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October 12, 2021

VIA ELECTRONIC FILING

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

Re: Docket No. G-9, Sub 781
Docket No. G-9, Sub 786
Docket No. G-9, Sub 722

Dear Ms. Dunston:

Enclosed please find the *Motion for Expedited Approval of Notice and Undertaking Required by N.C. Gen. Stat. § 62-135(c) to Implement Temporary Rates, Subject to Refund* filed by Piedmont Natural Gas Company, Inc. ("Piedmont") in the above-referenced dockets. This filing is made to facilitate the implementation of temporary rates under bond effective for service rendered on and after November 1, 2021.

Piedmont is preparing and will file tomorrow a proposed order granting the relief requested in this motion in order to assist the Commission's expeditious review and resolution of this motion.

Thank you for your assistance with this matter. 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: Elizabeth Culpepper
Bruce Barkley
Pia Powers
Parties of Record

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. G-9, SUB 722
DOCKET NO. G-9, SUB 781
DOCKET NO. G-9, SUB 786

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Docket No. G-9, Sub 722)	
)	
Consolidated Natural Gas Construction and)	
Redelivery Services Agreement Between)	
Piedmont Natural Gas Company, Inc., and)	
Duke Energy Carolinas, LLC)	
)	MOTION FOR EXPEDITED
Docket No. G-9, Sub 781)	APPROVAL OF NOTICE AND
)	UNDERTAKING REQUIRED BY
Application of Piedmont Natural Gas)	N.C. GEN. STAT. § 62-135(c) TO
Company, Inc. for an Adjustment of Rates,)	IMPLEMENT TEMPORARY
Charges, and Tariffs Applicable to Service in)	RATES, SUBJECT TO REFUND
North Carolina)	
)	
Docket No. G-9, Sub 786)	
)	
Application of Piedmont Natural Gas)	
Company, Inc. for Modifications to Existing)	
Energy Efficiency Programs and Approval of)	
New Energy Efficiency Programs)	
)	

Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”), pursuant to North Carolina General Statute (“N.C. Gen. Stat.”) § 62-135 and Rule R1-7 of the Rules and Regulations of the North Carolina Utilities Commission (“Commission”), hereby moves the Commission to issue an Order approving the form of the Company’s Notice to Customers (“Notice”) attached hereto as Exhibit A and form of Undertaking attached hereto as Exhibit B, and grant any other relief the Commission determines necessary in

order for Piedmont to implement temporary rates under bond in this case on November 1, 2021 equal to the margin rates and cost of gas demand rates reflected on Exhibit K2 of the Stipulation of Partial Settlement filed in this proceeding on September 7, 2021 by Piedmont, the Public Staff – North Carolina Utilities Commission (“Public Staff”), Carolina Utility Customers Association, Inc. (“CUCA”), and the Carolina Industrial Group for Fair Utility Rates IV (“CIGFUR”) (“Stipulation”).

The Commission’s approval of the Company’s Notice and Undertaking, and the actual provision of such Notice to the Company’s customers via publication, satisfy the procedural requirements of N.C. Gen. Stat. § 62-135 to implement temporary rates. The Company hereby submits its Undertaking for approval and gives notice to the Commission that the Company intends to implement a portion of the Company’s proposed revenue requirement in this case equal to the margin rates and cost of gas demand rates agreed to and reflected in Exhibit K2 to the Stipulation on and after November 1, 2021.

Piedmont respectfully requests that the Commission approve the form of Notice and the Company’s Undertaking on an expedited basis on or before October 14, 2021,¹ in order for the Company to implement these new rates and charges for service rendered on and after November 1, 2021.

In support of this Motion, the Company states the following:

1. On March 22, 2021, Piedmont filed a petition in this proceeding seeking: (1) a general increase in and revisions to the rates and charges for customers served by the Company; (2) continuation of Piedmont’s Integrity Management Rider (“IMR”) contained

¹ Piedmont regrets the expedited nature of this request but due to unforeseen advance notice requirements imposed by Piedmont’s newspaper publishers for this notice – many of whom require the final form of notice seven (7) days prior to publication – Piedmont is compelled to make this request in order to satisfy the statutory notice requirements in a timely fashion for rates to be effective November 1, 2021.

in Appendix E to its approved service regulations; (3) continued regulatory asset treatment for certain incremental Transmission Integrity Management Program (“TIMP”) and Distribution Integrity Management Program (“DIMP”) Operations and Maintenance (“O&M”) expenses; (4) continued utilization of the depreciation rates for the Company’s North Carolina and joint property assets approved in the Company’s most recent general rate case in 2019; (5) revised and updated amortizations and recovery of certain regulatory assets accrued since Piedmont’s last general rate case proceeding; (6) utilization of the lead-lag study filed by Piedmont in its most recent general rate case filing in 2019; (7) adoption of a Rider mechanism to allow Piedmont to recover the costs of its approved energy efficiency programs from customers on a commensurate basis with the electric utilities with whom Piedmont competes or, in the alternative, authorization to defer costs associated with Piedmont’s approved energy efficiency programs pending amortization at the Commission’s discretion at some later date; and; and (8) other updates and revisions to Piedmont’s rate schedules and service regulations (“Petition”). The Petition included information and data required by NCUC Form G-1, and the testimony and exhibits of Company witnesses Pia K. Powers, Kally A. Couzens, Brian R. Weisker, Karl W. Newlin, Quynh P. Bowman, Sasha Weintraub, Cynthia A. Menhorn, and Dylan W. D’Ascendis. In its Petition, Piedmont projected various items reflected in its cost of service calculation through June 30, 2021 and reserved its right to offer additional evidence as to the Company’s costs, revenues, volumes, rate base, return or any other matter relevant to the Commission’s determination as may be permitted by N.C. Gen. Stat. § 62-133(c). Piedmont proposed that the rate changes requested in its Petition be effective on April 21, 2021.

2. On April 13, 2021, the Commission issued its *Order Establishing General Rate Case and Suspending Rates*, suspending Piedmont's filed rates for up to 270 days, pursuant to N.C. Gen. Stat § 62-134.

3. On September 7, 2021, on behalf of Piedmont, the Public Staff, CUCA, and CIGFUR (collectively, the "Stipulating Parties"), Piedmont filed the Stipulation of Partial Settlement ("Stipulation") in the above-captioned dockets resolving many of the issues before the Commission. That Stipulation contained two sets of accounting schedules to reflect the agreement of the Stipulating Parties in scenarios where the Robeson LNG plant and the Pender-Onslow Expansion project were not in service (designated Exhibits A1, C1, E1, J1, K1, and L1) and where they were in service as they are now (designated Exhibits A2, C2, E2, J2, K2, and L2).²

4. On September 9, 2021, this matter came on for the expert witness hearing. Piedmont presented the testimony of witnesses Weintraub, Couzens, Barkley, Bowman, D'Ascendis, Long, Menhorn, Newlin, Powers, Sosnick, and Weisker. CUCA presented the testimony of witness O'Donnell. CIGFUR presented the testimony of witness Phillips. DEC presented the testimony of witness Mitchell. The Public Staff presented the testimony of witnesses Coleman, Feasel, Floyd, Hinton, Patel, Perry, Metz, Singer, and Williamson. The prefiled testimony of each of these witnesses was copied into the record as if given orally from the stand and their exhibits were entered into evidence.

5. Through various procedures set forth in the Stipulation, Piedmont and the Public Staff have made subsequent filings in this case to present the actual in-service amounts for Robeson LNG and Pender-Onslow as of August 31, 2021. Piedmont and the

² Exhibits A2, C2, E2, J2, K2, and L2 included the estimated in-service amounts for the plant associated with the Robeson LNG and the Pender-Onslow Expansion projects.

Public Staff will make further filings no later than October 18, 2021, including a revised set of Stipulation accounting schedules to be designated Exhibits A3, C3, E3, J3, K3, and L3, to support an update to the stipulated revenue adjustment and proposed rates incorporating the effect of the actual in-service amounts for Robeson LNG and Pender-Onslow as of August 31, 2021. Piedmont expects that these final accounting schedules for the Stipulation will represent a slightly higher level of plant in service than that reflected in the A2, et seq. version of accounting exhibits filed on September 7, 2021.

6. N.C. Gen. Stat. § 62-135(a) authorizes a public utility to place proposed rates into effect on a temporary basis, upon the expiration of six months after the date when such rates would have become effective, if not so suspended. The temporary rate authority granted to public utilities in N.C. Gen. Stat. § 62-135 is subject to the approvals, parameters, and requirements of N.C. Gen. Stat. § 62-135(a)-(d). Because the final accounting exhibits for the Stipulation (version A3 et seq.) are not completed yet, and are not expected to be filed until October 18, 2021, Piedmont intends to implement temporary rates consistent with those shown in version A2 et seq. of the accounting exhibits for the Stipulation as filed on September 7, 2021, which are expected to be slightly lower than the final Stipulated rates to be filed until October 18, 2021.

7. The Company's form of Notice to Customers is consistent with the form of notice originally required in this docket but updated to reflect the lower temporary rates sought to be implemented in this pleading.

8. The Company's Undertaking committing to make refund of any over-recovery received under temporary rates complies with N.C. Gen. Stat. § 62-135(c) and is consistent with the form of undertaking approved by the Commission in prior utility general rate case proceedings. If temporary rates are determined to be excessive, the

Company's Undertaking commits to make refund of the excess plus interest to its customers, consistent with terms and conditions required by the Commission's final Order in this case as anticipated by N.C. Gen. Stat. § 62-135(d).

9. Piedmont has served a copy of this Motion and the Exhibits hereto on the Public Staff and other intervenors in this case concurrent with the filing hereof.

WHEREFORE, Piedmont respectfully requests that the Commission approve the form of Notice attached hereto as Exhibit A and the Company's Undertaking attached hereto as Exhibit B, on or before October 14, 2021 and provide any further relief the Commission deems necessary and appropriate.

Respectfully submitted, this the 12th day of October, 2021.

Piedmont Natural Gas Company, Inc.

/s/ James H. Jeffries IV
James H. Jeffries IV
McGuireWoods LLP
201 North Tryon Street, Suite 3000
Charlotte, NC 28202-2146
Telephone: 704-343-2348
Facsimile: 704-444-8793
Email: jjeffries@mcguirewoods.com

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 12th day of October, 2021.

/s/ Richard K. Goley
Richard K. Goley

EXHIBIT A

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. G-9, SUB 722
DOCKET NO. G-9, SUB 781
DOCKET NO. G-9, SUB 786

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-9, SUB 722)
)
In the Matter of)
Consolidated Natural Gas Construction and)
Redelivery Services Agreement Between)
Piedmont Natural Gas Company, Inc., and)
Duke Energy Carolinas, LLC)
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DOCKET NO. G-9, SUB 781)
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In the Matter of)
Application of Piedmont Natural Gas)
Company, Inc., for an Adjustment of Rates,)
Charges, and Tariffs Applicable to Service in)
North Carolina)
)
DOCKET NO. G-9, SUB 786)
)
In the Matter of)
Application of Piedmont Natural Gas)
Company, Inc., for Modification to Existing)
Energy Efficiency Program and Approval of)
New Energy Efficiency Programs)

NOTICE OF
TEMPORARY RATES

NOTICE IS HEREBY GIVEN that on or after November 1, 2021, Piedmont Natural Gas Company, Inc. (Piedmont or the Company), intends to implement increased rates and charges on a temporary basis, subject to refund, pursuant to authority granted to the Company under N.C. Gen. Stat. § 62-135. The statute authorizes public utilities to implement temporary rates, subject to refund, under certain conditions. The statute does not require the approval of such temporary rates by the North Carolina Utilities Commission. The temporary increase to be implemented by Piedmont will reflect an increase in base revenues of approximately \$67 million annually and an additional change in the Company's gas cost revenues of approximately \$6.9 million annually.

On March 22, 2021, Piedmont filed an application with the Commission in Docket No. G-9, Sub 781 requesting authority to adjust and increase its rates and charges for natural gas service to produce additional overall annual North Carolina retail revenues of approximately \$109 million, an increase of approximately 10.4% over current revenues.

On April 13, 2021, the Commission issued an Order Establishing General Rate Case and Suspending Rates, suspending the Company's proposed rate changes for a period of up to 270 days from the proposed effective date of April 21, 2021, and setting the application for a general rate increase for hearing. Also on April 13, 2021, the Public Staff filed a Motion to Consolidate Dockets requesting that the Commission issue an order consolidating the previously consolidated Docket Nos. G-9, Sub 722, Piedmont's redelivery services agreement for Duke Energy Carolinas, LLC's Lincoln Plant, and G-9, Sub 781 with Docket No. G-9, Sub 786, in which Piedmont filed a request for approval of modifications to its existing Equipment Rebate Program and of three new energy efficiency programs: Residential New Construction Program, Commercial Food Services Program, and Commercial HVAC & Water Heating Program. On April 19, 2021, the Commission issued an order granting the Public Staff's motion and consolidating the above-referenced dockets.

On September 7, 2021, the Company filed a Stipulation of Partial Settlement with the Public Staff, the Carolina Utility Customers Association, Inc., and the Carolina Industrial Group for Fair Utility Rates IV. Based on the Stipulation of Partial Settlement, the Company requests an updated revenue increase from base rates of approximately \$67 million annually and an additional change in the Company's gas cost revenues of approximately \$6.9 million annually. This updated proposed revenue increase results in an approximate total increase of \$73.9 million, a \$35.1 million reduction from the amount proposed in the Company's original application.

The temporary rates being implemented by Piedmont under the authority of N.C.G.S. § 62-135 are not final rates and remain subject to the Commission's final determination of the just and reasonable rates to be charged by Piedmont on a permanent basis.

The Commission held public hearings on the Company's application on July 14, 2021, via Webex with telephonic access. The hearing resumed and concluded on September 9, 2021.

Below is a table with the temporary revenue increase by customer class:

Customer Class	Present Revenue	Proposed Change	Proposed Revenue	Percentage Change
Residential Service	\$589,322,493	\$46,001,797	\$635,324,290	7.8%
Small General Service	\$271,583,679	\$22,090,586	\$293,674,265	8.1%
Medium General Service	\$46,058,357	\$3,540,282	\$49,598,639	7.7%
Outdoor Gas Light Service	\$102,158	\$7,178	\$109,336	7.0%
Natural Gas Vehicles - Company Stations	\$1,095,716	\$75,561	\$1,171,276	6.9%
Large Firm General Service	\$46,902,845	\$2,730,447	\$49,633,292	5.8%
Large Interruptible General Service	\$28,495,125	\$(690,479)	\$27,804,647	(2.4)%
Military Transport Service	\$2,278,997	\$210,337	\$2,489,334	9.2%
Special Contracts	\$126,856,955	\$(32,136)	\$126,824,819	0.0%
Total	\$1,112,696,326	\$73,933,573	\$1,186,629,898	6.6%

The increases within the above-listed rate classes vary by rate schedule.

EFFECT OF TEMPORARY RATES

The proposed temporary rates would increase the average monthly bill (excluding state sales tax) of a residential customer by \$5.46, which is a 7.8% increase. The change in average bill will vary with each customer's level of natural gas usage.

OTHER MATTERS

A list of present rates, together with details of the temporary rates change, may be obtained on the Commission's website at www.ncuc.net, where a copy of the Stipulation of Partial Settlement is available. Further pleadings, prefiled testimony and exhibits of other parties, hearings, transcripts, briefs, and proposed orders may also be viewed as they become available on the Commission's website at www.ncuc.net, by clicking on "Docket Search" and typing in Docket No. G-9, Sub 781.

Persons who desire to send written statements to inform the Commission of their positions in the matter should address their statements to the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300, and reference Docket No. G-9, Sub 781. Persons can also email the Commission a statement about the temporary rate change via the Commission's website at www.ncuc.net/contactus.html. In either case, consumer statements will be placed in Docket No. G-9, Sub 781CS, and may be accessed by searching that docket number via the Commission's website.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information which the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to:

Mr. Christopher J. Ayers
Executive Director
Public Staff – North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

The Attorney General is also authorized to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to:

The Honorable Josh Stein
Attorney General of North Carolina
c/o Consumer Protection – Utilities
9001 Mail Service Center
Raleigh, North Carolina 27699-9001

This the 14th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Antonio Dunston, Interim Chief Clerk

EXHIBIT B

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. G-9, SUB 722
DOCKET NO. G-9, SUB 781
DOCKET NO. G-9, SUB 786

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)
)
Docket No. G-9, Sub 722)
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Consolidated Natural Gas Construction and)
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Energy Carolinas, LLC)
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Application of Piedmont Natural Gas Company,)
Inc. for an Adjustment of Rates, Charges, and)
Tariffs Applicable to Service in North Carolina)
)
Docket No. G-9, Sub 786)
)
)
Application of Piedmont Natural Gas Company,)
Inc. for Modifications to Existing Energy)
Efficiency Programs and Approval of New)
Energy Efficiency Programs)

**UNDERTAKING OF
PIEDMONT NATURAL GAS
COMPANY, INC.**

NOW COMES Piedmont Natural Gas Company, Inc. (“Applicant”), and files this
Undertaking as follows:

UNDERTAKING

The Applicant, by and through its undersigned executive officer, makes its written
undertaking to the North Carolina Utilities Commission (“Commission”) that it will refund
to its customers any amount of temporary rates made effective on and after November 1,
2021 pursuant to N.C. Gen. Stat. § 62-135, plus 10% interest per annum, that may be finally

determined by the Commission to be excessive and is required by Final Order of the Commission in this docket. Such refund will be made consistent with any terms and conditions specified by the Commission's Final Order.

This 12th day of October, 2021.

By: Bruce P Barkley

Bruce P. Barkley
VP – Rates and Natural Gas Supply
Piedmont Natural Gas Company, Inc.

STATE OF NORTH CAROLINA)
) to wit:
City of Charlotte)

The foregoing instrument was sworn to and acknowledged before me this 12th day of October, 2021.

Daniel Piurkowski
Notary Public

My registration number is 201835200151 and my commission expires:

01/10/2024

