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## INFORMATION SHEET

Clerk's Office  
N.C. Utilities Commission

RECORD: 43

VOLUME:

PRESIDING: Joyner, Finley, Owens, Ervin, Lee, Culpepper

PLACE: Dobbs Building, Raleigh, North Carolina

DATE: 8/26/08

TIME: 1:30 P.M. - 2:54 P.M.

DOCKET NO.: G-5, Sub 495 (Volume II)

COMPANY: Public Service Co. of NC

DESCRIPTION: Application for a general rate increase

## APPEARANCES

PUBLIC STAFF: Gina Holt

COMMISSION STAFF:

ATTORNEY GENERAL: Margaret Force

APPLICANT-A COMPLAINANT-C RESPONDENT-R PROTESTANT-P INTERVENOR-I

A - Mary Lynne Grigg

A - Craig Collins

A - William Pittman

## WITNESSES

PANEL - Jimmy Addison, Candace Paton, Julius Wright

## EXHIBITS

AG Cross-Examination Exhibit Nos. 1.1 thru 9

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BRIEFS/PROPOSED ORDERS 30 DAYS FROM MAILING OF TRANSCRIPT.

COPIES ORDERED: Holt, Force

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MISC. INFO:

TRANSCRIPT PAGES: 68

PREFILED PAGES:

**NORTH CAROLINA UTILITIES COMMISSION**  
**APPEARANCE SLIP**

DATE 8/26/08 DOCKET NO.: 6-5, Sub 495  
NAME AND TITLE OF ATTORNEY Mary Lynne Grigg  
FIRM NAME Womble Carlyle Sandridge & Price  
ADDRESS 150 Fayetteville St Suite 2100  
CITY Raleigh NC ZIP 27612  
APPEARING FOR: PSNC

APPLICANT J COMPLAINANT \_\_\_\_\_ INTERVENER \_\_\_\_\_  
PROTESTANT \_\_\_\_\_ RESPONDENT \_\_\_\_\_ DEFENDANT \_\_\_\_\_  
ORDER FOR TRANSCRIPT OF TESTIMONY FOR THE PUBLIC STAFF:

**PAPER COPY - ONE PER DIVISION**

ACCOUNTING \_\_\_\_\_ WATER \_\_\_\_\_ COMMUNICATIONS \_\_\_\_\_  
ELECTRIC \_\_\_\_\_ GAS \_\_\_\_\_ TRANSPORTATION \_\_\_\_\_  
ECONOMICS \_\_\_\_\_ LEGAL \_\_\_\_\_ CONSUMER SERVICES \_\_\_\_\_

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mgriag@psnc.com

M. Grigg  
(SIGNATURE OF PARTY OR ATTORNEY ORDERING  
TRANSCRIPT/DISK.)

PLEASE INDICATE BELOW WHO HAS SIGNED A CONFIDENTIALITY  
AGREEMENT: Public Staff

CUCA

Attorney General

M. Grigg  
Signature of Attorney

Craig Collins  
1426 Main Street, MC 130  
Columbia, SC 29201

William Pittman

**NORTH CAROLINA UTILITIES COMMISSION**  
**APPEARANCE SLIP**

DATE 8/27/08 DOCKET NO.: G-5, Sub 495  
NAME AND TITLE OF ATTORNEY Margaret A. Force  
FIRM NAME NC Dept of Justice  
ADDRESS PO Box 629  
CITY \_\_\_\_\_ ZIP 27602  
**APPEARING FOR:** Utility + Consuming public

APPLICANT \_\_\_\_\_ COMPLAINANT \_\_\_\_\_ INTERVENER ☒  
PROTESTANT \_\_\_\_\_ RESPONDENT \_\_\_\_\_ DEFENDANT \_\_\_\_\_  
ORDER FOR TRANSCRIPT OF TESTIMONY FOR THE PUBLIC STAFF:

**PAPER COPY - ONE PER DIVISION**

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ELECTRIC \_\_\_\_\_ GAS \_\_\_\_\_ TRANSPORTATION \_\_\_\_\_  
ECONOMICS \_\_\_\_\_ LEGAL \_\_\_\_\_ CONSUMER SERVICES \_\_\_\_\_

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Margaret A. Force Margaret A. Force  
(SIGNATURE OF PARTY OR ATTORNEY ORDERING  
TRANSCRIPT/DISK.)

PLEASE INDICATE BELOW WHO HAS SIGNED A CONFIDENTIALITY  
AGREEMENT: \_\_\_\_\_

Margaret A. Force  
Signature of Attorney

**NORTH CAROLINA UTILITIES COMMISSION**  
**APPEARANCE SLIP**

DATE 08/26/08 DOCKET NO.: G-5, Sub 495  
NAME AND TITLE OF ATTORNEY Gina Holt, Staff Attorney  
FIRM NAME Public Staff - North Carolina Utilities Commission  
ADDRESS 4326 Mail Service Center  
CITY Raleigh, NC ZIP 27699-4326  
**APPEARING FOR:** \_\_\_\_\_

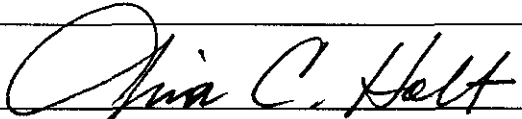
APPLICANT \_\_\_\_\_ COMPLAINANT \_\_\_\_\_ INTERVENER \_\_\_\_\_  
PROTESTANT \_\_\_\_\_ RESPONDENT \_\_\_\_\_ DEFENDANT \_\_\_\_\_  
ORDER FOR TRANSCRIPT OF TESTIMONY FOR THE PUBLIC STAFF:

**PAPER COPY - ONE PER DIVISION**

ACCOUNTING <input checked="" type="checkbox"/>	WATER _____	COMMUNICATIONS _____
ELECTRIC _____	GAS <input checked="" type="checkbox"/>	TRANSPORTATION _____
ECONOMICS _____	LEGAL <input checked="" type="checkbox"/>	CONSUMER SERVICES _____

**TOTAL NUMBER ORDERED** 3

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\_\_\_\_\_  
(SIGNATURE OF PARTY OR ATTORNEY ORDERING  
TRANSCRIPT/DISK.)

PLEASE INDICATE BELOW WHO HAS SIGNED A CONFIDENTIALITY  
AGREEMENT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
Signature of Attorney

I 2A  
CC

Attorney General Cross Examination  
Exhibit 1.1

PSNC rates for margin:

Residential:           \$10/month     + \$0.35678 per therm

Commercial:         \$17.50/month + \$0.25160 per therm

See Exhibit E for facilities charge

See Exhibit D for volumetric charge (R value)

I & A  
CC

Attorney General Cross Examination Exhibit No. 1

Residential 101 Stipulation Revenues								
	Margin Volumetric Rate						Fixed Rate	Total Margin
	1	2	3	4	5	6	7	8
	CUT Guaranteed			CUT Guaranteed				
	Baseload th/mo	HSF th/HDD	normal DD	th/customer	R value \$/th	\$/customer/mo	\$/customer/mo	\$/customer/mo
January	8.53271	0.16651	724.084	129.1	0.35678	\$46.06	\$10.00	\$56.06
February	8.53271	0.16651	583.065	105.6	0.35678	\$37.68	\$10.00	\$47.68
March	8.53271	0.16651	448.837	83.3	0.35678	\$29.71	\$10.00	\$39.71
April	8.53271	0.16651	201.387	42.1	0.35678	\$15.01	\$10.00	\$25.01
May	8.53271	0.16651	61.333	18.7	0.35678	\$6.69	\$10.00	\$16.69
June	8.53271	0.16651	5.502	9.4	0.35678	\$3.37	\$10.00	\$13.37
July	8.53271	0.16651	0.229	8.6	0.35678	\$3.06	\$10.00	\$13.06
August	8.53271	0.16651	0.093	8.5	0.35678	\$3.05	\$10.00	\$13.05
Septem	8.53271	0.16651	21.253	12.1	0.35678	\$4.31	\$10.00	\$14.31
October	8.53271	0.16651	186.939	39.7	0.35678	\$14.15	\$10.00	\$24.15
November	8.53271	0.16651	419.112	78.3	0.35678	\$27.94	\$10.00	\$37.94
December	8.53271	0.16651	690.849	123.6	0.35678	\$44.09	\$10.00	\$54.09
Total	102.39252		3342.683	659.0		\$235.11	\$120.00	\$355.11
Average				54.9		\$19.59		\$29.59

Small General Service 125 Stipulation Revenues								
	Margin Volumetric Rate						Fixed Rate	Total Margin
	1	2	3	4	5	6	7	8
	CUT Guaranteed			CUT Guaranteed				
	Baseload th/mo	HSF th/HDD	normal DD	th/customer	R value \$/th	\$/customer/mo	\$/customer/mo	\$/customer/mo
January	115.15641	0.61089	724.084	557.5	0.25160	\$140.27	\$17.50	\$157.77
February	115.15641	0.61089	583.065	471.3	0.25160	\$118.59	\$17.50	\$136.09
March	115.15641	0.61089	448.837	389.3	0.25160	\$97.96	\$17.50	\$115.46
April	115.15641	0.61089	201.387	238.2	0.25160	\$59.93	\$17.50	\$77.43
May	115.15641	0.61089	61.333	152.6	0.25160	\$38.40	\$17.50	\$55.90
June	115.15641	0.61089	5.502	118.5	0.25160	\$29.82	\$17.50	\$47.32
July	115.15641	0.61089	0.229	115.3	0.25160	\$29.01	\$17.50	\$46.51
August	115.15641	0.61089	0.093	115.2	0.25160	\$28.99	\$17.50	\$46.49
Septem	115.15641	0.61089	21.253	128.1	0.25160	\$32.24	\$17.50	\$49.74
October	115.15641	0.61089	186.939	229.4	0.25160	\$57.71	\$17.50	\$75.21
November	115.15641	0.61089	419.112	371.2	0.25160	\$93.39	\$17.50	\$110.89
December	115.15641	0.61089	690.849	537.2	0.25160	\$135.16	\$17.50	\$152.66
Total	1381.87692		3342.683	3423.9		\$861.45	\$210.00	\$1,071.45
Average				285.3		\$71.79		\$89.29

1 Baseload th/mo: See Stipulation Exhibit D

5 R value \$/th: See Stipulation Exhibit D

2 HSF th/HDD: See Stipulation Exhibit D

6 CUT \$/customer/mo: Column 4 x Column 5

3 Normal degree day: See Paton Exhibit 9 p.2

7 Fixed Rate \$/customer/mo: See Stipulation Exhibit D

4 CUT th/customer: Column 1 + Column 2 x Column 3

8 Total Margin \$/customer/mo: Column 6 + Column 7

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CC

**Operating Revenues Under Stipulated Rates - Exhibit B (Residential)**  
**-- Margin Revenues from volumetric charges**

		# bills	\$/month	Therms	Total \$/therm	Facilities chg Revenues	Volumetric chg Revenues	Total Revenues	Margin \$/therm	Volumetric chg Margin revenues
Residential	Winter	2,550,357	\$10.00	238,962,878	\$1.37752	\$25,503,570	\$329,176,143.70	\$354,679,714	<b>\$0.35678</b>	<b>\$85,257,175.61</b>
	Summer	2,512,313	\$10.00	40,727,703	\$1.31752	\$25,123,130	\$53,659,563.26	\$78,782,693	<b>\$0.35678</b>	<b>\$14,530,829.88</b>

**Annual increase to Guaranteed Volumetric Margin (with 4% customer growth)**

		# bills	# therms	therms/bill	Volumetric chg margin	Volumetric Margin rev per bill	Volumetric Margin Revenues	Volumetric Margin Revenues Increase
<b>YEAR 1</b>								
Residential	winter	2,550,357	238,962,878	93.69781	\$0.35678	\$33.43	\$85,257,175.61	
	summer	2,512,313	40,727,703	16.21124	\$0.35678	\$5.78	\$14,530,829.88	
<b>YEAR 2 (4% growth in bills)</b>								
Residential	winter	2,652,371				\$33.43	\$88,667,462.64	4.00%
	summer	2,612,806				\$5.78	\$15,112,063.07	4.00%
<b>YEAR 3 (4% growth in bills)</b>								
Residential	winter	2,758,466				\$33.43	\$92,214,161.14	8.16%
	summer	2,717,318				\$5.78	\$15,716,545.59	8.16%

**PIEDMONT NATURAL GAS COMPANY  
NORTH CAROLINA SERVICE REGULATIONS**

Page 1 of 3

## **APPENDIX C**

### **Customer Utilization Tracker**

#### **I. Provision for Adjustment**

The base rates per therm (100,000 Btu) for gas service set forth in Rate Schedules 101, 121, 102, 132, 152 and 162 of Piedmont Natural Gas Company (Company) shall be adjusted by an amount hereinafter described, which amount is referred to as the "Customer Utilization Adjustment." The Customer Utilization Adjustment shall be calculated, as a decrement or an increment, and applied to Rate Schedules 101, 121, 102, 132, 152 and 162 to refund or recover the balance in the "Customer Utilization Deferred Account." The Customer Utilization Deferred Account shall be established by a monthly adjustment hereinafter described, which monthly adjustment is referred to as the "Customer Utilization Deferred Account Adjustment."

#### **II. Definitions**

For the purposes of this Rider:

"Commission" means the North Carolina Utilities Commission

"Relevant Rate Order" means the final order of the Commission in the most recent litigated rate case of the Company fixing the rates of the Company or the most recent final order of the Commission specifically prescribing or fixing the factors and procedures to be used in the application of this Rider.

#### **III. Computation of Customer Utilization Deferred Account Adjustment**

The Customer Utilization Deferred Account Adjustment, for each of the Rate Schedules 101, 121, 102, 132, 152 and 162, shall be computed monthly to the nearest dollar by the following formulas:

$\text{Base Load Therms}_i = \text{Actual Customers}_i \times \text{Base Load}_i$

$\text{Heat Sensitive Therms}_i = \text{Actual Customers}_i \times \text{Heat Sensitivity Factor}_i \times \text{Normal Degree Days}$

$\text{Normalized Therms}_i = \text{Base Load Therms}_i + \text{Heat Sensitive Therms}_i$

$\text{Normalized Margin}_i = \text{Normalized Therms}_i \times \text{R Factor}_i$

$\text{Actual Margin}_i = \text{Actual Therms}_i \times \text{R Factor}_i$

$\text{Customer Utilization Deferred Account Adjustment}_i = \text{Normalized Margin}_i - \text{Actual Margin}_i$



## **APPENDIX C**

**Where:**

<b><math>i</math> =</b>	<b>any particular rate schedule</b>
<b>Actual Customers<sub><math>i</math></sub> =</b>	<b>Actual customers billed for the billing cycle month for the <math>i^{\text{th}}</math> rate schedule</b>
<b>Actual Therms<sub><math>i</math></sub> =</b>	<b>Actual therms used for the billing cycle month for the <math>i^{\text{th}}</math> rate schedule</b>
<b>R Factor<sub><math>i</math></sub> =</b>	<b>base rate (approved rate less fixed and commodity cost of gas) for the <math>i^{\text{th}}</math> schedule or classification utilized by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues.</b>
<b>Heat Sensitivity Factor<sub><math>i</math></sub> =</b>	<b>heat sensitive factor for the <math>i^{\text{th}}</math> schedule of classification utilized by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues.</b>
<b>Normal Degree Days =</b>	<b>normal, 15<sup>th</sup> to 15<sup>th</sup>, heating degree days utilized by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues.</b>
<b>Base Load<sub><math>i</math></sub> =</b>	<b>base load sales for the <math>i^{\text{th}}</math> schedule or classification utilized by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues.</b>

### **IV. Filing with Commission**

The Company will file monthly as directed by the Commission (a) a copy of each computation of the Customer Utilization Deferred Account Adjustment by rate schedule, (b) a schedule showing the effective date of each such Customer Utilization Deferred Account Adjustment, and (c) a schedule showing the factors of values derived from the Relevant Rate Order used in calculating such Customer Utilization Deferred Account Adjustment. Such reports will be filed within 45 days after the end of the month for which the report is being filed.

## APPENDIX C

### V. Computation of Customer Utilization Adjustment

Effective for both the first day of April's Bill Cycle Month and the first day of November's Bill Cycle Month, the Customer Utilization Adjustment to refund or recover the balance in the Customer Utilization Deferred Account, shall be calculated to the nearest one-thousandth cent per therm by the following formula:

$$\text{Customer Utilization Adjustment} = \frac{\text{Customer Utilization Deferred Account Balance}}{\text{Annual Therms}_i}$$

Where:

$$\text{Customer Utilization Deferred Account Balance} = \text{Balance at January 31 and August 31}$$

$$\text{Annual Therms} = \text{Normalized volumes assigned in most recent rate case}$$

$$t_i = \text{Total for Rate Schedules 101, 121, 102, 132, 152 and 162}$$

### VI. Interest

Interest will be applied to the Customer Utilization Deferred Account at the Company's authorized overall rate of return.

### VII. Filing with Commission

The Company will file revised tariffs for Commission approval upon 14 days notice to implement a decrement or an increment each April and November. With the filing the Company will include a copy of each computation of the Customer Utilization Adjustment.

I & A  
CC

Attorney General Cross Examination Exhibit No. 4

Piedmont Total CUT Collections Plus Balance

	1	2	3	4	5	6	7
	CUT Collections					End of Month	TOTAL to Date
	Residential	S Commercial	M Commercial	Total for month	Total to date	CUT Deferred Acct. Balance	CUT Balance plus Collections
Apr-06	\$295,086	\$112,043	\$2,352	\$409,481	\$409,481	\$27,531,783	\$27,941,264
May-06	\$267,277	\$126,722	\$2,701	\$396,700	\$806,181	\$29,016,941	\$29,823,122
Jun-06	\$198,420	\$110,614	\$2,585	\$311,619	\$1,117,800	\$28,226,552	\$29,344,352
Jul-06	\$154,164	\$99,528	\$2,484	\$256,176	\$1,373,976	\$26,747,549	\$28,121,525
Aug-06	\$129,789	\$94,846	\$2,603	\$227,238	\$1,601,214	\$26,392,643	\$27,993,857
Sep-06	\$144,915	\$108,370	\$2,628	\$255,913	\$1,857,127	\$25,710,045	\$27,567,172
Oct-06	\$218,126	\$119,683	\$3,174	\$340,983	\$2,198,110	\$27,271,290	\$29,469,400
Nov-06	\$1,169,698	\$333,063	\$46,126	\$1,548,887	\$3,746,997	\$29,612,258	\$33,359,255
Dec-06	\$2,449,384	\$598,180	\$59,959	\$3,107,523	\$6,854,520	\$32,629,477	\$39,483,997
Jan-07	\$2,905,339	\$698,490	\$70,283	\$3,674,112	\$10,528,632	\$40,694,278	\$51,222,910
Feb-07	\$3,884,247	\$913,095	\$72,780	\$4,870,121	\$15,398,753	\$39,423,184	\$54,821,937
Mar-07	\$2,971,458	\$726,571	\$58,138	\$3,756,167	\$19,154,920	\$34,930,678	\$54,085,598
Apr-07	\$1,741,832	\$572,591	\$40,012	\$2,354,436	\$21,509,356	\$36,491,374	\$58,000,730
May-07	\$1,294,336	\$414,051	\$31,554	\$1,739,941	\$23,249,297	\$35,370,815	\$58,620,112
Jun-07	\$649,476	\$358,953	\$27,257	\$1,035,686	\$24,284,983	\$34,231,855	\$58,516,838
Jul-07	\$508,538	\$323,612	\$26,338	\$858,488	\$25,143,471	\$33,164,944	\$58,308,415
Aug-07	\$480,071	\$347,412	\$28,046	\$855,528	\$25,998,999	\$32,059,774	\$58,058,773
Sep-07	\$488,201	\$374,893	\$29,648	\$892,742	\$26,891,741	\$30,859,122	\$57,750,863
Oct-07	\$499,362	\$347,742	\$31,359	\$878,463	\$27,770,204	\$32,922,001	\$60,692,205
Nov-07	\$1,397,348	\$496,309	\$46,493	\$1,940,150	\$29,710,354	\$37,949,759	\$67,660,113
Dec-07	\$2,921,543	\$758,821	\$57,771	\$3,738,135	\$33,448,489	\$41,182,892	\$74,631,381
Jan-08	\$3,996,196	\$1,058,984	\$70,650	\$5,125,830	\$38,574,319	\$45,040,819	\$83,615,138
Feb-08	\$4,286,554	\$1,157,154	\$69,014	\$5,512,722	\$44,087,041	\$46,169,952	\$90,256,993
Mar-08	\$3,119,767	\$878,548	\$56,778	\$4,055,093	\$48,142,134	\$44,833,360	\$92,975,494
Apr-08	\$2,391,915	\$750,988	\$56,468	\$3,199,371	\$51,341,505	\$43,143,246	\$94,484,751
May-08	\$1,357,461	\$611,182	\$47,784	\$2,016,426	\$53,357,931	\$41,389,241	\$94,747,172

Col 1 See Monthly CUT Report p. 1  
 Col 2 See Monthly CUT Report p. 1  
 Col 3 See Monthly CUT Report p. 1  
 Col 4 Col 1+2+3

Col 5 Accumulation of totals in Col 4  
 Col 6 See Monthly CUT Report p. 1  
 Col 7 Col 5+6



Piedmont  
Natural Gas  
Company

Post Office Box 33068  
Charlotte, North Carolina 28233

**OFFICIAL COPY**

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**JUL 11 2008**

Clerk's Office  
N.C. Utilities Commission

July 10, 2008

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 499

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 Customer Utilization Deferred Account Adjustment by rate schedule for May 2008.

For billing cycles for the month of May 2008, the calculation results in an amount to be collected from residential customers of \$81,640 and an amount to be refunded to commercial customers of \$94,458. The total Customer Utilization Tracker adjustment for May 2008 is \$12,818.

The average temperature for the May days included in these billing cycles was warmer than normal. Actual usage for this period was 17,556 DT's more than the projected normal.

Please let me know if there are any questions.

Sincerely,

Mark Temple  
Regulatory Analyst

Genl  
AG  
1 Comm to  
Circuit  
Bennin  
Watson  
Kirby

Hoover  
Sessions  
Wite  
Hilburn  
Gilmore  
Gubler

1 PS Legal  
1 PS Eco  
2 PS Acc'ts  
2 PS Gas

**Piedmont Natural Gas Company**  
**GUT Deferred Account Activity - a/c # 25332**  
**May 2008 Report**  
**Debit (Credit)**

*6-9, 506499*

<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	\$31,353,909	\$10,669,212	\$1,120,125	\$43,143,246
<u>Monthly Activity:</u>					
Customer Utilization Adjustment	Page 2	\$81,640	(\$107,143)	\$12,685	(12,818)
(Increment) Decrements	Page 3	(1,357,461)	(611,182)	(47,784)	(2,016,426)
Ending Balance Before Interest		30,078,088	9,950,887	1,085,026	41,114,001
Accrued Interest	Page 4	200,678	67,359	7,203	275,240
Total Due From (To) Customers		<u>\$30,278,765</u>	<u>\$10,018,246</u>	<u>\$1,092,230</u>	<u>\$41,389,241</u>

**FILED**  
**JUL 11 2008**  
 Clerk's Office  
 N.C. Utilities Commission

**Piedmont Natural Gas Company**  
**Computation of Customer Utilization Adjustment**  
**Debit (Credit)**  
**May 2008 Report**

Line No.	Description	Residential		Small General Service		Medium General Service		Total
		Value Rate Schedule No. 101	Standard Rate Schedule No. 121	Standard Rate Schedule No. 102	Value Rate Schedule No. 132	Standard Rate Schedule No. 102	Value Rate Schedule No. 102	
1	Normal Degree Days <i>Page 2A</i>	108.9	108.9	108.9	108.9	108.9	108.9	
2	Base Load (th/month)	16.33290	2.78882	1.78220	395.06845	1299.01655	7059.54490	
3	Heat Sensitivity Factor (th/HDD)	0.19144	0.15746	0.69757	0.63143	19.54611	7.59455	
4	Usage/HDD/Customer (th)	37	20	78	464	3,428	7,887	
<b>RATE CASE</b>								
5	No. of Customers (Actual)	255,443	340,536	46,061	19,056	96	383	
6	Total Normalized Usage (th)	9,497,554	6,788,999	3,581,131	8,838,767	329,048	3,020,565	32,056,063
7	R Factor Summer (\$/th)	\$0.31190	\$0.31190	\$0.21600	\$0.21600	\$0.21600	\$0.21600	
8	R Factor Margin Revenues (\$)	\$2,962,287	\$2,117,489	\$773,524	\$1,909,174	\$71,074	\$652,442	\$8,485,990
<b>ACTUAL</b>								
9	No. of Customers (Actual)	255,443	340,536	46,061	19,056	96	383	
10	Actual Usage (th)	9,385,077	6,639,725	3,962,320	8,953,610	342,285	2,948,602	32,231,619
11	R Factor (\$/th)	\$0.31190	\$0.31190	\$0.21600	\$0.21600	\$0.21600	\$0.21600	
12	R Factor Margin Revenues (\$)	\$2,927,206	\$2,070,930	\$855,861	\$1,933,980	\$73,934	\$636,898	\$8,498,808
13	Customer Utilization Adj	\$35,081	\$46,558	(\$82,337)	(\$24,806)	(\$2,859)	\$15,544	(\$12,818)
								Total Owed To Company (Customer)

Note: /1 - From Docket No. G-9, Sub 499, Stipulation - Exhibit E

Piedmont Natural Gas Company  
Heating Degrees for CUT

	Rate Case Normal HDD	Actual HDD 2007-08
Nov	314.8	287.0
Dec	549.1	446.0
Jan	769.9	639.4
Feb	766	703.2
Mar	495.3	468.4
Apr	306.7	346.8
May	108.9	91.5
Jun	20.3	
Jul	0.9	
Aug	0.1	
Sep	4	
Oct	94.4	
	3430.4	2,982.3

**Piedmont Natural Gas Company**  
**Rate Elements For Residential, SGS and MGS Rate Classes**  
**May 2008 Report**

Description		Residential		Small General Service		Medium General Service	
		Value Rate	Standard Rate	Standard Rate	Value Rate	Standard Rate	Value Rate
		Schedule No. 101	Schedule No. 121	Schedule No. 102	Schedule No. 132	Schedule No. 152	Schedule No. 162
<b>Facilities Charge</b>	Winter	\$10.00	\$10.00	\$22.00	\$22.00	\$75.00	\$75.00
	Summer	\$10.00	\$10.00	\$22.00	\$22.00	\$75.00	\$75.00
<b>Rates (\$/th)</b>							
1st Block	Winter	\$1.45115	\$1.50244	\$1.37868	\$1.37100	\$1.34509	\$1.32364
2nd Block	Winter				\$1.35649		\$1.30654
1st Block	Summer	\$1.40512	\$1.45896	\$1.32723	\$1.28199	\$1.27300	\$1.22698
2nd Block	Summer				\$1.25809		\$1.18641
<b>BCGC (\$/th)</b>		\$0.90000	\$0.90000	\$0.90000	\$0.90000	\$0.90000	\$0.90000
<b>LUAF (\$/th)</b>		\$0.01710	\$0.01710	\$0.01710	\$0.01710	\$0.01710	\$0.01710
<b>Commodity Cost Increment (\$/th)</b>	Winter	\$0.03844	\$0.03844	\$0.03844	\$0.03844	\$0.03844	\$0.03844
	Summer	\$0.03844	\$0.03844	\$0.03844	\$0.03844	\$0.03844	\$0.03844
<b>Fixed Gas Costs (\$/th)</b>							
1st Block	Winter	\$0.08090	\$0.13219	\$0.08539	\$0.07771	\$0.08460	\$0.06315
2nd Block	Winter				\$0.06320		\$0.04605
1st Block	Summer	\$0.05297	\$0.10681	\$0.10837	\$0.06313	\$0.08694	\$0.04092
2nd Block	Summer				\$0.03923		\$0.00035
<b>R Factors (\$/th)</b>							
1st Block	Winter	<b>\$0.33000</b>	\$0.33000	<b>\$0.29043</b>	\$0.29043	\$0.29043	\$0.29043
2nd Block	Winter				\$0.29043		\$0.29043
1st Block	Summer	<b>\$0.31190</b>	\$0.31190	<b>\$0.21600</b>	\$0.21600	\$0.21600	\$0.21600
2nd Block	Summer				\$0.21600		\$0.21600
<b>CUT Recovery</b>		0.08471	0.08471	0.04732	0.04732	0.01452	0.01452



**Piedmont Natural Gas Company**  
**Computation of Refunds and (Collections) Through CUT Temporaries**  
**May 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 <sup>2</sup>	Page 2	16,024,802	12,915,930	3,290,887
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.08471)</u>	<u>(\$0.04732)</u>	<u>(\$0.01452)</u>
Refunds (Collections)		<u>(\$1,357,461)</u>	<u>(\$611,182)</u>	<u>(\$47,784)</u>
CUT Temporaries effective April 1, 2008 (per therm)		(\$0.08471)	(\$0.04732)	(\$0.01452)

**Piedmont Natural Gas Company  
Accrued Interest  
May 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	\$31,353,909	\$10,669,212	\$1,120,125
Ending Balance Before Interest	Page 1	\$30,078,088	\$9,950,887	\$1,085,026
Average Balance Before Interest		30,715,998	10,310,050	1,102,575
Monthly Interest Accrual Rate	Per NCUC	0.6533%	0.6533%	0.6533%
Current Mo JE to CUT Def Accts		\$200,678	\$67,359	\$7,203

**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 Debt Ratios are for Twelve Months Ended September 30, 2007,  
Except for Certain Telecommunications Companies - See Note [1]"

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

		Estimated for 12 Months Ended 09/30/07				Authorized - Last Rate Case			
Line No.	Item (a)	Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	10.21%	8.01%	48.18%	50.98%	12.75%	10.45%	44.00%	08/05/1988
2.	Duke Energy Carolinas, LLC	11.86%	9.01%	53.26%	46.74%	11.00%	8.57%	53.00%	12/20/2007
3.	Duke Energy Carolinas, LLC, Nantahala Area, d/b/a Duke Energy - Nantahala Area	6.78%	8.81%	53.26%	46.74%	11.00%	8.57%	53.00%	12/20/2007
4.	Virginia Electric and Power Company, d/b/a Dominion North Carolina Power	2.14%	3.84%	53.10%	40.75%	N/A	N/A	N/A	03/18/2005
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	11.81%	9.11%	48.44%	51.58%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	9.15%	7.85%	47.68%	52.32%	N/A	8.90%	N/A	10/23/2006
<b>Telecommunications Companies</b>									
<b>Rate of Return Regulated Companies</b>									
7.	Citizens Telephone Company	5.49%	5.63%	95.84%	4.16%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	8.34%	8.27%	99.20%	0.80%	16.25%	12.77%	37.22%	06/14/1982
<b>Price Plan Regulated Companies</b>									
— Data is not available. See Note [1] —									
9.	BellSouth Telecommunications, Inc., d/b/a AT&T North Carolina								
10.	Carolina Telephone and Telegraph Company								
11.	Central Telephone Company								
12.	Concord Telephone Company								
13.	MEBTel Communications								
14.	North State Communications								
15.	Verizon South Inc.								
16.	Windstream North Carolina, Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended		Annual Growth Rate Current Year (d)
		September 2007 (b)	September 2008 (c)	
1.	Operating Revenue:			
2.	Residential	\$523,463	\$578,173	-9.46%
3.	Commercial	294,940	342,590	-13.91%
4.	Industrial	100,459	127,842	-21.42%
5.	Public Authorities	397	444	-10.59%
6.	Resale	9	2,276	-99.80%
7.	Other	<u>84,788</u>	<u>83,853</u>	<u>1.09%</u>
8.	Total Operating Revenue	<u>1,004,034</u>	<u>1,135,178</u>	<u>-11.55%</u>
9.	Cost of Gas	<u>638,071</u>	<u>771,413</u>	<u>-17.29%</u>
10.	Margin	365,963	363,765	0.60%
11.	O & M Expenses	147,633	152,609	-3.26%
12.	Other Deductions	<u>114,220</u>	<u>113,358</u>	<u>0.76%</u>
13.	Operating Income	<u>\$104,110</u>	<u>\$97,798</u>	<u>6.45%</u>
14.	Net Plant Investment	<u>\$1,404,261</u>	<u>\$1,310,536</u>	<u>7.15%</u>
15.	Operating Exp. as a % of Margin	40.34%	41.95%	-3.84%
16.	Net Plt. Investment per \$ of Margin	\$3.84	\$3.60	6.87%
17.	Gas Delivered in DTs (000s omitted):			
18.	Residential	34,736	32,639	6.42%
19.	Commercial	24,423	23,262	4.99%
20.	Industrial	10,334	10,810	-4.40%
21.	Public Authorities	30	30	0.00%
22.	Resale	0	197	N/A
23.	Other	<u>87,621</u>	<u>78,410</u>	<u>11.75%</u>
24.	Total DTs	<u>157,144</u>	<u>145,348</u>	<u>8.12%</u>
25.	Number of Customers (000s included):			
26.	Residential	569,801	555,562	2.66%
27.	Commercial	62,334	61,786	0.92%
28.	Industrial	1,722	1,722	0.00%
29.	Public Authorities	571	571	0.00%
30.	Resale	0	1	N/A
31.	Other	<u>0</u>	<u>588</u>	<u>N/A</u>
32.	Total Number of Customers	<u>634,428</u>	<u>620,190</u>	<u>2.30%</u>
33.	Estimated Overall Rate of Return	9.11%	9.02%	1.00%
34.	Estimated Return on Common Equity	11.81%	11.58%	1.99%
35.	Common Equity Ratio	48.44%	50.24%	-3.58%
36.	Debt Ratio	51.56%	49.76%	3.82%
37.	Estimated Pretax Interest Coverage Ratio (Times)	3.78	4.00	-5.50%
38.	<b>LAST RATE CASE</b> Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05 (Docket No. G-9, Sub 499)			

Notes: [1] North Carolina retail jurisdictional revenue equates to 58% 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] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.  
[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**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 Debt Ratios are for Twelve Months Ended June 30, 2007,  
Except for Certain Telecommunications Companies - See Note [1]"

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

Estimated for 12 Months Ended 06/30/07						Authorized - Last Rate Case			
Line No.	Item (a)	Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	9.53%	7.85%	47.31%	51.85%	12.75%	10.45%	44.00%	08/05/1988
2.	Duke Energy Carolinas, LLC	11.53%	8.77%	52.20%	47.80%	12.50%	10.44%	49.82%	11/12/1991
3.	Duke Energy Carolinas, LLC, Nantahala Area, d/b/a Duke Energy - Nantahala Area	6.87%	6.56%	52.20%	47.80%	11.00%	9.22%	49.61%	11/05/1996
4.	Virginia Electric and Power Company, d/b/a Dominion North Carolina Power	4.19%	4.95%	52.63%	41.28%	N/A	N/A	N/A	03/18/2005
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	12.08%	9.31%	48.97%	51.03%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	9.08%	7.87%	48.77%	51.23%	N/A	8.90%	N/A	10/23/2006
<b>Telecommunications Companies</b>									
<b>Rate of Return Regulated Companies</b>									
7.	Citizens Telephone Company	5.33%	5.69%	91.87%	8.13%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	10.02%	9.87%	98.26%	1.74%	16.25%	12.77%	37.22%	06/14/1982
<b>Price Plan Regulated Companies</b>									
--- Data is not available. See Note (1) ---									
9.	BellSouth Telecommunications, Inc., d/b/a AT&T North Carolina								
10.	Carolina Telephone and Telegraph Company								
11.	Central Telephone Company								
12.	Concord Telephone Company								
13.	MEBTel Communications								
14.	North State Communications								
15.	Verizon South Inc.								
16.	Windstream North Carolina, Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 18, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 18, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended		Annual Growth Rate Current Year (d)
		June 2007 (b)	June 2006 (c)	
1.	Operating Revenue:			
2.	Residential	\$524,220	\$573,128	-8.53%
3.	Commercial	294,891	337,819	-12.71%
4.	Industrial	101,572	134,114	-24.28%
5.	Public Authorities	398	437	-8.92%
6.	Resale	9	7,437	-99.88%
7.	Other	<u>83,308</u>	<u>78,076</u>	<u>6.70%</u>
8.	Total Operating Revenue	<u>1,004,398</u>	<u>1,131,009</u>	<u>-11.19%</u>
9.	Cost of Gas	<u>838,453</u>	<u>771,745</u>	<u>-17.27%</u>
10.	Margin	365,945	359,264	1.86%
11.	O & M Expenses	146,435	152,145	-3.75%
12.	Other Deductions	<u>115,399</u>	<u>111,737</u>	<u>3.28%</u>
13.	Operating Income	<u>\$104,111</u>	<u>\$95,382</u>	<u>9.15%</u>
14.	Net Plant Investment	<u>\$1,408,162</u>	<u>\$1,311,592</u>	<u>7.36%</u>
15.	Operating Exp. as a % of Margin	40.02%	42.35%	-5.50%
16.	Net Plt. Investment per \$ of Margin	\$3.85	\$3.65	5.48%
17.	Gas Delivered in DTs (000s omitted):			
18.	Residential	34,753	32,446	7.11%
19.	Commercial	24,170	22,994	5.11%
20.	Industrial	10,334	11,351	-8.96%
21.	Public Authorities	30	30	0.00%
22.	Resale	0	538	N/A
23.	Other	<u>85,984</u>	<u>75,191</u>	<u>14.33%</u>
24.	Total DTs	<u>155,251</u>	<u>142,550</u>	<u>8.91%</u>
25.	Number of Customers (000s included):			
26.	Residential	575,683	564,043	2.08%
27.	Commercial	63,203	62,843	0.89%
28.	Industrial	1,739	1,748	-0.51%
29.	Public Authorities	571	571	0.00%
30.	Resale	1	2	-50.00%
31.	Other	<u>547</u>	<u>564</u>	<u>-3.01%</u>
32.	Total Number of Customers	<u>641,744</u>	<u>629,571</u>	<u>1.93%</u>
33.	Estimated Overall Rate of Return	9.31%	8.91%	4.48%
34.	Estimated Return on Common Equity	12.08%	11.23%	7.57%
35.	Common Equity Ratio	48.97%	51.71%	-5.30%
36.	Debt Ratio	51.03%	48.29%	5.87%
37.	Estimated Pretax Interest Coverage Ratio (Times)	3.87	4.10	-5.81%
38.	<b>LAST RATE CASE</b> Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05 (Docket No. G-9, Sub 499)			

Notes: [1] North Carolina retail jurisdictional revenue equates to 58% 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] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.

[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

**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 Debt Ratios are for Twelve Months Ended March 31, 2007,  
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 03/31/07				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	9.42%	7.58%	46.91%	52.24%	12.75%	10.45%	44.00%	08/05/1988
2.	Duke Energy Carolinas, LLC	10.92%	8.39%	52.00%	48.00%	12.50%	10.44%	49.82%	11/12/1991
3.	Duke Energy Carolinas, LLC, Nantahala Area, d/b/a Duke Energy - Nantahala Area	7.80%	7.13%	52.00%	48.00%	11.00%	9.22%	49.61%	11/05/1996
4.	Virginia Electric and Power Company, d/b/a Dominion North Carolina Power	5.00%	5.37%	52.19%	41.76%	N/A	N/A	N/A	03/18/2005
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	12.15%	9.33%	48.97%	51.03%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	8.62%	7.66%	49.27%	50.73%	N/A	8.90%	N/A	10/23/2008
<b>Telecommunications Companies</b>									
<b>Rate of Return Regulated Companies</b>									
7.	Citizens Telephone Company	5.87%	6.39%	87.85%	12.35%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	12.99%	12.77%	97.88%	2.12%	16.25%	12.77%	37.22%	06/14/1982
<b>Price Plan Regulated Companies</b>									
— Data is not available. See Note [1] —									
9.	BellSouth Telecommunications, Inc., d/b/a AT&T North Carolina								
10.	Carolina Telephone and Telegraph Company								
11.	Central Telephone Company								
12.	Concord Telephone Company								
13.	MEBTel Communications								
14.	North State Communications								
15.	Verizon South Inc.								
16.	Windstream North Carolina, Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 614, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended		Annual Growth Rate Current Year (d)
		March 2007 (b)	March 2006 (c)	
1.	Operating Revenue:			
2.	Residential	\$518,767	\$575,675	-9.89%
3.	Commercial	289,144	338,632	-14.61%
4.	Industrial	98,784	130,815	-26.03%
5.	Public Authorities	391	435	-10.11%
6.	Resale	0	7,557	-99.88%
7.	Other	<u>81,807</u>	<u>82,288</u>	<u>-0.58%</u>
8.	Total Operating Revenue	<u>986,882</u>	<u>1,135,382</u>	<u>-13.08%</u>
9.	Cost of Gas	<u>620,306</u>	<u>783,828</u>	<u>-20.86%</u>
10.	Margin	366,576	351,554	4.27%
11.	O & M Expenses	148,384	147,236	1.47%
12.	Other Deductions	<u>114,739</u>	<u>111,126</u>	<u>3.25%</u>
13.	Operating Income	<u>\$102,443</u>	<u>\$93,192</u>	<u>9.83%</u>
14.	Net Plant Investment	<u>\$1,386,253</u>	<u>\$1,308,456</u>	<u>5.87%</u>
15.	Operating Exp. as a % of Margin	40.76%	41.86%	-2.70%
16.	Net Plt. Investment per \$ of Margin	\$3.81	\$3.72	2.42%
17.	Gas Delivered in DTs (000s omitted):			
18.	Residential	33,746	33,538	0.62%
19.	Commercial	23,683	23,068	2.67%
20.	Industrial	9,700	11,142	-12.94%
21.	Public Authorities	30	30	0.00%
22.	Resale	0	712	N/A
23.	Other	<u>83,416</u>	<u>74,477</u>	<u>12.00%</u>
24.	Total DTs	<u>150,575</u>	<u>142,967</u>	<u>5.32%</u>
25.	Number of Customers (000s included):			
26.	Residential	587,477	571,321	2.83%
27.	Commercial	84,189	83,637	0.84%
28.	Industrial	1,759	1,793	-1.90%
29.	Public Authorities	571	571	0.00%
30.	Resale	1	2	-50.00%
31.	Other	<u>555</u>	<u>576</u>	<u>-3.65%</u>
32.	Total Number of Customers	<u>654,532</u>	<u>637,990</u>	<u>2.61%</u>
33.	Estimated Overall Rate of Return	9.33%	8.89%	4.95%
34.	Estimated Return on Common Equity	12.15%	11.00%	10.46%
35.	Common Equity Ratio	48.97%	53.28%	-8.08%
36.	Debt Ratio	51.03%	46.72%	9.23%
37.	Estimated Pretax Interest Coverage Ratio (Times)	3.90	4.20	-7.14%
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 8.04%; Equity Ratio: N/A; Date of Order: 11-03-05		
	(Docket No. G-9, Sub 498)			

Notes: [1] North Carolina retail jurisdictional revenue equates to 58% 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] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.  
[5] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.



**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 Debt Ratios are for Twelve Months Ended December 31, 2006,  
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 12/31/06				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	8.50%	7.14%	46.68%	52.47%	12.75%	10.45%	44.00%	08/05/1988
2.	Duke Energy Carolinas, LLC	11.54%	8.65%	51.87%	48.13%	12.50%	10.44%	48.82%	11/12/1991
3.	Duke Energy Carolinas, LLC, Nantahala Area, d/b/a Duke Energy - Nantahala Area	8.98%	8.23%	51.87%	48.13%	11.00%	8.22%	49.61%	11/05/1996
4.	Virginia Electric and Power Company, d/b/a Dominion North Carolina Power	6.48%	6.12%	51.23%	42.80%	N/A	N/A	N/A	03/18/2005
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	12.25%	9.31%	49.07%	50.93%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	7.66%	7.11%	49.02%	50.98%	N/A	8.90%	N/A	10/23/2006
<b>Telecommunications Companies</b>									
<b>Rate of Return Regulated Companies</b>									
7.	Citizens Telephone Company	6.93%	7.47%	83.36%	16.64%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	15.91%	15.61%	97.49%	2.51%	16.25%	12.77%	37.22%	06/14/1982
<b>Price Plan Regulated Companies</b>									
9.	BellSouth Telecommunications, Inc., d/b/a AT&T North Carolina	--- Data is not available. See Note [1] ---							
10.	Carolina Telephone and Telegraph Company								
11.	Central Telephone Company								
12.	Concord Telephone Company								
13.	MEBTEL Communications								
14.	North State Communications								
15.	Verizon South Inc.								
16.	Windstream North Carolina, Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 16, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended		Annual Growth Rate Current Year (d)
		December 2006 (b)	December 2005 (c)	
1.	Operating Revenue:			
2.	Residential	\$522,817	\$551,072	-5.13%
3.	Commercial	296,863	322,048	-7.82%
4.	Industrial	102,819	126,516	-18.89%
5.	Public Authorities	394	409	-3.67%
6.	Other	<u>76,248</u>	<u>104,286</u>	<u>-26.89%</u>
7.	Total Operating Revenue	<u>998,941</u>	<u>1,104,332</u>	<u>-9.54%</u>
8.	Cost of Gas	<u>630,030</u>	<u>763,710</u>	<u>-17.50%</u>
9.	Margin	368,911	340,622	8.31%
10.	O & M Expenses	151,414	145,027	4.40%
11.	Other Deductions	<u>115,542</u>	<u>107,252</u>	<u>7.73%</u>
12.	Operating Income	<u>\$101,855</u>	<u>\$88,343</u>	<u>15.41%</u>
13.	Net Plant Investment	<u>\$1,373,200</u>	<u>\$1,287,132</u>	<u>8.68%</u>
14.	Operating Exp. as a % of Margin	41.04%	42.58%	-3.62%
15.	Net Plt. Investment per \$ of Margin	\$3.72	\$3.78	-1.58%
16.	Gas Delivered in DTs (000s omitted):			
17.	Residential	31,774	36,828	-13.73%
18.	Commercial	22,388	24,614	-9.12%
19.	Industrial	8,770	11,545	-15.37%
20.	Public Authorities	29	32	-9.38%
21.	Other	<u>81,536</u>	<u>78,813</u>	<u>3.72%</u>
22.	Total DTs	<u>145,477</u>	<u>151,633</u>	<u>-4.08%</u>
23.	Number of Customers (000s included):			
24.	Residential	575,991	557,850	3.25%
25.	Commercial	63,207	62,415	1.27%
26.	Industrial	1,738	1,748	-0.57%
27.	Public Authorities	571	571	0.00%
28.	Other	<u>557</u>	<u>568</u>	<u>-1.94%</u>
29.	Total Number of Customers	<u>642,064</u>	<u>623,152</u>	<u>3.03%</u>
30.	Estimated Overall Rate of Return	9.31%	8.56%	8.76%
31.	Estimated Return on Common Equity	12.25%	10.36%	18.24%
32.	Common Equity Ratio	49.07%	53.82%	-8.83%
33.	Debt Ratio	50.93%	46.18%	10.29%
34.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.00	4.10	-2.44%
35.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05		
	(Docket No. G-9, Sub 499)			

Notes: [1] North Carolina retail jurisdictional revenue equates to 58% 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] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.

**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 Debt Ratios are for Twelve Months Ended September 30, 2006,  
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 09/30/06				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	9.70%	7.88%	46.79%	52.34%	12.75%	10.45%	44.00%	08/05/1988
2.	Virginia Electric and Power Company, d/b/a Dominion North Carolina Power	9.70%	7.73%	50.23%	43.71%	N/A	N/A	N/A	03/18/2005
3.	Duke Power Company, LLC, d/b/a Duke Energy Carolinas, LLC	10.28%	7.93%	52.00%	47.10%	12.50%	10.44%	49.82%	11/12/1981
4.	Nantahala Power and Light Company	8.48%	7.44%	52.00%	47.10%	12.10%	10.32%	56.11%	06/18/1993
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	11.58%	9.02%	50.24%	49.76%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	8.30%	6.45%	49.86%	50.12%	N/A	8.90%	N/A	10/23/2006
<b>Telecommunications Companies</b>									
<b>Rate of Return Regulated Companies</b>									
7.	Citizens Telephone Company	8.37%	8.82%	78.91%	21.08%	12.70%	10.11%	44.85%	02/26/1991
8.	LEXCOM Telephone Company	16.00%	15.67%	97.09%	2.91%	16.25%	12.77%	37.22%	06/14/1982
<b>Price Plan Regulated Companies</b>									
--- Data is not available. See Note [1] ---									
9.	ALLTEL Carolina, Inc.								
10.	BellSouth Telecommunications, Inc.								
11.	Carolina Telephone and Telegraph Company								
12.	Central Telephone Company								
13.	Concord Telephone Company								
14.	MEBTel Communications								
15.	North State Communications								
16.	Verizon South Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 614, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended September 2006 (b)
1.	Operating Revenue:	
2.	Residential	\$578,173
3.	Commercial	342,580
4.	Industrial	127,842
5.	Public Authorities	444
6.	Resale	2,278
7.	Other	<u>83,853</u>
8.	Total Operating Revenue	<u>1,135,178</u>
9.	Cost of Gas	<u>771,413</u>
10.	Margin	363,765
11.	O & M Expenses	152,609
12.	Other Deductions	<u>113,358</u>
13.	Operating Income	<u>\$97,798</u>
14.	Net Plant Investment	<u>\$1,310,538</u>
<hr/>		
15.	Operating Exp. as a % of Margin	41.85%
16.	Net Plt. Investment per \$ of Margin	\$3.60
<hr/>		
17.	Gas Delivered in DTs (000s omitted):	
18.	Residential	32,639
19.	Commercial	23,262
20.	Industrial	10,810
21.	Public Authorities	30
22.	Resale	197
23.	Other	<u>78,410</u>
24.	Total DTs	<u>145,348</u>
25.	Number of Customers (000s included):	
26.	Residential	555,562
27.	Commercial	61,786
28.	Industrial	1,722
29.	Public Authorities	571
30.	Resale	1
31.	Other	<u>588</u>
32.	Total Number of Customers	<u>620,190</u>
<hr/>		
33.	Estimated Overall Rate of Return	9.02%
34.	Estimated Return on Common Equity	11.58%
35.	Common Equity Ratio	50.24%
36.	Debt Ratio	49.76%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.00
<hr/>		
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05

Notes: [1] North Carolina retail jurisdictional revenue equates to 58% 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.

[5] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc., thus, comparisons to prior years are not meaningful.

**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 Debt Ratios are for Twelve Months Ended June 30, 2006,  
Except for Certain Telecommunications Companies - See Note [1]"

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

		Estimated for 12 Months Ended 06/30/06				Authorized - Last Rate Case			
Line No.	Item (a)	Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	9.92%	7.78%	47.22%	51.90%	12.75%	10.45%	44.00%	08/05/1988
2.	Dominion North Carolina Power	8.79%	7.23%	49.28%	44.58%	N/A	N/A	N/A	03/18/2005
3.	Duke Power Company, LLC, d/b/a Duke Energy Carolinas, LLC	11.54%	8.55%	52.13%	46.67%	12.50%	10.44%	49.82%	11/12/1991
4.	Nantahala Power and Light Company	8.34%	7.84%	52.13%	46.67%	12.10%	10.32%	56.11%	06/18/1993
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	11.23%	8.91%	51.71%	48.29%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	7.08%	6.87%	50.82%	49.18%	N/A	8.90%	N/A	10/23/2006
<b>Telecommunications Companies</b>									
<u>Rate of Return Regulated Companies</u>									
7.	Citizens Telephone Company	7.32%	7.58%	77.59%	22.41%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	15.21%	14.98%	97.43%	2.57%	16.25%	12.77%	37.22%	06/14/1982
<u>Price Plan Regulated Companies</u>									
— Data is not available. See Note [1] —									
9.	ALLTEL Carolina, Inc.								
10.	BellSouth Telecommunications, Inc.								
11.	Carolina Telephone and Telegraph Company								
12.	Central Telephone Company								
13.	Concord Telephone Company								
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- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.
- [6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended June 2006 (b)
1.	Operating Revenue:	
2.	Residential	\$573,128
3.	Commercial	337,819
4.	Industrial	134,114
5.	Public Authorities	437
6.	Resale	7,437
7.	Other	<u>78,076</u>
8.	Total Operating Revenue	<u>1,131,009</u>
9.	Cost of Gas	<u>771,745</u>
10.	Margin	359,264
11.	O & M Expenses	152,145
12.	Other Deductions	<u>111,737</u>
13.	Operating Income	<u>\$95,382</u>
14.	Net Plant Investment	<u>\$1,311,592</u>
15.	Operating Exp. as a % of Margin	42.35%
16.	Net Plt. Investment per \$ of Margin	\$3.65
17.	Gas Delivered in DTs (000s omitted):	
18.	Residential	32,446
19.	Commercial	22,994
20.	Industrial	11,351
21.	Public Authorities	30
22.	Resale	538
23.	Other	<u>75,191</u>
24.	Total DTs	<u>142,550</u>
25.	Number of Customers (000s included):	
26.	Residential	584,043
27.	Commercial	62,643
28.	Industrial	1,748
29.	Public Authorities	571
30.	Resale	2
31.	Other	<u>564</u>
32.	Total Number of Customers	<u>\$29,571</u>
33.	Estimated Overall Rate of Return	8.91%
34.	Estimated Return on Common Equity	11.23%
35.	Common Equity Ratio	51.71%
36.	Debt Ratio	48.29%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.10
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05

Notes: [1] North Carolina retail jurisdictional revenue equates to 57% 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.  
[5] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc., thus, comparisons to prior years are not meaningful.

# **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 Debt Ratios are for Twelve Months Ended March 31, 2006,  
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 03/31/06				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt Ratio (e)	Return On Equity (f)	Overall Rate of Return (g)	Equity Ratio (h)	Date of Last Order (i)
Electric Companies									
	Carolina Power & Light Company, Progress Energy Carolinas, Inc.	9.49%	7.58%	47.60%	51.51%	12.75%	10.45%	44.00%	08/05/1988
	North Carolina Power	8.65%	7.22%	48.55%	45.25%	N/A	N/A	N/A	03/18/2005
	Division of Duke Energy Corporation	12.55%	9.10%	52.80%	45.70%	12.50%	10.44%	49.82%	11/12/1991
	Light Company	7.52%	7.45%	52.80%	45.70%	12.10%	10.32%	56.11%	06/18/1993
Distribution Companies									
	Company, Inc.	11.00%	8.89%	53.28%	46.72%	N/A	8.04%	N/A	11/03/2005
	of North Carolina, Inc.	8.08%	7.39%	51.10%	48.90%	N/A	8.90%	N/A	10/23/2006
Gas Companies									
and Companies									
	Company	7.43%	7.88%	76.17%	23.83%	12.70%	10.11%	44.95%	02/26/1991
	Company	15.28%	15.13%	97.93%	2.07%	16.25%	12.77%	37.22%	06/14/1982
and Companies									
— Data is not available. See Note [1] —									
	Inc.								
	Communications, Inc.								
	One and Telegraph Company								
	One Company								
	One Company								
	Communications								
	Communications								
	th Inc.								

— Data is not available. See Note [1] —

Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.

[2] N/A denotes that the data is not available.

[3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.

[4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.

[5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.

[6] In its October 23, 2006 Order Approving Partial Rate Increase, the Commission made specific findings regarding rate base, operating revenues and expenses, and the overall rate of return for Public Service Company of North Carolina, Inc.; however, specific findings relating to the capital structure and return on common equity were not provided therein.

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

Line No.	Item (a)	12 Months Ended March 2006 (b)
1.	Operating Revenue:	
2.	Residential	\$575,675
3.	Commercial	336,832
4.	Industrial	130,815
5.	Public Authorities	435
6.	Resale	7,557
7.	Other	<u>82,268</u>
8.	Total Operating Revenue	<u>1,135,362</u>
9.	Cost of Gas	<u>783,828</u>
10.	Margin	351,554
11.	O & M Expenses	147,236
12.	Other Deductions	<u>111,126</u>
13.	Operating Income	<u>\$83,192</u>
14.	Net Plant Investment	<u>\$1,306,456</u>
15.	Operating Exp. as a % of Margin	41.88%
16.	Net Plt. Investment per \$ of Margin	\$3.72
17.	Gas Delivered in DTs (000s omitted):	
18.	Residential	33,538
19.	Commercial	23,068
20.	Industrial	11,142
21.	Public Authorities	30
22.	Resale	712
23.	Other	<u>74,477</u>
24.	Total DTs	<u>142,867</u>
25.	Number of Customers (000s included):	
26.	Residential	571,321
27.	Commercial	63,837
28.	Industrial	1,793
29.	Public Authorities	571
30.	Resale	2
31.	Other	<u>576</u>
32.	Total Number of Customers	<u>637,800</u>
33.	Estimated Overall Rate of Return	8.89%
34.	Estimated Return on Common Equity	11.00%
35.	Common Equity Ratio	53.28%
36.	Debt Ratio	46.72%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.20
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05

Notes: [1] North Carolina retail jurisdictional revenue equates to 57% 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.  
[5] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc., thus, comparisons to prior years are not meaningful.



**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 Debt Ratios are for Twelve Months Ended December 31, 2005,  
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 12/31/05				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt 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, d/b/a Progress Energy Carolinas, Inc.	10.55%	8.10%	48.44%	50.85%	12.75%	10.45%	44.00%	08/05/1988
2.	Dominion North Carolina Power	9.87%	7.60%	48.42%	45.27%	N/A	N/A	N/A	03/18/2005
3.	Duke Power, a Division of Duke Energy Corporation	12.71%	9.18%	53.07%	45.43%	12.50%	10.44%	49.82%	11/12/1991
4.	Nantahala Power and Light Company	6.50%	6.94%	53.07%	45.43%	12.10%	10.32%	56.11%	06/18/1993
<b>Natural Gas Local Distribution Companies</b>									
5.	Piedmont Natural Gas Company, Inc.	10.38%	8.56%	53.82%	46.18%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	8.82%	7.76%	50.97%	49.03%	11.40%	9.82%	51.91%	10/30/1988
<b>Telecommunications Companies</b>									
<u>Rate of Return Regulated Companies</u>									
7.	Citizens Telephone Company	7.37%	7.64%	75.82%	24.18%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	14.48%	14.32%	97.88%	2.14%	16.25%	12.77%	37.22%	08/14/1982
<u>Price Plan Regulated Companies</u>									
— Data is not available. See Note [1] —									
9.	ALLTEL Carolina, Inc.								
10.	BeltSouth Telecommunications, Inc.								
11.	Carolina Telephone and Telegraph Company								
12.	Central Telephone Company								
13.	Concord Telephone Company								
14.	MEBTel Communications								
15.	North State Communications								
16.	Verizon South Inc.								

**NOTES:**

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.

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

Line No.	Item (a)	12 Months Ended December 2005 (b)
1.	Operating Revenue:	
2.	Residential	\$651,072
3.	Commercial	322,049
4.	Industrial	126,516
5.	Public Authorities	409
6.	Resale	23,398
7.	Other	<u>80,888</u>
8.	Total Operating Revenue	<u>1,104,332</u>
9.	Cost of Gas	<u>763,710</u>
10.	Margin	340,622
11.	O & M Expenses	145,027
12.	Other Deductions	<u>107,252</u>
13.	Operating Income	<u>\$88,343</u>
14.	Net Plant Investment	<u>\$1,287,132</u>
15.	Operating Exp. as a % of Margin	42.58%
16.	Net Plt. Investment per \$ of Margin	\$3.78
17.	Gas Delivered in DTs (000s omitted):	
18.	Residential	36,829
19.	Commercial	24,614
20.	Industrial	11,545
21.	Public Authorities	32
22.	Resale	1,586
23.	Other	<u>77,027</u>
24.	Total DTs	<u>151,633</u>
25.	Number of Customers (000s included):	
26.	Residential	557,850
27.	Commercial	62,415
28.	Industrial	1,748
29.	Public Authorities	571
30.	Resale	-
31.	Other	<u>588</u>
32.	Total Number of Customers	<u>623,152</u>
33.	Estimated Overall Rate of Return	8.58%
34.	Estimated Return on Common Equity	10.36%
35.	Common Equity Ratio	53.82%
36.	Debt Ratio	46.18%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.10
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05

Notes: [1] North Carolina retail jurisdictional revenue equates to 56% 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.

[5] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. G-9, SUB 499  
DOCKET NO. G-21, SUB 461  
DOCKET NO. G-44, SUB 15  
DOCKET NO. G-9, SUB 521

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Piedmont Natural Gas )  
Company, Inc., North Carolina Natural )  
Gas, and Eastern North Carolina Natural )  
Gas Company for the Consolidation of )  
their Revenues, Rate Bases and ) ORDER APPROVING RATE  
Expenses, a General Increase in Rates ) ADJUSTMENTS EFFECTIVE  
and Charges, Approval of Various ) APRIL 1, 2006, AND DENYING  
Changes to and Consolidation of their ) MOTION OF ATTORNEY GENERAL  
Rate Schedules, Classifications and )  
Practices, and Approval of Depreciation )  
Rates )

In the Matter of )  
Application of Piedmont Natural Gas )  
Company, Inc., for Approval of Semi- )  
Annual Adjustment of Rates Under )  
Appendix C of its Service Regulations )

BY THE COMMISSION: On November 3, 2005, the Commission issued its Order Approving Partial Rate Increase and Requiring Conservation Initiative in a general rate case for Piedmont Natural Gas Company, Inc. (Piedmont), conducted in Docket Nos. G-9, Sub 499, G-21, Sub 461, and G-44, Sub 15. Among other things, that Order approved the Customer Utilization Tracker (CUT) mechanism as an experimental, provisional tariff for Piedmont. The CUT mechanism provides that, beginning November 1, 2005, Piedmont shall compare actual margins recovered from residential and small and medium commercial customers with the margins in the rates approved in the general rate case and, on a semi-annual basis, shall apply for authority to implement temporary rate increments or decrements in order to collect or refund the differences.

On January 3, 2006, the Attorney General filed Notice of Appeal and Exceptions as to the November 3, 2005 Order. The exceptions and appeal relate to the Commission's approval of the CUT mechanism. The Attorney General's appeal has not yet been docketed with the North Carolina Supreme Court.

On March 17, 2006, Piedmont filed its first application pursuant to the CUT mechanism. The application was filed in Docket No. G-9, Sub 521. By this application, Piedmont requests authority to adjust rates effective April 1, 2006, by adding temporary rate increments to reflect the under-recovery of residential and small and medium commercial margins during the period November 1, 2005, through January 31, 2006. Piedmont has calculated the proposed temporary rate increments (temporaries) as a rate per dekatherm (dt) as follows:

<u>Rate Description and Schedule</u>	<u>CUT Balance @ 1/31/2006</u>	<u>Temporaries (\$/dt)</u>
Residential (101 and 121)	\$8,821,575	\$0.2262
Small Commercial (102 and 132)	\$2,892,978	\$0.1230
Medium Commercial (152 and 162)	\$51,104	\$0.0086

The Public Staff presented this application to the Commission at the March 27, 2006 Commission Conference and recommended approval of Piedmont's proposed CUT rate increments. On that same date, the Attorney General filed a motion in all four dockets designated above, requesting that the application in Docket No. G-9, Sub 521 "be addressed by the Commission in Piedmont's general rate case docket[s] rather than a new docket or, in the alternative,...that the dockets be consolidated for consideration." The Attorney General also opposed the CUT rate increments proposed by Piedmont on the same grounds previously argued in the general rate case. Piedmont appeared at the Commission Conference and opposed the Attorney General's motion.

The Commission finds good cause to deny the motion of the Attorney General asking that the present CUT application either be considered in the general rate case dockets or consolidated therewith.<sup>1</sup> The order in the general rate case dockets resolved the issues raised in those proceedings, including approval of the CUT. The CUT provides for the filing of applications for rate adjustments every six months during the life of the tariff. Although the general rate case order did not specify how the semi-annual CUT applications should be filed, the Commission concludes that, for administrative convenience, it is appropriate that all such applications shall be filed in a single, new docket and that Docket No. G-9, Sub 521 shall be used for this purpose. This ruling is not intended to prejudice the Attorney General's appeal of the general rate case order in any way. The Rules of Appellate Procedure provide for consolidation of

<sup>1</sup> The present order is being issued in all four dockets only because the Attorney General filed his motion in all four dockets. The provisions of the order approving the CUT rate adjustments should be regarded as issued in Docket No. G-9, Sub 521.

appeals involving common questions of law by motion to the appellate court wherein the appeals are docketed. N.C.R.App.P. 40.

The Commission further finds good cause to approve the CUT application filed by Piedmont on March 17, 2006. The Public Staff has reviewed the calculations by which Piedmont derived the proposed CUT rate increments, and the Public Staff recommended that the rate increments be approved as filed. Although the Attorney General opposes the CUT on legal and policy grounds, he raised no issue as to the accuracy of Piedmont's calculations. The Commission finds that the application is consistent with the provisions of the CUT tariff, which has not been stayed pending appeal, and that it should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is allowed to implement rate increments as contained in the body of this Order effective for service rendered on and after April 1, 2006, in order to collect the balance in the Customer Utilization Tracker deferred account;
2. That Piedmont shall file an original and eleven copies of its revised tariffs consistent with Ordering Paragraph 1 within five days of the date of this Order;
3. That Piedmont shall give notice to its customers of the rate changes allowed in this Order;
4. That the motion filed by the Attorney General on March 27, 2006, should be, and hereby is, denied; and
5. That, for administrative convenience, Piedmont shall file all future CUT applications in Docket No. G-9, Sub 521.

ISSUE BY ORDER OF THE COMMISSION.

This the 28<sup>th</sup> day of March 2006.

NORTH CAROLINA UTILITIES COMMISSION

*Gail L. Mount*

Gail L. Mount, Deputy Clerk

Commissioners Sam J. Ervin, IV, and Lorinzo L. Joyner dissent as to approval of the CUT rate increments for the reasons stated in their dissents from the November 3, 2005 Order in Docket Nos. G-9, Sub 499, G-21, Sub 461, and G-44, Sub 15. They join in the remainder of the Commission's order herein.

DOCKET NO. G-9, SUB 533

In the Matter of

BY THE COMMISSION: On October 16, 2006, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed an application requesting authority to adjust its rates to reflect the under-recovery of residential and small and medium commercial margins during the period of February 1, 2006, through August 31, 2006. These adjustments are in compliance with the Company's Appendix C – Customer Utilization Tracker (CUT) that was approved in Piedmont's last general rate case in Docket No. G-9, Sub 499.

According to the CUT, Piedmont is to compare actual residential and small and medium commercial margins with the margins contained in the approved rates from the general rate case in Docket No. G-9, Sub 499. Piedmont is to then apply for, on a semi-annual basis, authority to implement temporary rate increments and/or decrements (temporaries) to collect or refund any differences in the CUT deferred account. This is Piedmont's second CUT filing for a rate adjustment. The calculated CUT temporary increments as well as the existing increments and rate change, expressed as a rate per dekatherm (dt), are as follows:

<b>Rate Description and Schedule</b>	<b>CUT Balance @ 8/31/2006</b>	<b>Proposed Temporaries (\$/dt)</b>	<b>Existing Temporaries (\$/dt)</b>	<b>Change in Temporaries (\$/dt)</b>
Residential (101 and 121)	\$20,209,516	\$0.5181	\$0.2262	\$0.2919
Small Commercial (102 and 132)	\$5,502,529	\$0.2339	\$0.1230	\$0.1109
Medium Commercial (152 and 162)	\$680,599	\$0.1139	\$0.0086	\$0.1053

The Public Staff presented this matter to the Commission at its October 30, 2006, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed. .

The Commission, based on the recommendation of the Public Staff, finds good cause to approve the application.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is allowed to implement rate increments as contained in the body of this Order effective for service rendered on and after November 1, 2006, in order to collect the balance in the Customer Utilization Tracker deferred account.
2. That Piedmont shall file an original and eleven (11) copies of its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.
3. That Piedmont shall give notice to its customers of the rate changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 2<sup>nd</sup> day of November, 2006.

NORTH CAROLINA UTILITIES COMMISSION

*Gail L. Mount*

Gail L. Mount, Deputy Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 521

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Piedmont Natural Gas ) ORDER APPROVING RATE  
Company, Inc., for Approval of Semi- ) ADJUSTMENTS EFFECTIVE  
Annual Adjustment of Rates Under ) APRIL 1, 2007  
Appendix C of its Service Regulations )

BY THE COMMISSION: On March 16, 2007, Piedmont Natural Gas Company, Inc. (Piedmont), filed an application requesting authority to adjust its rates to reflect the under-recovery of residential and small and medium commercial margins accumulated through January 31, 2007. These adjustments are in compliance with the Customer Utilization Tracker (CUT), a provision of Appendix C of Piedmont's North Carolina Service Regulations approved in Piedmont's last general rate case in Docket No. G-9, Sub 499.

According to the CUT, Piedmont is to compare actual residential and small and medium commercial margins with the margins contained in the approved rates from the general rate case in Docket No. G-9, Sub 499. Piedmont is to then apply for, on a semi-annual basis, authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the CUT deferred account. This is Piedmont's third CUT filing for a rate adjustment. The calculated CUT temporary increments as well as the existing increments and rate change, expressed as a rate per dekatherm (dt), are as follows:

<b>Rate Description and Schedule</b>	<b>CUT Balance @ 1/31/2007</b>	<b>Proposed Temporaries (\$/dt)</b>	<b>Existing Temporaries (\$/dt)</b>	<b>Change in Temporaries (\$/dt)</b>
Residential (101 and 121)	\$30,389,348	\$0.7791	\$0.5181	\$0.2610
Small Commercial (102 and 132)	\$9,709,506	\$0.4127	\$0.2339	\$0.1788
Medium Commercial (152 and 162)	\$595,424	\$0.0996	\$0.1139	\$(0.0143)

The Public Staff presented this matter to the Commission at its April 2, 2007, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed.



The Commission, based on the recommendation of the Public Staff, finds good cause to approve the application.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is allowed to implement rate changes as contained in the body of this Order effective for service rendered on and after April 1, 2007, in order to collect the balance in the Customer Utilization Tracker deferred account.

2. That Piedmont shall file an original and eleven (11) copies of its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.

3. That Piedmont shall give notice to its customers of the rate changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 9<sup>th</sup> day of April, 2007

NORTH CAROLINA UTILITIES COMMISSION

*Gail L. Mount*

Gail L. Mount, Deputy Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 521

DOCKET NO. G-9, SUB 548

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Piedmont Natural Gas Company, Inc., for Approval of Bi-Annual Adjustment of Rates Under Appendix C of its Service Regulations and for Adjustment of its Rates and Charges to Track Changes in its Wholesale Costs of Gas	)	ORDER APPROVING RATE ADJUSTMENTS EFFECTIVE NOVEMBER 1, 2007
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BY THE COMMISSION: On October 15, 2007, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed an application requesting authority to adjust its rates to reflect the under-recovery of residential and small and medium commercial margins accumulated through August 31, 2007. These adjustments are in compliance with the Company's Appendix C – Customer Utilization Tracker (CUT) that was approved in Piedmont's last general rate case in Docket No. G-9, Sub 499.

According to the CUT, Piedmont is to compare actual residential and small and medium commercial margins with the margins contained in the approved rates from the general rate case in Docket No. G-9, Sub 499. Piedmont is to then apply for, on a semi-annual basis, authority to implement temporary rate increments and/or decrements (temporaries) to collect or refund any differences in the CUT deferred account. This is Piedmont's fourth CUT filing for a rate adjustment. The calculated CUT temporary increments as well as the existing increments and rate change, expressed in dollars per dekatherm (\$/dt), are as follows:

<u>Rate Description and Schedule</u>	<u>CUT Balance @ 8/31/2007</u>	<u>Proposed Temporaries (\$/dt)</u>	<u>Existing Temporaries (\$/dt)</u>	<u>Change in Temporaries (\$/dt)</u>
Residential (101 and 121)	\$24,000,341	\$0.6153	\$0.7791	\$(0.1638)
Small Commercial (102 and 132)	\$7,334,828	\$0.3118	\$0.4127	\$(0.1009)
Medium Commercial (152 and 162)	\$724,605	\$0.1213	\$0.0996	\$0.0217

Piedmont also requested authority, pursuant to G.S. 62-133.4, Commission Rule R1-17(k)(3), and Appendix A of its approved North Carolina tariffs, to increase its sales

rates by \$0.5095/dt and its transportation rates by \$0.0095/dt. This rate change is due to a change in Piedmont's Benchmark Commodity Gas Costs from \$7.50 to \$8.00/dt. All the above-mentioned rate changes are proposed to become effective November 1, 2007.

The Public Staff presented this matter to the Commission at its October 29, 2007, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed.

The Commission, based on the recommendation of the Public Staff, finds good cause to approve the application.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is authorized to implement rate changes as contained in the body of this Order effective for service rendered on and after November 1, 2007, in order to collect the balance in the Customer Utilization Tracker deferred account.
2. That Piedmont is authorized to increase its sales rates by \$0.5095 per dekatherm effective for service rendered on and after November 1, 2007.
3. That Piedmont is authorized to increase its transportation rates by \$0.0095 per dekatherm effective for service rendered on and after November 1, 2007.
4. That Piedmont shall file an original and eleven (11) copies of its revised tariffs consistent with Ordering Paragraph Numbers 1, 2, and 3 within five (5) days of the date of this Order.
5. That Piedmont shall give notice to its customers of the rate changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 31<sup>st</sup> day of October, 2007

NORTH CAROLINA UTILITIES COMMISSION

*Gail L. Mount*

Gail L. Mount, Deputy Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 521  
DOCKET NO. G-9, SUB 551

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Piedmont Natural Gas )  
Company, Inc., for Approval of Semi-Annual ) ORDER APPROVING RATE  
Adjustment of Rates Under Appendix C of its ) ADJUSTMENTS EFFECTIVE  
Service Regulations and for Adjustment of its ) APRIL 1, 2008  
Rates and Charges to Track Changes in its )  
Wholesale Costs of Gas )

BY THE COMMISSION: On March 17, 2008, Piedmont Natural Gas Company, Inc. (Piedmont), filed an application requesting authority to adjust its rates to reflect the under-recovery of residential and small and medium commercial margins shown on Piedmont's Customer Utilization Tracker (CUT) Account balance as of February 29, 2008. On March 24, 2008, Piedmont filed an errata to the filing correcting the stated date of the CUT Account balance in paragraph 6 to January 31, 2008. The CUT balance information contained in Schedule B attached to the filing is correct. The adjustments are in compliance with Appendix C of Piedmont's Service Regulations which was approved in Piedmont's last general rate case in Docket No. G-9, Sub 499.

According to the CUT, Piedmont is to compare actual residential and small and medium commercial margins with the margins contained in the approved rates from the general rate case. Piedmont then is to apply, on a semi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the CUT deferred account. This is Piedmont's fifth CUT filing for a rate adjustment. The calculated CUT temporary increments as well as the existing increments and rate change, expressed in dollars per dekatherm (\$/dt), are as follows:

<u>Rate Description and Schedule</u>	<u>CUT Balance @ 1/31/2008</u>	<u>Proposed Temporaries (\$/dt)</u>	<u>Existing Temporaries (\$/dt)</u>	<u>Change in Temporaries (\$/dt)</u>
Residential (101 and 121)	\$33,039,501	\$0.8471	\$0.6153	\$0.2318
Small Commercial (102 and 132)	\$11,133,951	\$0.4732	\$0.3118	\$0.1614
Medium Commercial (152 and 162)	\$867,367	\$0.1452	\$0.1213	\$0.0239

In this filing, Piedmont also requested authority, pursuant to G.S. 62-133.4, Commission Rule R1-17(k)(3), and Appendix A of its approved North Carolina tariffs, to increase its sales rates by \$2.0380/dt and its transportation rates by \$0.0380/dt. This

rate change was due to a change in Piedmont's Benchmark Commodity Gas Costs (BCGC) from \$8.00 to \$10.00/dt. On March 25, 2008, Piedmont filed a letter amending its request to reduce this increase to \$1.0190/dt for sales rates and \$0.0190/dt for transportation rates. This rate change was based on more recent projections of wholesale futures prices of natural gas which resulted in a change in Piedmont's BCGC from \$8.00/dt to \$9.00/dt.

All the above-mentioned rate changes were proposed to become effective April 1, 2008.

The Public Staff presented this matter to the Commission at its March 31, 2008, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed and amended.

The Commission, based on the recommendation of the Public Staff, finds good cause to approve the application.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is authorized to implement rate changes as contained in the body of this Order effective for service rendered on and after April 1, 2008, in order to collect the balance in the Customer Utilization Tracker deferred account.
2. That Piedmont is authorized to increase its sales rates by \$1.0190 per dekatherm effective for service rendered on and after April 1, 2008.
3. That Piedmont is authorized to increase its transportation rates by \$0.0190 per dekatherm effective for service rendered on and after April 1, 2008.
4. That Piedmont shall file an original and eleven (11) copies of its revised tariffs consistent with Ordering Paragraph Numbers 1, 2, and 3 within five (5) days of the date of this Order.
5. That Piedmont shall give notice to its customers of the rate changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 31st day of March, 2008

NORTH CAROLINA UTILITIES COMMISSION



Patricia Swenson, Deputy Clerk

Kc033108.03

Commissioner Lorinzo L. Joyner dissented.  
Commissioner William T. Culpepper did not participate.

**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. 252-261, from November 2006 through December 2007**  
**(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)		
Natural Gas Local Distribution Companies (continued)					
22.	Missouri Gas Energy, a Division of Southern Union Company (MO)	10.50%	N/A	03/30/2007	Volume 256
23.	Public Service Company of Colorado (CO)	10.25%	8.67%	06/18/2007	Volume 258
24.	Yankee Gas Services Company (CT)	10.10%	8.03%	06/29/2007	Volume 259
25.	Columbia Gas of Kentucky, Inc. (KY)	10.50%	N/A	08/29/2007	Volume 259
26.	Arkansas Western Gas Company (AR)	9.50%	N/A	07/13/2007	Volume 260
27.	Consumers Energy Company (MI)	10.75%	N/A	08/21/2007	Volume 260
28.	Consolidated Edison Company of New York, Inc. (NY)	9.70%	[1] N/A	09/25/2007	Volume 261
29.	CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas (AR)	9.65%	7.84%	10/25/2007	Volume 261
Water Companies					
30.	Aqua Virginia (VA)	10.00%	N/A	09/21/2006	Volume 252
31.	Superior Water, Light & Power Company (WI)	11.00%	9.08%	12/26/2006	Volume 254
32.	Wedgewood Park Water Company, Inc. (IN)	11.00%	10.48%	01/03/2007	Volume 256
33.	San Gabriel Valley Water Company (CA)	9.90%	[2]	04/12/2007	Volume 258
34.	Municipality of Anchorage, d/b/a Anchorage Water & Wastewater Utility (AK)	10.10%	[3] 7.31%	07/16/2007	Volume 259

**Notes:**

- [1] The approved rate plan requires the local distribution company (LDC) to annually submit its computation of return on equity for the preceding year. If the level of earnings exceeds 10.7%, the excess will be shared by deferring 50% for the benefit of customers and allowing the LDC to retain the balance.
- [2] The California Public Utilities Commission adopted stipulated overall rates of return of 9.33% for test year 2006-2007 and 9.35% for test year 2007-2008.
- [3] The Alaska Regulatory Commission declined to deviate from its policy of establishing cost of equity for municipally-owned utilities using the same methods used for privately-owned companies.
- [4] N/A denotes that information is not available.

**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. 252-261, from November 2006 through December 2007**  
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Line No.	Company (Jurisdiction) (a)	Authorized Returns		Date Of Order (d)	Volume No. Public Utilities Reports (e)
		Common Equity (b)	Overall (c)		
Electric Companies					
1.	New York State Electric and Gas Corporation (NY)	9.55%	7.18%	08/23/2006	Volume 252
2.	Northern States Power Company, d/b/a Xcel Energy, (MN)	10.54%	8.81%	09/01/2006	Volume 253
3.	Superior Water, Light & Power Company (WI)	11.00%	9.08%	12/26/2006	Volume 254
4.	PacifiCorp (UT)	10.25%	N/A	12/01/2006	Volume 254
5.	Portland General Electric Company (OR)	10.10%	8.29%	01/12/2007	Volume 254
6.	Puget Sound Energy, Inc. (WA)	10.40%	8.40%	01/05/2007	Volume 255
7.	Oklahoma Gas and Electric Company (AR)	10.00%	5.36%	01/05/2007	Volume 255
8.	Monongahela Power Company, d/b/a Allegheny Power (WV)	10.50%	8.44%	05/22/2007	Volume 257
9.	Union Electric Company, d/b/a AmerenUE (MO)	10.20%	N/A	05/22/2007	Volume 257
10.	PacifiCorp, d/b/a Pacific Power & Light Company (WA)	10.20%	8.06%	06/21/2007	Volume 257
11.	Aquila, Inc. (MO)	10.25%	N/A	05/17/2007	Volume 257
12.	Entergy Arkansas, Inc. (AR)	9.90%	N/A	06/15/2007	Volume 258
13.	Arizona Public Service Company (AZ)	10.75%	8.32%	06/28/2007	Volume 258
14.	Potomac Electric Power Company (MD)	10.00%	7.68%	07/19/2007	Volume 258
Natural Gas Local Distribution Companies					
15.	Orange and Rockland Utilities, Inc. (NY)	9.80%	N/A	10/20/2006	Volume 252
16.	Consumers Energy Company (MI)	11.00%	6.69%	11/21/2006	Volume 253
17.	CenterPoint Energy Minnesota Gas, a Division of CenterPoint Energy Resources Corporation (MN)	9.71%	7.54%	11/02/2006	Volume 254
18.	Superior Water, Light & Power Company (WI)	11.00%	9.08%	12/26/2006	Volume 254
19.	Cascade Natural Gas Corporation (WA)	N/A	8.85%	01/12/2007	Volume 254
20.	PPL Gas Utilities Corporation (PA)	10.40%	8.45%	02/08/2007	Volume 255
21.	Puget Sound Energy, Inc. (WA)	10.40%	8.40%	01/05/2007	Volume 255

**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. 252-261, from November 2006 through December 2007**  
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Line No.	Company (Jurisdiction) (a)	Authorized Returns		Date Of Order (d)	Volume No. Public Utilities Reports (e)
		Common Equity (b)	Overall (c)		
Natural Gas Local Distribution Companies (continued)					
22.	Missouri Gas Energy, a Division of Southern Union Company (MO)	10.50%	N/A	03/30/2007	Volume 256
23.	Public Service Company of Colorado (CO)	10.25%	8.67%	06/18/2007	Volume 258
24.	Yankee Gas Services Company (CT)	10.10%	8.03%	06/29/2007	Volume 259
25.	Columbia Gas of Kentucky, Inc. (KY)	10.50%	N/A	08/29/2007	Volume 259
26.	Arkansas Western Gas Company (AR)	9.50%	N/A	07/13/2007	Volume 260
27.	Consumers Energy Company (MI)	10.75%	N/A	08/21/2007	Volume 260
28.	Consolidated Edison Company of New York, Inc. (NY)	9.70%	[1] N/A	09/25/2007	Volume 261
29.	CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas (AR)	9.65%	7.84%	10/25/2007	Volume 261
Water Companies					
30.	Aqua Virginia (VA)	10.00%	N/A	09/21/2006	Volume 252
31.	Superior Water, Light & Power Company (WI)	11.00%	9.08%	12/26/2006	Volume 254
32.	Wedgewood Park Water Company, Inc. (IN)	11.00%	10.48%	01/03/2007	Volume 256
33.	San Gabriel Valley Water Company (CA)	9.90%	[2]	04/12/2007	Volume 258
34.	Municipality of Anchorage, d/b/a Anchorage Water & Wastewater Utility (AK)	10.10%	[3] 7.31%	07/16/2007	Volume 259

**Notes:**

- [1] The approved rate plan requires the local distribution company (LDC) to annually submit its computation of return on equity for the preceding year. If the level of earnings exceeds 10.7%, the excess will be shared by deferring 50% for the benefit of customers and allowing the LDC to retain the balance.
- [2] The California Public Utilities Commission adopted stipulated overall rates of return of 9.33% for test year 2006-2007 and 9.35% for test year 2007-2008.
- [3] The Alaska Regulatory Commission declined to deviate from its policy of establishing cost of equity for municipally-owned utilities using the same methods used for privately-owned companies.
- [4] N/A denotes that information is not available.



## PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.

## SELECTED FINANCIAL AND OPERATIONAL DATA

North Carolina Jurisdiction

(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		September 2007 (b)	September 2006 (c)	September 2005 (d)	September 2004 (e)	September 2003 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Residential	\$354,378	\$376,786	\$331,814	\$302,078	\$280,349	6.03%	-5.95%
3.	Commercial	152,537	194,279	162,385	142,798	133,617	3.37%	-21.49%
4.	Industrial	34,883	38,870	16,392	9,556	10,193	36.01%	-10.26%
5.	Public Authorities	0	0	0	0	0	N/A	N/A
6.	Resale	9	7	6	14	9	0.00%	28.57%
7.	Other	34,559	49,167	47,754	58,419	53,542	-10.37%	-29.71%
8.	Total Operating Revenue	576,366	659,109	558,351	512,865	477,710	4.81%	-12.55%
9.	Cost of Gas	376,529	484,189	376,157	335,930	303,889	5.50%	-22.24%
10.	Margin	199,837	174,920	182,194	176,935	173,821	3.55%	14.24%
11.	O & M Expenses	84,749	80,057	79,494	76,054	76,338	2.65%	5.86%
12.	Other Deductions	61,933	54,587	58,837	56,001	55,514	2.77%	13.46%
13.	Operating Income	553,155	540,276	543,863	544,880	541,989	6.08%	31.98%
14.	Net Plant Investment	\$696,137	\$649,952	\$599,024	\$584,078	\$561,065	5.54%	7.11%
15.	Operating Exp. as a % of Margin	42.41%	45.77%	43.63%	42.98%	43.92%	-0.87%	-7.34%
16.	Net Plt. Investment per \$ of Margin	\$3.48	\$3.72	\$3.29	\$3.30	\$3.23	1.88%	-6.45%
17.	Gas Delivered in DTs (000s omitted):							
18.	Residential	24,070	22,424	24,161	24,818	26,242	-2.14%	7.34%
19.	Commercial	12,629	13,986	14,393	14,449	15,091	-4.35%	-9.70%
20.	Industrial	3,730	2,963	1,703	1,176	1,419	27.33%	25.89%
21.	Public Authorities	0	0	0	0	0	N/A	N/A
22.	Resale	1	1	1	1	1	0.00%	0.00%
23.	Other	29,231	26,909	30,078	29,901	28,458	0.67%	8.63%
24.	Total DTs	69,661	66,283	70,336	70,345	71,211	-0.55%	5.10%
25.	Number of Customers (000s included):							
26.	Residential	402,244	385,969	369,046	353,965	341,604	4.17%	4.22%
27.	Commercial	38,377	37,996	37,411	36,550	35,865	1.85%	1.00%
28.	Industrial	211	69	58	49	50	43.33%	205.80%
29.	Public Authorities	0	0	0	0	0	N/A	N/A
30.	Resale	2	3	3	3	3	-9.64%	-33.33%
31.	Other	440	382	75	393	402	2.28%	15.18%
32.		441,274	424,419	406,593	390,960	377,724	3.86%	3.97%
33.	Estimated Overall Rate of Return	7.85%	6.45%	8.09%	8.27%	8.03%	-0.57%	21.71%
34.	Estimated Return on Common Equity	9.15%	6.30%	9.48%	10.14%	9.87%	-1.88%	45.24%
35.	Common Equity Ratio	47.68%	49.88%	51.25%	49.64%	47.75%	-0.04%	-4.41%
36.	Debt Ratio	52.32%	50.12%	48.75%	50.36%	52.25%	0.03%	4.39%
37.	Estimated Pretax Interest Coverage Ratio (Times)	2.99	2.55	3.45	3.54	3.30	-2.44%	17.25%
38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A; Overall 8.90%; Equity Ratio: N/A; Date of Order: 10-23-06						
	(Docket No. 'G-5, Sub 481)							

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] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.