

PIEDMONT NATURAL GAS MEDIA STATEMENT

Wednesday afternoon, pipeline crews were working on drilling operations near Sevenmile Creek when an inadvertent release of drilling mud was noticed near the work area. Drilling was immediately halted at the site and the appropriate state and federal officials were notified in accordance with Piedmont's previously developed and approved contingency plan.

Some of the drilling mud entered Sevenmile Creek, near Edmonson Pike and Huntington Parkway, and crews were dispatched at that time to begin the clean up process in consultation with state officials at the Tennessee Department of Environment and Conservation and with the U.S. Fish and Wildlife Service.

Piedmont's efforts at this time are focused on the clean up effort. Piedmont personnel, contractor crews and biological experts are assessing the impact of the release on the Nashville Crayfish found in Mill Creek, for which Sevenmile Creek is a tributary.

Piedmont will continue to assess the impacts associated with the inadvertent release of bentonite, a naturally occurring clay commonly used for agricultural purposes and found in many household products, and will continue to provide timely updates on the Company's clean up process. Piedmont's Nashville Pipeline website (www.piedmontnashvillepipeline.com) will also be a resource for information about this event and the Company's continuing effort towards clean up and assessment.