

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1095
DOCKET NO. E-7, SUB 1100
DOCKET NO. G-9, SUB 682

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Corporation)	
and Piedmont Natural Gas, Inc., to Engage)	ORDER DENYING PETITION
in a Business Combination Transaction)	TO INTERVENE
and Address Regulatory Conditions and)	
Code of Conduct)	

BY THE CHAIRMAN: On January 15, 2016, Duke Energy Corporation (Duke) and Piedmont Natural Gas Company, Inc. (Piedmont) (collectively, Applicants) filed an application in the above-captioned dockets for authorization to engage in a business combination transaction (proposed merger), and to revise and apply Duke Energy Carolinas, LLC's (DEC's) and Duke Energy Progress, LLC's (DEP's) Regulatory Conditions and Code of Conduct to Piedmont.

On May 27, 2016, Columbia Energy, LLC (Columbia) filed a timely Petition to Intervene in this proceeding. In summary, Columbia states that it is the owner and operator of a 523-MW generating plant located in Gaston, South Carolina, that is a qualifying facility (QF) under the Public Utility Regulatory Policy Act (PURPA). Columbia states that it sources natural gas on a daily or short term basis. Further, Columbia asserts that the proposed merger may impact the rates, terms and conditions applicable to natural gas distribution by Piedmont, and will likely impact Columbia's ability to competitively source natural gas supply. Therefore, according to Columbia, the Commission's decision on the issues involved in this proceeding will be of direct interest to Columbia and no other party can adequately represent Columbia's interests.

On June 2, 2016, the Applicants filed a Response in Opposition to Columbia's petition to intervene. In summary, Applicants note that Columbia is not a customer of DEC, DEP or Piedmont. Rather, Columbia receives its gas service from South Carolina Electric & Gas Company (SCE&G) and is interconnected with SCE&G for transmission of the electricity produced by its electric generating facility. Therefore, Applicants assert that Columbia does not have a direct or substantial interest in the proposed merger. Applicants further note that Columbia's concerns about the merger's possible impact on upstream capacity and supply are not within the Commission's jurisdiction, but, rather, are matters within the jurisdiction of the Federal Energy Regulatory Commission. In addition, Applicants state that the proposed merger does not include any proposal to change the rates charged by DEC, DEP or Piedmont. Therefore, Columbia has not

identified a real interest in matters that are within the Commission's jurisdiction in this proceeding.

On June 8, 2016, Columbia filed a Reply to the Applicants' statement of opposition to Columbia's petition to intervene. In brief, Columbia reviews the guidelines for intervention and states that it has more than an incidental or casual interest in the proposed merger. According to Columbia, it has a real interest in the Applicants' concentration of pipeline capacity that Columbia asserts will result from the proposed merger. In addition, Columbia responds to the Applicants' contention that Columbia has no real interest in the proceeding because it is not a customer of DEC, DEP or Piedmont. Columbia maintains that being a customer of the Applicants is not a requirement for intervention. Further, Columbia cites and discusses the intervention of the City of Orangeburg and the South Carolina Office of Regulatory Staff in the Duke Energy/Progress Energy merger as precedent for Columbia's position.

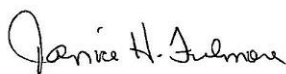
After careful consideration, the Chairman is not persuaded that there is good cause to grant Columbia's petition to intervene. The Chairman finds it relevant that Columbia is not a customer of DEC, DEP or Piedmont. Further, as noted by the Applicants, Columbia's concerns regarding pipeline capacity and impacts on competitive commodity pricing are matters within the jurisdiction of the Federal Energy Regulatory Commission.

IT IS, THEREFORE, ORDERED that Columbia's petition to intervene in this proceeding shall be, and is hereby, denied.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of June, 2016.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, reading "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk