



Piedmont
Natural Gas

OFFICIAL COPY FILED
FEB 10 2009
Clerk's Office
N.C. Utilities Commission

February 9, 2009

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

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

Dear Ms. Vance:

In accordance with provisions set forth in Appendix C of the Company's Service Regulations as approved by the Commission in the above referenced docket, Piedmont Natural Gas Company files the enclosed original and 17 copies of the computation of the Margin Decoupling Deferred Account Adjustment by rate schedule for December 2008.

For billing cycles for the month of December 2008, the calculation results in an amount to be refunded to residential customers of \$3,326,415 and an amount to be refunded to commercial customers of \$1,018,628. The total Margin Decoupling Adjustment for December 2008 is \$4,345,043.

The average temperature for the December days included in these billing cycles was colder than normal. Actual usage for this period was 1,162,769 DT's more than the projected normal.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

Clerk-15
A6
7 Lamm
Bennink
Kirby
Hoover
Gilmore
Ex Dir
3/3 Legal
3/3 Acctg
2/3 Elec Res
3/3 Gas

OFFICIAL COPY

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

December 2008 Report

Debit (Credit)

6-9, Sub 550B

<u>Description</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>	<u>Total</u>
Beginning Balance	Prior Mo Report	\$28,185,538	\$8,154,963	\$1,046,452	\$37,386,953
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	(\$3,326,415)	(\$1,009,187)	(\$9,441)	(4,345,043)
(Increment) Decrements	Page 3	(4,640,171)	(1,209,901)	(128,714)	(5,978,786)
Ending Balance Before Interest		20,218,952	5,935,875	908,297	27,063,124
Accrued Interest	Page 4	147,432	42,918	5,954	196,304
Total Due From (To) Customers		\$20,366,384	\$5,978,793	\$914,251	\$27,259,428

FILED
FEB 10 2009
Clerk's Office
NC Utilities Commission

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
December 2008 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>	529.1	529.1	529.1	
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)	90	436	10,978	
RATE CASE					
5	No. of Customers (Actual)	597,054	65,258	487	
6	Total Normalized Usage (th)	53,561,702	28,440,506	5,346,209	87,348,417
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$21,320,236	\$8,856,942	\$1,664,916	\$31,842,094
ACTUAL					
9	No. of Customers (Actual)	597,054	65,258	487	
10	Actual Usage (th)	61,918,480	31,681,104	5,376,524	98,976,108
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$24,646,651	\$9,866,129	\$1,674,357	\$36,187,137
\$13	Margin Decoupling Adj	(\$3,326,415)	(\$1,009,187)	(\$9,441)	(\$4,345,043)
					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	
Feb	754.7	
Mar	491.3	
Apr	300.0	
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	1,050.6

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
December 2008 Report

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
Facilities Charge	Winter	\$10.00	\$22.00	\$75.00
	Summer	\$10.00	\$22.00	\$75.00
Rates (\$/th)				
1st Block	Winter	\$1.51111	\$1.36840	\$1.33089
2nd Block	Winter			\$1.31239
1st Block	Summer	\$1.44737	\$1.31851	\$1.23383
2nd Block	Summer			\$1.19588
BCGC (\$/th)		\$0.87500	\$0.87500	\$0.87500
LUAF (\$/th)		\$0.01663	\$0.01663	\$0.01663
Commodity Cost Increment (\$/th)	Winter	\$0.03844	\$0.03844	\$0.03844
	Summer	\$0.03844	\$0.03844	\$0.03844
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10805	\$0.08872	\$0.06546
2nd Block	Winter			\$0.04696
1st Block	Summer	\$0.04431	\$0.03883	\$0.06496
2nd Block	Summer			\$0.02701
R Factors (\$/th)				
1st Block	Winter	\$0.39805	\$0.31142	\$0.31142
2nd Block	Winter			\$0.31142
1st Block	Summer	\$0.39805	\$0.31142	\$0.21486
2nd Block	Summer			\$0.21486
Margin Decoupling Temporaries		\$0.07494	\$0.03819	\$0.02394

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
December 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 - therms2	Page 2	61,918,480	31,681,104	5,376,524
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.07494)</u>	<u>(\$0.03819)</u>	<u>(\$0.02394)</u>
Refunds (Collections)		<u>(\$4,640,171)</u>	<u>(\$1,209,901)</u>	<u>(\$128,714)</u>
Margin Decoupling Temporaries effective November 1, 2008 (per therm)		(\$0.07494)	(\$0.03819)	(\$0.02394)

Piedmont Natural Gas Company, Inc.
Accrued Interest
December 2008 Report
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Beginning Balance	Page 1	\$28,185,538	\$8,154,963	\$1,046,452
Ending Balance Before Interest	Page 1	\$20,218,952	\$5,935,875	\$908,297
Average Balance Before Interest		24,202,245	7,045,419	977,375
Monthly Interest Accrual Rate	Per NCUC	0.6092%	0.6092%	0.6092%
Current Mo JE to Margin Decoupling Def Acct.		\$147,432	\$42,918	\$5,954