

Ms. Kimberley A. Campbell
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street, Dobbs Building
Raleigh, North Carolina 27603

August 26, 2021

Re: Docket No. G-9, Sub 781 Notice of Piedmont Natural Gas Company, Inc. Regarding Intent to File General Rate Application with The North Carolina Utilities Commission on or about March 22, 2021

Dear Ms. Campbell,

On February 19, 2021 Piedmont Natural Gas informed the North Carolina Utilities Commission of its intend to file a general rate case application with the Commission on or about March 22, 2021. I wanted to share something with the Commission relative to this case. First, I need to apologize for not identifying myself. I have no doubt I would be fired if anyone in management at PNG knew I was sharing this. And as much as I want to help my neighbors save money, I have a duty to my wife and young kids to keep my job.

Several months ago, the VP of the Project Management group, Amy Presson, implemented a new requirement for construction contractors when they were doing something called a horizontal bore, or drill. This is a process to install long sections of gas mains by drilling them through the ground rather than digging. She mandated that any time it was suspected that the driller might encounter rock that the entire length of the pipe in the drill be coated with something called ScarGuard. This is a coating put on the pipe to help protect it from abrasion. But this has historically only been used at the point two 40' sections of pipe are welded together, not the entire length of the pipe. No other utility does this and all the contractors can't understand why, even though they are loving the windfall. It adds millions of dollars to each project it is used. And since a significant number of these projects are on integrity projects, the cost is immediately passed directly onto the consumer under the Integrity Management Rider. You may here it is to ensure PNG doesn't have to re-drill if the pipe does indeed scrap rock. But PNG pays the driller only when they accept the drill. If the pipe is scrapped the driller needs to redrill, at his expense. So, the only ones benefiting from this new rule are the contractors. You must ask yourself why Ms. Presson is so concerned about helping the contractors save money. And please know Ms. Presson is a nuclear engineer with no gas pipeline construction experience. She was told this was not needed but she never listens to her team. Her bullying tactics and ignoring the facts caused the best construction superintendent the company has ever had to quit. All these added costs need to be taken out of the rate case and PNG should eat these costs.

Sincerely,

A concerned employee and rate payer