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June 28, 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: Consumer Advocate's Petition to Obtain Information from Piedmont Natural Gas Company, Inc. Pertaining to the Potential Effects of the Price Spikes in February 2021; Docket No. 21-00073

Dear Mr. Taylor:

On June 23, 2021, the Consumer Advocate Unit in the Financial Division of the Office of the Attorney General ("Consumer Advocate") filed a petition in the above-captioned proceeding requesting permission from the Tennessee Public Utility Commission ("TPUC" or the "Commission") to obtain information from Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company") related to natural gas price spikes occurring in February 2021, and the potential effects of those price spikes ("February Price Spikes") on Piedmont and Piedmont's customers ("Petition"). In its Petition, the Consumer Advocate stated that evaluating the requested information will allow the Consumer Advocate to make a determination on whether a possible complaint and/or show cause petition should be filed against Piedmont.

The Consumer Advocate's filing also indicated that Piedmont and the Consumer Advocate had a discussion regarding the Consumer Advocate's original request for information in which Piedmont attempted to answer questions of the Consumer Advocate regarding the February Price Spikes but that Piedmont declined to provide written responses to the information requests. The Consumer Advocate now seeks to establish a docket to compel the production of the requested information.

Piedmont wishes to advise the Commission of its position on this matter so the Commission will have that information available to it when it determines whether to initiate the requested docket.

As an initial matter, Piedmont would note the extraordinary nature of receipt of an information request from the Consumer Advocate occurring in the complete absence of any docketed matter before the Commission. In fact, the original request to Piedmont referenced proposed tariff revisions being made by Chattanooga Gas Company. Piedmont has limited information concerning the specific nature of those tariff proposals and takes no position on them. While Piedmont has frequently participated in informal discovery with the Consumer Advocate on many prior occasions, that informal discovery has always been in the context of a docketed proceeding before the Commission that involves Piedmont. Responding to discovery requests outside the context of a docketed proceeding is beyond the scope of any prior practices with which Piedmont has been involved.



Executive Director Earl Taylor
Tennessee Public Utilities Commission
June 28, 2021
Page 2

As an additional matter, the February Price Spikes that the Consumer Advocate seeks information about did not result in the inability to provide natural gas service to customers or operational issues for the Company. They did lead to some increase in gas costs in cases where Piedmont was purchasing gas priced at daily index prices but experiencing increases in gas costs during periods of supply or capacity constraint is a normal part of market operations.

Finally, the scope of the information requested by the Consumer Advocate was very broad and encompassed significant amounts of information that were not readily available to Piedmont in the form requested by the Consumer Advocate. Instead, this information would have to be compiled/calculated by Piedmont before it could be provided to the Consumer Advocate. By way of context, Piedmont is currently engaged in numerous ongoing regulatory proceedings. In light of the need to expend significant effort to provide written responses to the Consumer Advocate's questions, the absence of a docketed matter related to the Consumer Advocate questions, and the already taxed nature of the Company's regulatory personnel, Piedmont hoped that a conference call would provide sufficient answers to the Consumer Advocate's questions to obviate the need for more formal answers. The Company was obviously mistaken in this regard.

Having provided the background (from Piedmont's perspective) for the pending Consumer Advocate's motion, Piedmont would inform the Commission of its belief that the Consumer Advocate's Petition is actually moot at this time for the reasons discussed below.

As a result of discussions between Piedmont regulatory personnel and the Consumer Advocate that followed the conference call referenced in the Petition, Piedmont made the decision approximately 15 days ago to undertake the labor necessary to provide written answers to the Consumer Advocate's questions notwithstanding the press of other business. That information has now been mostly compiled and is under review and preparation for production to the Consumer Advocate. Piedmont anticipates being able to provide complete responses to the Consumer Advocate by mid-July at the latest. Given this fact, there would seem to be no need for the establishment of a docket as requested by the Consumer Advocate at this time and Piedmont requests that the Commission take no action on the Consumer Advocate's Petition based on these facts.

This letter 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, denise.guye@wallerlaw.com.



Executive Director Earl Taylor
Tennessee Public Utilities Commission
June 28, 2021
Page 3

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

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paul S. Davidson". The signature is fluid and cursive, with a large initial "P" and "D".

Paul S. Davidson

PSD:cdg

cc: Consumer Advocate
Bruce Barkley
Pia Powers
James Jeffries IV