

# ***"Quarterly Review"***

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## ***Selected Financial and Operational Data:***

***Re:***

### ***Electric Companies***

- *Carolina Power & Light Company*
- *Duke Power, a Division of Duke Energy Corporation*
- *Nantahala Power and Light Company*
- *Dominion North Carolina Power*

### ***Natural Gas Local Distribution Companies***

- *North Carolina Gas Service, Division of NUI*
- *North Carolina Natural Gas Corporation*
- *Piedmont Natural Gas Company, Inc.*
- *Public Service Company of North Carolina, Inc.*

### ***Telecommunications Companies***

- *ALLTEL Carolina, Inc.*
- *BellSouth Telecommunications, Inc.*
- *Carolina Telephone and Telegraph Company*
- *Central Telephone Company*
- *Citizens Telephone Company*
- *Concord Telephone Company*
- *LEXCOM Telephone Company*
- *MEBTEL Communications*
- *North State Telephone Company*
- *Verizon South, Inc.*

■ *Quarter Ending March 31, 2001* ■

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# *Part I*

## *Introduction*

- ▣ *The purpose, structure, focus, and an abbreviated synopsis of the nature of the contents of this report is presented here.*

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The *Quarterly Review* has been designed and is structured so as to provide, in a clear and concise format, relevant and useful financial and operational information pertaining to 18 major investor-owned public utilities regulated by the North Carolina Utilities Commission (Commission): four electric companies, four natural gas local distribution companies, and ten telecommunications companies. The primary focus of this report is one of a jurisdictional financial nature. However, albeit limited, certain jurisdictional operational information is also included.

To a vast extent the information presented herein is organized into individual company overviews. The data presented covers a period of five years. From a general viewpoint, such overviews provide information that users of this report will find helpful from the standpoint of gaining insight into each company's jurisdictional financial standing and in acquiring a sense of the magnitude of each company's overall jurisdictional economic dimension.

This report has been prepared solely for the use of the Commission. The responsibility for developing and preparing the report is that of the Commission's Operations Division (Division). The preponderance of the information and data included in and/or on which the report is based has been provided by the companies. Such data has not been audited or otherwise verified. Therefore, the Division, although it believes the aforesaid data to be true and correct in each and every respect, cannot and does not offer any attestation in that regard.

### *A Specific Objective*

A specific objective of this reporting process is to present to the Commission, on an ongoing basis, meaningful information regarding the financial viability of the subject companies, including the reasonableness of the overall levels of rates and charges currently being charged by jurisdictional utilities, whose rates are cost based, for their sales of services. Cost based regulation is synonymous with rate base, rate of return regulation.

Under rate base, rate of return regulation, the cost of service of a public utility is defined as the sum total of reasonable operating expenses, depreciation, taxes, and a reasonable return on the net valuation of property used and useful in providing public utility services. Therefore, the reasonableness of a public utility's rates is a function of the reasonableness of the level of each individual component of its cost of service.

The reasonable return component of the cost of service equation refers to the overall rate of return related to investment funded by all investors, including debt investors as well as preferred and common equity investors. The costs of debt capital and preferred stock, which are essentially fixed by contract, must be deducted from revenue, like all other components of the cost of service, in determining income available for distribution to common stockholders. Therefore, generally speaking, a very meaningful measure of the profitability

of any utility, and consequently the reasonableness of its overall rates and charges, is the return earned on its common shareholders' investment, i.e., its return on common equity, over some specified period of time. Typically, such returns are measured over a period of one year. Thus, *annual returns on common equity and certain other key financial ratios, which among other things give significant perspective to the common equity returns, are the focal points of this report.*

### *The Key Financial Ratios*

Specifically, the key financial ratios presented herein for use in reviewing the companies' financial viabilities, including their profitability and consequently the reasonableness of their rates and charges are (1) the return on common equity, (2) the common equity capitalization ratio, (3) the pre-tax interest coverage ratio, and (4) the overall rate of return.

#### *The Return on Common Equity*

As indicated, the return on common equity is a key financial indicator which measures the profitability of an enterprise from the standpoint of its common stockholders over some specified period of time. That return or earnings rate reflects the ratio of earnings available for common equity to the common-equity investors' capital investment. As previously stated, the ratio is significant because it traditionally represents profitability after all revenues and costs, other than the cost of common equity capital, have been considered. From the standpoint of measuring profitability, return on common equity is indeed "the bottom line".

#### *The Common Equity Capitalization Ratio*

The common equity capitalization ratio is the ratio of common equity capital to total investor-supplied capital of the firm. That ratio is significant because it is a major indicator of the financial riskiness of the firm, particularly from the standpoint of the common stockholders. The issuance of debt capital, assuming no offsetting decrease in preferred stock, decreases the common equity capitalization ratio, and its existence creates what has come to be known as *financial leverage*. The risk borne by shareholders that accompanies that leverage is known as *financial risk*. As the proportion of debt in the capital structure increases, so does the degree of financial leverage and thus shareholders' risk and consequently the shareholders' requirements regarding expected return, i.e., the expected return on common equity or, in regulatory jargon, the cost of common equity capital.

Alternatively, the financial riskiness of the firm, some might argue, is more appropriately revealed when expressed in terms of debt leverage, particularly when preferred stock is present in the capital structure. Such leverage is the ratio of long-term debt capital to total investor-supplied capital. Both approaches are clearly insightful and useful. In evaluating the superiority of one approach in comparison to the other, one should consider the

context within which the information is to be used. Since a major objective of this report is to review the reasonableness of the levels of earnings of the companies' common stockholders, and in consideration of the other key financial benchmarks which are also presented herein, the common equity capitalization ratio appears to be the most appropriate and meaningful measure of the financial riskiness of the companies for use in this regard.

### *The Pre-tax Interest Coverage Ratio*

The pre-tax interest coverage ratio is the number of times earnings, determined before consideration of income taxes and interest charges, cover annual interest charges. That financial indicator is particularly important to debt investors because holders of the company's outstanding debt, including long-term bonds, receive interest payments from the company before any earnings are determined to be available for distribution to preferred or common equity investors. Pre-tax interest coverage is measured before income taxes because interest expense is deductible in arriving at taxable income. Therefore, generally speaking, debt holders can expect to be paid before the company incurs any liability for the payment of income taxes. From the debt holder's perspective, all other things remaining equal, the higher the pre-tax interest coverage the better.

### *The Overall Rate of Return*

The overall rate of return measures the profitability of a firm from the standpoint of earnings on total investment, including investment funded by both debt and equity investors. Specifically, in the public utility regulatory environment, it is the ratio of operating income to total investment.

### *The Propriety of The Methodology*

The foregoing financial benchmarks, as presented in this report, have been determined on the basis of the companies' actual operating experience. Under rate base, rate of return regulation, North Carolina statutes require that the companies' rates be determined on a normalized, pro forma, end-of-period basis based upon a historical test year. Stated alternatively, the Commission, in setting prospective rates, essentially, must take into account the company's current level of operations adjusted for known and material changes in the levels of revenues and costs that the company can reasonably be expected to experience over a reasonable period of time into the future. Thus, rates, which are established for use prospectively, are set, to a certain extent and within certain constraints, on the basis of revenue and cost expectations, including investor expectations regarding their return requirements, as opposed to simply setting prospective rates solely on the basis of actual operating experience.

**The process of setting prospective rates is inherently and exceedingly time consuming, difficult, and otherwise costly to both companies and regulators. It involves the assimilation, investigation, and evaluation of enormous amounts of complex information and data which invariably leads to multifarious issues; many, if not most, of which must be resolved through adjudication.**

**It is far less difficult and costly to perform an intellectual, financial analysis of the need to undertake the aforesaid process. Such preliminary analysis avoids the unnecessary incursion of the immense costs of setting prospective rates. Those are precisely the reasons why this report is focused on a review of the returns on common equity and other key financial ratios which the companies are currently earning or achieving under their existing rates and charges. Those ratios, when considered in conjunction with statutory rate making requirements, prevailing economic conditions, and certain other financial indicators, including returns on common equity and overall rates of return currently being authorized by other public utility regulatory agencies, are meaningful indicators of the need, if any, for further, more extensive regulatory review.**

**From the standpoint of giving an added measure of meaning to the aforesaid ratios of the individual companies and in the interest of providing a sense of current financial market conditions, certain financial information has been included herein as notes to the first statement included in Part II of this report. Such notes are an integral part of this report. Additionally, also from the standpoint of providing perspective, returns on common equity and overall rates of return currently being authorized by a number of other public utility regulatory agencies are provided in the second statement presented in Part II.**

### *A Final Note*

**It is emphasized that the information contained in this report is not intended and should not be construed to be all inclusive from the standpoint of the criteria to be used in assessing the reasonableness of the companies existing rates. But rather, it is submitted that such information is clearly relevant to such a determination and as such should be considered in conjunction with all other pertinent information and data.**

**The Operations Division will be pleased to receive and respond to any questions or comments.**

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## ***Part II***

### ***A Review of Key Financial Ratios***

- ▣ ***Summary Statement of Key Financial Ratios For 18 Selected Companies For The Twelve Months Ended March 31, 2001 — Returns on Common Equity, Overall Rates of Return, Common Equity Capitalization Ratios, and Pre-tax Interest Coverage Ratios — And Certain Rate Case Data***
  
- ▣ ***Statement of Authorized Returns on Common Equity and Overall Rates of Return Granted By Various Public Utility Regulatory Agencies As Reported By Public Utilities Reports, Volume Nos. 198-208, from March 2000 Through June 2001***

**Summary Statement  
Of Key Financial Ratios Achieved By  
And Authorized For Selected Companies**

"Estimated Returns on Common Equity, Overall Rates of Return,  
Common Equity Capitalization Ratios, and Pre-tax Interest Coverage Ratios are for  
Twelve Months Ended March 31, 2001, Except for Certain Telecommunications Companies - See Note [1]"

"Rate Case Data are from Orders with Various Issue Dates as Indicated in Column (i)"

Line No.	Item (a)	Estimated for 12 Months Ended 03/31/01				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Pre-tax Interest Coverage Ratio (e)	Return On Equity (f)	Overall Rate of Return (g)	Equity Ratio (h)	Date of Last Order (i)
<b>Electric Companies</b>									
1.	Carolina Power & Light Company	9.07%	8.05%	50.57%	3.69	12.75%	10.45%	44.00%	08/05/88
2.	Dominion North Carolina Power	12.40%	9.64%	48.09%	4.09	11.80%	9.48%	44.82%	02/26/93
3.	Duke Power, a Division of Duke Energy Corporation	12.13%	9.95%	57.34%	5.37	12.50%	10.44%	49.82%	11/12/91
4.	Nantahaia Power and Light Company	9.06%	8.38%	58.99%	3.90	12.10%	10.32%	56.11%	06/18/93
<b>Natural Gas Local Distribution Companies</b>									
5.	North Carolina Gas Service, Division of NUI	N/A	N/A	N/A	N/A	11.40%	9.16%	47.57%	09/20/95
6.	North Carolina Natural Gas Corporation	7.70%	7.32%	47.12%	2.59	N/A	10.09%	N/A	10/27/95
7.	Piedmont Natural Gas Company, Inc.	9.91%	8.85%	50.85%	3.07	11.30%	9.70%	52.71%	10/05/00
8.	Public Service Company of North Carolina, Inc.	15.27%	11.25%	48.52%	4.16	11.40%	9.82%	51.91%	10/30/98
<b>Telecommunications Companies</b>									
9.	* ALLTEL Carolina, Inc.	18.00%	16.35%	67.00%	5.65	13.20%	10.33%	42.11%	11/25/86
10.	* BellSouth Telecommunications, Inc.	25.61%	17.13%	55.01%	8.67	15.00%	12.51%	54.80%	11/09/84
11.	* Carolina Telephone and Telegraph Company	25.05%	17.81%	61.20%	11.12	15.25%	11.82%	48.40%	03/30/83
12.	* Central Telephone Company	18.23%	18.19%	90.50%	15.61	15.50%	12.09%	48.30%	06/22/83
13.	Citizens Telephone Company	8.54%	8.44%	64.98%	4.13	12.70%	10.11%	44.95%	02/26/91
14.	* Concord Telephone Company	19.24%	15.96%	71.44%	11.88	15.50%	12.11%	58.59%	06/17/83
15.	LEXCOM Telephone Company	14.07%	13.72%	94.31%	60.63	16.25%	12.77%	37.22%	06/14/82
16.	* MEBTEL Communications	22.37%	19.04%	60.77%	5.01	16.50%	5.92%	16.92%	11/26/79
17.	North State Telephone Company	18.38%	18.08%	97.57%	396.65	N/A	N/A	N/A	06/13/52
18.	* Verizon South Inc.	-1.99%	2.66%	52.45%	0.26	13.90%	11.82%	50.00%	09/16/86

**NOTES:**

- \* [1] Companies electing price regulation are denoted above with an asterisk. For those companies, with the exception of Concord Telephone Company, ALLTEL Carolina, Inc., and MEBTEL Communications, the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1996; therefore, the data for such companies included herein is updated annually beginning with the calendar year 1996. Concord Telephone Company elected price regulation during 1997, and the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1997. Thus, the data for Concord Telephone Company is updated annually beginning with the calendar year 1997. ALLTEL Carolina, Inc. elected price regulation during 1998, and the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1998. Thus, the data for ALLTEL Carolina, Inc. is updated annually beginning with the calendar year 1998. MEBTEL Communications elected price regulation during 1999, and the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after September 30, 1998. Thus, the data for MEBTEL Communications is updated annually beginning with the calendar year 1999.
- [2] Information presented is on a North Carolina jurisdictional basis except for MEBTEL Communications and North State Telephone Company which are presented on a total company basis.
- [3] On June 30, 2000, by amendment of its articles of incorporation, the name of GTE South Incorporated was changed to Verizon South Inc. as a result of the merger between GTE Corporation and Bell Atlantic Corporation, effective August 1, 2000.
- [4] N/A denotes that information is not available.

**Summary Statement  
Of Key Financial Ratios Achieved By  
And Authorized For Selected Companies**

"Estimated Returns on Common Equity, Overall Rates of Return,  
Common Equity Capitalization Ratios, and Pre-tax Interest Coverage Ratios are for  
Twelve Months Ended March 31, 2001, Except for Certain Telecommunications Companies - See Note [1]"

**NOTES - continued**

**NOTES:** [5] Standard and Poor's 1994 annual "Global Sector Review" reflects the following benchmark-ratio ranges for total debt capitalization ratios and pre-tax interest coverage ratios for electric utilities and natural gas local distribution companies; telecommunications utilities are not included in that publication:

Line No.	Item (a)	RANGE	
		BONDS RATED "AA" (b)	BONDS RATED "A" (c)
1.	Electric utilities:		
2.	Pre-tax interest coverage ratio (times)	3.50 - 4.00	2.75 - 4.50
3.	Total debt ratio (%)	42.00 - 47.00	41.00 - 52.00
4.	Natural gas local distribution companies:		
5.	Pre-tax interest coverage ratio (times)	3.75 - 4.25	3.00 - 4.25
6.	Total debt ratio (%)	41.00 - 46.00	42.00 - 51.00

[6] Selected financial market indicators from "Moody's Credit Perspectives", Volume 94, No. 39, September 10, 2001 follow:

**Part I**

Line No.	Date (a)	U.S. Treasury Securities			Dealer-Placed 3-Month CP (e)	Moody's Long-Term Corporate Bond Yield (f)
		3-Month Bill (b)	10-Year Note (c)	30-Year Bond (d)		
1.	August 31, 2001	3.35	4.79	5.38	3.37	7.27
2.	September 4, 2001	3.30	4.96	5.48	3.37	7.39
3.	September 5, 2001	3.33	4.96	5.48	3.39	7.38
4.	September 6, 2001	3.27	4.99	5.41	3.37	7.31
5.	Month of August 2001	3.37	4.95	5.45	3.44	7.37
6.	Month of July 2001	3.50	5.20	5.61	3.62	7.51

**Part II**

Moody's public utility long-term bond yield averages (%):

Line No.	Rating (a)	09/06/01 (b)	Past 12-Months		Monthly	
			High (c)	Low (d)	Aug. 2001 (e)	Jul. 2001 (f)
1.	Aaa	7.31	7.95	7.31	7.36	7.46
2.	Aa	7.36	8.11	7.39	7.39	7.55
3.	A	7.50	8.23	7.59	7.59	7.78

**Summary Statement**  
**Of Key Financial Ratios Achieved By**  
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"Estimated Returns on Common Equity, Overall Rates of Return,  
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Twelve Months Ended March 31, 2001, Except for Certain Telecommunications Companies - See Note [1]"

**NOTES - continued**

**NOTES:** [6] Selected financial market indicators from "Moody's Credit Perspectives", Volume 94, No. 39, September 10, 2001 follow - continued:

**Part III**

**New offerings by public utilities - listing is all inclusive for week of September 10, 2001:**

Line No.	Company Name (a)	Amount (b)	Term (c)	Yield		Rating (f)
				Current (d)	Maturity (e)	
1.	Wisconsin Public Service Corp.	\$150 Million	10 Years	6.125%	6.140%	Aa1
2.	Appalachian Power Company	\$125 Million	2 Years	Floating**	-	Baa1
3.	Northern Illinois Gas Company	\$75 Million	7 Years	5.875%	5.920%	Aa1
4.	Alabama Power Company	\$275 Million	3 Years	4.875%	4.940%	A2
5.	Alabama Power Company	\$167 Million	2 Years	Floating**	-	A2
6.	Alabama Gas Corporation	\$40 Million	15 Years	6.250%	6.250%	Aaa
7.	Alabama Gas Corporation	\$35 Million	30 Years	6.750%	6.750%	Aaa

\*\* [7] No other information reported with respect to the cost rate in this issue.

**Statement of Authorized Returns  
On Common Equity and Overall Rates of Return  
Granted By Various Public Utility Regulatory Agencies As Reported In  
Public Utilities Reports, Volume Nos. 198-208, from March 2000 through June 2001**

(Statement Is All Inclusive With Respect To Returns Published)

Line No.	Company (Jurisdiction) (a)	Authorized Returns		Date Of Order (d)	Volume No. Public Utilities Reports (e)
		Common Equity (b)	Overall (c)		
<b>Electric Companies</b>					
1.	West Plains Energy Kansas (KS)	10.55%	N/A	01/19/00	Volume 198
2.	Cheyenne Light, Fuel & Power Company (WY)	12.00%	8.29%	02/28/00	Volume 199
3.	PacificCorp, dba Utah Power & Light Co. (UT)	11.00%	9.02%	05/24/00	Volume 201
4.	Wisconsin Electric Power Company (WI)	12.20%	10.52%	08/30/00	Volume 204
5.	Hawaii Electric Light Company, Inc. (HI)	11.50%	9.14%	02/08/01	Volume 207
<b>Natural Gas Local Distribution Companies</b>					
6.	Delta Natural Gas Company, Inc. (KY)	11.60%	N/A	12/27/99	Volume 198
7.	Southern Connecticut Gas Company (CT)	10.71%	N/A	01/28/00	Volume 198
8.	Connecticut Natural Gas Corporation (CT)	10.80%	N/A	05/25/00	Volume 201
9.	Baltimore Gas and Electric Company (MD)	11.05%	8.61%	06/19/00	Volume 203
10.	Questar Gas Company (UT)	11.00%	9.82%	08/11/00	Volume 203
11.	Louisville Gas and Electric Company (KY)	11.25%	N/A	09/27/00	Volume 204
12.	Avista Corporation (WA)	11.16%	9.03%	09/29/00	Volume 204
13.	Wisconsin Public Service Corporation (WI)	12.10%	9.74%	12/22/00	Volume 206
14.	City Gas Company of Florida (FL)	11.50%	N/A	02/05/01	Volume 207
15.	Public Service Company of Colorado (CO)	11.25%	9.33%	03/15/01	Volume 208

**Statement of Authorized Returns  
On Common Equity and Overall Rates of Return  
Granted By Various Public Utility Regulatory Agencies As Reported In  
Public Utilities Reports, Volume Nos. 198-208, from March 2000 through June 2001**

(Statement Is All Inclusive With Respect To Returns Published)

Line No.	Company (Jurisdiction) (a)	Authorized Returns		Date Of Order (d)	Volume No. Public Utilities Reports (e)
		Common Equity (b)	Overall (c)		
<b>Water Companies</b>					
16.	Central Water Company, Inc. (NH)	8.49%	9.17%	10/25/99	Volume 198
17.	Long Neck Water Company (DE)	10.00%	N/A	01/19/00	Volume 198
18.	Connecticut-American Water Company (CT)	10.65%	9.31%	03/23/00	Volume 200
19.	Jewett City Water Company (CT)	12.30%	N/A	04/26/00	Volume 201
20.	Consumers Maine Water Company (ME)	10.00%	9.64%	09/26/00	Volume 204
21.	Illinois-American Water Company (IL)	10.20%	8.40%	02/15/01	Volume 208
22.	Emporium Water Company (PA)	11.00%	N/A	03/08/01	Volume 208

NOTE : N/A denotes that information is not available.

## ***Part III***

# ***Overviews of Selected Financial and Operational Data By Utility:***

- ▣ ***Electric Companies***
  - ***Carolina Power & Light Company***
  - ***Dominion North Carolina Power***
  - ***Duke Power, a Division of Duke Energy Corporation***
  - ***Nantahala Power and Light Company***
  
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  - ***North Carolina Gas Service, Division of NUI***
  - ***North Carolina Natural Gas Corporation***
  - ***Piedmont Natural Gas Company, Inc.***
  - ***Public Service Company of North Carolina, Inc.***
  
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  - ***Verizon South Inc.***

**CAROLINA POWER & LIGHT COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$2,375,562	\$2,281,038	\$2,260,245	\$2,187,828	\$2,068,451	3.52%	4.14%
2.	Operating Expenses:							
3.	Fuel	445,758	427,115	412,443	392,806	340,035	7.00%	4.36%
4.	Purchased Power	251,480	256,059	276,755	278,729	254,214	-0.27%	-1.79%
5.	Maintenance	130,330	166,565	145,496	129,204	151,785	-3.74%	-21.75%
6.	Other Operating Expenses	391,358	389,950	328,122	346,751	374,869	1.08%	5.79%
7.	Total Operating Expenses	1,218,928	1,219,689	1,162,816	1,147,490	1,120,903	2.12%	-0.06%
8.	Depreciation & Amortization	528,832	370,976	356,373	364,597	313,533	13.96%	42.55%
9.	Total Expenses & Depreciation	1,747,758	1,590,665	1,519,189	1,512,087	1,434,436	5.06%	9.88%
10.	Total Operating Taxes	306,370	335,191	348,619	303,858	296,274	0.84%	-8.60%
11.	Total Expenses, Depr. & Taxes	2,054,128	1,925,856	1,867,808	1,815,945	1,730,710	4.38%	6.66%
12.	Operating Income	\$321,434	\$355,182	\$392,437	\$371,883	\$337,741	-1.23%	-9.50%
13.	Net Plant Investment	\$4,133,501	\$4,316,754	\$4,293,939	\$4,330,307	\$4,366,075	-1.36%	-4.25%
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14.	Oper. Exp. as a % of Total Revenue	51.31%	53.47%	51.45%	52.45%	54.19%	-1.36%	-4.04%
15.	Net Plt. Investment per \$ of Revenue	\$1.74	\$1.89	\$1.90	\$1.98	\$2.11	-4.71%	-7.94%
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16.	Number of Customers Served:							
17.	Residential	920	893	870	846	822	2.86%	3.02%
18.	Commercial	161	156	152	146	141	3.37%	3.21%
19.	Industrial	4	4	4	4	4	0.00%	0.00%
20.	Other	2	2	2	2	2	0.00%	0.00%
21.	Total Number of Customers	1087	1055	1028	998	969	2.91%	3.03%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	12,429	11,684	11,403	10,716	10,403	4.55%	6.38%
24.	Commercial	10,064	9,533	9,202	8,568	8,197	5.26%	5.57%
25.	Industrial	10,877	11,153	11,405	11,570	11,317	-0.99%	-2.47%
26.	Other	4,131	5,207	4,682	5,950	4,013	0.73%	-20.66%
27.	Total Sales	37,501	37,577	36,672	36,804	33,930	2.53%	-0.20%
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28.	Estimated Overall Rate of Return	8.05%	8.95%	10.03%	9.65%	8.93%	-2.56%	-10.06%
29.	Estimated Return on Common Equity	9.07%	10.89%	12.55%	12.15%	10.73%	-4.11%	-16.71%
30.	Common Equity Ratio	50.57%	55.45%	56.91%	55.01%	53.59%	-1.44%	-8.80%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	3.69	5.02	5.60	4.98	4.59	-5.31%	-26.49%
32.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 12.75%, Overall 10.45%; Equity Ratio: 44.00%; Date of Order: 8-5-88						

Notes: [1] North Carolina retail jurisdictional revenue equates to 71% of total company electric utility revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC ES-1 Reports.



**DOMINION NORTH CAROLINA POWER**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$239,619	\$222,949	\$219,198	\$217,715	\$208,939	3.48%	7.48%
2.	Operating Expenses:							
3.	Fuel	35,817	32,768	27,771	17,359	27,324	6.85%	8.70%
4.	Purchased Power	51,990	51,802	52,039	59,877	54,331	-1.10%	0.36%
5.	Maintenance	0	0	12,671	10,785	13,460	N/A	N/A
6.	Other Operating Expenses	<u>56,106</u>	<u>49,888</u>	<u>31,375</u>	<u>30,040</u>	<u>29,677</u>	<u>17.26%</u>	<u>12.46%</u>
7.	Total Operating Expenses	143,713	134,456	123,856	118,041	124,792	3.59%	6.88%
8.	Depreciation & Amortization	<u>27,523</u>	<u>24,648</u>	<u>25,109</u>	<u>27,668</u>	<u>25,496</u>	<u>1.93%</u>	<u>11.66%</u>
9.	Total Expenses & Depreciation	171,236	159,104	148,965	145,709	150,288	3.32%	7.63%
10.	Total Operating Taxes	<u>29,400</u>	<u>27,700</u>	<u>30,434</u>	<u>30,107</u>	<u>25,286</u>	<u>3.86%</u>	<u>6.14%</u>
11.	Total Expenses, Depr. & Taxes	<u>200,636</u>	<u>186,804</u>	<u>179,399</u>	<u>175,816</u>	<u>175,554</u>	<u>3.39%</u>	<u>7.40%</u>
12.	Operating Income	<u>\$38,983</u>	<u>\$36,145</u>	<u>\$39,799</u>	<u>\$41,899</u>	<u>\$33,385</u>	<u>3.95%</u>	<u>7.85%</u>
13.	Net Plant Investment	<u>\$420,024</u>	<u>\$405,339</u>	<u>\$410,138</u>	<u>\$439,251</u>	<u>\$448,934</u>	<u>-1.65%</u>	<u>3.62%</u>
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14.	Oper. Exp. as a % of Total Revenue	59.98%	60.31%	56.50%	54.22%	59.73%	0.10%	-0.55%
15.	Net Plt. Investment per \$ of Revenue	\$1.75	\$1.82	\$1.87	\$2.02	\$2.15	-5.02%	-3.85%
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16.	Number of Customers Served:							
17.	Residential	93	91	90	89	87	1.68%	2.20%
18.	Commercial	14	14	14	13	13	1.87%	0.00%
19.	Industrial	0	0	0	0	0	N/A	N/A
20.	Other	2	2	2	2	2	0.00%	0.00%
21.	Total Number of Customers	<u>109</u>	<u>107</u>	<u>106</u>	<u>104</u>	<u>102</u>	<u>1.67%</u>	<u>1.87%</u>
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,316	1,224	1,188	1,112	1,081	5.04%	7.52%
24.	Commercial	690	662	650	630	621	2.67%	4.23%
25.	Industrial	1,292	1,218	1,202	1,268	1,262	0.59%	6.08%
26.	Other	134	124	126	109	113	4.35%	6.06%
27.	Total Sales	<u>3,432</u>	<u>3,228</u>	<u>3,166</u>	<u>3,117</u>	<u>3,077</u>	<u>2.77%</u>	<u>6.32%</u>
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28.	Estimated Overall Rate of Return	9.84%	8.85%	9.65%	9.55%	7.62%	6.05%	8.93%
29.	Estimated Return on Common Equity	12.40%	10.76%	12.41%	12.09%	7.93%	11.82%	15.24%
30.	Common Equity Ratio	48.09%	48.18%	47.24%	47.45%	46.82%	0.67%	-0.19%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.09	3.92	4.14	4.00	3.01	7.97%	4.34%
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32.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 11.80%, Overall 9.48%; Equity Ratio: 44.82%; Date of Order: 2-26-93						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC ES-1 Reports.  
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**DUKE POWER, A DIVISION OF DUKE ENERGY CORPORATION**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$3,216,534	\$3,052,173	\$2,990,417	\$2,848,394	\$2,867,228	2.92%	5.39%
2.	Operating Expenses:							
3.	Fuel	470,910	450,177	447,549	433,812	480,158	-0.49%	4.61%
4.	Purchased Power	314,133	269,820	268,191	260,094	282,500	2.69%	16.42%
5.	Maintenance	287,321	280,230	285,214	283,654	308,787	-1.79%	2.53%
6.	Other Operating Expenses	705,070	672,334	610,672	593,719	539,579	6.92%	4.87%
7.	Total Operating Expenses	1,777,434	1,672,561	1,611,626	1,551,279	1,611,024	2.49%	6.27%
8.	Depreciation & Amortization	381,060	361,483	346,819	332,465	323,686	4.16%	5.42%
9.	Total Expenses & Depreciation	2,158,494	2,034,044	1,958,445	1,883,744	1,934,710	2.77%	6.12%
10.	Total Operating Taxes	487,584	466,013	489,206	445,501	426,080	3.43%	4.63%
11.	Total Expenses, Depr. & Taxes	2,646,078	2,500,057	2,447,651	2,329,245	2,360,790	2.89%	5.84%
12.	Operating Income	\$570,456	\$552,116	\$542,766	\$519,149	\$506,438	3.02%	3.32%
13.	Net Plant Investment	\$6,543,820	\$6,230,098	\$6,051,224	\$6,040,112	\$6,014,686	2.13%	5.04%
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14.	Oper. Exp. as a % of Total Revenue	55.26%	54.80%	53.89%	54.46%	56.19%	-0.42%	0.84%
15.	Net Plt. Investment per \$ of Revenue	\$2.03	\$2.04	\$2.02	\$2.12	\$2.10	-0.84%	-0.49%
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16.	Number of Customers Served:							
17.	Residential	1,324	1,293	1,262	1,226	1,198	2.53%	2.40%
18.	Commercial	209	206	201	193	188	2.68%	1.46%
19.	Industrial	6	7	7	7	7	-3.78%	-14.29%
20.	Other	8	8	7	7	7	3.39%	0.00%
21.	Total Number of Customers	1,547	1,514	1,477	1,433	1,400	2.53%	2.18%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	17,226	16,335	16,209	15,272	15,223	3.14%	5.45%
24.	Commercial	17,825	17,062	16,360	15,394	15,049	4.32%	4.47%
25.	Industrial	17,319	17,660	18,030	18,007	17,547	-0.33%	-1.93%
26.	Other	236	230	221	218	204	3.71%	2.61%
27.	Total Sales	52,606	51,287	50,820	48,891	48,023	2.30%	2.57%
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28.	Estimated Overall Rate of Return	9.95%	9.99%	9.98%	9.96%	9.62%	0.85%	-0.40%
29.	Estimated Return on Common Equity	12.13%	12.15%	12.38%	12.13%	11.56%	1.21%	-0.16%
30.	Common Equity Ratio	57.34%	58.88%	55.20%	54.20%	53.69%	1.66%	-2.28%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.37	5.62	5.27	4.08	4.62	2.74%	-4.45%
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32.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 12.50%, Overall 10.44%; Equity Ratio: 49.82%; Date of Order: 11-12-91						

Notes: [1] North Carolina retail jurisdictional revenue equates to 67% of total company electric utility revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC ES-1 Reports.

**NANTHALA POWER AND LIGHT COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Growth Year (g)	Rate Current Year (h)
1.	Operating Revenue	\$72,462	\$66,913	\$65,226	\$63,755	\$59,663	4.98%	8.29%
2.	Operating Expenses:							
3.	Purchased Power - Special Contract	0	0	237	86	819	N/A	N/A
4.	Purchased Power - Regular	30,432	26,621	25,879	25,619	24,299	5.79%	14.32%
5.	Maintenance	5,938	5,002	5,103	4,725	4,875	5.05%	18.71%
6.	Other Operating Expenses	<u>8,484</u>	<u>8,295</u>	<u>7,428</u>	<u>7,793</u>	<u>7,654</u>	<u>2.61%</u>	<u>2.28%</u>
7.	Total Operating Expenses	44,854	39,918	38,647	38,223	37,647	4.48%	12.37%
8.	Depreciation & Amortization	6,609	6,180	5,779	5,327	4,590	9.54%	6.94%
9.	Total Expenses & Depreciation	51,463	46,098	44,426	43,550	42,237	5.06%	11.64%
10.	Total Operating Taxes	8,582	9,141	9,264	8,930	8,297	0.85%	-6.12%
11.	Total Expenses, Depr. & Taxes	60,045	55,239	53,690	52,480	50,534	4.41%	8.70%
12.	Operating Income	<u>\$12,417</u>	<u>\$11,674</u>	<u>\$11,536</u>	<u>\$11,275</u>	<u>\$9,129</u>	<u>7.99%</u>	<u>6.36%</u>
13.	Net Plant Investment	<u>\$164,468</u>	<u>\$144,985</u>	<u>\$140,137</u>	<u>\$130,141</u>	<u>\$113,776</u>	<u>9.65%</u>	<u>13.44%</u>
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14.	Oper. Exp. as a % of Total Revenue	61.90%	59.66%	59.25%	59.95%	63.10%	-0.48%	3.75%
15.	Net Plt. Investment per \$ of Revenue	\$2.27	\$2.17	\$2.15	\$2.04	\$1.91	4.41%	4.61%
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16.	Number of Customers Served:							
17.	Residential	55	54	52	51	50	2.41%	1.85%
18.	Commercial	7	7	6	6	6	3.93%	0.00%
19.	Industrial	0	0	0	0	0	N/A	N/A
20.	Other	0	0	0	0	0	N/A	N/A
21.	Total Number of Customers	62	61	58	57	56	2.58%	1.64%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	560	516	495	490	461	4.98%	8.53%
24.	Commercial	380	357	346	323	319	4.47%	6.44%
25.	Industrial	134	140	137	132	115	3.90%	-4.29%
26.	Other	2	2	2	2	2	0.00%	0.00%
27.	Total Sales	<u>1,076</u>	<u>1,015</u>	<u>980</u>	<u>947</u>	<u>897</u>	<u>4.65%</u>	<u>6.01%</u>
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28.	Estimated Overall Rate of Return	8.38%	8.43%	8.80%	9.12%	8.09%	0.88%	-0.59%
29.	Estimated Return on Common Equity	9.06%	9.23%	10.03%	10.86%	8.54%	1.19%	-1.84%
30.	Common Equity Ratio	58.99%	55.96%	52.61%	49.34%	57.87%	0.48%	5.41%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	3.90	3.64	3.49	3.35	3.68	1.46%	7.14%
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32.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 12.10%, Overall 10.32%; Equity Ratio: 56.11%; Date of Order: 6-18-93						

Notes: [1] North Carolina retail jurisdictional revenue equates to 96% of total company electric utility revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC ES-1 Reports.  
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**NORTH CAROLINA GAS SERVICE, DIVISION OF NUI**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**North Carolina Retail Jurisdiction**  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Residential	\$10,487	N/A	\$5,712	\$7,080	N/A	N/A	N/A
3.	Commercial	5,279	N/A	2,609	3,173	N/A	N/A	N/A
4.	Industrial	3,877	N/A	2,105	4,116	N/A	N/A	N/A
5.	Public Authorities	0	N/A	0	0	N/A	N/A	N/A
6.	Resale	1,836	N/A	1,387	1,971	N/A	N/A	N/A
7.	Other	3,754	N/A	2,206	2,722	N/A	N/A	N/A
8.	Total Operating Revenue	25,233	N/A	14,019	19,062	N/A	N/A	N/A
9.	Cost of Gas	17,571	N/A	7,601	11,815	N/A	N/A	N/A
10.	Margin	7,662	N/A	6,418	7,247	N/A	N/A	N/A
11.	O & M Expenses	3,649	N/A	3,816	3,675	N/A	N/A	N/A
12.	Other Deductions	2,685	N/A	1,636	2,115	N/A	N/A	N/A
13.	Operating Income	\$1,328	N/A	\$966	\$1,457	N/A	N/A	N/A
14.	Net Plant Investment	\$16,280	N/A	\$14,622	\$14,128	N/A	N/A	N/A
15.	Operating Exp. as a % of Margin	47.62%	N/A	59.46%	50.71%	N/A	N/A	N/A
16.	Net Plt. investment per \$ of Margin	\$2.12	N/A	\$2.28	\$1.95	N/A	N/A	N/A
17.	Gas Delivered in DTs:							
18.	Residential	941	N/A	796	822	N/A	N/A	N/A
19.	Commercial	590	N/A	488	459	N/A	N/A	N/A
20.	Industrial	634	N/A	1,215	932	N/A	N/A	N/A
21.	Public Authorities	0	N/A	0	0	N/A	N/A	N/A
22.	Resale	0	N/A	0	0	N/A	N/A	N/A
23.	Other	1,656	N/A	1,110	1,528	N/A	N/A	N/A
24.	Total DTs	3,821	N/A	3,609	3,741	N/A	N/A	N/A
25.	Number of Customers:							
26.	Residential	12	N/A	12	12	N/A	N/A	N/A
27.	Commercial	2	N/A	2	2	N/A	N/A	N/A
28.	Industrial	0	N/A	0	0	N/A	N/A	N/A
29.	Public Authorities	0	N/A	0	0	N/A	N/A	N/A
30.	Resale	0	N/A	0	0	N/A	N/A	N/A
31.	Other	0	N/A	0	0	N/A	N/A	N/A
32.	Total Number of Customers	14	N/A	14	14	N/A	N/A	N/A
33.	Estimated Overall Rate of Return	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34.	Estimated Return on Common Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35.	Common Equity Ratio	N/A	N/A	N/A	N/A	N/A	N/A	N/A
36.	Estimated Pre-tax Interest Coverage Ratio (Times)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
37.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 11.40%, Overall 9.16%; Equity Ratio: 47.57%; Date of Order: 9-20-95						

Notes: [1] The percentage of North Carolina retail jurisdictional revenue to total company gas utility revenue is not available.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: Shareholders' reports and the NCUC GS-1 Reports.  
[4] N/A denotes that the data has not been provided due to ongoing changes occurring within the Company's internal operational structure.

**NORTH CAROLINA NATURAL GAS CORPORATION**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Residential	\$74,560	\$47,210	\$39,955	\$46,713	\$47,622	11.86%	57.93%
3.	Commercial	51,463	30,853	26,834	31,263	31,529	13.03%	66.80%
4.	Industrial	113,611	90,673	38,209	51,241	74,967	10.95%	25.30%
5.	Public Authorities	2,488	1,534	1,414	1,913	1,999	5.62%	62.19%
6.	Resale	41,714	22,303	13,546	16,865	25,577	13.01%	87.03%
7.	Other	114,590	24,492	30,505	26,879	17,435	60.11%	367.83%
8.	<b>Total Operating Revenue</b>	<b>398,416</b>	<b>217,065</b>	<b>150,463</b>	<b>174,874</b>	<b>199,129</b>	<b>18.93%</b>	<b>83.55%</b>
9.	Cost of Gas	327,343	142,987	77,437	99,809	126,504	26.83%	128.93%
10.	Margin	71,073	74,078	73,026	75,065	72,625	-0.54%	-4.06%
11.	O & M Expenses	39,328	31,394	24,248	25,922	24,937	12.06%	25.27%
12.	Other Deductions	27,554	26,058	28,716	28,580	27,845	-0.26%	5.74%
13.	Operating Income	<u>\$4,191</u>	<u>\$16,626</u>	<u>\$20,062</u>	<u>\$20,563</u>	<u>\$19,843</u>	<u>-32.21%</u>	<u>-74.79%</u>
14.	Net Plant Investment	<u>\$113,275</u>	<u>\$229,964</u>	<u>\$212,819</u>	<u>\$201,078</u>	<u>\$184,269</u>	<u>-11.45%</u>	<u>-50.74%</u>
15.	Operating Exp. as a % of Margin	55.33%	42.38%	33.20%	34.53%	34.34%	12.67%	30.56%
16.	Net Plt. Investment per \$ of Margin	\$1.59	\$3.10	\$2.91	\$2.68	\$2.54	-11.05%	-48.71%
17.	Gas Delivered in DTs:							
18.	Residential	6,872	6,341	5,489	6,007	6,090	3.07%	8.37%
19.	Commercial	5,897	5,465	4,977	5,273	5,171	3.34%	7.90%
20.	Industrial	20,989	26,211	11,407	12,678	17,891	4.07%	-19.92%
21.	Public Authorities	290	262	264	319	334	-3.47%	10.69%
22.	Resale	6,034	5,184	2,795	3,108	5,284	3.37%	16.40%
23.	Other	14,445	14,271	29,525	28,039	19,201	-6.87%	1.22%
24.	<b>Total DTs</b>	<b>54,527</b>	<b>57,734</b>	<b>54,457</b>	<b>55,424</b>	<b>53,971</b>	<b>0.26%</b>	<b>-5.55%</b>
25.	Number of Customers:							
26.	Residential	96	101	98	97	93	0.80%	-4.95%
27.	Commercial	14	14	14	13	13	1.87%	0.00%
28.	Industrial	0	0	0	0	0	N/A	N/A
29.	Public Authorities	4	4	4	4	5	-5.43%	0.00%
30.	Resale	44	51	49	46	44	0.00%	-13.73%
31.	Other	0	0	0	0	0	N/A	N/A
32.	<b>Total Number of Customers</b>	<b>158</b>	<b>170</b>	<b>165</b>	<b>160</b>	<b>155</b>	<b>0.48%</b>	<b>-7.06%</b>
33.	Estimated Overall Rate of Return	7.32%	9.66%	10.45%	11.47%	12.05%	-11.72%	-24.22%
34.	Estimated Return on Common Equity	7.70%	12.63%	12.21%	13.70%	14.56%	-14.72%	-39.03%
35.	Common Equity Ratio	47.12%	52.20%	60.97%	60.67%	60.45%	-6.04%	-9.73%
36.	Estimated Pre-tax Interest Coverage Ratio (Times)	2.59	4.49	5.01	5.27	5.41	-16.82%	-42.32%
37.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity N/A, Overall 10.09%; Equity Ratio: N/A; Date of Order: 10-27-95						

Notes: [1] Rates are set on a total company basis.  
[2] Net Plant investment reflects net plant in service.  
[3] Source of Data: Shareholders' Reports and the NCUC GS-1 Reports.  
[4] Data provided on Lines 33-36, Columns (b) and (c), is based on calculations derived from use of Carolina Power & Light Company's capital structure. The acquisition of North Carolina Natural Gas Corporation by Carolina Power & Light Company was approved by the Commission on July 13, 1999.  
[5] N/A denotes that data is not available or not applicable or that information is, essentially, unmeaningful.

**PIEDMONT NATURAL GAS COMPANY, INC.**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Residential	\$303,595	\$202,076	\$171,992	\$192,785	\$195,520	11.63%	50.24%
3.	Commercial	161,657	107,125	86,790	102,549	108,187	10.56%	50.91%
4.	Industrial	119,533	88,575	73,389	79,760	101,450	4.19%	34.95%
5.	Public Authorities	2,944	2,781	2,691	3,201	3,322	-2.97%	5.86%
6.	Resale	0	0	0	0	87	N/A	N/A
7.	Other	14,041	21,729	81,415	75,958	60,330	-30.54%	-35.38%
8.	Total Operating Revenue	601,770	422,286	416,277	454,253	468,876	6.44%	42.50%
9.	Cost of Gas	422,570	243,607	224,115	265,247	290,207	9.85%	73.46%
10.	Margin	179,200	178,679	192,162	189,006	178,669	0.07%	0.29%
11.	O & M Expenses	77,592	71,098	69,025	69,880	72,175	1.83%	9.13%
12.	Other Deductions	51,417	55,607	66,165	64,928	60,221	-3.87%	-7.54%
13.	Operating Income	\$50,191	\$51,974	\$56,972	\$54,198	\$46,273	2.05%	-3.43%
14.	Net Plant Investment	\$585,697	\$556,105	\$507,169	\$485,330	\$460,479	6.20%	5.32%
15.	Operating Exp. as a % of Margin	43.30%	39.79%	35.92%	36.97%	40.40%	1.75%	8.82%
16.	Net Plt. Investment per \$ of Margin	\$3.27	\$3.11	\$2.64	\$2.57	\$2.58	6.10%	5.14%
17.	Gas Delivered in DTs:							
18.	Residential	28,443	24,572	22,378	24,702	23,251	5.17%	15.75%
19.	Commercial	18,503	16,240	14,394	16,205	15,673	4.24%	13.93%
20.	Industrial	20,608	20,870	20,753	18,457	21,854	-1.46%	-1.26%
21.	Public Authorities	303	396	424	482	468	-10.30%	-23.48%
22.	Resale	0	0	0	0	(74)	N/A	N/A
23.	Other	13,667	20,885	50,444	42,550	31,149	-18.61%	-34.56%
24.	Total DTs	81,524	82,963	108,393	102,396	92,321	-3.06%	-1.73%
25.	Number of Customers:							
26.	Residential	375	357	338	320	301	5.65%	5.04%
27.	Commercial	42	41	40	38	37	3.22%	2.44%
28.	Industrial	2	2	2	2	2	0.00%	0.00%
29.	Public Authorities	4	6	6	6	6	-9.64%	-33.33%
30.	Resale	0	0	0	0	0	N/A	N/A
31.	Other	0	0	0	0	0	N/A	N/A
32.	Total Number of Customers	423	406	386	366	346	5.15%	4.19%
33.	Estimated Overall Rate of Return	8.85%	10.11%	10.77%	11.67%	10.82%	-4.90%	-12.46%
34.	Estimated Return on Common Equity	9.91%	12.33%	13.25%	15.05%	14.00%	-8.28%	-19.63%
35.	Common Equity Ratio	50.85%	52.92%	54.01%	52.19%	49.84%	0.50%	-3.91%
36.	Estimated Pre-tax Interest Coverage Ratio (Times)	3.07	3.91	4.21	4.34	3.91	-5.87%	-21.48%
37.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 11.30%, Overall 9.70%; Equity Ratio: 52.71%; Date of Order: 10-5-00						

Notes: [1] North Carolina retail jurisdictional revenue equates to 55% of total company gas utility revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: Shareholders' reports and the NCUC GS-1 Reports.  
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Retail Jurisdiction  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Residential	\$294,891	\$199,841	\$172,731	\$187,596	\$178,229	13.40%	47.61%
3.	Commercial	138,485	87,642	75,268	86,427	86,091	12.62%	58.01%
4.	Industrial	12,951	8,943	6,408	24,707	38,106	-23.85%	44.82%
5.	Public Authorities	0	0	0	0	0	N/A	N/A
6.	Resale	5	0	0	0	0	N/A	N/A
7.	Other	47,842	42,216	39,804	39,390	33,280	9.50%	13.33%
8.	Total Operating Revenue	493,974	338,442	294,211	338,120	335,708	10.14%	45.96%
9.	Cost of Gas	322,110	188,706	136,670	181,605	184,358	14.97%	90.93%
10.	Margin	171,864	169,736	157,541	156,515	151,348	3.23%	1.25%
11.	O & M Expenses	67,157	67,403	66,770	60,630	58,687	3.43%	-0.36%
12.	Other Deductions	68,859	59,419	55,095	55,957	54,120	6.21%	15.89%
13.	Operating Income	\$35,848	\$42,914	\$35,676	\$39,928	\$38,541	-1.79%	-16.47%
14.	Net Plant Investment	\$483,501	\$503,980	\$480,629	\$485,695	\$430,396	2.95%	-4.06%
15.	Operating Exp. as a % of Margin	39.08%	39.71%	42.38%	38.74%	38.78%	0.19%	-1.59%
16.	Net Plt. Investment per \$ of Margin	\$2.81	\$2.97	\$3.05	\$2.98	\$2.84	-0.27%	-5.39%
17.	Gas Delivered in DTs:							
18.	Residential	25,114	22,033	19,254	20,934	20,005	5.85%	13.98%
19.	Commercial	14,760	13,284	11,812	12,705	12,759	3.71%	11.28%
20.	Industrial	1,536	1,653	1,219	5,012	8,035	-33.88%	-7.08%
21.	Public Authorities	0	0	0	0	0	N/A	N/A
22.	Resale	0	0	0	0	0	N/A	N/A
23.	Other	30,224	33,363	30,890	29,544	23,676	6.29%	-9.41%
24.	Total DTs	71,634	70,313	63,175	68,195	64,475	2.87%	1.88%
25.	Number of Customers:							
26.	Residential	326	313	299	283	268	5.02%	4.15%
27.	Commercial	44	43	42	41	40	2.41%	2.33%
28.	Industrial	2	2	2	2	2	0.00%	0.00%
29.	Public Authorities	0	0	0	0	0	N/A	N/A
30.	Resale	0	0	0	0	0	N/A	N/A
31.	Other	0	0	0	0	0	N/A	N/A
32.	Total Number of Customers	372	358	343	326	310	4.66%	3.91%
33.	Estimated Overall Rate of Return	11.25%	11.13%	8.39%	9.80%	10.31%	2.21%	1.08%
34.	Estimated Return on Common Equity	15.27%	15.12%	9.07%	11.70%	12.60%	4.92%	0.99%
35.	Common Equity Ratio	48.52%	48.18%	49.15%	48.82%	49.81%	-0.65%	0.71%
36.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.16	4.11	2.81	3.26	3.53	4.19%	1.22%
37.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 11.40%, Overall 9.82%; Equity Ratio: 51.91%; Date of Order: 10-30-98						

- Notes: [1] Rates are set on a total company basis.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: Shareholders' Reports and the NCUC GS-1 Reports.  
[4] The Company has changed, effective March 2000, an accounting procedure such that it now accrues revenues for unbilled deliveries. The change has the effect of accelerating the recognition of margins not yet billed. Also, earnings data reflects treatment of the acquisition adjustment resulting from the merger between SCANA Corporation and Public Service Company of North Carolina, Inc., in a manner consistent with the Commission's Order approving the merger (Order dated December 7, 1999, in Docket No. G-5, Sub 400).  
[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**ALLTEL CAROLINA, INC.**  
**SELECTED FINANCIAL OPERATIONAL DATA**  
North Carolina Intrastate Operations  
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$69,848	\$63,217	\$63,267	\$57,628	\$50,393	8.50%	10.49%
3.	Network Access	24,875	21,166	20,200	20,706	21,342	3.90%	17.52%
4.	Long Distance Message	5,035	5,643	5,498	5,403	7,927	-10.73%	-10.77%
5.	Miscellaneous	3,994	3,636	3,577	2,477	1,286	32.75%	9.85%
6.	Uncollectibles	(511)	(564)	(580)	(278)	(490)	1.05%	-9.40%
7.	Total Operating Revenue	103,241	93,098	91,962	85,936	80,458	6.43%	10.89%
8.	Operating Expenses	47,321	46,647	42,171	39,913	39,333	4.73%	1.44%
9.	Depreciation & Amortization	17,499	16,157	15,276	14,026	13,154	7.40%	8.31%
10.	Total Operating Taxes	14,894	11,879	13,434	12,171	10,612	8.84%	25.38%
11.	Total Expenses, Depr. & Taxes	79,714	74,683	70,881	66,110	63,099	6.02%	6.74%
12.	Other Operating (Income) & Expense	0	0	0	0	0	N/A	N/A
13.	Operating Income	\$23,527	\$18,415	\$21,081	\$19,826	\$17,359	7.90%	27.76%
14.	Net Plant Investment	\$160,844	\$153,889	\$146,651	\$145,745	\$134,278	4.62%	4.52%
15.	Oper. Exp. as a % of Total Revenue	45.84%	50.11%	45.86%	46.45%	48.89%	-1.60%	-8.52%
16.	Net Plt. Investment per \$ of Revenue	\$1.56	\$1.65	\$1.59	\$1.70	\$1.67	-1.69%	-5.45%
17.	Local Access Lines:							
18.	Residential	178	169	158	147	137	6.76%	5.33%
19.	Business	55	52	49	45	41	7.62%	5.77%
20.	Total Local Access Lines	233	221	207	192	178	6.96%	5.43%
21.	Total Access Lines:							
22.	Residential	178	169	158	147	137	6.76%	5.33%
23.	Business	55	52	49	45	41	7.62%	5.77%
24.	Total Access Lines	233	221	207	192	178	6.96%	5.43%
25.	Estimated Overall Rate of Return	16.35%	13.52%	16.01%	15.71%	14.29%	3.42%	20.93%
26.	Estimated Return on Common Equity	18.00%	14.90%	20.65%	20.90%	18.38%	-0.52%	20.81%
27.	Common Equity Ratio	67.00%	65.39%	61.69%	60.78%	61.43%	2.19%	2.46%
28.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.65	4.24	7.24	6.45	7.61	-7.17%	33.25%
29.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 13.20%, Overall 10.33%; Equity Ratio: 42.11%; Date of Order: 11-25-86						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue equates to approximately 79% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.  
[4] ALLTEL Carolina, Inc. has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1998. The data for ALLTEL Carolina, Inc. included herein is updated annually beginning with the calendar year 1998.  
[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.



**BELLSOUTH TELECOMMUNICATIONS, INC.**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Intrastate Operations  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Growth Four Year (g)	Rate Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$1,068,769	\$1,035,846	\$955,410	\$871,804	\$805,617	7.32%	3.18%
3.	Network Access	115,247	144,537	158,061	159,274	163,678	-8.40%	-20.26%
4.	Long Distance Message	27,714	35,137	42,476	49,446	64,674	-19.09%	-21.13%
5.	Miscellaneous	66,812	58,366	47,596	37,573	84,291	-5.71%	14.13%
6.	Uncollectibles	(10,093)	(9,102)	(6,300)	(13,684)	(12,559)	-5.32%	10.89%
7.	Total Operating Revenue	1,268,249	1,264,784	1,197,243	1,104,413	1,105,701	3.49%	0.27%
8.	Operating Expenses	448,878	457,763	463,029	457,536	496,846	-2.51%	-1.94%
9.	Depreciation & Amortization	343,992	310,910	291,352	290,581	284,607	4.85%	10.64%
10.	Total Operating Taxes	195,095	200,530	166,120	164,263	125,641	11.63%	-2.71%
11.	Total Expenses, Depr. & Taxes	987,965	969,203	920,501	912,380	907,094	2.16%	1.94%
12.	Other Operating (Income) & Expense	(247)	46	(530)	98	70	N/A	N/A
13.	Operating Income	\$280,531	\$295,535	\$277,272	\$191,935	\$198,537	9.03%	-5.08%
14.	Net Plant Investment	\$1,931,005	\$1,869,982	\$1,863,734	\$1,864,967	\$1,852,897	1.04%	3.26%
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15.	Oper. Exp. as a % of Total Revenue	35.39%	36.19%	38.67%	41.43%	44.93%	-5.79%	-2.21%
16.	Net Plt. Investment per \$ of Revenue	\$1.52	\$1.48	\$1.56	\$1.69	\$1.68	-2.47%	2.70%
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17.	Local Access Lines:							
18.	Residential	1,690	1,667	1,600	1,524	1,449	3.92%	1.38%
19.	Business	705	694	686	657	598	4.20%	1.59%
20.	Total Local Access Lines	2,395	2,361	2,286	2,181	2,047	4.00%	1.44%
21.	Total Access Lines:							
22.	Residential	1,690	1,667	1,600	1,524	1,449	3.92%	1.38%
23.	Business	714	698	690	663	604	4.27%	2.29%
24.	Total Access Lines	2,404	2,365	2,290	2,187	2,053	4.02%	1.65%
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25.	Estimated Overall Rate of Return	17.13%	18.37%	17.19%	11.95%	12.46%	8.28%	-6.75%
26.	Estimated Return on Common Equity	25.61%	27.75%	25.24%	16.15%	17.54%	9.92%	-7.71%
27.	Common Equity Ratio	55.01%	55.12%	57.55%	57.38%	55.69%	-0.31%	-0.20%
28.	Estimated Pre-tax Interest Coverage Ratio (Times)	8.67	9.08	9.30	7.30	6.62	6.98%	-4.52%
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29.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 15.00%, Overall 12.51%; Equity Ratio: 54.80%; Date of Order: 11-9-84						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue, equates to approximately 73% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.  
[4] BellSouth Telecommunications, Inc. has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1996. The data for BellSouth Telecommunications, Inc. included herein is updated annually beginning with the calendar year 1996.  
[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**CAROLINA TELEPHONE AND TELEGRAPH COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Intrastate Operations  
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$411,137	\$392,091	\$360,990	\$338,306	\$309,556	7.35%	4.86%
3.	Network Access	110,536	86,775	89,606	86,775	91,084	4.96%	27.38%
4.	Long Distance Message	18,286	24,172	24,436	32,804	39,116	-17.31%	-24.35%
5.	Miscellaneous	36,815	32,335	34,582	45,277	51,545	-8.07%	13.85%
6.	Uncollectibles	(5,806)	(6,665)	(5,716)	(6,667)	(5,613)	0.85%	-12.89%
7.	Total Operating Revenue	<u>570,968</u>	<u>528,708</u>	<u>503,898</u>	<u>498,495</u>	<u>485,688</u>	<u>4.13%</u>	<u>7.99%</u>
8.	Operating Expenses	247,280	281,128	259,881	250,852	256,783	-0.94%	-12.04%
9.	Depreciation & Amortization	143,427	134,968	129,667	123,663	117,404	5.13%	6.27%
10.	Total Operating Taxes	<u>76,060</u>	<u>47,966</u>	<u>50,037</u>	<u>52,515</u>	<u>48,115</u>	<u>12.13%</u>	<u>58.57%</u>
11.	Total Expenses, Depr. & Taxes	<u>466,767</u>	<u>464,062</u>	<u>439,585</u>	<u>427,030</u>	<u>422,302</u>	<u>2.53%</u>	<u>0.58%</u>
12.	Operating Income	<u>\$104,201</u>	<u>\$64,646</u>	<u>\$64,313</u>	<u>\$71,465</u>	<u>\$63,386</u>	<u>13.23%</u>	<u>61.19%</u>
13.	Net Plant Investment	<u>\$635,956</u>	<u>\$623,474</u>	<u>\$642,707</u>	<u>\$661,395</u>	<u>\$674,875</u>	<u>-1.47%</u>	<u>2.00%</u>
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14.	Oper. Exp. as a % of Total Revenue	43.31%	53.17%	51.57%	50.32%	52.87%	-4.86%	-18.55%
15.	Net Plt. Investment per \$ of Revenue	\$1.11	\$1.18	\$1.28	\$1.33	\$1.39	-5.38%	-5.55%
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16.	Local Access Lines:							
17.	Residential	917	881	844	813	792	3.73%	4.09%
18.	Business	309	297	284	259	230	7.66%	4.04%
19.	Total Local Access Lines	<u>1,226</u>	<u>1,178</u>	<u>1,128</u>	<u>1,072</u>	<u>1,022</u>	<u>4.65%</u>	<u>4.07%</u>
20.	Total Access Lines:							
21.	Residential	917	881	844	813	792	3.73%	4.09%
22.	Business	310	298	285	260	231	7.63%	4.03%
23.	Total Access Lines	<u>1,227</u>	<u>1,179</u>	<u>1,129</u>	<u>1,073</u>	<u>1,023</u>	<u>4.65%</u>	<u>4.07%</u>
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24.	Estimated Overall Rate of Return	17.81%	12.36%	11.69%	12.53%	11.02%	12.75%	44.09%
25.	Estimated Return on Common Equity	25.05%	15.96%	15.10%	16.59%	13.60%	16.50%	56.95%
26.	Common Equity Ratio	61.20%	62.08%	62.09%	60.75%	62.23%	-0.42%	-1.42%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	11.12	7.35	7.59	7.65	6.45	14.59%	51.29%
<hr/>								
28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 15.25%, Overall 11.82%; Equity Ratio: 48.40%; Date of Order: 3-30-83						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue, equates to approximately 75% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.  
[4] Carolina Telephone and Telegraph Company has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1996. The data for Carolina Telephone and Telegraph Company included herein is updated annually beginning with the calendar year 1996.

**CENTRAL TELEPHONE COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
North Carolina Intrastate Operations  
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2000	December 1999	December 1998	December 1997	December 1996	Four Year	Current Year
		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	Operating Revenue:							
2.	Basic Local Service	\$103,822	\$98,597	\$88,288	\$83,322	\$77,233	7.68%	5.30%
3.	Network Access	22,930	19,271	19,093	19,320	19,387	4.29%	18.99%
4.	Long Distance Message	7,250	8,163	7,841	9,543	9,188	-5.75%	-11.18%
5.	Miscellaneous	9,891	11,183	12,488	13,219	10,682	-2.40%	-13.34%
6.	Uncollectibles	(1,721)	(1,337)	(1,773)	(1,559)	(1,015)	14.11%	28.72%
7.	Total Operating Revenue	141,972	135,877	125,937	123,845	115,475	5.30%	4.49%
8.	Operating Expenses	71,274	77,567	70,236	70,435	72,780	-0.52%	-8.11%
9.	Depreciation & Amortization	24,167	23,066	21,629	21,262	20,823	3.79%	4.77%
10.	Total Operating Taxes	17,588	13,145	14,113	13,035	8,780	18.97%	33.80%
11.	Total Expenses, Depr. & Taxes	113,029	113,778	105,978	104,732	102,383	2.50%	-0.66%
12.	Operating Income	\$28,943	\$22,099	\$19,959	\$19,113	\$13,092	21.94%	30.97%
13.	Net Plant Investment	\$220,683	\$208,582	\$210,041	\$201,341	\$194,240	3.24%	5.80%
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14.	Oper. Exp. as a % of Total Revenue	50.20%	57.09%	55.77%	56.87%	63.03%	-5.53%	-12.06%
15.	Net Plt. Investment per \$ of Revenue	\$1.55	\$1.54	\$1.67	\$1.63	\$1.68	-1.95%	1.26%
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16.	Local Access Lines:							
17.	Residential	210	204	196	190	185	3.22%	2.94%
18.	Business	78	73	70	63	56	8.64%	6.85%
19.	Total Local Access Lines	288	277	266	253	241	4.55%	3.97%
20.	Total Access Lines:							
21.	Residential	210	204	196	190	185	3.22%	2.94%
22.	Business	79	73	70	63	57	8.50%	8.22%
23.	Total Access Lines	289	277	266	253	242	4.54%	4.33%
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24.	Estimated Overall Rate of Return	18.19%	13.92%	12.84%	12.60%	8.86%	19.70%	30.68%
25.	Estimated Return on Common Equity	18.23%	13.57%	12.39%	12.60%	8.40%	21.37%	34.34%
26.	Common Equity Ratio	90.50%	89.98%	89.13%	88.21%	80.85%	2.86%	0.58%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	15.61	11.96	10.79	12.61	5.92	27.43%	30.52%
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28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 15.50%, Overall 12.09%; Equity Ratio: 48.30%; Date of Order: 6-22-83						

- Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue, equates to approximately 79% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.  
[4] Central Telephone Company has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1996. The data for Central Telephone Company included herein is updated annually beginning with the calendar year 1996.  
[5] N/A denotes that the information to date has not been made available by the Company.

**CITIZENS TELEPHONE COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**North Carolina Intrastate Operations**  
**(Amounts in Thousands)**

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$5,361	\$4,807	\$4,672	\$4,351	\$4,134	6.71%	11.52%
3.	Network Access	3,093	3,830	3,634	3,433	2,845	2.11%	-19.24%
4.	Long Distance Message	1,346	1,238	1,164	1,144	1,104	5.08%	8.72%
5.	Miscellaneous	1,051	885	870	820	826	6.21%	18.76%
6.	Uncollectibles	(13)	(12)	(19)	(31)	(29)	-18.17%	8.33%
7.	Total Operating Revenue	10,838	10,748	10,321	9,717	8,880	5.11%	0.84%
8.	Operating Expenses	4,454	4,260	4,074	3,876	3,746	4.42%	4.55%
9.	Depreciation & Amortization	3,608	1,653	2,452	2,643	2,012	15.72%	118.27%
10.	Total Operating Taxes	915	1,845	1,234	983	1,020	-2.68%	-50.41%
11.	Total Expenses, Depr. & Taxes	8,977	7,758	7,760	7,502	6,778	7.28%	15.71%
12.	Operating income	\$1,861	\$2,990	\$2,561	\$2,215	\$2,102	-3.00%	-37.76%
13.	Net Plant Investment	\$21,653	\$20,528	\$18,723	\$17,479	\$17,085	6.10%	5.48%
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14.	Oper. Exp. as a % of Total Revenue	41.10%	39.64%	39.47%	39.89%	42.18%	-0.65%	3.68%
15.	Net Plt. Investment per \$ of Revenue	\$2.00	\$1.91	\$1.81	\$1.80	\$1.92	1.03%	4.71%
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16.	Local Access Lines:							
17.	Residential	17	16	16	15	14	4.97%	6.25%
18.	Business	4	4	4	3	3	7.46%	0.00%
19.	Total Local Access Lines	21	20	20	18	17	5.42%	5.00%
20.	Total Access Lines:							
21.	Residential	17	16	16	15	14	4.97%	6.25%
22.	Business	4	4	4	3	3	7.46%	0.00%
23.	Total Access Lines	21	20	20	18	17	5.42%	5.00%
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24.	Estimated Overall Rate of Return	8.44%	15.76%	14.03%	12.86%	12.64%	-9.60%	-46.45%
25.	Estimated Return on Common Equity	8.54%	20.26%	18.08%	16.64%	16.81%	-15.57%	-57.85%
26.	Common Equity Ratio	64.98%	62.43%	59.01%	55.68%	52.55%	5.45%	4.08%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.13	7.25	5.67	4.75	4.55	-2.39%	-43.03%
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28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 12.70%, Overall 10.11%; Equity Ratio: 44.95%; Date of Order: 2-26-91						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue equates to approximately 72% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.

**CONCORD TELEPHONE COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**North Carolina Intrastate Operations**  
**(Amounts In Thousands)**

Line No.	Item (a)	12 Months Ended					Annual	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Growth Four Year (g)	Rate Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$42,387	\$38,190	\$35,129	\$29,962	\$24,034	15.24%	10.99%
3.	Network Access	6,907	6,639	5,836	5,351	4,083	14.05%	4.04%
4.	Long Distance Message	5,020	4,739	4,937	7,113	8,713	-12.88%	5.93%
5.	Miscellaneous	7,736	7,264	6,970	6,274	5,861	7.19%	6.50%
6.	Uncollectibles	(241)	(178)	(73)	(195)	(132)	16.24%	35.39%
7.	Total Operating Revenue	61,809	56,654	52,799	48,535	42,559	9.78%	9.10%
8.	Operating Expenses	29,087	28,107	27,025	24,581	24,155	4.75%	3.49%
9.	Depreciation & Amortization	15,434	11,532	11,968	6,881	7,700	18.99%	33.84%
10.	Total Operating Taxes	7,996	7,810	6,544	7,739	5,077	12.03%	2.38%
11.	Total Expenses, Depr. & Taxes	52,517	47,449	45,537	39,201	36,932	9.20%	10.68%
12.	Operating Income	\$9,292	\$9,205	\$7,262	\$9,334	\$5,627	13.36%	0.95%
13.	Net Plant Investment	\$73,143	\$64,987	\$60,644	\$63,801	\$52,363	8.71%	12.55%
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14.	Oper. Exp. as a % of Total Revenue	47.06%	49.61%	51.18%	50.65%	56.76%	-4.58%	-5.14%
15.	Net Plt. Investment per \$ of Revenue	\$1.18	\$1.15	\$1.15	\$1.31	\$1.23	-1.03%	2.61%
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16.	Local Access Lines:							
17.	Residential	91	88	84	79	76	4.61%	3.41%
18.	Business	27	25	24	23	21	6.48%	8.00%
19.	Total Local Access Lines	118	113	108	102	97	5.02%	4.42%
20.	Total Access Lines:							
21.	Residential	91	88	84	79	76	4.61%	3.41%
22.	Business	27	25	24	23	21	6.48%	8.00%
23.	Total Access Lines	118	113	108	102	97	5.02%	4.42%
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24.	Estimated Overall Rate of Return	15.98%	18.12%	15.82%	20.39%	14.91%	1.75%	-11.81%
25.	Estimated Return on Common Equity	19.24%	21.76%	18.21%	22.92%	16.04%	4.65%	-11.58%
26.	Common Equity Ratio	71.44%	75.41%	78.06%	84.96%	88.35%	-5.17%	-5.26%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	11.88	17.89	16.77	42.30	44.17	-27.99%	-33.59%
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28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 15.50%, Overall 12.11%; Equity Ratio: 58.59%; Date of Order: 6-17-83						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue equates to approximately 78% of total North Carolina revenue, i.e., intrastate and interstate revenue.

[2] Net Plant investment reflects net plant in service.

[3] Source of Data: NCUC TS-1 Reports.

[4] Concord Telephone Company has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1997. The data for Concord Telephone Company included herein is updated annually beginning with the calendar year 1997.

**LEXCOM TELEPHONE COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**Total Company Utility Operations**  
**(Amounts in Thousands)**

Line No.	Item (a)	12 Months Ended					Annual	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Growth Year (g)	Rate Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$12,463	\$12,026	\$10,770	\$10,107	\$8,705	9.39%	3.63%
3.	Network Access	3,233	3,035	2,908	2,867	3,314	-0.62%	6.52%
4.	Long Distance Message	357	437	491	625	858	-19.69%	-18.31%
5.	Miscellaneous	3,887	3,455	3,187	2,960	2,805	8.50%	12.50%
6.	Uncollectibles	(126)	(173)	(176)	(147)	(110)	3.45%	-27.17%
7.	Total Operating Revenue	19,814	18,780	17,180	16,402	15,572	6.21%	5.51%
8.	Operating Expenses	7,621	8,375	9,401	8,716	8,675	-3.19%	-9.00%
9.	Depreciation & Amortization	3,416	3,070	2,660	3,516	2,880	4.36%	11.27%
10.	Total Operating Taxes	5,060	4,677	4,138	2,874	2,732	16.66%	8.19%
11.	Total Expenses, Depr. & Taxes	16,097	16,122	16,199	15,106	14,287	3.03%	-0.16%
12.	Operating Income	\$3,717	\$2,658	\$981	\$1,296	\$1,285	30.41%	39.84%
13.	Net Plant Investment	\$37,941	\$36,306	\$34,506	\$32,135	\$31,271	4.95%	4.50%
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14.	Oper. Exp. as a % of Total Revenue	38.46%	44.60%	54.72%	53.14%	55.71%	-8.85%	-13.77%
15.	Net Plt. Investment per \$ of Revenue	\$1.91	\$1.93	\$2.01	\$1.96	\$2.01	-1.27%	-1.04%
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16.	Local Access Lines:							
17.	Residential	25	25	24	23	23	2.11%	0.00%
18.	Business	10	10	10	9	9	2.67%	0.00%
19.	Total Local Access Lines	35	35	34	32	32	2.27%	0.00%
20.	Total Access Lines:							
21.	Residential	25	25	24	23	23	2.11%	0.00%
22.	Business	11	10	10	9	9	5.14%	10.00%
23.	Total Access Lines	36	35	34	32	32	2.99%	2.86%
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24.	Estimated Overall Rate of Return	13.72%	9.30%	5.47%	5.51%	20.55%	-9.61%	47.53%
25.	Estimated Return on Common Equity	14.07%	9.42%	5.22%	4.90%	22.91%	-11.47%	49.36%
26.	Common Equity Ratio	94.31%	92.58%	90.10%	81.25%	78.39%	4.73%	1.87%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	60.63	41.53	27.93	10.86	14.76	42.36%	45.99%
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28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 16.25%, Overall 12.77%; Equity Ratio: 37.22%; Date of Order: 6-14-82						

Notes: [1] Rates are set on a total company basis.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.

**MEBTEL COMMUNICATIONS**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
 Total Company Utility Operations  
 (Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$3,288	\$2,754	\$2,313	\$2,096	\$1,873	15.11%	19.39%
3.	Network Access	4,105	3,717	3,106	3,419	2,631	11.76%	10.44%
4.	Long Distance Message	454	739	819	608	612	-7.19%	-38.57%
5.	Miscellaneous	801	866	430	207	171	47.12%	-7.51%
6.	Uncollectibles	(38)	29	23	(111)	(60)	N/A	-231.03%
7.	Total Operating Revenue	<u>8,610</u>	<u>8,105</u>	<u>6,691</u>	<u>6,219</u>	<u>5,227</u>	<u>13.29%</u>	<u>6.23%</u>
8.	Operating Expenses	4,694	4,970	4,943	4,028	3,493	7.67%	-5.55%
9.	Depreciation & Amortization	839	800	708	701	752	2.77%	4.88%
10.	Total Operating Taxes	1,074	802	303	544	355	31.88%	33.92%
11.	Total Expenses, Depr. & Taxes	<u>6,607</u>	<u>6,572</u>	<u>5,954</u>	<u>5,273</u>	<u>4,600</u>	<u>9.47%</u>	<u>0.53%</u>
12.	Operating Income	<u>\$2,003</u>	<u>\$1,533</u>	<u>\$737</u>	<u>\$946</u>	<u>\$627</u>	<u>33.69%</u>	<u>30.66%</u>
13.	Net Plant Investment	<u>\$8,554</u>	<u>\$8,631</u>	<u>\$7,684</u>	<u>\$6,964</u>	<u>\$6,351</u>	<u>7.73%</u>	<u>-0.89%</u>
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14.	Oper. Exp. as a % of Total Revenue	54.52%	61.32%	73.88%	64.77%	66.83%	-4.96%	-11.09%
15.	Net Plt. Investment per \$ of Revenue	\$0.99	\$1.06	\$1.15	\$1.12	\$1.22	-5.09%	-6.60%
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16.	Local Access Lines:							
17.	Residential	9	9	8	7	7	6.48%	0.00%
18.	Business	3	3	2	2	2	10.67%	0.00%
19.	Total Local Access Lines	<u>12</u>	<u>12</u>	<u>10</u>	<u>9</u>	<u>9</u>	<u>7.46%</u>	<u>0.00%</u>
20.	Total Access Lines:							
21.	Residential	9	9	8	7	7	6.48%	0.00%
22.	Business	3	3	2	2	2	10.67%	0.00%
23.	Total Access Lines	<u>12</u>	<u>12</u>	<u>10</u>	<u>9</u>	<u>9</u>	<u>7.46%</u>	<u>0.00%</u>
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24.	Estimated Overall Rate of Return	19.04%	17.95%	10.06%	15.01%	12.54%	11.00%	6.07%
25.	Estimated Return on Common Equity	22.37%	55.31%	12.74%	23.94%	18.10%	5.44%	-59.56%
26.	Common Equity Ratio	60.77%	23.07%	25.06%	49.89%	47.08%	6.59%	163.42%
27.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.01	4.98	1.75	7.08	3.84	6.88%	0.60%
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28.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 16.50%, Overall 5.92%; Equity Ratio:16.92%; Date of Order: 11-26-79						

Notes: [1] Rates are set on a total company basis.  
 [2] Net Plant Investment reflects net plant in service.  
 [3] Source of Data: NCUC TS-1 Reports.  
 [4] MEBTEL Communications has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after September 30, 1999. The data for MEBTEL Communications included herein is updated annually beginning with the calendar year 2000.  
 [5] Significant changes in data for this reporting period are caused by the acquisition of MEBTEL Communications by Madison River Communications, Inc.  
 [6] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**NORTH STATE TELEPHONE COMPANY**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**Total Company Utility Operations**  
**(Amounts In Thousands)**

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2001 (b)	March 2000 (c)	March 1999 (d)	March 1998 (e)	March 1997 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$35,626	\$33,389	\$29,903	\$27,667	\$23,948	10.44%	6.70%
3.	Network Access	32,894	30,855	29,409	28,281	27,203	4.86%	6.61%
4.	Long Distance Message	2,057	1,948	2,123	2,191	2,330	-3.07%	5.60%
5.	Miscellaneous	8,265	7,882	7,514	7,146	5,962	8.51%	4.86%
6.	Uncollectibles	(829)	(890)	(840)	(645)	(490)	14.05%	-6.85%
7.	Total Operating Revenue	78,013	73,184	68,309	64,640	58,953	7.25%	6.60%
8.	Operating Expenses	31,385	30,772	30,687	27,002	26,209	4.61%	1.99%
9.	Depreciation & Amortization	15,701	13,233	13,227	15,790	11,131	8.98%	18.65%
10.	Total Operating Taxes	13,365	12,582	10,490	9,597	9,400	9.20%	6.22%
11.	Total Expenses, Depr. & Taxes	60,451	56,587	54,404	52,389	46,740	6.64%	6.83%
12.	Other Operating (Income) & Expense	(169)	(129)	(170)	(329)	5	N/A	31.01%
13.	Operating Income	\$17,731	\$16,726	\$14,075	\$12,580	\$12,208	9.78%	6.01%
14.	Net Plant Investment	\$105,799	\$95,863	\$85,666	\$82,810	\$85,195	5.56%	10.36%
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15.	Oper. Exp. as a % of Total Revenue	40.23%	42.05%	44.92%	41.77%	44.46%	-2.47%	-4.32%
16.	Net Plt. Investment per \$ of Revenue	\$1.36	\$1.31	\$1.25	\$1.28	\$1.45	-1.58%	3.53%
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17.	Local Access Lines:							
18.	Residential	88	87	84	80	76	3.73%	1.15%
19.	Business	48	46	42	38	35	8.22%	4.35%
20.	Total Local Access Lines	136	133	126	118	111	5.21%	2.28%
21.	Total Access Lines:							
22.	Residential	88	87	84	80	76	3.73%	1.15%
23.	Business	48	46	42	38	36	7.46%	4.35%
24.	Total Access Lines	136	133	126	118	112	4.97%	2.26%
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25.	Estimated Overall Rate of Return	18.08%	18.71%	17.18%	15.95%	15.82%	3.39%	-3.37%
26.	Estimated Return on Common Equity	18.38%	19.12%	17.64%	16.43%	16.38%	2.92%	-3.87%
27.	Common Equity Ratio	97.57%	96.73%	95.73%	95.14%	94.17%	0.89%	0.87%
28.	Estimated Pre-tax Interest Coverage Ratio (Times)	396.65	211.78	141.32	116.85	91.96	44.11%	87.29%
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29.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity N/A, Overall N/A; Equity Ratio: N/A; Date of Order: 6-13-52						

Notes: [1] Rates are set on a total company basis.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports.  
[4] N/A denotes that data is not available or not applicable or that information is, essentially, unmeaningful.



**VERIZON SOUTH INC.**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
Merged North Carolina Intrastate Operations  
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2000 (b)	December 1999 (c)	December 1998 (d)	December 1997 (e)	December 1996 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$133,595	\$123,017	\$117,728	\$111,078	\$103,423	6.61%	8.60%
3.	Network Access	59,815	54,976	62,117	57,345	52,637	3.25%	8.80%
4.	Long Distance Message	4,758	5,229	6,204	9,526	15,488	-25.55%	-9.01%
5.	Miscellaneous	6,631	17,215	18,249	15,993	14,049	-17.11%	-61.48%
6.	Uncollectibles	(3,439)	(3,206)	(3,743)	(1,996)	(1,874)	16.36%	7.17%
7.	Total Operating Revenue	201,363	197,231	200,555	191,946	183,723	2.32%	2.10%
8.	Operating Expenses	111,257	93,150	100,685	90,819	86,905	6.37%	19.44%
9.	Depreciation & Amortization	78,742	72,822	89,858	82,991	80,918	5.94%	5.67%
10.	Total Operating Taxes	4,435	14,374	9,108	13,594	13,862	-24.79%	-69.15%
11.	Total Expenses, Depr. & Taxes	192,434	180,146	179,651	167,404	161,683	4.45%	6.82%
12.	Other Operating (Income) & Expense	(44)	119	60	21	62	N/A	-136.97%
13.	Operating Income	\$8,973	\$16,966	\$20,844	\$24,521	\$21,978	-20.06%	-47.11%
14.	Net Plant Investment	\$326,447	\$331,967	\$340,952	\$351,886	\$355,008	-2.07%	-1.66%
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15.	Oper. Exp. as a % of Total Revenue	55.25%	47.23%	50.20%	47.31%	47.30%	3.96%	16.99%
16.	Net Plt. Investment per \$ of Revenue	\$1.62	\$1.68	\$1.70	\$1.83	\$1.93	-4.29%	-3.68%
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17.	Local Access Lines:							
18.	Residential	252	244	231	221	210	4.66%	3.28%
19.	Business	141	141	132	121	109	6.65%	0.00%
20.	Total Local Access Lines	393	385	363	342	319	5.35%	2.08%
21.	Total Access Lines:							
22.	Residential	252	244	231	221	210	4.66%	3.28%
23.	Business	322	251	214	196	184	18.37%	28.29%
24.	Total Access Lines	574	495	445	417	374	11.30%	15.96%
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25.	Estimated Overall Rate of Return	2.66%	6.46%	6.74%	8.73%	7.80%	-23.58%	-58.82%
26.	Estimated Return on Common Equity	-1.99%	4.36%	4.50%	8.62%	7.84%	N/A	-145.64%
27.	Common Equity Ratio	52.45%	55.81%	60.56%	63.23%	62.17%	-4.16%	-8.02%
28.	Estimated Pre-tax Interest Coverage Ratio (Times)	0.28	2.23	1.81	3.56	3.46	-47.64%	-88.34%
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29.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 13.90%, Overall 11.82%; Equity Ratio: 50.00%; Date of Order: 9-16-86						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue, equates to approximately 69% of total North Carolina revenue, i.e., intrastate and interstate revenue.  
[2] Net Plant Investment reflects net plant in service.  
[3] Source of Data: NCUC TS-1 Reports except for data on Lines 2 - 11 and Lines 17 - 24, Column (f) which are the sum total of figures for GTE South, Inc. and GTE of North Carolina, which were being provided on a separated basis prior to January 1996.  
[4] Verizon South Inc., formerly known as GTE South Incorporated, has elected price regulation. Under that election the information on which this report is based is filed on an annual calendar-year basis for reporting periods beginning after June 30, 1996. The data for Verizon South Inc. included herein is updated annually beginning with the calendar year 1996.  
[5] On June 30, 2000, by amendment of its articles of incorporation, the name of GTE South Incorporated was changed to Verizon South Inc. as a result of the merger between GTE Corporation and Bell Atlantic Corporation, effective August 1, 2000.  
[6] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

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