

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-9, SUB 791

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Piedmont Natural Gas Company, Inc., for Annual Review of Gas Costs Pursuant to N.C.G.S. § 62-133.4(c) and Commission Rule R1-17(k)(6)) ORDER EXCUSING WITNESSES,
) ACCEPTING TESTIMONY, CANCELING
) EXPERT WITNESS HEARING,
) REQUIRING PROPOSED ORDERS
) AND REQUIRING RESPONSES TO
) COMMISSION QUESTIONS

BY THE PRESIDING COMMISSIONER: On August 2, 2021, Piedmont Natural Gas Company, Inc. (Piedmont), filed the testimony and exhibits (testimony) of Todd Breece, Jeffrey Patton, and MaryBeth Tomlinson in the above-captioned docket involving an annual review of Piedmont's cost of gas.

On August 11, 2021, the Commission issued a Scheduling Order that, among other things, scheduled a public hearing in the docket for an in-person hearing starting at 2:00 p.m. on Monday, October 11, 2021.

On September 30, 2021, the Commission issued a revised Scheduling Order confirming that the public witness hearing will be held in person starting at 2:00 p.m. on Monday, October 11, 2021, and rescheduling the expert witness hearing to be held remotely on Webex beginning at 2:30 p.m. on that date.

On October 1, 2021, the Public Staff filed the joint testimony of James M. Singer, Dustin R. Metz, and Sonja R. Johnson, and on October 5, 2021, the Public Staff filed corrected joint testimony of its witnesses. No other party intervened or filed testimony in the docket.

On October 5, 2021, the Public Staff filed a motion requesting that the Commission excuse the Public Staff's witnesses from testifying at the October 11, 2021 expert witness hearing and accept their testimony into the record. According to the Public Staff, there does not appear to be any matter in dispute between Piedmont and the Public Staff. Further, the Public Staff stated that it conferred with counsel for Piedmont and that Piedmont has agreed to waive cross-examination of the Public Staff's witnesses, consent to the introduction of the Public Staff's corrected joint testimony into the record without the necessity for the appearance of such witnesses, and consent to the Public Staff's witnesses being excused from appearance at the hearing.

On October 8, 2021, Piedmont filed a motion requesting that the Commission excuse Piedmont's witnesses from testifying at the October 11, 2021 expert witness hearing and accept their testimony into the record. Piedmont stated that there does not appear to be any matter in dispute between Piedmont and the Public Staff. In addition, Piedmont stated that it conferred with counsel for the Public Staff and was authorized to represent that the Public Staff agrees to waive cross-examination of Piedmont's witnesses, to consent to the introduction of their testimony without the necessity for the appearance of the witnesses, and to consent to Piedmont's witnesses being excused from appearing at the hearing.

Based on the Public Staff's and Piedmont's motions and the record, the Presiding Commissioner finds good cause to excuse all Piedmont and Public Staff witnesses from testifying at the expert witness hearing and to receive the witnesses' prefiled testimony and exhibits into the record. Further, the Presiding Commissioner finds good cause to cancel the expert witness hearing and to require that the parties file proposed orders, or a joint proposed order, on or before November 12, 2021, and briefs by the same date, if either party desires to file a brief.

In addition, the Presiding Commissioner finds good cause to require that on or before October 21, 2021, Piedmont and the Public Staff, as designated in Attachment A, file verified written responses to the Commission questions attached hereto as Attachment A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 11th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Lindsey A. Worley".

Lindsey A. Worley, Acting Deputy Clerk

Commission Questions

Questions to Piedmont

1. In the present docket, on line 25 of Piedmont witness MaryBeth Tomlinson's Exhibit MBT-1 Schedule 2, Summary of Demand and Storage Gas Costs, she refers to Transco LNG Storage Demand/Capacity #9015489 cost of \$650,181. However, in Docket No. G-9, Sub 771, Piedmont's previous annual review of gas costs, for the 12 months ended May 31, 2020, line 21, Exhibit MBT-1, Schedule 2, Summary of Demand and Storage Gas Costs, refers to Transco LNG Storage Demand/Capacity #9015489 cost of \$334,575. Provide the reason(s) for the apparent 94% increase in the Transco LNG Service charge.

2. Provide the design day regression analysis/model performed by Piedmont in the current docket. Provide the documentation/formulae supporting the analysis/model in electronic format, with formulas intact.

Questions to the Public Staff

1. On page 23 of the Public Staff's joint testimony, Public Staff witness Metz states that Firm Sales (FS) customers are assigned total system Lost and Unaccounted For (LAUF) gas. According to witness Metz, "From a modeling and regression perspective, this methodology inappropriately overstates FS customer demand for planning purposes." The Public Staff should provide the natural gas volume and associated percentages which are overstated when FS customers are assigned total system LAUF gas. In addition, provide supporting documentation of the studies performed by Public Staff to confirm the overstatement.

2. If the Public Staff performed a design day regression analysis/model in the present docket, provide the Public Staff's design day regression analysis/model in electronic format, with formulas intact.