

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-9, SUB 742

In the Matter of:

Application of Piedmont Natural Gas
Company, Inc. for an Adjustment of
its Rates and Charges to Track Changes
in its Wholesale Costs of Gas

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PETITION

This Petition is being filed by Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”) pursuant to the provisions of G.S. § 62-133.4, Commission Rule R1-17(k)(3) and Appendix A of Piedmont’s North Carolina Service Regulations. Piedmont seeks approval herein to decrease its rates and charges effective March 1, 2019, as the result of a proposed change in its Benchmark Cost of Gas from the current rate of \$3.75 per dekatherm to a rate of \$2.75 per dekatherm. In support of this filing, Piedmont respectfully shows unto the Commission the following:

1. It is respectfully requested that any notices or other communications with respect to this Petition be sent to:

James H. Jeffries IV
McGuireWoods LLP
201 North Tryon Street, Suite 3000
Charlotte, NC 28202
Telephone: 704-343-2348
jjeffries@mcguirewoods.com

2. Piedmont is a subsidiary of Duke Energy Corporation and is engaged in the business of transporting, distributing and selling natural gas in the states of North Carolina, South Carolina, and Tennessee. Piedmont is a public utility under the laws of

this State, and its public utility operations in North Carolina are subject to the jurisdiction of this Commission.

3. The Commission has previously granted Piedmont Certificates of Public Convenience and Necessity authorizing it to acquire certain gas franchises and properties in the state of North Carolina. Piedmont holds franchises and is furnishing natural gas to customers in various cities and towns in North Carolina.

4. Based on the wholesale cost of gas reported by the New York Mercantile Exchange (“NYMEX”), and forecasted normalized throughput levels, Piedmont projects that it will materially over-collect its commodity cost of gas in the next several months at its currently approved Benchmark Cost of Gas of \$3.75 per dekatherm. In order to mitigate this projected over-collection, Piedmont proposes herein to decrease its Benchmark Cost of Gas from \$3.75 per dekatherm to \$2.75 per dekatherm. Data supporting the computation of Piedmont’s revised rates based on this revised Benchmark Cost of Gas are shown on Schedules A and B attached to this Petition. Piedmont requests that these rate changes be made effective on March 1, 2019.

Respectfully submitted this 15th day of February, 2019.

Piedmont Natural Gas Company, Inc.

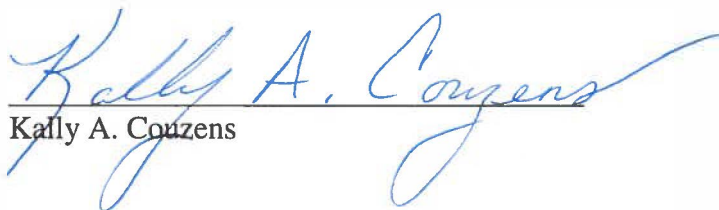
/s/ James H. Jeffries IV
James H. Jeffries IV
McGuireWoods LLP
201 North Tryon Street, Suite 3000
Charlotte, NC 28202
Telephone: 704-343-2348
Email: jjeffries@mcguirewoods.com

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

Kally A. Couzens, being duly sworn, deposes and says that she is Rates & Regulatory Strategy Manager – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing and knows the contents thereof; and she believes that the facts set forth therein are true and correct.


Kally A. Couzens

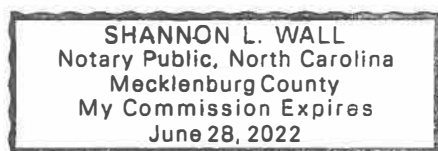
Mecklenburg County, North Carolina

Signed and sworn to before me this day by Kally A Couzens.

Date: 2/14/19


Shannon L. Wall, Notary Public

(Official Seal)

My Commission Expires: 6/28/22

Schedule A

Piedmont Natural Gas Company, Inc.
Docket G-9, Sub 742- Benchmark Cost of Gas Adjustment

	Current January 2019 <u>Billing Rates</u>	G-9, Sub 742 Benchmark <u>Change</u>	Proposed March 2019 <u>Billing Rates</u>
North Carolina Rate Schedules:			
101 - Residential Service			
Monthly Charge	10.00	-	10.00
Rate Per Therm - winter	1.09640	(0.10190)	0.99450
Rate Per Therm - summer	1.05506	(0.10190)	0.95316
102- Small General Service			
Monthly Charge	22.00	-	22.00
Rate Per Therm - winter	0.86644	(0.10190)	0.76454
Rate Per Therm - summer	0.83425	(0.10190)	0.73235
152- Medium General Service			
Monthly Charge	75.00	-	75.00
Rate Per Therm - winter - first 5,000	0.84214	(0.10190)	0.74024
Rate Per Therm - winter - over 5,000	0.81529	(0.10190)	0.71339
Rate Per Therm - summer - first 5,000	0.78563	(0.10190)	0.68373
Rate Per Therm - summer - over 5,000	0.76084	(0.10190)	0.65894
142 - Natural Gas Vehicle Fuel - PNG Stations			
Rate Per Therm - winter	0.84965	(0.10190)	0.74775
Rate Per Therm - summer	0.84965	(0.10190)	0.74775
143 - Experimental Motor Vehicle Fuel			
Monthly Charge			
Rate Per Therm - winter			
Rate Per Therm - summer			
144 - Experimental Medium Gen Motor Fuel - Transportation			
Monthly Charge	75.00	-	75.00
Rate Per Therm - winter - first 5,000	0.48757	(0.00190)	0.48567
Rate Per Therm - winter - over 5,000	0.46072	(0.00190)	0.45882
Rate Per Therm - summer - first 5,000	0.43106	(0.00190)	0.42916
Rate Per Therm - summer - over 5,000	0.40627	(0.00190)	0.40437
103 - Large General Sales Service			
Monthly Charge	350.00	-	350.00
Rate Per Therm - Demand Charge	1.25339	-	1.25339
Rate Per Therm - Winter-1st 15,000	0.54593	(0.10190)	0.44403
Rate Per Therm - Winter-Next 30,000	0.48802	(0.10190)	0.38612
Rate Per Therm - Winter-Next 90,000	0.46402	(0.10190)	0.36212
Rate Per Therm - Winter-Next 165,000	0.44381	(0.10190)	0.34191
Rate Per Therm - Winter-Next 300,000	0.44393	(0.10190)	0.34203
Rate Per Therm - Winter-Over 600,000	0.41452	(0.10190)	0.31262
Rate Per Therm - Summer-1st 15,000	0.49140	(0.10190)	0.38950
Rate Per Therm - Summer-Next 30,000	0.44574	(0.10190)	0.34384
Rate Per Therm - Summer-Next 90,000	0.42965	(0.10190)	0.32775
Rate Per Therm - Summer-Next 165,000	0.41880	(0.10190)	0.31690
Rate Per Therm - Summer-Next 300,000	0.40856	(0.10190)	0.30666
Rate Per Therm - Summer-Over 600,000	0.40592	(0.10190)	0.30402
104 - Interruptible Sales Service			
Monthly Charge	350.00	-	350.00
Rate Per Therm - Winter-1st 15,000	0.56325	(0.10190)	0.46135
Rate Per Therm - Winter-Next 30,000	0.53219	(0.10190)	0.43029
Rate Per Therm - Winter-Next 90,000	0.50818	(0.10190)	0.40628
Rate Per Therm - Winter-Next 165,000	0.47641	(0.10190)	0.37451
Rate Per Therm - Winter-Next 300,000	0.47240	(0.10190)	0.37050
Rate Per Therm - Winter-Over 600,000	0.45906	(0.10190)	0.35716
Rate Per Therm - Summer-1st 15,000	0.53695	(0.10190)	0.43505
Rate Per Therm - Summer-Next 30,000	0.50704	(0.10190)	0.40514
Rate Per Therm - Summer-Next 90,000	0.49291	(0.10190)	0.39101
Rate Per Therm - Summer-Next 165,000	0.47258	(0.10190)	0.37068
Rate Per Therm - Summer-Next 300,000	0.46890	(0.10190)	0.36700
Rate Per Therm - Summer-Over 600,000	0.45431	(0.10190)	0.35241
105 - Outdoor Gas Light Service			
Per Fixture/Mo.	16.50	-	16.50
106 - Limiting and Curtailing Service			
Rate Per Therm - Authorized	1.00000	-	1.00000
Rate Per Therm - Unauthorized	2.50000	-	2.50000

Piedmont Natural Gas Company, Inc.
Docket G-9, Sub 742- Benchmark Cost of Gas Adjustment

	Current January 2019 <u>Billing Rates</u>	G-9, Sub 742 Benchmark <u>Change</u>	Proposed March 2019 <u>Billing Rates</u>
North Carolina Rate Schedules:			
113 - Large General Transportation Service			
Monthly Charge	350.00	-	350.00
Rate Per Therm - Demand Charge	0.26196	-	0.26196
Rate Per Therm - Standby Demand	1.20000	-	1.20000
Rate Per Therm - Winter-1st 15,000	0.16310	(0.00190)	0.16120
Rate Per Therm - Winter-Next 30,000	0.10519	(0.00190)	0.10329
Rate Per Therm - Winter-Next 90,000	0.08119	(0.00190)	0.07929
Rate Per Therm - Winter-Next 165,000	0.06098	(0.00190)	0.05908
Rate Per Therm - Winter-Next 300,000	0.06110	(0.00190)	0.05920
Rate Per Therm - Winter-Over 600,000	0.03001	(0.00190)	0.02811
Rate Per Therm - Summer-1st 15,000	0.10857	(0.00190)	0.10667
Rate Per Therm - Summer-Next 30,000	0.06291	(0.00190)	0.06101
Rate Per Therm - Summer-Next 90,000	0.04682	(0.00190)	0.04492
Rate Per Therm - Summer-Next 165,000	0.03597	(0.00190)	0.03407
Rate Per Therm - Summer-Next 300,000	0.02573	(0.00190)	0.02383
Rate Per Therm - Summer-Over 600,000	0.01363	(0.00190)	0.01173
114 - Interruptible Transportation Service			
Monthly Charge	350.00	-	350.00
Rate Per Therm - Winter-1st 15,000	0.09367	(0.00190)	0.09177
Rate Per Therm - Winter-Next 30,000	0.08729	(0.00190)	0.08539
Rate Per Therm - Winter-Next 90,000	0.07425	(0.00190)	0.07235
Rate Per Therm - Winter-Next 165,000	0.05347	(0.00190)	0.05157
Rate Per Therm - Winter-Next 300,000	0.03670	(0.00190)	0.03480
Rate Per Therm - Winter-Over 600,000	0.02510	(0.00190)	0.02320
Rate Per Therm - Summer-1st 15,000	0.11360	(0.00190)	0.11170
Rate Per Therm - Summer-Next 30,000	0.08886	(0.00190)	0.08696
Rate Per Therm - Summer-Next 90,000	0.07559	(0.00190)	0.07369
Rate Per Therm - Summer-Next 165,000	0.05441	(0.00190)	0.05251
Rate Per Therm - Summer-Next 300,000	0.05248	(0.00190)	0.05058
Rate Per Therm - Summer-Over 600,000	0.02357	(0.00190)	0.02167
T-10 - Transportation Service to Military Operations			
Rate Per Therm - Demand	0.82618	-	0.82618
Rate Per Therm - winter	0.13082	(0.00190)	0.12892
Rate Per Therm - summer	0.03982	(0.00190)	0.03792
12 - Service to Military Installations in Onslow County (Sales)			
Rate Per Therm - winter	0.68520	(0.10190)	0.58330
Rate Per Therm - summer	0.63131	(0.10190)	0.52941
T-12 - Transportation Service to Military Installations in Onslow County			
Rate Per Therm - winter	0.30237	(0.00190)	0.30047
Rate Per Therm - summer	0.24848	(0.00190)	0.24658
ST-1 Standby On-Peak Supply Service			
Rate Per Therm - Demand	0.42600	-	0.42600
Rate Per Therm - Capacity	0.12700	-	0.12700

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Feb 15 2019

Schedule B

Piedmont Natural Gas Company
Purchased Gas Adjustment
Commodity Cost of Gas Calculation
Docket G-9, Sub 742

	Docket No. G-9 Sub 631 <u>DT's</u>	Increase (Decrease) <u>in Rate</u>	<u>Total</u>
Sales	66,294,712	\$ (1.00)	\$ (66,294,712)
Transportation	62,523,836		
Total Throughput	128,818,548		
LAUF %	1.90%		
Company Use & Lost And Unacct For	2,447,552	\$ (1.00)	\$ (2,447,552)
Total Throughput			128,818,548
Calculated Rate Adjustment - LAUF			\$ (0.0190)
Sales Commodity Rate Adjustment per DT			\$ (1.0190)
Sales Commodity Rate Adjustment per Therm			\$ (0.10190)
Transportation Commodity Rate Adjustment per DT			\$ (0.0190)
Transportation Commodity Rate Adjustment per Therm			\$ (0.00190)
Effective Benchmark per DT			\$ 2.75