

IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE

IN RE:)
)
PIEDMONT NATURAL GAS COMPANY,) Docket No. 20-00086
INC. PETITION FOR AN ADJUSTMENT)
OF RATES, CHARGES, AND TARIFFS)
APPLICABLE TO SERVICE IN TENNESSEE)

PETITION TO INTERVENE

Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General (“Consumer Advocate”), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Utility Commission (“TPUC” or “Commission”) to grant the Consumer Advocate’s intervention into this proceeding because consumers’ interests, rights, duties, or privileges may be determined or affected by the *Petition for an Adjustment of Rates, Charges, and Tariffs Applicable to Service in Tennessee* (“*Petition*”) filed by Piedmont Natural Gas Company, Inc. (“Piedmont” or “Company”) in this Docket. For cause, the Consumer Advocate would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utility services by initiating and intervening as a party in any matter or proceeding before TPUC in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101, *et seq.*, and TPUC rules.

2. Piedmont, a subsidiary of Duke Energy Corporation, is a public utility regulated by TPUC and is in the business of transporting, distributing, and selling natural gas to approximately 191,000 residential, commercial, and industrial customers in the State of Tennessee.

3. Piedmont's current base rates were established by this Commission in Docket No. 11-00144. The Consumer Advocate also intervened and participated in that matter. Further, since the conclusion of that rate case, Piedmont filed its request in Docket No. 13-00118 with this Commission to initiate an Integrity Management Rider and to collect approved capital expenditures it incurred on an annual basis. This Integrity Management Rider has been in effect since 2014 and resulted in changes to the rates collected from consumers by Piedmont.

4. Piedmont now seeks in this Docket an increase in revenues from consumers, by its calculation, of approximately \$29.9 million. As part of its proposed calculation, Piedmont seeks approval of a rate of return of 7.10% and a return on common equity of 10.30%.

5. In addition to its proposed adjustment of rates, charges, and tariffs, Piedmont also requests that the Commission establish methodologies in this Docket that can be applied to a future Annual Review of Rates Mechanism ("ARM") pursuant to Tenn. Code Ann. § 65-5-103(d)(6). Therefore, in the future, the Company anticipates filing a docket utilizing the methodologies established in this general rate case to establish an ARM and to adjust rates annually going forward.

6. In support of its request, Piedmont requests that the Commission recognize capital investments it has made that Piedmont purports were necessary to comply with federal pipeline safety and integrity management requirements. The Company further requests that the Commission approve the inclusion of capital investments currently recovered through its Integrity Management Rider in base rates established in this Docket.

7. Also, as part of its filing, Piedmont has included a proposal for new depreciation rates that it seeks this Commission to approve.

8. Piedmont also seeks to make changes to its rate schedules, service schedules, and service regulations "to clean up administrative inconsistencies," "to conform them to practices

utilized by the Company across its multiple jurisdictions,” and “to eliminate certain provisions [that] no longer accurately reflect the manner in which Piedmont conducts its operations.”

9. Piedmont requests a hearing on the merits before the end of this year and seeks to implement these proposed changes by January 1, 2021.

10. The interests of consumers may be affected by determinations and orders made by TPUC with respect to (A) the interpretation, application, and implementation of Tenn. Code Ann. § 65-5-103(a), Tenn. Code Ann. § 65-5-103(d), and other relevant statutory and regulatory provisions; and (B) the review and analysis of the Petitioners’ documentation, financial spreadsheets, and other materials.

11. Only by participating as a party to this proceeding can the Consumer Advocate adequately carry out its statutory duty to represent the interests of Tennessee consumers.

Wherefore, the Consumer Advocate requests TPUC grant this *Petition to Intervene*.

RESPECTFULLY SUBMITTED,



HERBERT H. SLATTERY III
Attorney General and Reporter
State of Tennessee
B.P.R. No. 009077



DANIEL P. WHITAKER III
Assistant Attorney General
B.P.R. No. 035410
Office of the Tennessee Attorney General
Economic and Regulatory Section
Financial Division, Consumer Advocate Unit
P.O. Box 20207
Nashville, Tennessee 37202-0207
Telephone: (615) 532-9299
Facsimile: (615) 532-2910
Email: Daniel.Whitaker@ag.tn.gov

CERTIFICATE OF SERVICE


I hereby certify that a true and correct copy of the foregoing *Petition to Intervene* was served via U.S. Mail or electronic mail upon:

Paul S. Davison, Esq.
Waller Landsden Dortch & Davis, LLP
511 Union Street, Suite 2700
Nashville, TN 37219
paul.davidson@wallerlaw.com

James H. Jeffries IV, Esq.
McGuire Woods LLP
201 North Tryon Street, Suite 3000
Charlotte, NC 28202
jjeffries@mcguirewoods.com

Brian S. Heslin, Esq.
Deputy General Counsel
Duke Energy Corporation
550 S. Tryon Street
Charlotte, NC 28202
brian.heslin@duke-energy.com

This the 30th day of July, 2020.



DANIEL P. WHITAKER III
Assistant Attorney General