STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA MARCH 4, 2019

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

B. NATURAL GAS

P1. DOCKET NO. G-9, SUB 740 – APPLICATION OF PIEDMONT NATURAL GAS COMPANY, INC., FOR AUTHORIZATION TO CONSTRUCT PIPELINE ACROSS THE TERRITORY OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.

EXPLANATION: On February 4, 2019, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed an application with the Commission for authority to construct and operate natural gas pipeline facilities in Mecklenburg County pursuant to Commission Rule R6-61. The application indicates that Piedmont proposes to construct approximately 4,380 feet of twelve (12) inch diameter steel pipeline and approximately 3,380 feet of eight (8) inch diameter plastic pipeline (collectively, Piedmont Facilities) across a portion of the service territory of Public Service Company of North Carolina, Inc. (PSNC), in Mecklenburg County, North Carolina. The proposed Piedmont facilities will connect to new and existing Piedmont facilities serving the area around Huntersville, North Carolina, and will reinforce deliveries into that growing area within Piedmont's service territory. The Piedmont Facilities will not serve any customers within PSNC's exclusive territory.

The application states that Piedmont notified PSNC of this project, and PSNC, as verified by the Public Staff, had no objections to the construction and/or operation of the proposed Piedmont Facilities in Mecklenburg County.

Commission Rule R6-61 requires a natural gas local distribution company to obtain Commission approval prior to constructing or operating a pipeline outside of its designated territory, and in this case facilities will be constructed in PSNC's territory. Piedmont states that the proposed pipeline is necessary to most efficiently meet customer demands for natural gas service around Huntersville, North Carolina, and will reinforce deliveries into that growing area within Piedmont's service territory.

The Public Staff has reviewed the application and information provided by Piedmont in response to a Public Staff data request and recommends approval as filed.

EXHIBIT: A proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Gilbert) That the Commission issue the proposed order approving Piedmont's request.

EXHIBIT NO. P-1 PAGE 1 OF 2

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. G-9, SUB 740

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Piedmont Natural Gas Company,)
Inc., for Authorization to Construct Pipeline)
Across the Territory of Public Service Company)
ORDER AUTHORIZING
CONSTRUCTION OF
PIPELINE
of North Carolina, Inc.

BY THE COMMISSION: On February 4, 2019, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed an application with the Commission for authority to construct and operate natural gas pipeline facilities in Mecklenburg County pursuant to Commission Rule R6-61. The application indicates that Piedmont proposes to construct approximately 4,380 feet of twelve (12) inch diameter steel pipeline and approximately 3,380 feet of eight (8) inch diameter plastic pipeline (collectively, Piedmont Facilities) across a portion of the service territory of Public Service Company of North Carolina, Inc. (PSNC), in Mecklenburg County, North Carolina. The proposed Piedmont facilities will connect to new and existing Piedmont facilities serving the area around Huntersville, North Carolina, and will reinforce deliveries into that growing area within Piedmont's service territory. The Piedmont Facilities will not serve any customers within PSNC's exclusive territory.

Commission Rule R6-61 requires a natural gas local distribution company to obtain Commission approval prior to constructing and/or operating a pipeline outside of its designated territory, and in this case facilities will be constructed in PSNC's territory. Piedmont stated that the proposed pipeline is necessary to most efficiently meet customer demands for natural gas service around Huntersville, North Carolina, and would reinforce deliveries into that growing area within Piedmont's service territory. Piedmont stated, and it was also verified by Public Staff, that PSNC has no objections to the construction and/or operation of the proposed Piedmont Facilities.

The Public Staff presented this matter at the Commission's Regular Staff Conference on March 4, 2019, and stated that it had reviewed the application and information provided by Piedmont in response to a Public Staff data request.

The Public Staff recommended that the Commission issue an order granting Piedmont authority to construct the proposed pipeline.

EXHIBIT NO. P-1 PAGE 2 OF 2

Based on the foregoing, the Commission concludes that Piedmont's application should be approved.

IT IS, THEREFORE, ORDERED as follows:

- 1. That Piedmont's application for authority to construct approximately 4,380 feet of 12-inch diameter steel pipeline and approximately 3,380 feet of 8-inch plastic pipeline in the service territory of PSNC in Mecklenburg County, North Carolina is hereby granted.
- 2. That Piedmont shall comply fully with Commission Rules R6-60, R6-61, and R6-62 in the operation of, and provision of service from, the pipeline for which approval has been granted herein.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk