

**Before the
Tennessee Public Utility Commission**

Docket No. 21-00141

**Petition of Piedmont Natural Gas Company, Inc.
for Approval of an Integrity Management Rider to its
Approved Rate Schedules and Service Regulations**

**Testimony of
Pia K. Powers**

**On Behalf of
Piedmont Natural Gas Company, Inc.**



November 30, 2021

1 **Q. Please state your name and business address.**

2 A. My name is Pia K. Powers. My business address is 4720 Piedmont Row Drive,
3 Charlotte, North Carolina.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am the Managing Director – Gas Rates & Regulatory for Piedmont Natural
6 Gas Company, Inc., (“Piedmont” or the “Company”).

7 **Q. Please briefly describe your educational and professional background.**

8 A. I have a Bachelor of Arts degree in economics from Fairfield University and a
9 Master of Science degree in environmental and resource economics from the
10 University College London. From 1999 through 2003, I was employed as an
11 Economist with the Energy Information Administration, the statistical agency
12 of the U.S. Department of Energy, where I focused on international energy
13 forecasting and environmental issues. In 2003, I was hired by Piedmont as a
14 Regulatory Analyst. I have held several positions within the Company in the
15 following years, promoted most recently to my current position as Managing
16 Director of Gas Rates & Regulatory in 2019.

17 **Q. Have you previously testified before the Tennessee Public Utility
18 Commission or any other regulatory authority?**

19 A. Yes. I have presented testimony before the Tennessee Public Utility
20 Commission (“TPUC” or “Commission”) and its predecessor the Tennessee
21 Regulatory Authority (“TRA”), as well as the Public Service Commission of
22 South Carolina and the North Carolina Utilities Commission on a number of
23 occasions.

1 **Q. What is the purpose of your testimony in this proceeding?**

2 A. The purpose of my testimony in this proceeding is to support Piedmont's 2021
3 IMR annual filing with the Commission under its approved Integrity
4 Management Rider ("IMR") mechanism set forth in Service Schedule No. 317
5 of its Tennessee Tariffs. Contemporaneous with the filing of my direct
6 testimony herein, Piedmont submits its 2021 IMR annual report ("2021 IMR
7 Annual Report").

8 **Q. Was the 2021 IMR Annual Report prepared by you or under your**
9 **direction?**

10 A. Yes.

11 **Q. When and how was the IMR mechanism approved by the Commission?**

12 A. The IMR mechanism was initially approved by the TRA, pursuant to Tenn.
13 Code Ann. § 65-5-103(d), in Docket No. 13-00118 at the Conference held on
14 December 18, 2013, with the written Order issued on May 13, 2014. The IMR
15 has been in effect since January 1, 2014.

16 **Q. Has Piedmont made any previous annual report filings under this IMR**
17 **mechanism?**

18 A. Yes. Consistent with the approved IMR tariff, Piedmont has filed IMR annual
19 reports on eight prior occasions, the most recent of which was filed on
20 November 30, 2020 and approved by the TPUC in Docket No. 20-00130.

21 **Q. What is the current Integrity Management Adjustment in effect?**

1 A. The current Integrity Management Adjustment is a rate of \$0 per therm, which
2 has been in effect since June 1, 2020. The suspension of the IMR surcharge
3 rate was requested by the Company in its filing submitted March 31, 2021 in
4 Docket No. 20-00130. The Commission authorized such suspension of the
5 IMR surcharge rate beginning June 1, 2021 through September 1, 2021 in its
6 Order dated April 29, 2021, with a subsequent Order issued September 1, 2021
7 re-suspending the IMR surcharge rate through December 1, 2021.

8 **Q. What is the current balance of the Integrity Management Deferred**
9 **Account?**

10 A. As of October 31, 2021, the balance in the Integrity Management Deferred
11 Account reflected an amount due to the Company of \$18,918.48. At the
12 Conference held on November 1, 2021, the Commission granted Piedmont's
13 request in Docket No. 20-00130 to transfer the remaining balance in the
14 Integrity Management Deferred Account to Piedmont's Actual Cost
15 Adjustment ("ACA") account, which would effectuate bringing the Integrity
16 Management Deferred Account to a \$0 balance. Piedmont is in the process of
17 making this transfer so that its finalized books and records as of November 30,
18 2021 include this approved transfer and ultimately reflect a \$0 ending balance
19 in the Integrity Management Deferred Account.

20 **Q. What Integrity Management Adjustment is Piedmont proposing as part of**
21 **its 2021 IMR Annual Report?**

1 A. None. Piedmont is not proposing an adjustment to its current IMR surcharge
2 rate as a part of this 2021 IMR Annual Report. Rather, Piedmont recommends
3 that the current IMR surcharge rate of \$0 per therm remain in effect.

4 **Q. Why is Piedmont recommending no rate change for the IMR at this time?**

5 A. Piedmont has a pending request before the Commission, in Docket No. 21-
6 00135, for approval to operate under an ARM coupled with termination of the
7 IMR tariff. Furthermore, the base tariff rates established in Piedmont's recent
8 general rate case are founded upon an attrition period with a 13-month average
9 rate base ending December 31, 2021. Given these circumstances, the Company
10 believes it is reasonable and appropriate at this time for the IMR surcharge rate
11 to remain at \$0 per therm.

12 **Q. In summary, what are you asking the Commission to do in this**
13 **proceeding?**

14 A. I am requesting that the Commission accept and approve the 2021 IMR Annual
15 Report which includes the continuation of the Company's existing IMR billing
16 rate of \$0 per therm.

17 **Q. Does this conclude your pre-filed direct testimony?**

18 A. Yes.