

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

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

PETITION TO INTERVENE

The Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General (“Consumer Advocate”), by and through counsel, pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Utility Commission (“TPUC” or the “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 to Adopt an Annual Review of Rates Mechanism* (“*Petition*”) filed by Piedmont Natural Gas Company, Inc. (“Piedmont” or the “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 TPUC Docket No. 20-00086. The Consumer Advocate intervened and participated in that matter.

4. Piedmont seeks in this Docket to utilize the ratemaking methodologies utilized in Piedmont's 2020 Rate Case, except for the forward-looking methodologies, in establishing Piedmont's annual review of rates mechanism.

5. That mechanism anticipates an annual filing designed to update and refresh its rates through a two-step reconciliation and rate update process.¹

6. As part of its filing, Piedmont included Service Schedule No. 318 which the Company claims will reconcile Piedmont's actual performance during the Historical Base Period ("HBP") with its authorized return on equity from the 2020 Rate Case.

7. Under Service Schedule No. 318, if approved by the Commission, Piedmont would make its initial annual ARM filing on or before May 20, 2022, utilizing Calendar Year 2021 as its first HBP.

8. In conjunction with Piedmont's filing, and conditioned upon approval hereof, Piedmont also proposes to withdraw its current Integrity Management Rider mechanism reflected in Service Schedule No. 317, as that mechanism will no longer be needed to refresh Piedmont's rate base for safety and integrity capital investment spending.

9. 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

¹ *Petition* at p. 3, ¶8. "The reconciliation process compares Piedmont's actual performance during a Historical Base Period ("HBP") consisting of the twelve-months ended the preceding December 31st to the performance anticipated by its 2020 Rate Case results. That comparison then forms the basis for setting revised base rates for the succeeding year as well as addressing the revenue sufficiency or deficiency from the HBP." *Id.* at pp. 3-4, ¶9.

provisions; and (b) the review and analysis of the Petitioners' documentation, financial spreadsheets, and other materials.

10. 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,



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition to Intervene was served via electronic mail, with a courtesy copy provided via U.S. Mail:

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This the 19th day of November, 2021.



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