustment of approximately 2.1 million dts. See  
2 Column (B) in Exhibit\_(KAC-1).

3 Regarding customer growth, Piedmont currently anticipates its  
4 residential and commercial customer count to collectively grow at a rate of  
5 1.6% per year through 2021. This customer growth rate was used to calculate  
6 the number of Attrition Period bills for Residential, Small General and  
7 Medium General Service. This customer growth rate yields a growth  
8 adjustment of approximately 0.4 million dts for Residential, Small General  
9 and Medium General Service. For Large General Service, Piedmont  
10 anticipates a net increase of one customer between the end of the Test Period  
11 through the Attrition Period. Piedmont also reviewed the Test Period usage  
12 for each Large General Service customer. From that review, Piedmont  
13 identified which customers would likely experience a change in annual usage  
14 compared to the Test Period. Piedmont calculated the growth adjustment for  
15 Large General Service as approximately 0.2 million dts. In total, the Attrition  
16 Period adjustment for growth for all customer classes amounts to  
17 approximately 0.6 million dts. See Column (D) in Exhibit\_(KAC-1).

18 In light of the normalizing and customer growth adjustments described  
19 above, Piedmont expects 2,326,219 customer bills in the Attrition Period  
20 compared to 2,263,006 in the Test Period and normalized annual usage of  
21 34,167,792 dts in the Attrition Period compared to 31,412,310 dts in the Test  
22 Period.. These amounts are shown on Exhibit\_(KAC-1), lines 126 and 128.



1 **Q. How are the Attrition Period billing determinants used in the**  
2 **computation of pro forma revenues for the sale and transportation of**  
3 **gas?**

4 A. The growth adjustment in Column (D) of Exhibit\_(KAC-1) is applied to the  
5 Test Period annual bills from Column (A) and the normalized volumes in  
6 Column (C) to derive the pro forma billing determinants shown in Column  
7 (E). These quantities are then priced out at our existing “clean” approved  
8 rates, which are shown in Column (F). The results are shown in Column (G)  
9 labeled as Attrition Period Revenues Before Unprotected Excess ADIT  
10 Refund, and include the projected IMR Attrition Period revenue requirement.  
11 The revenues in Column (I) layer in the refund revenues associated with the  
12 unprotected excess ADIT decrement. The resulting Attrition Period revenues  
13 totaling \$202,921,922 shown in Column (I), line 129 are used in the  
14 computation of the revenue deficiency analysis for this proceeding.

15 **Q. Are IMR revenues incorporated in the pro forma revenues shown in**  
16 **Column (I) of Exhibit\_(KAC-1)?**

17 A. Yes. The revenues in Column (I) were computed using a projected IMR  
18 revenue requirement incorporating a projection of integrity management  
19 investments through October 31, 2020. A projected IMR revenue requirement  
20 was incorporated in the pro forma revenue computation instead of the existing  
21 approved IMR revenue requirement, in order to achieve an accurate  
22 representation of Attrition Period revenues.

23 **Q. Please summarize the Company’s computation of pro forma revenues for**  
24 **the sale and transportation of gas.**

A. In summary, the pro forma revenues for the sale and transportation of gas can be delineated into five categories. Base margin revenues, IMR margin revenues, cost of gas (“COG”) demand revenues, COG commodity revenues, and unprotected excess ADIT refund revenues. Exhibit\_\_(KAC-2) provides the breakdown of total pro forma revenues by these categories by rate schedule. Exhibit\_\_(KAC-2), shows pro forma revenues by category as follows:

**Table 1**

<b>Revenue Category</b>	<b>Pro forma Amount</b>	<b>Reference</b>
Base Margin Revenues	\$114,929,817	Exhibit_(KAC-2) Line 130, Column (C)
IMR Margin Revenues	\$35,853,030	Exhibit_(KAC-2) Line 131, Column (C)
COG Demand Revenues	\$18,067,420	Exhibit_(KAC-2) Line 129, Column (E)
COG Commodity Revenues	\$43,404,841	Exhibit_(KAC-2) Line 129, Column (G)
Unprotected Excess ADIT Refund	(\$9,333,186)	Exhibit_(KAC-2) Line 129, Column (I)
<b>Total</b>	<b>\$202,921,922</b>	<b>Exhibit_(KAC-1) Line 129, Column (I)</b>

As shown in Exhibit\_(QPB-7) of Piedmont witness Bowman’s testimony, this pro forma amount is approximately \$1.6 million less than the per books Test Period revenues for the sale and transportation of gas. The primary reason the actual Test Period revenues are higher than the Attrition Period revenues is due to the difference in the cost of gas rates in effect during each month of the Test Period compared to the cost of gas rates used in the computation of the

1 Attrition Period. Also, the Attrition Period includes more refund revenues for  
2 the unprotected excess ADIT give-back than the Test Period due to the  
3 normalization and annualization of the billing determinants discussed earlier  
4 in my testimony.

5 **Q. Do the figures and calculations shown in Exhibit\_\_(KAC-1) and**  
6 **Exhibit\_\_(KAC-2) accurately represent Piedmont's normalized and**  
7 **adjusted pro forma volumes and revenues for gas sales and**  
8 **transportation for ratemaking purposes in this docket?**

9 A. Yes.

10 **Other Revenues**

11 **Q. Please explain your pro forma revenue calculations for other operating**  
12 **revenues.**

13 A. My starting point for these calculations is Actual Test period per books other  
14 operating revenues, which amounted to \$668,536. This amount largely  
15 consists of rental revenue from gas properties, customer cash-outs for the cost  
16 of gas and other miscellaneous revenue. I made accounting and pro forma  
17 adjustments to bring this amount to the appropriate going-level amount of  
18 \$303,294 for rate making purposes in the proceeding.

19 **Q. Please explain your pro forma revenue calculations for forfeited**  
20 **discounts.**

21 A. Piedmont is currently authorized to render gross billing charges to customers  
22 when the Company does not receive payment within twelve days from the  
23 time the bill is rendered. The gross charges or forfeited discounts recorded on  
24 the books for the Test Period amounted to \$1,474,734. The first adjustment

1 made to this Test Period number was based on an evaluation of events that  
2 occurred during the Test Period. In March 2020, Piedmont suspended, with  
3 TPUC approval, the application of gross billing charges considering the  
4 severe tornados that struck the Nashville area and then subsequently the  
5 pandemic outbreak of novel coronavirus COVID-19. This suspension of  
6 gross billings resulted in a lower than average level of forfeited discount  
7 revenues for the month of March 2020. An adjustment was made to  
8 normalize the level of forfeited discounts in the Attrition Period. The second  
9 adjustment to the pro forma computations was to reflect a decrease in forfeited  
10 discount revenues as a result of the Company's proposed change to increase  
11 by thirteen days the length of time before which the Company assesses the  
12 gross charge on customer bills. This proposed change in billing terms is  
13 discussed in further detail in the testimony of Piedmont witness Pia Powers.  
14 The combination of these adjustments brings the forfeited discount revenues  
15 to the appropriate going-level amount of \$816,982 for rate making purposes in  
16 the proceeding.

17 **Proposed Rates and Rate Design**

18 **Q. What are the rates proposed by the Company in this proceeding?**

19 A. Piedmont's proposed rates are set forth in Exhibit\_\_(KAC-4). These  
20 proposed rates yield a total annual revenue amount of \$232,841,052 for  
21 the sale and transportation of gas. In this rate case, Piedmont is not  
22 proposing any changes to its other operating revenues or forfeited  
23 discounts. Therefore, the total proposed revenues in this rate case is  
24 \$233,961,328. This is an increase of \$29,919,130 from the Company's

1 computation of pro forma revenues in this proceeding. The testimony of  
2 Piedmont witness Bowman supports the derivation of the proposed change  
3 in revenues.

4 **Q. What specific components of revenues is the Company proposing to**  
5 **change?**

6 A. Piedmont is proposing an increase to the margin component of revenues.  
7 The total proposed revenue for gas sales and transportation by revenue  
8 category is as follows:

9 **Table 2**

<b>Revenue Category</b>	<b>Proposed Amount</b>	<b>Increase / (Decrease) from Pro Forma Amount</b>
Base Margin Revenues	\$180,701,977	\$29,919,130
IMR Margin Revenues	\$0	\$0
COG Demand Revenues	\$18,067,420	\$0
COG Commodity Revenues	\$43,404,841	\$0
Unprotected Excess ADIT Refund	(\$9,333,186)	\$0
<b>Total Proposed Revenues</b>	<b>\$232,841,052</b>	<b>\$29,919,130</b>

10  
11 **Q. What rate design is Piedmont proposing in this proceeding?**

12 A. We propose to use the same overall rate design, which includes fixed  
13 monthly charges and volumetric rates for each rate schedule (step rates for  
14 Large General Service). This is the same rate design methodology that  
15 was approved by the TRA in Piedmont's last general rate case proceeding  
16 in 2011.

1 **Q. Does this mean that the rates will remain the same?**

2 A. No. In order to effectuate the proposed \$29.9 million increase in revenues,  
3 Piedmont proposes to change the volumetric billing rates (the rates per  
4 therm) for each Rate Schedule and the monthly fixed charge for Rate  
5 Schedule 352 – Medium General Service.

6 **Q. How did Piedmont determine its approach to rate design in this case?**

7 A. Piedmont's main objective is to design rates that fairly price services to all  
8 customer classes while also providing a fair return to our investors. It is  
9 also critical to design rates that are reflective of conditions in the market  
10 place and which send the correct market signals. Piedmont's fundamental  
11 goal was to remain consistent with the existing rate structure. In looking  
12 at this approach, however, the Company also had to be mindful of not  
13 disproportionately or unfairly burdening one class of customers versus  
14 another class in allocating the proposed rate increase, particularly when  
15 considering the various factors historically used to analyze rates.

16 **Q. Did the Company perform a Cost of Service Study in this proceeding?**

17 A. Yes. Mr. Paul Normand, an outside rate consultant with Management  
18 Applications Consulting, Inc., prepared a class cost of service study for  
19 Piedmont. The results of Mr. Normand's study are reflected in his Cost of  
20 Service and Rate Design testimony and exhibits in this proceeding. His  
21 study generally shows that there are customer class rate of return  
22 inequities primarily related to residential class revenue deficiencies with  
23 resulting revenue subsidies being provided by all the remaining rate  
24 classes. Mr. Normand proposes that the revenue increase requested by the

1 Company in this proceeding be spread over all customer classes with a  
2 higher proportion of the increase going to the residential class. This  
3 approach will generally lead to more equalized rates of return across  
4 customer classes than under existing rates.

5 **Q. Does Mr. Normand recommend any other rate design changes?**

6 A. Yes. Mr. Normand also prepared an analysis of fixed pipeline demand  
7 cost allocations, which he discusses in his Cost of Service and Rate  
8 Design testimony. His recommended class allocation of fixed demand  
9 costs and the associated proposed rates are presented in Exhibit\_(KAC-5).

10 **Q. How do the Company's proposed rates conform to Mr. Normand's**  
11 **recommendations?**

12 A. We adopted Mr. Normand's recommended rate design for proposed  
13 revenues. Piedmont's proposed rate design is reasonable and consistent  
14 with previous rate design proposals approved in prior proceedings before  
15 this Commission and does not unduly burden any of the customer classes.

16 **Q. Can you please summarize the net effects of the rates Piedmont is**  
17 **proposing in this proceeding?**

18 A. Yes. Table 3 below illustrates the sales and transportation pro forma  
19 revenues attributable to each class of our customers, the proposed revenue  
20 change for each such class, the resulting proposed revenues by class, and  
21 the percentage change in revenues to be collected from each class under  
22 the Company's proposed rates. Table 3A illustrates the same information  
23 for the margin portion of sales and transportation revenues.

24

**Table 3**

**Proposed Changes to Operating Revenue for Sales & Transportation**

	<b>Pro Forma Revenue</b>	<b>Proposed Increase</b>	<b>Proposed Revenue</b>	<b>% Change</b>
Residential	\$119,370,830	\$21,678,617	\$141,049,447	18.2%
Small General	\$50,988,502	\$4,573,924	\$55,562,427	9.0%
Medium General	\$15,995,288	\$2,092,430	\$18,087,718	13.1%
Large Firm General	\$11,002,136	\$831,200	\$ 11,833,335	7.6%
Large Interruptible	\$5,258,850	\$750,289	\$ 6,009,138	14.3%
Resale Service	\$47,157	(\$7,172)	\$39,985	(15.2%)
<b>Overall<sup>5</sup></b>	<b>\$202,921,922</b>	<b>\$29,919,288</b>	<b>\$232,841,209</b>	<b>14.7%</b>

**Table 3A**

**Proposed Changes to Margin Portion  
of Operating Revenues for Sales & Transportation**

	<b>Pro Forma Revenue</b>	<b>Proposed Increase</b>	<b>Proposed Revenue</b>	<b>% Change</b>
Residential	\$89,404,673	\$21,359,262	\$110,763,935	23.9%
Small General	\$36,888,924	\$4,725,571	\$41,614,496	12.8%
Medium General	\$10,714,751	\$2,133,349	\$12,848,100	19.9%
Large Firm General	\$7,630,897	\$945,439	\$ 8,576,336	12.4%
Large Interruptible	\$5,857,669	\$750,288	\$ 6,607,957	12.8%
Resale Service	\$26,773	\$5,331	\$32,104	19.9%
<b>Overall<sup>5</sup></b>	<b>\$150,782,847</b>	<b>\$29,919,240</b>	<b>\$180,702,086</b>	<b>19.8%</b>

<sup>5</sup> Due to rate rounding, the sum of the proposed revenues by class yields an immaterial variation from the revenue requirement adjustment in total.



1 **Q. In your opinion, are the revenue increases proposed by the Company**  
2 **in this case equitable and fair to all classes of customers?**

3 A. Yes, the revenue increases proposed are equitable and fair to all rate  
4 classes and are consistent with the revenue recovery approach underlying  
5 our existing rates approved by the TRA in Piedmont's most recent rate  
6 case.

7 **Q. Please explain proposed changes to any other component of the**  
8 **Company's billing rates in Exhibit\_(KAC-4).**

9 A. Piedmont has adopted Mr. Normand's recommended rate design to adjust  
10 base margin rates for the requested revenue increase as well as his rate  
11 design for the COG demand rates. The other rate component that the  
12 Company is proposing to change in this proceeding is related to the IMR.  
13 Since in this proceeding Piedmont is requesting that the new base rates  
14 take effect January 1, 2021 based on an Attrition Period ending December  
15 31, 2021, there is no need for Piedmont to include an IMR revenue  
16 requirement in its "Current IM Adjustment" rate component. The rate that  
17 is being proposed in Exhibit\_(KAC-4) is solely related to the integrity  
18 management deferred account adjustment portion of the total IMR rate. In  
19 Docket No. 19-00107, the Company presented the integrity management  
20 deferred account balance as of October 31, 2019, which reflected a  
21 balance due customers of \$6,248,078.36. The "Current IM Adjustment"  
22 rate component that is being proposed is not designed to recover any  
23 integrity management revenue requirement, but rather only designed to  
24 continue the refund to customers of the \$6,248,078.36 integrity

1 management deferred account balance due customers as of October 31,  
2 2019.

3 **Q. Please explain Exhibit\_(KAC-6) – Proposed Factors for WNA**  
4 **Computations.**

5 A. Piedmont’s Weather Normalization Adjustment (“WNA”) tariff requires a  
6 recalculation of the “R” factors, base load factors and heat sensitive  
7 factors in each general rate case. In this case, we propose to update all of  
8 these factors. The proposed base load and heat factors are the same as  
9 those used to perform the normalization adjustment for the Attrition  
10 Period revenues reflected on Exhibit\_(KAC-1). The “R” factors are the  
11 base margin rates and are used to calculate the WNA billed to Residential  
12 Service, Small General Service and Medium General Service customers.

13 **Q. Does this conclude your testimony?**

14 A. Yes.

# **Exhibit\_(KAC-1)**

Piedmont Natural Gas Company, Inc.  
Tennessee Operations  
Sales and Transportation Pro Forma Revenue Calculation  
Test Period: 12-months ending 3/31/2020  
Attrition Period: 12-months ended 12/31/2021

Exhibit\_(KAC-1)  
Page 1 of 3

Total Pro forma Revenues for the Sale and Transportation of Gas		Test Period	Normalized	Normalized	Growth Adj	Attrition Period	"Clean"	Attrition Period	"Clean"	Attrition Period
Line	Rate Schedule	Actual Billing	Adjustment	Dekatherms	Thru Attrition	Billing	Total	Before Unprotected	Total Rate plus	Revenues
No.		Determinants	(B)	(C)	Period	Determinants	Rate	Excess ADIT Refund	Unprotected Excess	Revenues
		(A)			(D)	(E)	(F)	(G)	ADIT Refund Rate	Including Unprotected
									(H)	Excess ADIT Refund
										(I)
1	<b>301 - Residential Service</b>									
2	Bills - Winter	859,496			20,229	879,725	\$17.45	\$15,351,201	\$17.45	\$15,351,201
3	Bills - Summer	1,184,228			40,446	1,224,674	\$13.45	\$16,471,865	\$13.45	\$16,471,865
4	DTs - Winter	8,666,725	1,174,863	9,841,588	216,698	10,058,287	\$5.6303	\$56,631,171	\$5.2092	\$52,395,627
5	DTs - Summer	2,554,752	272,324	2,827,076	96,554	2,923,630	\$5.1303	\$14,999,096	\$4.7092	\$13,767,956
6	Integrity Management Rider Revenues							\$21,384,181		\$21,384,181
7	<b>301 / 343 - Residential Service</b>									
8	<b>Motor Vehicle Fuel</b>									
9	Bills - Winter	-			-	-	\$17.45	\$0	\$17.45	\$0
10	Bills - Summer	-			-	-	\$13.45	\$0	\$13.45	\$0
11	DTs - Winter	-	-	-	-	-	\$5.6303	\$0	\$5.2092	\$0
12	DTs - Summer	-	-	-	-	-	\$5.1303	\$0	\$4.7092	\$0
13	<b>TOTAL RESIDENTIAL SERVICE</b>									
14	Bills - Annual	2,043,724			60,675	2,104,399				
15	DTs - Winter	8,666,725	1,174,863	9,841,588	216,698	10,058,287				
16	DTs - Summer	2,554,752	272,324	2,827,076	96,554	2,923,630				
17	DTs - Annual	11,221,477	1,447,187	12,668,664	313,252	12,981,916				
18	Revenues							\$124,837,515		\$119,370,830
19	<b>302 - Small General Service</b>	210,508								
20	Bills - Annual				2,297	212,805	\$44.00	\$9,363,420	\$44.00	\$9,363,420
21	DTs - Winter	3,629,276	412,102	4,041,377	40,252	4,081,629	\$6.0081	\$24,522,835	\$5.6403	\$23,021,612
22	DTs - Summer	1,786,045	83,830	1,869,874	18,846	1,888,721	\$5.4681	\$10,327,714	\$5.1003	\$9,633,042
23	Integrity Management Rider Revenues							\$8,970,428		\$8,970,428
24	<b>302 / 343 - Small General Service</b>									
25	<b>Motor Vehicle Fuel</b>									
26	Bills - Annual	-			-	-	\$44.00	-	\$44.00	-
27	DTs - Winter	-	-	-	-	-	\$6.0081	-	\$5.6403	-
28	DTs - Summer	-	-	-	-	-	\$5.4681	-	\$5.1003	-
29	<b>352 - Medium General Service</b>									
30	Bills - Annual	6,579			229	6,808	\$225.00	\$1,531,800	\$225.00	\$1,531,800
31	DTs - Winter	1,388,403	158,335	1,546,738	10,034	1,556,772	\$6.0081	\$9,353,242	\$5.6403	\$8,780,662
32	DTs - Summer	582,753	35,695	618,447	58,277	676,724	\$5.4681	\$3,700,393	\$5.1003	\$3,451,494
33	Integrity Management Rider Revenues							\$2,215,717		\$2,215,717
34	<b>352 / 343 - Medium General Service</b>									
35	<b>Motor Vehicle Fuel</b>									
36	Bills - Annual	12			-	12	\$225.00	\$2,700	\$225.00	\$2,700
37	DTs - Winter	268	-	268	-	268	\$6.0081	\$1,612	\$5.6403	\$1,513
38	DTs - Summer	2,236	-	2,236	-	2,236	\$5.4681	\$12,224	\$5.1003	\$11,402
39	<b>TOTAL SMALL &amp; MEDIUM GENERAL SERVICE</b>									
40	Bills - Annual	217,099			2,526	219,625				
41	DTs - Winter	5,017,947	570,437	5,588,383	50,286	5,638,669				
42	DTs - Summer	2,371,033	119,525	2,490,557	77,123	2,567,680				
43	DTs - Annual	7,388,979	689,961	8,078,940	127,409	8,206,349				
44	Revenues							\$70,002,085		\$66,983,790

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Sales and Transportation Pro Forma Revenue Calculation**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

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**Total Pro forma Revenues for the Sale and Transportation of Gas**

Line No.	Rate Schedule	Test Period Actual Billing Determinants (A)	Normalized Adjustment (B)	Normalized Dekatherms (C)	Growth Adj Thru Attrition Period (D)	Attrition Period Billing Determinants (E)	"Clean" Total Rate (F)	Attrition Period Revenues Before Unprotected Excess ADIT Refund (G)	"Clean" Total Rate plus Unprotected Excess ADIT Refund Rate (H)	Attrition Period Revenues Including Unprotected Excess ADIT Refund (I)
45	<b>303 - Large General Sales Service</b>									
46	Bills - Annual	607			-	607	\$800.00	\$485,600	\$800.00	\$485,600
47	DTs - Demand	79,641		79,641	598	80,238	\$16.2829	\$1,306,509	\$16.2829	\$1,306,509
48	DTs - First 1,500	548,791	-	548,791	8,928	557,719	\$2.8912	\$1,612,478	\$2.8227	\$1,574,274
49	DTs - Next 2,500	192,787	-	192,787	24,938	217,725	\$2.8183	\$613,613	\$2.7498	\$598,699
50	DTs - Next 5,000	5,263	-	5,263	3,500	8,763	\$2.5680	\$22,504	\$2.4995	\$21,904
51	DTs - Over 9,000	-	-	-	-	-	\$2.1994	\$0	\$2.1309	\$0
52	Integrity Management Rider Revenues							\$478,997		\$478,997
53	Minimum Margin Agreement Revenues							\$13,505		\$13,505
54	<b>303 / 343 - Large General Sales Service</b>									
55	<b>Motor Vehicle Fuel</b>									
56	Bills - Annual	12			-	12	\$800.00	\$9,600	\$800.00	\$9,600
57	DTs - Demand	1,448		1,448	(728)	720	\$16.2829	\$11,724	\$16.2829	\$11,724
58	DTs - First 1,500	18,000	-	18,000	(5,054)	12,946	\$2.8912	\$37,430	\$2.8227	\$36,543
59	DTs - Next 2,500	20,878	-	20,878	(20,878)	0	\$2.8183	\$0	\$2.7498	\$0
60	DTs - Next 5,000	-	-	-	-	-	\$2.5680	\$0	\$2.4995	\$0
61	DTs - Over 9,000	-	-	-	-	-	\$2.1994	\$0	\$2.1309	\$0
62	<b>304 - Interruptible General Sales Service</b>									
63	Bills - Annual	24			-	24	\$800.00	\$19,200	\$800.00	\$19,200
64	DTs - First 1,500	18,010	-	18,010	-	18,010	\$2.8912	\$52,069	\$2.8227	\$50,835
65	DTs - Next 2,500	7,384	-	7,384	-	7,384	\$2.8183	\$20,811	\$2.7498	\$20,305
66	DTs - Next 5,000	-	-	-	-	-	\$2.5680	\$0	\$2.4995	\$0
67	DTs - Over 9,000	-	-	-	-	-	\$2.1994	\$0	\$2.1309	\$0
68	Integrity Management Rider Revenues							\$4,661		\$4,661
69	<b>304 / 343 - Interruptible General Sales Service</b>									
70	<b>Motor Vehicle Fuel</b>									
71	Bills - Annual	-			-	-	\$800.00	\$0	\$800.00	\$0
72	DTs - First 1,500	-	-	-	-	-	\$2.8912	\$0	\$2.8227	\$0
73	DTs - Next 2,500	-	-	-	-	-	\$2.8183	\$0	\$2.7498	\$0
74	DTs - Next 5,000	-	-	-	-	-	\$2.5680	\$0	\$2.4995	\$0
75	DTs - Over 9,000	-	-	-	-	-	\$2.1994	\$0	\$2.1309	\$0
76	<b>313 - Firm Transportation Service</b>									
77	Bills - Annual	892			-	892	\$800.00	\$713,600	\$800.00	\$713,600
78	DTs - Demand	150,547		150,547	-	150,547	\$16.2829	\$2,451,347	\$16.2829	\$2,451,347
79	DTs - First 1,500	1,021,090	-	1,021,090	-	1,021,090	\$0.9195	\$938,892	\$0.8510	\$868,947
80	DTs - Next 2,500	603,062	-	603,062	-	603,062	\$0.8466	\$510,552	\$0.7781	\$469,243
81	DTs - Next 5,000	245,047	-	245,047	-	245,047	\$0.5963	\$146,121	\$0.5278	\$129,336
82	DTs - Over 9,000	26,964	-	26,964	-	26,964	\$0.2277	\$6,140	\$0.1592	\$4,293
83	Integrity Management Rider Revenues							\$1,284,614		\$1,284,614
84	Minimum Margin Agreement Revenues							238,800		238,800
85	<b>313 / 343 - Firm Transportation Service</b>									
86	<b>Motor Vehicle Fuel</b>									
87	Bills - Annual	24			12	36	\$800.00	\$28,800	\$800.00	\$28,800
88	DTs - Demand	8,915		8,915	819	9,734	\$16.2829	\$158,498	\$16.2829	\$158,498
89	DTs - First 1,500	27,944	-	27,944	26,056	54,000	\$0.9195	\$49,653	\$0.8510	\$45,954
90	DTs - Next 2,500	30,000	-	30,000	10,200	40,200	\$0.8466	\$34,033	\$0.7781	\$31,280
91	DTs - Next 5,000	60,000	-	60,000	-	60,000	\$0.5963	\$35,778	\$0.5278	\$31,668
92	DTs - Over 9,000	52,780	-	52,780	-	52,780	\$0.2277	\$12,018	\$0.1592	\$8,403

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Sales and Transportation Pro Forma Revenue Calculation**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

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<b>Total Pro forma Revenues for the Sale and Transportation of Gas</b>										
Line No.	Rate Schedule	Test Period Actual Billing Determinants (A)	Normalized Adjustment (B)	Normalized Dekatherms (C)	Growth Adj Thru Attrition Period (D)	Attrition Period Billing Determinants (E)	"Clean" Total Rate (F)	Attrition Period Revenues Before Unprotected Excess ADIT Refund (G)	"Clean" Total Rate plus Unprotected Excess ADIT Refund Rate (H)	Attrition Period Revenues Including Unprotected Excess ADIT Refund (I)
93	<b>314 - Interruptible Transportation Service</b>									
94	Bills - Annual	588			-	588	\$800.00	\$470,400	\$800.00	\$470,400
95	DTs - First 1,500	828,004	-	828,004	-	828,004	\$0.9195	\$761,349	\$0.8510	\$704,631
96	DTs - Next 2,500	1,092,995	-	1,092,995	-	1,092,995	\$0.8466	\$925,330	\$0.7781	\$850,460
97	DTs - Next 5,000	1,156,793	-	1,156,793	25,405	1,182,198.0	\$0.5963	\$704,945	\$0.5278	\$623,964
98	DTs - Over 9,000	6,239,649	-	6,239,649	104,577	6,344,226	\$0.2277	\$1,444,580	\$0.1592	\$1,010,001
99	Integrity Management Rider Revenues							\$1,504,393		\$1,504,393
100	<b>314 / 343 - Interruptible Transportation Service</b>									
101	<b>Motor Vehicle Fuel</b>									
102	Bills - Annual	-			-	-	\$800.00	\$0	\$800.00	\$0
103	DTs - First 1,500	-	-	-	-	-	\$0.9195	\$0	\$0.8510	\$0
104	DTs - Next 2,500	-	-	-	-	-	\$0.8466	\$0	\$0.7781	\$0
105	DTs - Next 5,000	-	-	-	-	-	\$0.5963	\$0	\$0.5278	\$0
106	DTs - Over 9,000	-	-	-	-	-	\$0.2277	\$0	\$0.1592	\$0
107	<b>310 - Resale Service</b>									
108	Bills - Annual	24				24				
109	DTs - Demand	1,800	-	1,800	-	1,800	\$16.2829	\$29,309	\$16.2829	\$29,309
110	DTs - Annual	3,105	-	3,105	-	3,105	\$2.7235	\$8,456	\$2.5149	\$7,809
111	Integrity Management Rider Revenues							\$10,039		\$10,039
112	<b>310 / 343- Resale Service</b>									
113	<b>Motor Vehicle Fuel</b>									
114	Bills - Annual									
115	DTs - Demand	-	-	-	-	-	\$16.2829	\$0	\$16.2829	\$0
116	DTs - Annual	-	-	-	-	-	\$2.7235	\$0	\$2.5149	\$0
117	<b>TOTAL TARIFF LARGE VOLUME</b>									
118	Bills - Annual	2,171	-	-	12	2,183				
119	DTs - Demand	242,351	-	242,351	689	243,039				
120	DTs - Annual	12,198,543	-	12,198,543	177,673	12,376,216				
121	Revenues							\$17,156,348		\$16,308,142
122	<b>Special Contracts</b>									
123	Bills - Annual	12				12				
124	DTs - Annual	603,311	-	603,311	-	603,311		\$259,159		\$259,159
125	<b>GRAND TOTAL - ALL TARIFF &amp; SPECIAL CONTRACT</b>									
126	Bills - Annual	2,263,006	0	0	63,213	2,326,219				
127	DTs - Demand	242,351	0	242,351	689	243,039				
128	DTs - Annual	31,412,310	2,137,148	33,549,459	618,334	34,167,792				
129	Revenues							\$212,255,107		\$202,921,922
130	<b>SALES AND TRANSPORTATION</b>	<i>Dts</i>	<i>Dts</i>	<i>Dts</i>	<i>Dts</i>	<i>Dts</i>				
131	Total Sales	19,424,673	2,137,148	21,561,822	452,096	22,013,917		199,576,105		191,034,133
132	Total Transportation	11,987,637	0	11,987,637	166,238	12,153,875		12,679,002		11,887,788
133	Total Annual	31,412,310	2,137,148	33,549,459	618,334	34,167,792		\$212,255,107		\$202,921,922

# **Exhibit\_(KAC-2)**

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Sales and Transportation Pro Forma Revenue Calculation**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

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Components of Pro forma Revenues		Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period
		Billing	Base Margin	Margin	COG Demand	COG Demand	COG Commodity	COG Commodity	Unprotected Excess	Unprotected Excess
		Determinants	Rate Component	Revenues	Rate Component	Revenues	Rate Component	Revenues	ADIT Refund	ADIT Refund
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Line No.	Rate Schedule									
1	<b>301 - Residential Service</b>									
2	Bills - Winter	879,725	\$17.45	\$15,351,201						
3	Bills - Summer	1,224,674	\$13.45	\$16,471,865						
4	DTs - Winter	10,058,287	\$2.9009	\$29,178,084	\$0.7577	\$7,621,164	\$1.9717	\$19,831,924	(\$0.4211)	(\$4,235,544)
5	DTs - Summer	2,923,630	\$2.4009	\$7,019,342	\$0.7577	\$2,215,234	\$1.9717	\$5,764,520	(\$0.4211)	(\$1,231,140)
6	Integrity Management Rider Revenues			\$21,384,181						
7	<b>301 / 343 - Residential Service</b>									
8	<b>Motor Vehicle Fuel</b>									
9	Bills - Winter	-	\$17.45	\$0						
10	Bills - Summer	-	\$13.45	\$0						
11	DTs - Winter	-	\$2.9009	\$0	\$0.7577	\$0	\$1.9717	\$0	(\$0.4211)	\$0
12	DTs - Summer	-	\$2.4009	\$0	\$0.7577	\$0	\$1.9717	\$0	(\$0.4211)	\$0
13	<b><u>TOTAL RESIDENTIAL SERVICE</u></b>									
14	Bills - Annual	2,104,399								
15	DTs - Winter	10,058,287								
16	DTs - Summer	2,923,630								
17	DTs - Annual	12,981,916								
18	Revenues			\$89,404,673		\$9,836,398		\$25,596,444		(\$5,466,685)
19	<b>302 - Small General Service</b>									
20	Bills - Annual	212,805	\$44.00	\$9,363,420						
21	DTs - Winter	4,081,629	\$3.2787	\$13,382,437	\$0.7577	\$3,092,650	\$1.9717	\$8,047,748	(\$0.3678)	(\$1,501,223)
22	DTs - Summer	1,888,721	\$2.7387	\$5,172,639	\$0.7577	\$1,431,084	\$1.9717	\$3,723,991	(\$0.3678)	(\$694,671)
23	Integrity Management Rider Revenues			\$8,970,428						
24	<b>302 / 343 - Small General Service</b>									
25	<b>Motor Vehicle Fuel</b>									
26	Bills - Annual	-	\$44.00	-						
27	DTs - Winter	-	\$3.2787	-	\$0.7577	-	\$1.9717	-	(\$0.3678)	\$0
28	DTs - Summer	-	\$2.7387	-	\$0.7577	-	\$1.9717	-	(\$0.3678)	\$0
29	<b>352 - Medium General Service</b>									
30	Bills - Annual	6,808	\$225.00	\$1,531,800						
31	DTs - Winter	1,556,772	\$3.2787	\$5,104,189	\$0.7577	\$1,179,566	\$1.9717	\$3,069,488	(\$0.3678)	(\$572,581)
32	DTs - Summer	676,724	\$2.7387	\$1,853,343	\$0.7577	\$512,754	\$1.9717	\$1,334,296	(\$0.3678)	(\$248,899)
33	Integrity Management Rider Revenues			\$2,215,717						
34	<b>352 / 343 - Medium General Service</b>									
35	<b>Motor Vehicle Fuel</b>									
36	Bills - Annual	12	\$225.00	\$2,700						
37	DTs - Winter	268	\$3.2787	\$880	\$0.7577	\$203	\$1.9717	\$529	(\$0.3678)	(\$99)
38	DTs - Summer	2,236	\$2.7387	\$6,122	\$0.7577	\$1,694	\$1.9717	\$4,408	(\$0.3678)	(\$822)
39	<b><u>TOTAL SMALL &amp; MEDIUM GENERAL SERVICE</u></b>									
40	Bills - Annual	219,625								
41	DTs - Winter	5,638,669								
42	DTs - Summer	2,567,680								
43	DTs - Annual	8,206,349								
44	Revenues			\$47,603,676		\$6,217,951		\$16,180,459		(\$3,018,295)



**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Sales and Transportation Pro Forma Revenue Calculation**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

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Components of Pro forma Revenues		Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period
Line No.	Rate Schedule	Billing Determinants (A)	Base Margin Rate Component (B)	Margin Revenues (C)	COG Demand Rate Component (D)	COG Demand Revenues (E)	COG Commodity Rate Component (F)	COG Commodity Revenues (G)	Unprotected Excess ADIT Refund Rate Component (H)	Unprotected Excess ADIT Refund Revenues (I)
45	<b>303 - Large General Sales Service</b>									
46	Bills - Annual	607	\$800.00	\$485,600						
47	DTs - Demand	80,238	\$8.0000	\$641,905	8.28290	\$664,604				
48	DTs - First 1,500	557,719	\$0.9195	\$512,823			\$1.9717	\$1,099,655	(\$0.0685)	(\$38,204)
49	DTs - Next 2,500	217,725	\$0.8466	\$184,326			\$1.9717	\$429,288	(\$0.0685)	(\$14,914)
50	DTs - Next 5,000	8,763	\$0.5963	\$5,226			\$1.9717	\$17,279	(\$0.0685)	(\$600)
51	DTs - Over 9,000	-	\$0.2277	\$0			\$1.9717	\$0	(\$0.0685)	\$0
52	Integrity Management Rider Revenues			\$478,997						
53	Minimum Margin Agreement Revenues			\$13,505						
54	<b>303 / 343 - Large General Sales Service</b>									
55	<b>Motor Vehicle Fuel</b>									
56	Bills - Annual	12	\$800.00	\$9,600						
57	DTs - Demand	720	\$8.0000	\$5,760	8.28290	\$5,964				
58	DTs - First 1,500	12,946	\$0.9195	\$11,904			\$1.9717	\$25,526	(\$0.0685)	(\$887)
59	DTs - Next 2,500	0	\$0.8466	\$0			\$1.9717	\$0	(\$0.0685)	\$0
60	DTs - Next 5,000	-	\$0.5963	\$0			\$1.9717	\$0	(\$0.0685)	\$0
61	DTs - Over 9,000	-	\$0.2277	\$0			\$1.9717	\$0	(\$0.0685)	\$0
62	<b>304 - Interruptible General Sales Service</b>									
63	Bills - Annual	24	\$800.00	\$19,200						
64	DTs - First 1,500	18,010	\$0.9195	\$16,560			\$1.9717	\$35,509	(\$0.0685)	(\$1,234)
65	DTs - Next 2,500	7,384	\$0.8466	\$6,251			\$1.9717	\$14,559	(\$0.0685)	(\$506)
66	DTs - Next 5,000	-	\$0.5963	\$0			\$1.9717	\$0	(\$0.0685)	\$0
67	DTs - Over 9,000	-	\$0.2277	\$0			\$1.9717	\$0	(\$0.0685)	\$0
68	Integrity Management Rider Revenues			\$4,661						
69	<b>304 / 343 - Interruptible General Sales Service</b>									
70	<b>Motor Vehicle Fuel</b>									
71	Bills - Annual	-	\$800.00	\$0						
72	DTs - First 1,500	-	\$0.9195	\$0			\$1.9717	\$0	(\$0.0685)	\$0
73	DTs - Next 2,500	-	\$0.8466	\$0			\$1.9717	\$0	(\$0.0685)	\$0
74	DTs - Next 5,000	-	\$0.5963	\$0			\$1.9717	\$0	(\$0.0685)	\$0
75	DTs - Over 9,000	-	\$0.2277	\$0			\$1.9717	\$0	(\$0.0685)	\$0
76	<b>313 - Firm Transportation Service</b>									
77	Bills - Annual	892	\$800.00	\$713,600						
78	DTs - Demand	150,547	\$8.0000	\$1,204,378	8.28290	\$1,246,968				
79	DTs - First 1,500	1,021,090	\$0.9195	\$938,892			-	\$0	(\$0.0685)	(\$69,945)
80	DTs - Next 2,500	603,062	\$0.8466	\$510,552			-	\$0	(\$0.0685)	(\$41,310)
81	DTs - Next 5,000	245,047	\$0.5963	\$146,121			-	\$0	(\$0.0685)	(\$16,786)
82	DTs - Over 9,000	26,964	\$0.2277	\$6,140			-	\$0	(\$0.0685)	(\$1,847)
83	Integrity Management Rider Revenues			\$1,284,614						
84	Minimum Margin Agreement Revenues			\$238,800						
85	<b>313 / 343 - Firm Transportation Service</b>									
86	<b>Motor Vehicle Fuel</b>									
87	Bills - Annual	36	\$800.00	\$28,800						
88	DTs - Demand	9,734	\$8.0000	\$77,872	8.28290	\$80,626				
89	DTs - First 1,500	54,000	\$0.9195	\$49,653			-	\$0	(\$0.0685)	(\$3,699)
90	DTs - Next 2,500	40,200	\$0.8466	\$34,033			-	\$0	(\$0.0685)	(\$2,754)
91	DTs - Next 5,000	60,000	\$0.5963	\$35,778			-	\$0	(\$0.0685)	(\$4,110)
92	DTs - Over 9,000	52,780	\$0.2277	\$12,018			-	\$0	(\$0.0685)	(\$3,615)

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Sales and Transportation Pro Forma Revenue Calculation**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

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Components of Pro forma Revenues		Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period	Current	Attrition Period
Line No.	Rate Schedule	Billing Determinants (A)	Base Margin Rate Component (B)	Margin Revenues (C)	COG Demand Rate Component (D)	COG Demand Revenues (E)	COG Commodity Rate Component (F)	COG Commodity Revenues (G)	Unprotected Excess ADIT Refund Rate Component (H)	Unprotected Excess ADIT Refund Revenues (I)
93	<b>314 - Interruptible Transportation Service</b>									
94	Bills - Annual	588	\$800.00	\$470,400						
95	DTs - First 1,500	828,004	\$0.9195	\$761,349			-	\$0	(\$0.0685)	(\$56,718)
96	DTs - Next 2,500	1,092,995	\$0.8466	\$925,330			-	\$0	(\$0.0685)	(\$74,870)
97	DTs - Next 5,000	1,182,198.0	\$0.5963	\$704,945			-	\$0	(\$0.0685)	(\$80,981)
98	DTs - Over 9,000	6,344,226	\$0.2277	\$1,444,580			-	\$0	(\$0.0685)	(\$434,579)
99	Integrity Management Rider Revenues			\$1,504,393						
100	<b>314 / 343 - Interruptible Transportation Service</b>									
101	<b>Motor Vehicle Fuel</b>									
102	Bills - Annual	-	\$800.00	\$0						
103	DTs - First 1,500	-	\$0.9195	\$0			-	\$0	(\$0.0685)	\$0
104	DTs - Next 2,500	-	\$0.8466	\$0			-	\$0	(\$0.0685)	\$0
105	DTs - Next 5,000	-	\$0.5963	\$0			-	\$0	(\$0.0685)	\$0
106	DTs - Over 9,000	-	\$0.2277	\$0			-	\$0	(\$0.0685)	\$0
107	<b>310 - Resale Service</b>									
108	Bills - Annual	24								
109	DTs - Demand	1,800	8.0000	\$14,400	8.2829	\$14,909				
110	DTs - Annual	3,105	0.7518	\$2,334			1.97170	\$6,122	(\$0.2086)	(\$648)
111	Integrity Management Rider Revenues			\$ 10,039						
112	<b>310 / 343- Resale Service</b>									
113	<b>Motor Vehicle Fuel</b>									
114	Bills - Annual	-								
115	DTs - Demand	-	8.0000	\$0	8.2829	\$0				
116	DTs - Annual	-	0.7518	\$0			1.97170	\$0	(\$0.2086)	\$0
117	<b><u>TOTAL TARIFF LARGE VOLUME</u></b>									
118	Bills - Annual	2,183								
119	DTs - Demand	243,039								
120	DTs - Annual	12,376,216								
121	Revenues			\$13,515,339		\$2,013,071		\$1,627,938		(\$848,206)
122	<b>Special Contracts</b>									
123	Bills - Annual	12								
124	DTs - Annual	603,311		\$259,159		0		0		
125	<b><u>GRAND TOTAL - ALL TARIFF &amp; SPECIAL CONTRACT</u></b>									
126	Bills - Annual	2,326,219								
127	DTs - Demand	243,039								
128	DTs - Annual	34,167,792								
129	Revenues			\$150,782,847		\$18,067,420		\$43,404,841		(\$9,333,186)
130	<b>Base Margin Revenues</b>			\$114,929,817						
131	<b>IMR Margin Revenues</b>			\$35,853,030						
132	<b>SALES AND TRANSPORTATION</b>	<i>Dts</i>								
133	Total Sales	22,013,917		139,431,439		16,739,826		43,404,841		(8,541,972)
134	Total Transportation	12,153,875		11,351,408		1,327,594		-		(791,214)
135	Total Annual	34,167,792		\$150,782,847		\$18,067,420		\$43,404,841		(\$9,333,186)

# **Exhibit\_(KAC-3)**

## Sixty-Fifth Revised Sheet No. 1

PIEDMONT NATURAL GAS COMPANY, INC.  
Tennessee Service Territory  
Billing Rates Effective: June 1, 2020

Rate Schedule	Description	Tariff Rate Approved In Docket No. 11-00144 18-00040 <1>	Temporary Decrements Approved in Docket No.18-00040								Total Adj. Factor (Sum Col.2 thru Col.8)	Proposed Billing Rate (Col.1+Col.9)
			-----Cumulative PGA-----		-----Current ACA-----		Current IPA	Current IM Adjustment	Deferred Base Revenue Refund	Unprotected Excess ADIT Refund		
			Demand	Commodity	Demand	Commodity						
			<2>	<3>	<4a>	<4b>						
Residential 301 301	Monthly Charge-Nov.-Mar.	\$17.45										\$17.45
	Monthly Charge-Apr.-Oct.	\$13.45										\$13.45
	Nov.- Mar. per TH	0.29009	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.11730	(0.01958)	(0.04211)	0.31452	0.60461
	Apr.- Oct. per TH	0.24009	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.11730	(0.01958)	(0.04211)	0.31452	0.55461
Small General 302 302	Monthly Charge	\$44.00										\$44.00
	Nov.- Mar. per TH	0.32787	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.10247	(0.01710)	(0.03678)	0.30750	0.63537
	Apr.- Oct. per TH	0.27387	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.10247	(0.01710)	(0.03678)	0.30750	0.58137
Medium General 352 352	Monthly Charge	\$225.00										\$225.00
	Nov.- Mar. per TH	0.32787	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.10247	(0.01710)	(0.03678)	0.30750	0.63537
	Apr.- Oct. per TH	0.27387	0.07577	0.19717	(0.01181)	(0.01044)	0.00822	0.10247	(0.01710)	(0.03678)	0.30750	0.58137
Motor Vehicle Fuel 343 343	Monthly Charge	varies by customer per their corresponding rate schedule										
	Nov.- Mar. per TH	varies by customer per their corresponding rate schedule										
	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	0.82829		(0.18957)						0.63872	1.43872
	First 15,000 TH/TH	0.09195		0.19717		(0.01044)	0.00822	0.04551	(0.00319)	(0.00685)	0.23042	0.32237
	Next 25,000 TH/TH	0.08466		0.19717		(0.01044)	0.00822	0.04551	(0.00319)	(0.00685)	0.23042	0.31508
	Next 50,000 TH/TH	0.05963		0.19717		(0.01044)	0.00822	0.04551	(0.00319)	(0.00685)	0.23042	0.29005
	Over 90,000 TH/TH	0.02277		0.19717		(0.01044)	0.00822	0.04551	(0.00319)	(0.00685)	0.23042	0.25319
304 Interruptible General Sales	Monthly Charge	\$800.00										\$800.00
	First 15,000 TH/TH	0.09195		0.19717		(0.01044)	0.00822	0.01138	(0.00319)	(0.00685)	0.19629	0.28824
	Next 25,000 TH/TH	0.08466		0.19717		(0.01044)	0.00822	0.01138	(0.00319)	(0.00685)	0.19629	0.28095
	Next 50,000 TH/TH	0.05963		0.19717		(0.01044)	0.00822	0.01138	(0.00319)	(0.00685)	0.19629	0.25592
	Over 90,000 TH/TH	0.02277		0.19717		(0.01044)	0.00822	0.01138	(0.00319)	(0.00685)	0.19629	0.21906
313 Firm Transportation	Monthly Charge	\$800.00										\$800.00
	Demand Charge per TH	0.80000	0.82829		(0.18957)						0.63872	1.43872
	First 15,000 TH/TH	0.09195						0.04551	(0.00319)	(0.00685)	0.03547	0.12742
	Next 25,000 TH/TH	0.08466						0.04551	(0.00319)	(0.00685)	0.03547	0.12013
	Next 50,000 TH/TH	0.05963						0.04551	(0.00319)	(0.00685)	0.03547	0.09510
	Over 90,000 TH/TH	0.02277						0.04551	(0.00319)	(0.00685)	0.03547	0.05824
314 Interruptible Transportation	Monthly Charge	\$800.00										\$800.00
	First 15,000 TH/TH	0.09195						0.01138	(0.00319)	(0.00685)	0.00134	0.09329
	Next 25,000 TH/TH	0.08466						0.01138	(0.00319)	(0.00685)	0.00134	0.08600
	Next 50,000 TH/TH	0.05963						0.01138	(0.00319)	(0.00685)	0.00134	0.06097
	Over 90,000 TH/TH	0.02277						0.01138	(0.00319)	(0.00685)	0.00134	0.02411
310 Resale Service	Demand Charge per TH	0.80000	0.82829		(0.18957)						0.63872	1.43872
	Commodity Charge	0.07518		0.19717		(0.01044)	0.00822	0.04551	(0.00970)	(0.02086)	0.20990	0.28508

## NOTES:

In accordance with the Tennessee Public Service Commission order in Docket U-7074 customers metered inside Davidson County are required to pay an additional 6.25% 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%.

# **Exhibit\_(KAC-4)**

## Sixty-Sixth Revised Sheet No. 1

PIEDMONT NATURAL GAS COMPANY, INC.  
Tennessee Service Territory  
Billing Rates Effective: January 1, 2021

Rate Schedule	Description	Tariff Base Rate Approved in Docket No. 20-____	Temporary Decrements Approved in Docket No.18-00040								Total Adj. Factor (Sum Col.2 thru Col.8)	Proposed Billing Rate (Col.1+Col.9)
			-----Cumulative PGA-----		-----Current ACA-----		Current IPA	Current IM Adjustment	Deferred Base	Unprotected		
			Demand	Commodity	Demand	Commodity			Revenue	Excess ADIT		
									Refund	Refund		
<1>	<2>	<3>	<4a>	<4b>	<5>	<6>	<7>	<8>	<9>	<10>		
Residential 301 301	Monthly Charge-Nov.-Mar.	\$17.45									\$17.45	
	Monthly Charge-Apr.-Oct.	\$13.45									\$13.45	
	Nov.- Mar. per TH	0.63264	0.07823	0.19717	(0.01181)	(0.01044)	0.00822	(0.03348)	(0.01958)	(0.04211)	0.16620	0.79884
	Apr.- Oct. per TH	0.52360	0.07823	0.19717	(0.01181)	(0.01044)	0.00822	(0.03348)	(0.01958)	(0.04211)	0.16620	0.68980
Small General 302 302	Monthly Charge	\$44.00									\$44.00	
	Nov.- Mar. per TH	0.56988	0.07323	0.19717	(0.01181)	(0.01044)	0.00822	(0.02925)	(0.01710)	(0.03678)	0.17324	0.74312
	Apr.- Oct. per TH	0.47602	0.07323	0.19717	(0.01181)	(0.01044)	0.00822	(0.02925)	(0.01710)	(0.03678)	0.17324	0.64926
Medium General 352 352	Monthly Charge	\$300.00									\$300.00	
	Nov.- Mar. per TH	0.50853	0.07394	0.19717	(0.01181)	(0.01044)	0.00822	(0.02925)	(0.01710)	(0.03678)	0.17395	0.68248
	Apr.- Oct. per TH	0.42478	0.07394	0.19717	(0.01181)	(0.01044)	0.00822	(0.02925)	(0.01710)	(0.03678)	0.17395	0.59873
Motor Vehicle Fuel 343 343	Monthly Charge	varies by customer per their corresponding rate schedule										
	Nov.- Mar. per TH	varies by customer per their corresponding rate schedule										
	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	1.00000	0.67158		(0.18957)						0.48201	1.48201
	First 15,000 TH/TH	0.17560		0.19717		(0.01044)	0.00822	(0.01299)	(0.00319)	(0.00685)	0.17192	0.34752
	Next 25,000 TH/TH	0.16168		0.19717		(0.01044)	0.00822	(0.01299)	(0.00319)	(0.00685)	0.17192	0.33360
	Next 50,000 TH/TH	0.11388		0.19717		(0.01044)	0.00822	(0.01299)	(0.00319)	(0.00685)	0.17192	0.28580
	Over 90,000 TH/TH	0.04349		0.19717		(0.01044)	0.00822	(0.01299)	(0.00319)	(0.00685)	0.17192	0.21541
304 Interruptible General Sales	Monthly Charge	\$800.00									\$800.00	
	First 15,000 TH/TH	0.14579		0.19717		(0.01044)	0.00822	(0.00325)	(0.00319)	(0.00685)	0.18166	0.32745
	Next 25,000 TH/TH	0.13423		0.19717		(0.01044)	0.00822	(0.00325)	(0.00319)	(0.00685)	0.18166	0.31589
	Next 50,000 TH/TH	0.09454		0.19717		(0.01044)	0.00822	(0.00325)	(0.00319)	(0.00685)	0.18166	0.27620
	Over 90,000 TH/TH	0.03610		0.19717		(0.01044)	0.00822	(0.00325)	(0.00319)	(0.00685)	0.18166	0.21776
313 Firm Transportation	Monthly Charge	\$800.00									\$800.00	
	Demand Charge per TH	1.00000	0.83617		(0.18957)						0.64660	1.64660
	First 15,000 TH/TH	0.17560						(0.01299)	(0.00319)	(0.00685)	(0.02303)	0.15257
	Next 25,000 TH/TH	0.16168						(0.01299)	(0.00319)	(0.00685)	(0.02303)	0.13865
	Next 50,000 TH/TH	0.11388						(0.01299)	(0.00319)	(0.00685)	(0.02303)	0.09085
	Over 90,000 TH/TH	0.04349						(0.01299)	(0.00319)	(0.00685)	(0.02303)	0.02046
314 Interruptible Transportation	Monthly Charge	\$800.00									\$800.00	
	First 15,000 TH/TH	0.14579						(0.00325)	(0.00319)	(0.00685)	(0.01329)	0.13250
	Next 25,000 TH/TH	0.13423						(0.00325)	(0.00319)	(0.00685)	(0.01329)	0.12094
	Next 50,000 TH/TH	0.09454						(0.00325)	(0.00319)	(0.00685)	(0.01329)	0.08125
	Over 90,000 TH/TH	0.03610						(0.00325)	(0.00319)	(0.00685)	(0.01329)	0.02281
310 Resale Service	Demand Charge per TH	0.96000	0.13372		(0.18957)						(0.05585)	0.90415
	Commodity Charge	0.47742		0.19717		(0.01044)	0.00822	(0.01299)	(0.00970)	(0.02086)	0.15140	0.62882

## NOTES:

In accordance with the Tennessee Public Service Commission order in Docket U-7074 customers metered inside Davidson County are required to pay an additional 6.25% 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%.

# **Exhibit\_(KAC-5)**

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

**ALLOCATION OF FIXED GAS COST (COG DEMAND)**

Line No.	(dekatherms) Rate Schedule	(A) Proforma Dekatherms	(B) Billing Demand Dekatherms	(C) Proposed Fixed Gas Cost Rate	(D) Proposed Fixed Gas Cost Revenue	(E) Fixed Gas Cost Allocation Factor
1	<b>301 - Residential Service</b>					
2	DTs - Winter	10,058,287	-	\$0.7823	\$7,868,598	43.55%
3	DTs - Summer	2,923,630	-	\$0.7823	\$2,287,155	12.66%
4	<b>301 / 343 - Residential Service</b>					
5	<b>Motor Vehicle Fuel</b>					
6	DTs - Winter	-	-	\$0.7823	-	-
7	DTs - Summer	-	-	\$0.7823	-	-
8					<b>\$10,155,753</b>	<b>56.21%</b>
9	<b>302 - Small General Service</b>					
10	DTs - Winter	4,081,629	-	\$0.7323	\$2,988,977	16.54%
11	DTs - Summer	1,888,721	-	\$0.7323	\$1,383,110	7.66%
12	<b>302 / 343 - Small General Service</b>					
13	<b>Motor Vehicle Fuel</b>					
14	DTs - Winter	-	-	\$0.7323	-	-
15	DTs - Summer	-	-	\$0.7323	-	-
16					<b>\$4,372,087</b>	<b>24.20%</b>
17	<b>352 - Medium General Service</b>					
18	DTs - Winter	1,556,772	-	\$0.7394	\$1,151,077	6.37%
19	DTs - Summer	676,724	-	\$0.7394	\$500,370	2.77%
20	<b>352 / 343 - Medium General Service</b>					
21	<b>Motor Vehicle Fuel</b>					
22	DTs - Winter	268	-	\$0.7394	\$198	0.00%
23	DTs - Summer	2,236	-	\$0.7394	\$1,653	0.01%
24					<b>\$1,653,298</b>	<b>9.15%</b>
25	<b>303 - Large General Sales Service</b>					
26	DTs - Demand	-	80,238	\$6.7158	\$538,863	2.98%
27	<b>303 / 343 - Large General Sales Service</b>					
28	<b>Motor Vehicle Fuel</b>					
29	DTs - Demand	-	720	\$6.7158	\$4,835	0.03%
30					<b>\$543,698</b>	<b>3.01%</b>
27	<b>304 - Interruptible General Sales Service</b>					
28	DTs - Demand	-	-	-	-	-
29	<b>304 / 343 - Interruptible General Sales Service</b>					
30	<b>Motor Vehicle Fuel</b>					
31	DTs - Demand	-	-	-	-	-
32	<b>313 - Firm Transportation Service</b>					
33	DTs - Demand	-	150,547	\$8.3617	\$1,258,831	6.97%
34	<b>313 / 343 - Firm Transportation Service</b>					
35	<b>Motor Vehicle Fuel</b>					
36	DTs - Demand	-	9,734	\$8.3617	\$81,393	0.45%
37					<b>\$1,340,224</b>	<b>7.42%</b>



**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

**ALLOCATION OF FIXED GAS COST (COG DEMAND)**

Line No.	(dekatherms) Rate Schedule	(A) Proforma Dekatherms	(B) Billing Demand Dekatherms	(C) Proposed Fixed Gas Cost Rate	(D) Proposed Fixed Gas Cost Revenue	(E) Fixed Gas Cost Allocation Factor
38	<b>314 - Interruptible Transportation Service</b>					
39	DTs - Demand	-	-	-	-	-
40	<b>314 / 343 - Interruptible Transportation Service</b>					
41	<b>Motor Vehicle Fuel</b>					
42	DTs - Demand	-	-	-	-	-
43					-	-
44	<b>310 - Resale Service</b>					
45	DTs - Demand	-	1,800	\$1.3372	\$2,407	0.01%
46	<b>310 / 343- Resale Service</b>					
47	<b>Motor Vehicle Fuel</b>					
48	DTs - Demand	-	-	\$1.3372	-	-
49					<b>\$2,407</b>	<b>0.01%</b>
50	<b>TOTAL FIXED GAS COST REVENUE</b>				<b>\$18,067,468</b> <sup>1/</sup>	<b>100.00%</b>

1/ Due to rate rounding, the total yields an immaterial variance from the fixed gas cost revenue component reflected in the revenue requirement.

# **Exhibit\_(KAC-6)**

**Piedmont Natural Gas Company, Inc.**  
**Tennessee Operations**  
**Test Period: 12-months ending 3/31/2020**  
**Attrition Period: 12-months ended 12/31/2021**

**FACTORS FOR WEATHER NORMALIZATION ADJUSTMENT (WNA)**

Line No.	Rate Schedule	(A) November thru March "R" Value (\$ / therm)	(B) October & April "R" Value (\$ / therm)	(C) Heat Sensitive Factor (HSF) (therms / HDD)	(D) Base Load Factor (BL) (therms / mth)
1	<b>301 - Residential Service</b>	0.63264	0.52360	0.17420	11.85981
2	<b>302 - Small General Service</b>	0.56988	0.47602	0.58534	112.36283
3	<b>352 - Medium General Service</b>	0.50853	0.42478	7.18985	1,214.27255
4	<b>Normal Heating Degree Days</b>	<b><u>15 - 15</u></b>			
5	January	749.2			
6	February	779.5			
7	March	521.2			
8	April	306.1			
9	May	99.2			
10	June	13.8			
11	July	-			
12	August	0.1			
13	September	1.3			
14	October	60.4			
15	November	322.5			
16	December	570.2			
17	<b>Winter</b>	<b>2,942.6</b>			
18	<b>Summer</b>	<b>480.9</b>			
19	<b>Annual</b>	<b><u>3,423.5</u></b>			