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July 15, 2016

VIA ELECTRONIC FILING

Ms. Gail Mount
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street, Dobbs Building
Raleigh, North Carolina 27603

Re: Docket No. E-2, Sub 1095
Docket No. E-7, Sub 1100
Docket No. G-9, Sub 682

Dear Ms. Mount:

Enclosed please find the Amendment to the Agreement and Stipulation of Settlement by and Between Duke Energy Corporation, Piedmont Natural Gas Company, Inc. and the Public Staff – North Carolina Utilities Commission in the above-referenced dockets. Please accept this for filing in the above-captioned dockets.

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

Sincerely,

/s/ James H. Jeffries IV
James H. Jeffries IV

JHJ/rkg

Enclosure

cc: All Parties of Record

Charlotte, NC
Research Triangle Park, NC
Charleston, SC

OFFICIAL COPY

JUL 15 2016

AMENDMENT TO THE AGREEMENT AND STIPULATION OF SETTLEMENT
BY AND BETWEEN DUKE ENERGY CORPORATION, PIEDMONT NATURAL
GAS COMPANY, INC., AND THE PUBLIC STAFF – NORTH CAROLINA
UTILITIES COMMISSION IN DOCKET NO. E-2, SUB 1095; DOCKET NO. E-7,
SUB 1100; AND DOCKET NO. G-9, SUB 682

Duke Energy Corporation, Piedmont Natural Gas Company, Inc., and the Public Staff – North Carolina Utilities Commission, collectively referred to as the Stipulating Parties, through counsel and pursuant to G.S. 62-69, respectfully submit the following amendment (Amendment) to the Agreement and Stipulation of Settlement (Stipulation) executed and filed on June 10, 2016, in the above dockets. The Stipulating Parties agree and stipulate as follows:

The Stipulating Parties agree that Paragraph 2 of the Stipulation, Merger-related Cost Savings, will be amended to read as follows:

2. Merger-related Cost Savings. In order to ensure that Piedmont's ratepayers receive a benefit from the allocable North Carolina portion of projected Merger-related cost savings that may be realized by Piedmont related to the functions identified in Exhibit B to the Merger application, the Stipulating Parties agree that, upon approval of this Stipulation by the Commission, in its entirety, and closing of the Merger, Piedmont will (1) withdraw its Application for Approval of Deferred Accounting Treatment of Certain Distribution Integrity Management Costs, filed on March 11, 2016, in Docket No. G-9, Sub 686, in which Piedmont estimates that its costs subject to deferral would be as high as \$18.03 million for North Carolina over the next five years, or approximately \$3.6 million per year, and (2) commit to credit \$10 million to its North Carolina customers through a one-time bill credit to be completed by December 31, 2016. The bill credit will be allocated to the rate schedules using the apportionment percentages set forth in Piedmont's Integrity Management Rider (Appendix E of Piedmont's North Carolina Service Regulations). Within 30 days after the bill credit is completed, Piedmont will file a report with the Commission detailing the amount of the bill credit. In the event of a Piedmont general rate case with rates effective no more than two years from the Merger close, Piedmont reserves the right to reflect an adjustment in the

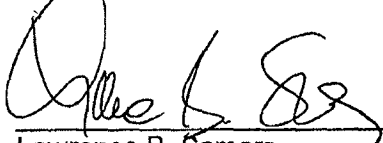
general rate case that would increase its revenue requirement for a portion of the \$10 million in savings that Piedmont has agreed to credit to its North Carolina customers. Should Piedmont exercise its right to reflect such an adjustment, the Public Staff reserves the right to incorporate the effect of additional Merger-related savings in its proposed revenue requirement calculation.

The Stipulating Parties further agree that this Amendment provides a further benefit to customers by accelerating the timing of the credit and that they will support the amendment in testimony before the Commission.

The foregoing is agreed and stipulated to, this the 15th day of July, 2016.

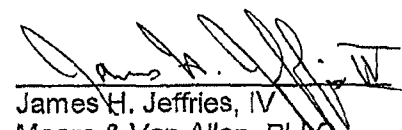
DUKE ENERGY CORPORATION

By:


Lawrence B. Somers
Deputy General Counsel


PIEDMONT NATURAL GAS COMPANY, INC.

By:


James H. Jeffries, IV
Moore & Van Allen, PLLC
Attorney for Piedmont Natural Gas Company

PUBLIC STAFF – NORTH CAROLINA
UTILITIES COMMISSION

By:


Antoinette R. Wike
Chief Counsel

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached is being served this date upon all of the parties to this docket electronically or by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, at the addresses contained in the official service list in this proceeding.

This the 15th day of July, 2016.

/s/ Richard K. Goley
Richard K. Goley