

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

February 24, 2022

IN RE:)	
)	
PETITION OF PIEDMONT NATURAL GAS)	DOCKET NO.
COMPANY, INC. TO ADOPT AN ANNUAL)	21-00135
REVIEW OF RATES MECHANISM PURSUANT)	
TO TENN. CODE ANN.§ 65-5-103(d)(6))	

**ORDER ACKNOWLEDGING FILING AS NEW PETITION AND SETTING NEW
STATUTORY DEADLINE**

This matter is before the Hearing Officer upon the filing of a Letter to Executive Director Earl Taylor (“*Letter*”) from Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”) and the Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General (“Consumer Advocate”) (together, the “Parties”) on February 18, 2022.¹ The *Letter* provides “that there are no outstanding issues remaining in the docket, and that the parties have agreed to the submission of this matter to the Commission for approval based on the docket record.”² The Parties state that as a result of extensive discussions, they reached agreement on certain issues, and along with the *Letter*, they are filing an Issues Matrix indicating the agreement reached for each issue and a revised tariff. As reflected on the Issues Matrix, some issues were resolved in favor of Piedmont, the Consumer Advocate’s recommendation was adopted on some issues, and the Parties agreed to resolve certain issues in future dockets. According to the *Letter*, the Parties’ experts will file Supplemental Testimony setting out the agreement of the parties.³ The Supplemental Testimony was just filed on February 23rd. According to the *Order Establishing Procedural Schedule* issued on November 15, 2021, and the

¹ See Letter to Executive Director Earl Taylor Re: Outstanding Issues from Paul S. Davidson, Waller, Lansden, Dortch, & Davis, LLP (February 18, 2022).

² *Letter*, p. 1 (February 18, 2022).

³ *Id.*

Notice of Hearing issued on February 18, 2022, the Hearing in this matter is scheduled for February 28, 2022.

As exhibited by the Issues Matrix accompanying the *Letter*, the positions taken by the Parties are different than those initially set forth in Piedmont's *Petition* and Pre-Filed Testimony. In addition, the Supplemental Testimony was not filed until February 23rd. Because the Parties' *Letter*, Issues Matrix, and revised tariff resolving the issues in the docket was filed on February 18, 2022, and the Supplemental Testimony was not filed until February 23rd, the Hearing Officer finds there is insufficient time for Commission Staff to analyze this new information and make a recommendation to the Commissioners in compliance with the statutory deadline, which would require a hearing and determination during the February 28th Commission Conference. In addition, there is not adequate time for the Commissioners to review the Issues Matrix and Supplemental Testimony prior to the February 28th hearing date.

Pursuant to Tenn. Code Ann. § 65-5-103(d)(1), the Commission has 120 days from the initial filing of a petition for an alternative regulatory method, such as an annual review of rates, by a public utility to make a determination as to whether or not it should be approved. Consistent with the determination made by the Commission in Docket No. 13-00130 concerning "material changes made to a petition or the filing of an amended petition by a utility should be treated as a new petition under the statute,"⁴ the Hearing Officer concludes the Issues Matrix and revised tariff filed by the Parties on February 18th constitute a new Petition filed in this docket. With this determination, the 120-day statutory deadline begins with the filing of the new Petition, and the deadline for the Commission to make a determination in this docket is 120 days from the filing of the *Letter*, Issues Matrix, and revised tariff, which was February 18, 2022.

⁴ See *In Re: Petition of Tennessee-American Water Company for Approval of a Qualified Infrastructure Investment Program, an Economic Development Investment Rider, a Safety and Environmental Compliance Rider and Pass-Throughs for Purchased Power, Chemicals, Purchased Water, Wheeling Water Costs, Waste Disposal, and TRA Inspection Fee*, Docket No. 13-00130, *Order Approving Amended Petition*, p. 3 (January 27, 2016).

The Commission encourages parties to negotiate and attempt to reach agreement on issues, and the Commission wants to be in a position to give such settlements the proper consideration. Therefore, the Commissioners and Commission Staff must have an adequate amount of time to conduct a thorough analysis and review of the record. The Hearing Officer recognizes that certain statutory deadlines can place severe time constraints on the parties, which sometimes results in settlements not being submitted in a timely manner. With the new deadline in place, Commission Staff is committed to providing an expedited review of Piedmont's new Petition so that the matter is ripe for a hearing on the merits as soon as possible. The Hearing Officer would also note that the Company will not suffer a financial loss from this decision as a result of the delay in convening a hearing on the merits. If Piedmont's Annual Rate Review Petition is approved, the first review of its rates would not take place until 2023 and would include results for the historical base period of calendar year 2022.

IT IS THEREFORE ORDERED THAT:

1. The Issues Matrix, revised tariff, and Supplemental Testimony filed by Piedmont Natural Gas Company, Inc. and the Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General shall be considered a new Petition.
2. The 120-day statutory deadline set forth in Tenn. Code Ann § 65-5-103(d)(1) shall begin to run on February 18, 2022, for the new Petition.
3. Any party aggrieved by the decision of the Hearing Officer in this matter may file a Petition for Reconsideration within fifteen days of the date of this Initial Order.

Monica Smith-Ashford

Monica Smith-Ashford, Hearing Officer