



February 12, 2014

Ms. Gail Mount  
Chief Clerk  
North Carolina Utilities Commission  
430 North Salisbury Street  
Dobbs Building, Suite 5063  
Raleigh, NC 27603-5918

**FILED**  
**FEB 12 2014**  
Clerk's Office  
N.C. Utilities Commission

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

**OFFICIAL COPY**

Dear Ms. Mount:

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 December 2013.

For billing cycles for the month of December 2013, the calculation results in an amount to be collected from residential customers of \$70,731 and an amount to be collected from commercial customers of \$8,010. The total Margin Decoupling Adjustment for December 2013 is \$78,741.

Please let me know if there are any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jenny Furr".

Jenny Furr  
Manager Regulatory Reporting

Enclosures

**FILED**  
**FEB 12 2014**  
 Clerk's Office  
 N.C. Utilities Commission

Piedmont Natural Gas Company, Inc.  
 Margin Decoupling Deferred Account Activity - a/c # 25332  
 December 2013 Report  
 Debit (Credit)

<u>Description</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>	<u>Total</u>
Beginning Balance	Prior Mo Report	\$13,801,093	(\$1,682,579)	\$73,664	12,192,178
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	70,731	(36,862)	44,872	78,741
(Increment) Decrement	Page 3	(1,519,031)	158,480	(53,654)	(1,414,205)
Ending Balance Before Interest		12,352,793	(1,560,961)	64,882	10,856,714
Accrued Interest	Page 4	79,660	(9,879)	422	70,203
Total Due From (To) Customers		12,432,453	(1,570,840)	65,304	10,926,917

Piedmont Natural Gas Company, Inc.  
 Computation of Margin Decoupling Deferred Account Adjustment  
 Debit (Credit)  
 December 2013 Report

Based on Cycle Billing

Line No.	Description	Residential Service	Small General Service	Medium General Service	Total
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152	
1	Normal Degree Days /1 <i>Page 2A</i>	529.1	529.1	529.1	
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)	89,710	435,816	10,977,842	
<b>RATE CASE</b>					
5	No. of Customers (Actual)	624,964	66,697	464	
6	Total Normalized Usage (th)	56,065,507.941	29,067,645.764	5,093,718.553	90,226,872
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$22,316,875	\$9,052,246	\$1,586,286	\$32,955,407
<b>ACTUAL</b>					
9	No. of Customers (Actual)	624,964	66,697	464	
10	Actual Usage (th)	55,887,813	29,186,011	4,949,631	90,023,455
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$22,246,144	\$9,089,108	\$1,541,414	\$32,876,666
13	Margin Decoupling Adj	\$70,731	(\$36,862)	\$44,872	\$78,741
					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 2013-14	Diff	
Nov	296.7	353.3	(56.6)	colder
Dec	529.1	554.3	(25.2)	colder
Jan	730.2			
Feb	754.7			
Mar	491.3			
Apr	300.0			
May	108.1			
Jun	18.5			
Jul	0.7			
Aug	0.1			
Sep	2.8			
Oct	84.5			
	3,316.7	907.6		

**Piedmont Natural Gas Company, Inc.**  
**Rate Elements For Residential, SGS and MGS Rate Classes**  
**December 2013 Report**

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
<b>Facilities Charge</b>	Winter	\$10.00	\$22.00	\$75.00
	Summer	\$10.00	\$22.00	\$75.00
<b>Rates (\$/th)</b>				
1st Block	Winter	\$1.02872	\$0.88758	\$0.87580
2nd Block	Winter			\$0.85374
1st Block	Summer	\$0.94570	\$0.83393	\$0.77951
2nd Block	Summer			\$0.73420
<b>BCGC (\$/th)</b>		\$0.45000	\$0.45000	\$0.45000
<b>LUAF (\$/th)</b>		\$0.00854	\$0.00854	\$0.00854
<b>Commodity Cost Increment (\$/th)</b>	Winter	(\$0.00423)	(\$0.00423)	(\$0.00423)
	Summer	(\$0.00423)	(\$0.00423)	(\$0.00423)
<b>Fixed Gas Costs (\$/th)</b>				
1st Block	Winter	\$0.14918	\$0.12728	\$0.09923
2nd Block	Winter			\$0.07717
1st Block	Summer	\$0.06616	\$0.07363	\$0.09950
2nd Block	Summer			\$0.05419
<b>R Factors (\$/th)</b>				
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
<b>Margin Decoupling Temporaries</b>		\$0.02718	(\$0.00543)	\$0.01084

Piedmont Natural Gas Company, Inc.  
 Computation of Refunds and (Collections) Through Temporaries  
 December 2013 Report  
 Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Usage by Rate Class - therms	Page 2	55,887,813	29,186,011	4,949,631
Rate decrement (increment)/therm	Per NCUC	(\$0.02718)	\$0.00543	(\$0.01084)
Refunds (Collections)		<u>(\$1,519,031)</u>	<u>\$158,480</u>	<u>(\$53,654)</u>
Margin Decoupling Temporaries effective November 2013 (per therm)		(\$0.02718)	\$0.00543	(\$0.01084)

Piedmont Natural Gas Company, Inc.  
Accrued Interest  
December 2013 Report  
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Beginning Balance	Page 1	\$13,801,093	(\$1,682,579)	\$73,664
Ending Balance Before Interest	Page 1	\$12,352,793	(\$1,560,961)	\$64,882
Average Balance Before Interest		13,076,943	(1,621,770)	69,273
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		\$79,660	(\$9,879)	\$422