



Cardinal Pipeline Company, LLC
2800 Post Oak Boulevard (77056)
P.O. Box 1396
Houston, Texas 77251-1396
713/215-2000

February 10, 2022

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

RE: G-39, Sub 47 Notice of Cardinal Pipeline Company, LLC Regarding
Intent to File a General Rate Case Application

Dear Ms. Dunston:

Cardinal Pipeline Company, LLC (“Cardinal”) submits for filing with the North Carolina Utilities Commission (“Commission” or “NCUC”) this notice of its intention to file with the Commission on March 15, 2022 an Application of Cardinal for an adjustment of its rates and charges. This notice is given pursuant to Commission Rule R1-17(a) and the NCUC’s “Order Decreasing Rates” issued July 27, 2017 in Docket No. G-39, Sub 38 (Ordering Paragraph 5). This notice will be served to Cardinal’s shippers and the NCUC.

Background

Cardinal is a limited liability company formed under the North Carolina Limited Liability Company Act. The members of Cardinal are TransCardinal Company, a wholly owned subsidiary of Transcontinental Gas Pipe Line Company, LLC (“Transco”); PSNC Cardinal Pipeline

Company, a wholly owned subsidiary of Public Service Company of North Carolina, Inc. (“PSNC”), and Piedmont Intrastate Pipeline Company, a wholly owned subsidiary of Piedmont Natural Gas Company, Inc. (“Piedmont”).

Cardinal is an intrastate natural gas pipeline extending from Transco’s Compressor Station 160 in Rockingham County, North Carolina to the Raleigh, North Carolina area and provides 478,450 dts/day of firm natural gas transportation capacity to customers in North Carolina. Cardinal is engaged in providing natural gas utility service to the public and is a “public utility,” as defined in G.S. §62-3(23), subject to the jurisdiction of the NCUC pursuant to G.S. §62-2.

Cardinal’s correct post office address and telephone number is:

Cardinal Pipeline Company, LLC
c/o Cardinal Operating Company, LLC
P.O. Box 1396
Houston, Texas 77251-1396
Telephone: (713) 215-2000

The correct name and address of the Attorneys for Cardinal are:

Robert W. Kaylor
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Statement of Nature, Reasons and Basis

On March 15, 2017 Cardinal filed an application in Docket No. G-39, Sub 38 seeking to adjust its rates and charges. On June 9, 2017, Cardinal, the Public Staff, PSNC, and Piedmont filed a Joint Stipulation in settlement of all aspects of Cardinal’s rate application. The NCUC approved the Joint Stipulation on July 27, 2017, in its “Order Decreasing Rates” (“July 27 Order”). The Joint Stipulation and Ordering Paragraph 5 in the July 27 Order requires Cardinal to file a rate case

no later than March 15, 2022, and to provide the Public Staff, PSNC, and Piedmont with a rough outline of the rate case, including the period selected as the test year, one month prior to the filing date.

Rough Outline of the Rate Case

The test year to be reflected in Cardinal's March 15, 2022 general rate filing will be the twelve month period ended December 31, 2021. Included in the filing will be certain information and data required by NCUC Form G-1, the direct testimony and exhibits of Kerri H. Miller, Lead Regulatory Analyst for Cardinal; the direct testimony and exhibits of David J. Haag, President and Chief Executive Officer of Brown, Williams, Moorhead & Quinn, Inc. ("BWMQ"), a national recognized energy consulting firm based in the Washington, D.C. area; the direct testimony and exhibits of Steven R. Fall, Vice President of BWMQ; and, the direct testimony and exhibits of Michael P. Cousino, Tax Consultant for Cardinal. Mrs. Miller will provide a description of Cardinal and its application in this docket and will be sponsoring and supporting: (i) the various elements of Cardinal's test period cost of service and rate base, including the amortization of excess deferred income taxes ("EDIT"),¹ (ii) the billing determinants used in the derivation of Cardinal's rates, and (iii) the allocation of the cost of service and rate design amongst Cardinal's two zones. Mr. Haag will be sponsoring Cardinal's requested return on equity, capital structure, and appropriate cost of debt. Mr. Fall will be sponsoring the depreciation rates reflected in the filing, which are the depreciation rates included in Cardinal's October 26, 2021 depreciation study,

¹ Consistent with Cardinal's proposal in Docket No. G-39, Sub 42, and as provided in the Commission's December 17, 2018 order in that docket, the disposition and timing of the federal EDIT created by the lower federal corporate income tax rate change effective January 1, 2018, is included in this rate case.

currently under review by the NCUC in Docket No. G-39, Sub 46. Mr. Cousino will be sponsoring Cardinal's Accumulated Deferred Income Taxes and EDIT.

Any communication regarding this filing should be sent to:

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Respectfully Submitted,

/s/ Glen Jasek

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