



Piedmont
Natural Gas

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Clerk's Office
N.C. Utilities Commission

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May 12, 2009

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

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

Dear Ms. Vance:

In accordance with provisions set forth in Appendix C of the Company's Service Regulations as approved by the Commission in the above referenced docket, Piedmont Natural Gas Company files the enclosed original and 25 copies of the computation of the Margin Decoupling Deferred Account Adjustment by rate schedule for March 2009.

For billing cycles for the month of March 2009, the calculation results in an amount to be refunded to residential customers of \$3,080,883 and an amount to be refunded to commercial customers of \$1,617,537. The total Margin Decoupling Adjustment for March 2009 is \$4,698,420.

The average temperature for the March days included in these billing cycles was colder than normal. Actual usage for this period was 1,293,401 DT's more than the projected normal.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

(ST)
AG
7-Comm
Bennink
Kirby
Watson
Hoover
Kido
Hilburn
Sessions
Gilmore
Gruber
2-ps Ec/Res
2-ps Legal
2-ps A City
2-ps Gas

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Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332
March 2009 Report
Debit (Credit)

<u>Description</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>	<u>Total</u>
Beginning Balance	Prior Mo Report	\$11,592,566	\$3,090,584	\$1,067,697	\$15,750,848
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	(\$3,080,883)	(\$1,587,025)	(\$30,512)	(4,698,420)
(Increment) Decrement	Page 3	(4,382,288)	(1,233,475)	(126,682)	(5,742,445)
Ending Balance Before Interest		4,129,396	270,084	910,503	5,309,983
Accrued Interest	Page 4	47,886	10,236	6,025	64,147
Total Due From (To) Customers		<u>\$4,177,282</u>	<u>\$280,320</u>	<u>\$916,528</u>	<u>\$5,374,130</u>

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
March 2009 Report

Line No.	Description	Residential Service	Small General Service	Medium General Service	Total
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152	
1	Normal Degree Days /1 <i>Page 2A</i>	491.3	491.3	491.3	
2	Base Load /1 (th/month)	12.03810	126.34580	5980.43930	
3	Heat Sensitivity Factor /1 (th/HDD)	0.14680	0.58490	9.44510	
4	Usage/HDD/Customer (th)	84	414	10,621	
RATE CASE					
5	No. of Customers (Actual)	604,016	65,706	489	
6	Total Normalized Usage (th)	50,737,344	27,202,284	5,193,669	83,133,297
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$20,196,000	\$8,471,335	\$1,617,412	\$30,284,747
ACTUAL					
9	No. of Customers (Actual)	604,016	65,706	489	
10	Actual Usage (th)	58,477,284	32,298,374	5,291,645	96,067,303
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$23,276,883	\$10,058,360	\$1,647,924	\$34,983,167
13	Margin Decoupling Adj	(\$3,080,883)	(\$1,587,025)	(\$30,512)	(\$4,698,420)
					Total Owed To Company (Customer)

Note: /1 - Per Docket No. G-9, Sub 550, Stipulation - Exhibit D

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

	Rate Case Normal HDD	Actual HDD 2008-09
Nov	296.7	367.8
Dec	529.1	682.8
Jan	730.2	617.1
Feb	754.7	728.3
Mar	491.3	563.9
Apr	300.0	
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	2,959.9

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
March 2009 Report

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
Facilities Charge	Winter	\$10.00	\$22.00	\$75.00
	Summer	\$10.00	\$22.00	\$75.00
Rates (\$/th)				
1st Block	Winter	\$1.29263	\$1.15383	\$1.11989
2nd Block	Winter			\$1.10438
1st Block	Summer	\$1.23418	\$1.11608	\$1.02346
2nd Block	Summer			\$0.99167
BCGC (\$/th)		\$0.65000	\$0.65000	\$0.65000
LUAF (\$/th)		\$0.01235	\$0.01235	\$0.01235
Commodity Cost Increment (\$/th)	Winter	\$0.05230	\$0.05230	\$0.05230
	Summer	\$0.05230	\$0.05230	\$0.05230
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10499	\$0.08957	\$0.06988
2nd Block	Winter			\$0.05437
1st Block	Summer	\$0.04654	\$0.05182	\$0.07001
2nd Block	Summer			\$0.03822
R Factors (\$/th)				
1st Block	Winter	\$0.39805	\$0.31142	\$0.31142
2nd Block	Winter			\$0.31142
1st Block	Summer	\$0.39805	\$0.31142	\$0.21486
2nd Block	Summer			\$0.21486
Margin Decoupling Temporaries		\$0.07494	\$0.03819	\$0.02394

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
March 2009 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 - therms2	Page 2	58,477,284	32,298,374	5,291,645
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.07494)</u>	<u>(\$0.03819)</u>	<u>(\$0.02394)</u>
Refunds (Collections)		<u>(\$4,382,288)</u>	<u>(\$1,233,475)</u>	<u>(\$126,682)</u>
Margin Decoupling Temporaries effective November 1, 2008 (per therm)		(\$0.07494)	(\$0.03819)	(\$0.02394)

Piedmont Natural Gas Company, Inc.
Accrued Interest
March 2009 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	\$11,592,566	\$3,090,584	\$1,067,697
Ending Balance Before Interest	Page 1	\$4,129,396	\$270,084	\$910,503
Average Balance Before Interest		7,860,981	1,680,334	989,100
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		\$47,886	\$10,236	\$6,025