

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION**

**NASHVILLE, TENNESSEE**

**April 29, 2021**

**IN RE:**

**PETITION OF PIEDMONT NATURAL GAS  
COMPANY, INC. FOR APPROVAL OF AN  
INTEGRITY MANAGEMENT RIDER TO ITS  
APPROVED RATE SCHEDULES AND SERVICE  
REGULATIONS**

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**DOCKET NO.  
20-00130**

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**ORDER SUSPENDING IMR SURCHARGE RATE TARIFF  
JUNE 1, 2021 THROUGH SEPTEMBER 1, 2021**

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This matter is before the Hearing Officer appointed by the voting panel of Commissioners of the Tennessee Public Utility Commission (“Commission” or “TPUC”) and designated by General Counsel to administer certain preliminary issues that may arise during the preparation of this matter for hearing before the Commission. On March 31, 2021, pursuant to Ordering Paragraph No. 4 of the *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)* filed in Docket No. 20-00086, Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”) filed its Integrity Management Rider (“IMR”) data and balances for the months of November and December 2020. The schedules filed also provided such information for the months of January and February 2021. According to Piedmont, the IMR deferred account balance schedules show the fund has decreased significantly since October 31, 2020. 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. Piedmont explains that “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.”<sup>1</sup> Because the IMR surcharge rates are projected to result in a balance due to the Company from customers, Piedmont requests Commission approval to remove the current IMR surcharge rates effective June 1, 2021.<sup>2</sup> Piedmont also 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.<sup>3</sup>

Tenn. Code Ann. § 65-5-103(a) permits the Commission, pending a hearing and determination, to suspend any rate increase, change, or alteration for an initial period not to exceed three months from the effective date of such increase, change, or alteration.<sup>4</sup> The Hearing Officer finds that because the Commission’s investigation, hearing, and final determination on Piedmont’s IMR filing has not been completed and continuing the current IMR rates until a final determination on the docket by the Commission will result in a balance due to the Company by ratepayers. Based on these findings, the Hearing Officer concludes it is in the public interest to reset the current IMR surcharge rate to zero as of May 31, 2021 when the balance in the IMR deferred account is close to \$0. Therefore, the Hearing Officer hereby suspends the effectiveness of the tariff beginning June 1, 2021 and continuing through September 1, 2021. In addition, any balance in the IMR deferred account as of May 31, 2021 shall remain in that interest-bearing account until further order of the Commission.

**IT IS THEREFORE ORDERED THAT:**

1. The effective date of the tariff sheet filed by Piedmont Natural Gas Company, Inc. implementing the Integrity Management Rider surcharge rate is hereby suspended beginning June 1, 2021 and shall remain in effect through September 1, 2021, or until further order of the Tennessee Public Utility Commission, whichever occurs sooner.

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<sup>1</sup> Letter Accompanying Piedmont Natural Gas Company’s New IMR Rates Pursuant to the Commission’s February 26, 2021 Order Filed in Docket No. 20-00086, p. 1 (March 31, 2021).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> Tenn. Code Ann. § 65-5-103(a).

2. Any balance in the Integrity Management Rider deferred account as of May 31, 2021 shall remain in that interest-bearing account until further disposition ordered by the Tennessee Public Utility Commission.

3. Consistent with the provisions of this Order, Piedmont Natural Gas Company, Inc. shall file a tariff with the Tennessee Public Utility Commission that reflects the suspension of the Integrity Management Rider surcharge rate.

A handwritten signature in black ink that reads "Monica Smith-Ashford". The script is cursive and fluid.

Monica Smith-Ashford, Hearing Officer