



June 13, 2011

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

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JUN 14 2011

Clerk's Office
N.C. Utilities Commission

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 2011.

For billing cycles for the month of April 2011, the calculation results in an amount to be collected from residential customers of \$532,146 and an amount to be refunded to commercial customers of \$242,212. The total Margin Decoupling Adjustment for April 2011 is \$289,934.

The average temperature for the April days included in these billing cycles was warmer than normal. Actual usage for this period was 66,034 dekatherms less than the projected normal. This resulted in avoided commodity costs of approximately \$280,644 for residential and commercial customers.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

4m
AG
7 comm
Watson
Hoover
Hilburn
Sessions
Gilmore
Burns

Gruber
APSeco
2 PS Legal
2 PS Accts
4 PS O&S

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Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332
April 2011 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	(\$6,023,975)	(\$5,234,519)	\$929,406	(10,329,087)
Monthly Activity:					
Margin Decoupling Adjustment	Page 2	\$532,146	(\$312,352)	\$70,140	289,934
(Increment) Decrement	Page 3	692,309	463,126	(66,088)	1,089,348
Ending Balance Before Interest		(4,799,520)	(5,083,744)	933,459	(8,949,806)
Accrued Interest	Page 4	(32,967)	(31,428)	5,674	(58,721)
Total Due From (To) Customers		(4,832,487)	(5,115,172)	939,133	(9,008,527)

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
April 2011 Report

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>	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)	609,728	65,464	458	
6	Total Normalized Usage (th)	34,192,387.7568	19,758,069.5312	4,036,797.9394	57,987,255
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.21486	
8	Normalized Margin (\$)	\$13,610,280	\$6,153,058	\$867,346	\$20,630,684
ACTUAL					
9	No. of Customers (Actual)	609,728	65,464	458	
10	Actual Usage (th)	32,855,505	20,761,063	3,710,349	57,326,917
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.21486	
12	R Factor Margin Revenues (\$)	\$13,078,134	\$6,465,410	\$797,206	\$20,340,750
13	Margin Decoupling Adj	\$532,146	(\$312,352)	\$70,140	\$289,934
					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 2010-11
Nov	296.7	307.4
Dec	529.1	708.1
Jan	730.2	930.9
Feb	754.7	779.7
Mar	491.3	379.2
Apr	300.0	290.8
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	3,396.1

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
April 2011 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	\$0.97929	\$0.87830	\$0.89959
2nd Block	Winter			\$0.88464
1st Block	Summer	\$0.92298	\$0.84193	\$0.80314
2nd Block	Summer			\$0.77253
BCGC (\$/th)		\$0.42500	\$0.42500	\$0.42500
LUAF (\$/th)		\$0.00807	\$0.00807	\$0.00807
Commodity Cost Increment (\$/th)	Winter	\$0.07190	\$0.07190	\$0.07190
	Summer	\$0.07190	\$0.07190	\$0.07190
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10114	\$0.08629	\$0.06733
2nd Block	Winter			\$0.05238
1st Block	Summer	\$0.04483	\$0.04992	\$0.06744
2nd Block	Summer			\$0.03683
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		-\$0.02487	-\$0.02438	\$0.01587

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
April 2011 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 1	Page 5	18,910,226	11,919,184	2,018,002
Rate decrement (increment)/therm	Per NCUC	<u>\$0.01827</u>	<u>\$0.02077</u>	<u>(\$0.01944)</u>
Refunds (Collections)		\$345,490	\$247,561	(\$39,230)
Usage by Rate Class - therms2	Page 5	13,945,279	8,841,879	1,692,347
Rate decrement (increment)/therm	Per NCUC	<u>\$0.02487</u>	<u>\$0.02438</u>	<u>(\$0.01587)</u>
Refunds (Collections)		\$346,819	\$215,565	(\$26,858)
Total Refunds (Collections)		<u>\$692,309</u>	<u>\$463,126</u>	<u>(\$66,088)</u>
Margin Decoupling Temporaries effective November 1, 2010 (per therm)		\$0.01827	\$0.02077	(\$0.01944)
Margin Decoupling Temporaries effective April 1, 2011 (per therm)		\$0.02487	\$0.02438	(\$0.01587)

1/ Customer bills rendered in April 2011 include usage that occurred in March 2011, 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, 2010.

2/ Customer bills rendered in April 2011 include usage that occurred in April 2011, 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, 2011.

Piedmont Natural Gas Company, Inc.
Accrued Interest
April 2011 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	(\$6,023,975)	(\$5,234,519)	\$929,406
Ending Balance Before Interest	Page 1	(\$4,799,520)	(\$5,083,744)	\$933,459
Average Balance Before Interest		(5,411,748)	(5,159,131)	931,432
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		(\$32,967)	(\$31,428)	\$5,674

**Proration of Margin Decoupling Adjustment
April 2011**

Apr billed Cycles	Cycle Dates	Cycle Length	# Apr Days Prorated	Apr Prorate Percent	Mar Prorate Percent	Residential			Small Commercial			Medium General Service		
						Rate Schedule 101 (1)			Rate Schedule 102 (2)			Rate Schedule 152 (3)		
						therms billed by cycle	Apr prorate therms billed	Mar prorate therms billed	therms billed by cycle	Apr prorate therms billed	Mar prorate therms billed	therms billed by cycle	Apr prorate therms billed	Mar prorate therms billed
1	2/28/11	3/30/11	30	0	0.00%	1,757,398	0	1,757,398	930,489	0	930,489	120,231	0	120,231
2	3/1/11	3/31/11	30	0	0.00%	2,272,539	0	2,272,539	1,287,054	0	1,287,054	175,809	0	175,809
3	3/2/11	4/4/11	33	4	12.12%	1,595,174	193,335	1,401,839	1,011,993	122,654	889,339	185,274	22,455	162,819
4	3/3/11	4/5/11	33	5	15.15%	1,675,048	253,770	1,421,278	1,648,170	249,698	1,398,472	335,299	50,798	284,501
5	3/4/11	4/6/11	33	6	18.18%	1,117,642	203,187	914,455	788,377	143,327	645,050	84,901	15,435	69,466
6	3/7/11	4/7/11	31	7	22.58%	3,341,395	754,487	2,586,908	1,602,927	361,941	1,240,986	272,274	61,479	210,795
7	3/8/11	4/8/11	31	8	25.81%	1,819,216	469,540	1,349,676	665,174	171,681	493,493	93,823	24,216	69,607
8	3/9/11	4/11/11	33	11	33.33%	1,733,835	577,887	1,155,948	633,486	211,141	422,345	239,304	79,760	159,544
9	3/10/11	4/12/11	33	12	36.36%	1,620,791	589,320	1,031,471	1,479,992	538,125	941,867	237,797	86,463	151,334
10	3/14/11	4/13/11	30	13	43.33%	1,369,455	593,385	776,070	522,016	226,190	295,826	73,452	31,827	41,625
11	3/15/11	4/14/11	30	14	46.67%	1,815,550	847,317	968,233	1,464,813	683,628	781,185	286,394	133,660	152,734
12	3/16/11	4/18/11	33	18	54.55%	1,434,841	782,706	652,135	2,086,048	1,137,938	948,108	192,793	105,169	87,624
13	3/17/11	4/19/11	33	19	57.58%	1,708,571	983,795	724,776	1,500,718	864,113	636,605	301,546	173,630	127,916
14	3/21/11	4/20/11	30	20	66.67%	1,301,012	867,385	433,627	941,062	627,406	313,656	180,006	120,010	59,996
15	3/22/11	4/21/11	30	21	70.00%	1,411,829	988,280	423,549	396,439	277,507	118,932	45,980	32,186	13,794
16	3/23/11	4/25/11	33	25	75.76%	1,864,312	1,412,403	451,909	1,046,771	793,034	253,737	212,537	161,018	51,519
17	3/24/11	4/26/11	33	26	78.79%	1,127,828	888,616	239,212	760,078	598,865	161,213	202,379	159,454	42,925
18	3/28/11	4/27/11	30	27	90.00%	2,696,732	2,427,059	269,673	832,728	749,455	83,273	131,461	118,315	13,146
19	3/28/11	4/27/11	30	27	90.00%	0	0	0	0	0	0	0	0	0
20	3/28/11	4/27/11	30	27	90.00%	0	0	0	0	0	0	0	0	0
21	3/29/11	4/28/11	30	28	93.33%	1,192,337	1,112,808	79,529	1,162,730	1,085,176	77,554	339,089	316,472	22,617
21-M	3/31/11	4/30/11	30	30	100.00%	0	0	0	0	0	0	0	0	0
						32,855,505	13,945,279	18,910,226	20,761,063	8,841,879	11,919,184	3,710,349	1,692,347	2,018,002

3/31/2011

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