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JAN 13 2009
Clerk's Office
N.C. Utilities Commission

January 12, 2009

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 550 **B**
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 17 copies of the computation of the Margin Decoupling Deferred Account Adjustment by rate schedule for November 2008.

For billing cycles for the month of November 2008, the calculation results in an amount to be collected from residential customers of \$1,413,372 and an amount to be collected from commercial customers of \$857,426. The total Margin Decoupling Adjustment for November 2008 is \$2,270,798.

The average temperature for the November days included in these billing cycles was colder than normal. Actual usage for this period was 674,347 dekatherms less than the projected normal. This resulted in avoided commodity costs of approximately \$5,900,540 for residential and commercial customers.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

(ST)
AG
7-Comm
Bennink
Kidy
Hawner
Sessoms
Lito
Gilmore
Gruber
3-ps Legal
3-ps Acctg
2-ps EC/Kes
3-ps Gas

Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332
November 2008 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	\$28,900,800	\$8,034,315	\$1,047,055	\$37,982,170
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	\$1,413,372	\$789,218	\$68,208	2,270,798
(Increment) Decrements	Page 3	(2,301,982)	(717,730)	(75,168)	(3,094,880)
Ending Balance Before Interest		28,012,190	8,105,803	1,040,095	37,158,088
Accrued Interest	Page 4	173,347	49,160	6,357	228,865
Total Due From (To) Customers		\$28,185,538	\$8,154,963	\$1,046,452	\$37,386,953

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

	Rate Case Normal HDD	Actual HDD 2008-09
Nov	296.7	367.8
Dec	529.1	
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	367.8

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
November 2008 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	\$1.51111	\$1.36840	\$1.33089
2nd Block	Winter			\$1.31239
1st Block	Summer	\$1.44737	\$1.31851	\$1.23383
2nd Block	Summer			\$1.19588
BCGC (\$/th)		\$0.87500	\$0.87500	\$0.87500
LUAF (\$/th)		\$0.01663	\$0.01663	\$0.01663
Commodity Cost Increment (\$/th)	Winter	\$0.03844	\$0.03844	\$0.03844
	Summer	\$0.03844	\$0.03844	\$0.03844
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10805	\$0.08872	\$0.06546
2nd Block	Winter			\$0.04696
1st Block	Summer	\$0.04431	\$0.03883	\$0.06496
2nd Block	Summer			\$0.02701
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		\$0.07494	\$0.03819	\$0.02394

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
November 2008 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	14,538,128	9,024,085	2,134,407
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.08471)</u>	<u>(\$0.04732)</u>	<u>(\$0.01452)</u>
Refunds (Collections)		(\$1,231,525)	(\$427,020)	(\$30,992)
Usage by Rate Class - therms2	Page 5	14,284,185	7,612,205	1,845,314
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.07494)</u>	<u>(\$0.03819)</u>	<u>(\$0.02394)</u>
Refunds (Collections)		(\$1,070,457)	(\$290,710)	(\$44,177)
Total Refunds (Collections)		<u>(\$2,301,982)</u>	<u>(\$717,730)</u>	<u>(\$75,168)</u>
CUT Temporaries effective April 1, 2008 (per therm)		(\$0.08471)	(\$0.04732)	(\$0.01452)
Margin Decoupling Temporaries effective November 1, 2008 (per therm)		(\$0.07494)	(\$0.03819)	(\$0.02394)

1/ Customer bills rendered in November 2008 include usage that occurred in October 2008, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms billed in November at the rates effective April 1, 2008.

2/ Customer bills rendered in November 2008 include usage that occurred in November 2008, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms bills in November at the rates effective November 1, 2008.

Piedmont Natural Gas Company, Inc.
Accrued Interest
November 2008 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	\$28,900,800	\$8,034,315	\$1,047,055
Ending Balance Before Interest	Page 1	\$28,012,190	\$8,105,803	\$1,040,095
Average Balance Before Interest		28,456,495	8,070,059	1,043,575
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		\$173,347	\$49,160	\$6,357

**Proration of Margin Decoupling Adjustment
NOVEMBER 2008**

Nov billed Cycles	Cycle Dates		Cycle Length	# Nov Days Prorated	Nov Prorate Percent	Oct Prorate Percent	Rate Schedule 101			Rate Schedule 102			Rate Schedule 152		
							therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed	therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed	therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed
1	9/30/08	10/30/08	30	0	0.00%	100.00%	752,341	0	752,341	584,930	0	584,930	217,042	0	217,042
2	10/1/08	11/1/08	31	1	3.23%	96.77%	1,093,980	35,336	1,058,644	747,317	24,138	723,179	137,410	4,438	132,972
3	10/2/08	11/3/08	32	3	9.38%	90.62%	929,206	87,160	842,046	691,578	64,870	626,708	225,861	21,186	204,675
4	10/3/08	11/4/08	32	4	12.50%	87.50%	760,192	95,024	665,168	883,091	110,386	772,705	247,043	30,880	216,163
5	10/6/08	11/5/08	30	5	16.67%	83.33%	1,150,674	191,817	958,857	757,462	126,269	631,193	123,685	20,618	103,067
6	10/7/08	11/6/08	30	6	20.00%	80.00%	1,334,318	266,864	1,067,454	516,270	103,254	413,016	164,460	32,892	131,568
7	10/8/08	11/7/08	30	7	23.33%	76.67%	1,637,988	382,143	1,255,845	880,278	205,369	674,909	167,582	39,097	128,485
8	10/9/08	11/10/08	32	10	31.25%	68.75%	1,046,707	327,096	719,611	470,446	147,014	323,432	77,889	24,340	53,549
9	10/13/08	11/11/08	29	11	37.93%	62.07%	1,548,921	587,506	961,415	1,227,833	465,717	762,116	349,850	132,698	217,152
10	10/14/08	11/12/08	29	12	41.38%	58.62%	1,348,710	558,096	790,614	655,650	271,308	384,342	134,812	55,785	79,027
11	10/15/08	11/13/08	29	13	44.83%	55.17%	1,312,855	588,553	724,302	747,812	335,244	412,568	92,806	41,605	51,201
12	10/16/08	11/14/08	29	14	48.28%	51.72%	1,687,462	814,707	872,755	1,133,400	547,206	586,194	304,478	147,002	157,476
13	10/17/08	11/15/08	29	15	51.72%	48.28%	1,155,932	597,848	558,084	928,011	479,967	448,044	215,897	111,662	104,235
14	10/20/08	11/17/08	28	17	60.71%	39.29%	1,266,601	768,953	497,648	1,186,847	720,535	466,312	219,563	133,297	86,266
15	10/21/08	11/18/08	28	18	64.29%	35.71%	1,629,745	1,047,763	581,982	598,747	384,934	213,813	127,025	81,664	45,361
16	10/22/08	11/19/08	28	19	67.86%	32.14%	2,269,382	1,540,003	729,379	1,134,094	769,596	364,498	173,460	117,710	55,750
17	10/23/08	11/20/08	28	20	71.43%	28.57%	2,089,131	1,499,409	589,722	827,084	590,793	236,301	176,163	125,833	50,330
18	10/24/08	11/21/08	28	21	75.00%	25.00%	1,670,075	1,252,556	417,519	693,010	519,758	173,253	159,566	119,675	39,892
19	10/27/08	11/24/08	28	24	85.71%	14.29%	2,158,361	1,849,931	308,430	1,048,110	898,335	149,775	150,362	128,875	21,487
20	10/28/08	11/25/08	28	25	89.29%	10.71%	999,226	892,209	107,017	302,617	270,207	32,410	54,806	48,936	5,870
21	10/29/08	11/26/08	28	26	92.86%	7.14%	970,506	901,212	69,294	621,693	577,304	44,389	459,961	427,120	32,841
21-M	10/31/08	11/30/08	30	30	100.00%	0.00%	0	0	0	0	0	0	0	0	0
							28,822,313	14,284,185	14,538,128	16,636,290	7,612,205	9,024,085	3,979,721	1,845,314	2,134,407