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August 4, 2023

VIA ELECTRONIC MAIL

Mr. David Jones, Chairman
c/o Ectory Lawless
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

**Re: Petition of Piedmont Natural Gas Company, Inc. For Approval of its
2023 Annual Review of Rates Mechanism Pursuant to Tenn. Code Ann.
§ 65-5-103(d)(6)
Docket No. 23-00035**

Dear Chairman Jones:

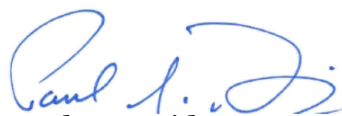
Pursuant to the Joint Proposed Procedural Schedule and Hearing Officer, Monica Smith-Ashford's, May 31, 2023, email regarding docket procedures, enclosed for filing please find four (4) copies of Piedmont Natural Gas Company, Inc.'s ("Piedmont") responses to the Consumer Advocate Division's fifth informal discovery request, which were provided to the Consumer Advocate Division via email on August 4, 2023.

This material 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.

If you have any questions regarding this response, you may reach me at the number shown above.

Sincerely yours,

HOLLAND & KNIGHT LLP



Paul S. Davidson
Equity Partner

David Jones, Chairman
August 4, 2023
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PSD/jv
Enclosures

cc: Pia Powers
Brian Heslin
James H. Jeffries IV
Brian Franklin
Kelly Cashman-Grams
Michelle Mairs
David Foster
Karen Stachowski
Victoria Glover

PIEDMONT NATURAL GAS COMPANY, INC.
DOCKET NO. 23-00035
2023 ARM FILING
CONSUMER ADVOCATE'S FIFTH INFORMAL DISCOVERY REQUEST
Issued: July 30, 2023

Request from David Dittimore:

1. I see accrued pension costs have been removed on the expense side, but I don't see where the capitalized pension costs have been removed from Rate Base. Can you confirm this?

Response: Piedmont's capitalized pension costs were removed from Construction Work In Progress ("CWIP"), as shown on ARM Schedule 15 and in accordance with the Company's ARM Tariff (treatment of capitalized pension in CWIP - Rate Base Item No. 31 for both the HBP and the Annual Base Rate Reset).

Name and title of responsible person: Kally Couzens, Manager - Rates & Regulatory Strategy

Name and title of preparer: Laura Hager, Rates & Regulatory Strategy Manager

Response provided by Piedmont Natural Gas Company, Inc. on August 4, 2023.

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2. I'm a little confused about the McKinsey invoices submitted in Confidential response 2-4 (various attachments). It appears the total of these invoices are \$378, but multiple line items refer to similar invoices. For example, one line item for \$51,533 refers to attachment 5, then on a separate line item \$31,740 is charged to Tennessee and refers to reclassifying Attachment 5 costs. This same type of explanation is provided for other attachments as well. Were these reclassifications to correct a situation where the original assignment to Tennessee was understated? Why were the reclassifications made?

Response: The purpose of the reclass entries was to reflect the correct DEBS operating unit. Hence, the reclass entries transferred the costs from one DEBS operating unit to another DEBS operating unit. The reclassification of the DEBS operating unit accordingly resulted in a change to the amount allocated to Piedmont 3-state, because the allocations factors that are utilized for such allocations—i.e., the percentages allocating the DEBS costs across the various applicable entities, of which Piedmont is one—are specific to each DEBS operating unit.

Name and title of responsible person: Jeff Setser, Director - Allocations & Reporting

Name and title of preparer: Misty Roddey, Rates & Regulatory Strategy Interim Assignment

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3. Regarding the McKinsey engagement – the objective appears to be to have McKinsey identify cost savings opportunities within the Duke organization?

Response: Yes, that is correct.

Name and title of responsible person: Matthew Palasek, Vice President - Sourcing and Accounts Payable

Name and title of preparer: Brad Bishop, Managing Director - Labor & Services Sourcing

Response provided by Piedmont Natural Gas Company, Inc. on August 4, 2023.