



April 11, 2013

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

OFFICIAL COPY

FILED

APR 12 2013

**Clerk's Office
N.C. Utilities Commission**

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

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 February 2013.

For billing cycles for the month of February 2013, the calculation results in an amount to be collected from residential customers of \$2,144,146 and an amount to be collected from commercial customers of \$253,726. The total Margin Decoupling Adjustment for February 2013 is \$2,397,872.

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

Clerk-13
AG
Flomm
Watson
Green
Hoover
Ikite
Hilburn
Seasons
G. Moore
Burns
E + Dik
315 Legal
315 Acctg
215 Econ
315 Gas

OFFICIAL COPY

Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332

February 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	\$35,857,464	\$8,817,672	\$1,659,304	46,334,439
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	2,144,146	149,641	104,085	2,397,872
(Increment) Decrement	Page 3	(6,856,646)	(1,343,365)	(241,367)	(8,441,378)
Ending Balance Before Interest		31,144,964	7,623,948	1,522,022	40,290,933
Accrued Interest	Page 4	204,078	50,078	9,690	263,846
Total Due From (To) Customers		31,349,042	7,674,026	1,531,712	40,554,779

FILED
APR 12 2013
 Clerk's Office
 N.C. Utilities Commission

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
February 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>	754.7	754.7	754.7	
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)	122.828	567.770	13,108.656	
RATE CASE					
5	No. of Customers (Actual)	622,273	66,661	455	
6	Total Normalized Usage (th)	76,432,585.380	37,848,104.638	5,964,438.603	120,245,129
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$30,423,991	\$11,786,657	\$1,857,445	\$44,068,093
ACTUAL					
9	No. of Customers (Actual)	622,273	66,661	455	
10	Actual Usage (th)	71,045,961	37,367,595	5,630,211	114,043,767
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$28,279,845	\$11,637,016	\$1,753,360	\$41,670,221
13	Margin Decoupling Adj	\$2,144,146	\$149,641	\$104,085	\$2,397,872
					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 2012-13	Diff	
Nov	296.7	372.6	(75.9)	colder
Dec	529.1	475.6	53.5	warmer
Jan	730.2	583.4	146.8	warmer
Feb	754.7	708.6	46.1	warmer
Mar	491.3		491.3	
Apr	300.0		300.0	
May	108.1		108.1	
Jun	18.5		18.5	
Jul	0.7		0.7	
Aug	0.1		0.1	
Sep	2.8		2.8	
Oct	84.5		84.5	
	3,316.7	2,140.2		

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
February 2013 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	\$0.94117	\$0.76911	\$0.74415
2nd Block	Winter			\$0.71909
1st Block	Summer	\$0.84689	\$0.70818	\$0.64792
2nd Block	Summer			\$0.59642
BCGC (\$/th)		\$0.30000	\$0.30000	\$0.30000
LUAF (\$/th)		\$0.00569	\$0.00569	\$0.00569
Commodity Cost Increment (\$/th)	Winter	(\$0.02851)	(\$0.02851)	(\$0.02851)
	Summer	(\$0.02851)	(\$0.02851)	(\$0.02851)
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.16943	\$0.14456	\$0.11268
2nd Block	Winter			\$0.08762
1st Block	Summer	\$0.07515	\$0.08363	\$0.11301
2nd Block	Summer			\$0.06151
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		\$0.09651	\$0.03595	\$0.04287

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
February 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	71,045,961	37,367,595	5,630,211
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.09651)</u>	<u>(\$0.03595)</u>	<u>(\$0.04287)</u>
Refunds (Collections)		<u>(\$6,856,646)</u>	<u>(\$1,343,365)</u>	<u>(\$241,367)</u>
Margin Decoupling Temporaries effective April 2012 (per therm)		(\$0.09651)	(\$0.03595)	(\$0.04287)

Piedmont Natural Gas Company, Inc.
Accrued Interest
February 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	\$35,857,464	\$8,817,672	\$1,659,304
Ending Balance Before Interest	Page 1	\$31,144,964	\$7,623,948	\$1,522,022
Average Balance Before Interest		33,501,214	8,220,810	1,590,663
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		\$204,078	\$50,078	\$9,690