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March 31, 2021

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: Petition of Piedmont Natural Gas Company, Inc. for Approval of an Integrity Management Rider ("IMR") to its Approved Rate Schedules and Service Regulations; Docket No. 20-00130

Dear Mr. Taylor:

Pursuant to Ordering Paragraph No. 3 of the Tennessee Public Utility Commission's ("Commission") February 26, 2021 *Order Imposing Conditions and Refund Requirements Regarding Piedmont Natural Gas Company, Inc.'s Intention to Implement New and Temporary Rates Pursuant to Tenn. Code Ann. § 65-5-103(B)* in Docket No. 20-00086, Piedmont implemented new IMR surcharge rates (specifically, rate decrements) effective January 2, 2021. These new IMR surcharge rates were proposed in Piedmont's November 30, 2020 filing in Docket No. 20-00130 and intended to refund the \$6,901,877 IMR deferred account balance due customers as of October 31, 2020. Pursuant to Ordering Paragraph No. 4 of that Order, Piedmont was directed to file, by March 31, 2021, Integrity Management Rider data and balances for the months of November and December 2020. The attached schedules show the requested IMR data and balances for the months of November and December 2020, and additionally provides such information for the months of January and February 2021.

As evident from the information shown in the attached schedules, the IMR deferred account balance has significantly decreased since October 31, 2020. The IMR deferred account balance as of February 28, 2021 is \$2,173,996 due customers. The Company currently projects that the refund of the October 31, 2020 IMR deferred account balance will be materially completed by the end of May 2021. In other words, the Company currently projects that the IMR deferred account balance will be near \$0 by May 31, 2021, and continuation of the current IMR surcharge rates beyond May 31, 2021 will yield an IMR deferred account balance due the Company thereafter.¹

In light of this IMR deferred account projection, Piedmont requests Commission approval to remove the current IMR surcharge rates effective June 1, 2021. The Company proposes that any balance in the IMR deferred account as of May 31, 2021 remain in that interest-bearing account until further disposition ordered by the Commission.

¹ The Company's current IMR deferred account balance projection assumes customer usage in March 2021, April 2021, May 2021 and June 2021 that is aligned with the Attrition Period customer billing determinants for these months in the approved settlement agreement in Docket No. 20-00086.



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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 email to my assistant, at denise.guye@wallerlaw.com.

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

Very truly yours,

A handwritten signature in blue ink, which appears to read 'Paul S. Davidson', is positioned above the printed name.

Paul S. Davidson

PSD:cdg

Enclosure

cc: Daniel Whitaker
Bruce Barkley
Pia Powers
James Jeffries IV