Piedmont Natural Gas

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Clerk's Office
N.C. Utilities Commission

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June 11, 2010

Ms. Renne Vance
Chief Clerk
North Carolina Utilities Commission
430 North Salisbury Street, Dobbs Building
Raleigh, NC 27603-5918

Re: Docket No. G-9, Sub 550B
Margin Decoupling Deferred Account Adjustment

Dear Ms. Vance:

In accordance with provisions set forth in Appendix C of the Company's Service Regulations as approved by the Commission in the above referenced docket, Piedmont Natural Gas Company files the enclosed original and 25 copies of the computation of the Margin Decoupling Deferred Account Adjustment by rate schedule for April 2010.

For billing cycles for the month of April 2010, the calculation results in an amount to be collected from residential customers of $3,090,010 and an amount to be collected from commercial customers of $953,822. The total Margin Decoupling Adjustment for April 2010 is $4,043,832.

The average temperature for the April days included in these billing cycles was warmer than normal. Actual usage for this period was 1,103,553 dekatherms less than the projected normal. This resulted in avoided commodity costs of approximately $6,179,899 for residential and commercial customers.

Please let me know if there are any questions.

Sincerely,

Jenny Furr

Jenny Furr
Manager Regulatory Reporting

Enclosures

Clerk
AG
7 Comm
Benning
Kirby
Watson
Hoover
Hilburn
Gilmore
Burns
Sessoms

Gruber
2 PSECO
2 PSLegal
2 PSACCT
2 PSGas

Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332
April 2010 Report
Debit (Credit)

Description	Reference	Residential	Small Commercial	Medium General Service	Total
Beginning Balance	Prior Mo Report	($13,717,344)	($6,689,151)	$618,537	($19,787,958)
Monthly Activity:					
Margin Decoupling Adjustment	Page 2	$3,090,010	$808,405	$145,417	4,043,832
(Increment) Decrement	Page 3	(101,607)	99,903	(69,024)	(70,729)
Ending Balance Before Interest		(10,728,941)	(5,780,843)	694,930	(15,814,855)
Accrued Interest	Page 4	(74,459)	(37,982)	4,001	(108,440)
Total Due From (To) Customers		(10,803,400)	($5,818,825)	$698,931	($15,923,295)

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
April 2010 Report

Line No.	Description		Residential Service Rate Schedule No. 101	Small General Service Rate Schedule No. 102	Medium General Service Rate Schedule No. 152	Total	
1	Normal Degree Days /1	*Page 2A*	300.0	300.0	300.0		
2	Base Load /1	(th/month)	12.0381	126.3458	5980.4393		
3	Heat Sensitivity Factor /1	(th/HDD)	0.1468	0.5849	9.4451		
4	Usage/HDD/Customer	(th)	56.0781	301.8158	8,813.9693		
	RATE CASE						
5	No. of Customers (Actual)		604,853	65,116	460		
6	Total Normalized Usage	(th)	33,919,007.0193	19,653,037.6328	4,054,425.8780	57,626,471	
7	R Factor /1	($/th)	$0.39805	$0.31142	$0.21486		
8	Normalized Margin	($)	$13,501,461	$6,120,349	$871,134	$20,492,944	
	ACTUAL						
9	No. of Customers (Actual)		604,853	65,116	460		
10	Actual Usage	(th)	26,156,139	17,057,171	3,377,627	46,590,937	
11	R Factor /1	($/th)	$0.39805	$0.31142	$0.21486		
12	R Factor Margin Revenues	($)	$10,411,451	$5,311,944	$725,717	$16,449,112	
13	Margin Decoupling Adj		$3,090,010	$808,405	$145,417	$4,043,832	Total Owed To Company (Customer)

Note: /1 - Per Docket No. G-9, Sub 550, Stipulation - Exhibit D

Piedmont Natural Gas Company, Inc.
Heating Degree Days for Margin Decoupling

	Rate Case Normal HDD	Actual HDD 2009-10
Nov	296.7	293.6
Dec	529.1	536.5
Jan	730.2	947.3
Feb	754.7	809.2
Mar	491.3	584.1
Apr	300.0	199.5
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	3,370.2

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
April 2010 Report

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
Facilities Charge	Winter	$10.00	$22.00	$75.00
	Summer	$10.00	$22.00	$75.00
Rates ($/th)				
1st Block	Winter	$1.10377	$0.99997	$1.01203
2nd Block	Winter			$0.99911
1st Block	Summer	$1.05507	$0.96852	$0.91555
2nd Block	Summer			$0.88912
BCGC ($/th)		$0.56000	$0.56000	$0.56000
LUAF ($/th)		$0.01063	$0.01063	$0.01063
Commodity Cost Increment ($/th)	Winter	$0.05230	$0.05230	$0.05230
	Summer	$0.05230	$0.05230	$0.05230
Fixed Gas Costs ($/th)				
1st Block	Winter	$0.08746	$0.07461	$0.05824
2nd Block	Winter			$0.04532
1st Block	Summer	$0.03876	$0.04316	$0.05832
2nd Block	Summer			$0.03189
R Factors ($/th)				
1st Block	Winter	$0.39805	$0.31142	$0.31142
2nd Block	Winter			$0.31142
1st Block	Summer	$0.39805	$0.31142	$0.21486
2nd Block	Summer			$0.21486
Margin Decoupling Temporaries		-$0.00467	-$0.00899	$0.01944

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
April 2010 Report
Debit (Credit)

Item	Reference	Residential	Small Commercial	Medium General Service
Usage by Rate Class - therms [1]	Page 5	16,735,697	10,603,420	1,955,460
Rate decrement (increment)/therm	Per NCUC	($0.00870)	$0.00395	($0.02116)
Refunds (Collections)		($145,601)	$41,884	($41,378)
Usage by Rate Class - therms [2]	Page 5	9,420,442	6,453,751	1,422,167
Rate decrement (increment)/therm	Per NCUC	$0.00467	$0.00899	($0.01944)
Refunds (Collections)		$43,993	$58,019	($27,647)
Total Refunds (Collections)		($101,607)	$99,903	($69,024)
Margin Decoupling Temporaries effective November 1, 2009 (per therm)		($0.00870)	$0.00395	($0.02116)
Margin Decoupling Temporaries effective April 1, 2010 (per therm)		$0.00467	$0.00899	($0.01944)

1/ Customer bills rendered in April 2010 include usage that occurred in March 2010, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms billed in April at the rates effective November 1, 2009.

2/ Customer bills rendered in April 2010 include usage that occurred in April 2010, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms bills in April at the rates effective April 1, 2010.

Proration of Margin Decoupling Adjustment
April 2010

Apr billed Cycles	Cycle Dates		Cycle Length	# Apr Days Prorated	Apr Prorate Percent	Mar Prorate Percent	Residential Rate Schedule 101 (1) therms billed by cycle	Residential Apr prorate therms billed	Residential Mar prorate therms billed	Small Commercial Rate Schedule 102 (2) therms billed by cycle	Small Commercial Apr prorate therms billed	Small Commercial Mar prorate therms billed	Medium General Service Rate Schedule 152 (3) therms billed by cycle	Medium General Service Apr prorate therms billed	Medium General Service Mar prorate therms billed
1	3/1/10	3/31/10	30	0	0.00%	100.00%	2,462,035	0	2,462,035	1,238,041	0	1,238,041	213,993	0	213,993
2	3/2/10	4/1/10	30	1	3.33%	96.67%	2,226,960	74,158	2,152,802	1,554,841	51,776	1,503,065	202,937	6,758	196,179
3	3/3/10	4/2/10	30	2	6.67%	93.33%	1,825,527	121,763	1,703,764	1,119,091	74,643	1,044,448	199,888	13,333	186,555
4	3/4/10	4/5/10	32	5	15.63%	84.37%	1,578,450	246,712	1,331,738	1,549,009	242,110	1,306,899	338,040	52,836	285,204
5	3/5/10	4/6/10	32	6	18.75%	81.25%	1,642,923	308,048	1,334,875	878,959	164,805	714,154	72,420	13,579	58,841
6	3/8/10	4/7/10	30	7	23.33%	76.67%	1,729,873	403,579	1,326,294	585,890	136,688	449,202	151,507	35,347	116,160
7	3/9/10	4/8/10	30	8	26.67%	73.33%	1,379,484	367,908	1,011,576	758,972	202,418	556,554	111,425	29,717	81,708
8	3/10/10	4/9/10	30	9	30.00%	70.00%	928,273	278,482	649,791	513,079	153,924	359,155	86,647	25,994	60,653
9	3/11/10	4/12/10	32	12	37.50%	62.50%	1,636,874	613,828	1,023,046	1,171,397	439,274	732,123	333,486	125,057	208,429
10	3/15/10	4/13/10	29	13	44.83%	55.17%	1,162,593	521,190	641,403	287,574	128,919	158,655	52,589	23,576	29,013
11	3/16/10	4/14/10	29	14	48.28%	51.72%	1,249,966	603,484	646,482	1,060,331	511,928	548,403	227,942	110,050	117,892
12	3/17/10	4/15/10	29	15	51.72%	48.28%	1,056,898	546,628	510,270	1,227,158	634,686	592,472	151,722	78,471	73,251
13	3/18/10	4/16/10	29	16	55.17%	44.83%	980,976	541,204	439,772	997,775	550,472	447,303	318,649	175,799	142,850
14	3/19/10	4/19/10	31	19	61.29%	38.71%	806,076	494,044	312,032	709,777	435,022	274,755	159,393	97,692	61,701
15	3/22/10	4/20/10	29	20	68.97%	31.03%	951,120	655,987	295,133	358,519	247,271	111,248	53,705	37,040	16,665
16	3/23/10	4/21/10	29	21	72.41%	27.59%	1,423,061	1,030,438	392,623	927,436	671,556	255,880	154,078	111,568	42,510
17	3/24/10	4/22/10	29	22	75.86%	24.14%	820,974	622,791	198,183	560,317	425,056	135,261	105,731	80,208	25,523
18	3/25/10	4/23/10	29	23	79.31%	20.69%	1,033,820	819,923	213,897	559,356	443,625	115,731	105,144	83,390	21,754
19	3/29/10	4/26/10	28	26	92.86%	7.14%	1,260,220	1,170,240	89,980	683,052	634,282	48,770	125,996	117,000	8,996
20	3/29/10	4/26/10	28	26	92.86%	7.14%	0	0	0	0	0	0	0	0	0
21	3/30/10	4/27/10	28	27	96.43%	3.57%	36	35	1	316,597	305,294	11,303	212,335	204,755	7,580
21-M	3/31/10	4/30/10	30	30	100.00%	0.00%	0	0	0	0	0	0	0	0	0
							26,156,139	9,420,442	16,735,697	17,057,171	6,453,751	10,603,420	3,377,627	1,422,167	1,955,460

(1) Includes volumes from Rates 101 and 121.
(2) Includes volumes from Rates 102 and 132.
(3) Includes volumes from Rates 152 and 162.