

McGuireWoods LLP
201 North Tryon Street
Suite 3000
Charlotte, NC 28202-2146
Phone: 704.343.2000
Fax: 704.343.2300
www.mcguirewoods.com

James H. Jeffries IV
Direct: 704.343.2348

McGUIREWOODS

jjeffries@mcguirewoods.com

OFFICIAL COPY

Sep 02 2021

September 2, 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 Nos. G-9, Sub 722, G-9, Sub 781, and G-9, Sub 786 (Consolidated)

Dear Ms. Dunston:

Enclosed for filing in the above-referenced dockets, please find Piedmont Natural Gas Company, Inc.'s *Notice of Settlement in Principle and Motion to Delay Evidentiary Hearing*.

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

cc: Elizabeth Culpepper
Bruce Barkley
Pia Powers

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 2nd day of September, 2021.

/s/ Richard K. Goley
Richard K. Goley

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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

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)
)
Docket No. G-9, Sub 781)
)
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)

**NOTICE OF SETTLEMENT
IN PRINCIPLE AND
MOTION TO DELAY
EVIDENTIARY HEARING**

Piedmont Natural Gas Company, Inc. (“Piedmont” or the “Company”), through counsel, hereby respectfully: (1) provides notice to the North Carolina Utilities Commission (“Commission”) that it has reached a settlement in principle with the Public Staff – North Carolina Utilities Commission (“Public Staff”), which resolves the majority of the issues in the above-captioned proceedings as between Piedmont and the Public Staff, and (2) requests that the commencement of the evidentiary hearing scheduled in the May 17, 2021 *Order Scheduling Investigation and Hearings, Establishing Intervention and Testimony Due Dates and Discovery*

Guidelines, and Requiring Public Notice be delayed until Thursday, September 9, 2021 at 9:00 a.m. to allow Piedmont and the Public Staff to finalize and file a formal Stipulation of settlement and supporting testimony and exhibits in this proceeding. In support hereof, Piedmont shows unto the Commission as follows:

1. On March 22, 2021, Piedmont filed a petition in Docket No. G-9, Sub 781 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 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 Sasha Weintraub, Brian R. Weisker, Karl W. Newlin, Pia K. Powers, Kally A. Couzens, Quynh P. Bowman, 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). The Commission had by Order issued on March 16, 2021, consolidated Docket No. G-9, Sub 781 with Docket No. G-9, Sub 722.

2. On April 13, 2021, the Commission issued its *Order Establishing General Rate Case and Suspending Rates*. Also on April 13, 2021, the Public Staff filed a motion to consolidate Docket No. G-9, Sub 786 with the previously consolidated dockets, which was granted by the Commission on April 19, 2021.

3. On May 17, 2021, the Commission issued its *Order Scheduling Investigation and Hearings, Establishing Intervention and Testimony Due Dates and Discovery Guidelines and Requiring Public Notice* which, among other things, scheduled the hearing in these proceedings to resume on Tuesday, September 7, 2021, at 2:00 p.m.

4. Following completion of the Public Staff's investigation of the Company's Petition and accompanying documents, review of the results of its examination of the Company's books and records, and review of the Company's responses to the Public Staff's Data Requests, as well as those served by other parties,

Piedmont and the Public Staff engaged in discussions regarding an appropriate resolution for the matters at issue in these proceedings.

5. After multiple video conferences and conference calls, Piedmont and the Public Staff have reached an agreement in principle regarding resolution of the majority of the issues in this consolidated proceeding. The only issues unresolved between the Company and the Public Staff at this time are rate design, and the issues raised under Docket No. G-9, Sub 722. The Company and the Public Staff are continuing to address rate design, and are also working with several intervenors on these issues to determine if settlement with those parties is possible.

6. Although Piedmont and the Public Staff have reached an agreement in principle, additional time is needed to finalize the settlement agreement, reduce its terms to writing, and prepare supporting testimony for submission to the Commission. Additional time before hearing would also be beneficial to efforts to attempt to broaden the settlement in this docket to include other parties. Further, additional time would also allow the Commission and non-settling parties the opportunity to review the Stipulation and supporting testimony and exhibits.

7. The Company and the Public Staff commit to the filing of a Stipulation and supporting testimony on Tuesday, September 7, 2021.

8. Based on the foregoing, Piedmont respectfully requests that the Commission suspend the beginning of the evidentiary hearing scheduled in the May 17, 2021 *Order Scheduling Investigation and Hearings, Establishing Intervention and Testimony Due Dates and Discovery Guidelines, and Requiring Public Notice* to and until Thursday, September 9, 2021 at 9:00 a.m.

9. Piedmont has conferred with Public Staff counsel regarding this request and has been informed that the Public Staff joins in the request for relief set forth herein. Piedmont has sought input from the other parties to this docket and is authorized to represent that CUCA, DEC, CIGFUR, the Attorney General, and FPWC do not object to the relief sought herein and that Piedmont has not heard back from NUCOR.

WHEREFORE, Piedmont respectfully requests that the Commission enter an order suspending the evidentiary hearing scheduled in the May 17, 2021 *Order Scheduling Investigation and Hearings, Establishing Intervention and Testimony Due Dates and Discovery Guidelines, and Requiring Public Notice* to and until Thursday, September 9, 2021 at 9:00 am.

Respectfully submitted, this the 2nd day of September, 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