

August 28, 2020

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street, Dobbs Building
Raleigh, North Carolina 27603

Re: Docket No. M-1, Sub 12PNG

Dear Ms. Campbell:

Pursuant to the North Carolina Utilities Commission's ("Commission") January 30, 2020 Order Requiring Electronic Filing of Quarterly Financial and Operational Data in Docket No. M-100, Sub 157, enclosed is the quarterly surveillance report, on Commission Form G.S.-1, for Piedmont Natural Gas Company, Inc. ("Piedmont") for the period ended June 30, 2020.

Due to methodological and timing differences between the data presented in this report and the manner in which Piedmont would otherwise calculate pro forma rate base and income for ratemaking purposes for the relevant period, Piedmont respectfully submits that the information reflected on the attached report should be used for informational purposes only and not for jurisdictional ratemaking purposes.

Thank you for your assistance with this matter. If you have any questions about this filing, you may reach me at the number shown above.

Sincerely,

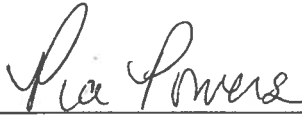
/s/ James H. Jeffries IV
James H. Jeffries IV

JHJ/sko

cc: Elizabeth Culpepper
Bruce Barkley
Pia Powers

VERIFICATION UNDER OATH
REGARDING ACCURACY OF REPORT

I, Pia Powers, state and attest that the attached NCUC Form G.S.-1 for the quarter ended June 30, 2020 is filed on behalf of Piedmont Natural Gas Company as required by the North Carolina Utilities Commission; that I have reviewed said Report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information provided therein; and that, to the best of my knowledge, information, and belief, all of the information contained therein is accurate and true, no material information or fact has been knowingly omitted or misstated therein, and all of the information contained in said Report has been prepared and presented in accordance with all applicable North Carolina General Statutes, Commission Rules, and Commission Orders.



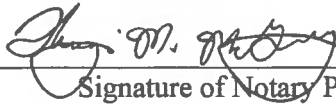
Signature of Person Making Verification

Managing Director – Gas Rates & Regulatory
Job Title

8-27-2020

Date

Subscribed and sworn before me this the 27 day of August, 2020.



Signature of Notary Public

My Commission Expires: 05/2/2023

O'Hagi M. McGriff
Notary Public
Mecklenburg County
North Carolina
My Commission Expires 05/02/2023

Quarterly Earnings Surveillance Report

Twelve Months Ended June 30, 2020

Docket No. M-1, Sub 12PNG

Piedmont Natural Gas Company, Inc.
Quarterly Earnings Surveillance Report for the NCUC¹

Index

Schedule 1	Rate of Return Calculations - Summary
Schedule 1a	Rate of Return Calculations - Ratio of Earnings to Fixed Charges
Schedule 2	Capital
Schedule 3	Rate Base
Schedule 4	Income Statement
Schedule 5	Condensed Balance Sheet
Schedule 6	Comparative Data
Schedule 7	Long-Term Debt and Interest Charges
Schedule 8	Statistical Data
Schedule 9	NC Jurisdictional Revenue

¹ Pursuant to the North Carolina Utilities Commission's ("Commission") January 30, 2020 Order Requiring Electronic Filing of Quarterly Financial and Operational Data in Docket No. M-100, Sub 157, enclosed is the quarterly surveillance report, on Commission Form G.S.-1, for Piedmont Natural Gas Company, Inc. for the period ended June 30, 2020.

Due to methodological and timing differences between the data presented in this report and the manner in which Piedmont would otherwise calculate pro forma rate base and income for ratemaking purposes for the relevant period, Piedmont respectfully submits that the information reflected on the attached report should be used for informational purposes only and not for jurisdictional ratemaking purposes.

NCUC Form G.S.-1
Rate of Return Calculations
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 1
(\$000s)

Line No.	Item	Total Company					
		Capital ²	Capital Ratio ²	Rate Base ²	Embedded Cost ²	Overall Cost Rate % ²	Net Operating Income
		(a)	(b)	(c)	(d)	(e)	(f)
1	Long-term Debt ¹	\$ 2,440,233	46.71%	\$ 2,199,125	4.36%	2.04%	\$ 95,882
2	Short-term Debt	313,688	6.01%	282,694	1.73%	0.10%	4,891
3	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
4	Members' Equity	2,469,741	47.28%	2,225,717	10.93%	5.17%	243,344
5	Total Capitalization	<u>\$ 5,223,662</u>	<u>100.00%</u>	<u>\$ 4,707,536</u>		<u>7.31%</u>	<u>\$ 344,117</u>
North Carolina							
6	Long-term Debt ¹	\$ 2,440,233	46.71%	\$ 1,704,642	4.36%	2.04%	\$ 74,322
7	Short-term Debt	313,688	6.01%	219,129	1.73%	0.10%	3,791
8	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
9	Members' Equity	2,469,741	47.28%	1,725,255	10.29%	4.87%	177,526
10	Total Capitalization	<u>\$ 5,223,662</u>	<u>100.00%</u>	<u>\$ 3,649,027</u>		<u>7.01%</u>	<u>\$ 255,639</u>
South Carolina							
11	Long-term Debt ¹	\$ 2,440,233	46.71%	\$ 169,759	4.36%	2.04%	\$ 7,401
12	Short-term Debt	313,688	6.01%	21,822	1.73%	0.10%	378
13	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
14	Members' Equity	2,469,741	47.28%	171,812	13.01%	6.15%	22,348
15	Total Capitalization	<u>\$ 5,223,662</u>	<u>100.00%</u>	<u>\$ 363,393</u>		<u>8.29%</u>	<u>\$ 30,127</u>
Other Company Operations							
16	Long-term Debt ¹	\$ 2,440,233	46.71%	\$ 324,723	4.36%	2.04%	\$ 14,158
17	Short-term Debt	313,688	6.01%	41,743	1.73%	0.10%	722
18	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
19	Members' Equity	2,469,741	47.28%	328,650	13.23%	6.25%	43,470
20	Total Capitalization	<u>\$ 5,223,662</u>	<u>100.00%</u>	<u>\$ 695,116</u>		<u>8.39%</u>	<u>\$ 58,350</u>

¹ Amounts reflect par value of current and non-current maturities of long-term debt, less unamortized debt discount and expense.

² Capital, Rate Base and Cost Rates represented above reflect 13-month average amounts.

NCUC Form G.S.-1

Rate of Return Calculations

Ratio of Earnings to Fixed Charges - SEC Method

Piedmont Natural Gas

Twelve Months Ended June 30, 2020

Financial Method
Schedule 1a
(\$000s)

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
<u>Rate of Return on Investment</u>					
1	Net Operating Income	\$ 344,117	\$ 255,639	\$ 30,127	\$ 58,350
2	Net Investment Including Materials and Supplies	6,138,143	4,729,379	472,655	936,108
3	Rate of Return on Investment (L1/L2)	5.61%	5.41%	6.37%	6.23%
<u>Ratio of Earnings to Fixed Charges (SEC)</u>					
4	Net Income	223,639	167,508	17,515	38,615
5	Add Back:				
6	Federal Income Tax Including Investment Tax Credits	51,448	42,758	3,642	5,047
7	State Income Tax	(9,207)	5,225	678	(15,110)
8	Total Net Income Plus Income Taxes	<u>\$ 265,880</u>	<u>\$ 215,491</u>	<u>\$ 21,836</u>	<u>\$ 28,552</u>
<u>Fixed Charges</u>					
9	Interest Expense	120,478	88,131	12,612	19,735
10	1/3 Rentals Included in Fixed Charges	-	-	-	-
11	Total Fixed Charges (L9 + L10)	<u>\$ 120,478</u>	<u>\$ 88,131</u>	<u>\$ 12,612</u>	<u>\$ 19,735</u>
12	Earnings as Adjusted (L8+L11)	<u>\$ 386,357</u>	<u>\$ 303,623</u>	<u>\$ 34,448</u>	<u>\$ 48,287</u>
13	Ratio of Earnings to Fixed Charges (L12/L11)	<u>3.21</u>	<u>3.45</u>	<u>2.73</u>	<u>2.45</u>
14	Common Stock Dividends Paid/Declared ¹	\$ -			
<u>Number of Shares Outstanding: (Rounded to thousands) ¹</u>					
15	End of Period	-			
16	Yearly Average	-			

¹ Common Stock is not maintained at the jurisdictional level.

NCUC Form G.S.-1
 Capital
 Piedmont Natural Gas
 Twelve Months Ended June 30, 2020

N.C. Rate Base Method
 Schedule 2
 (\$000s)

Line No.	Item	Long-term Debt ¹ (a)	Short-term Debt (b)	Preferred Stock (c)	Total Members' Equity (d)	Total Capital (col. a+b+c+d) (e)
1	<u>Total Company</u>					
	Balance at end of:					
2	Jun-19	2,379,003	-	-	2,353,585	4,732,588
3	Jul-19	2,379,119	101,270	-	2,349,397	4,829,786
4	Aug-19	2,379,273	210,890	-	2,340,589	4,930,752
5	Sep-19	2,379,428	261,522	-	2,334,111	4,975,062
6	Oct-19	2,379,583	359,208	-	2,340,694	5,079,486
7	Nov-19	2,379,738	469,916	-	2,378,216	5,227,870
8	Dec-19	2,379,587	476,482	-	2,442,617	5,298,686
9	Jan-20	2,379,721	484,489	-	2,527,361	5,391,571
10	Feb-20	2,379,876	430,880	-	2,569,996	5,380,752
11	Mar-20	2,379,651	485,898	-	2,610,240	5,475,789
12	Apr-20	2,379,809	476,813	-	2,619,957	5,476,579
13	May-20	2,774,069	120,670	-	2,622,179	5,516,917
14	Jun-20	2,774,178	199,906	-	2,617,694	5,591,779
15	Total (Sum of Lines 2 thru 14)	\$ 31,723,035	\$ 4,077,944	\$ -	\$ 32,106,637	\$ 67,907,615
16	13 Month Average (L15/13)	\$ 2,440,233	\$ 313,688	\$ -	\$ 2,469,741	\$ 5,223,662
17	13 Month Average Ratio	46.71%	6.01%	0.00%	47.28%	100.00%
18	Net Proceeds			\$ -		
19	Actual Interest Accrued for the Period	\$ 106,513	\$ 5,423			
20	13 Month Average Embedded Cost	4.36%	1.73%			

¹ Amounts reflect par value of current and non-current maturities of long-term debt, less unamortized debt discount and expense.

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 3
Page 1 of 4
(\$000s)

Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Accumulated Deferred Income Taxes (d)	Operating Reserves (e)	Working Capital Allowance (f)	Rate Base (a+b-c-d-e+f) (g)	Total Company Booked CWIP (h)
1	<u>Total Company Jurisdictional Data</u>								
	Balance at end of:								
2	Jun-19	7,485,569	-	2,213,596	1,137,770	-	204,226	4,338,429	478,217
3	Jul-19	7,524,763	-	2,228,116	1,137,770	-	215,406	4,374,283	521,117
4	Aug-19	7,622,583	-	2,240,678	1,159,908	-	220,955	4,442,952	507,035
5	Sep-19	7,695,664	-	2,251,873	1,207,188	-	227,725	4,464,328	536,136
6	Oct-19	7,825,735	-	2,261,593	1,206,637	-	233,012	4,590,517	518,990
7	Nov-19	7,876,125	-	2,274,192	1,226,046	-	241,356	4,617,242	559,429
8	Dec-19	7,988,990	-	2,285,289	1,234,790	-	236,942	4,705,853	523,544
9	Jan-20	8,030,731		2,264,868	1,234,790	-	223,472	4,754,545	537,767
10	Feb-20	8,134,001		2,274,490	1,226,086	-	210,705	4,844,130	508,538
11	Mar-20	8,208,844		2,278,395	1,245,793	-	211,254	4,895,910	509,558
12	Apr-20	8,340,014		2,289,977	1,244,266	-	214,947	5,020,718	439,256
13	May-20	8,365,819		2,280,259	1,243,430	-	219,789	5,061,918	460,698
14	Jun-20	8,408,631		2,291,956	1,254,211	-	224,684	5,087,148	466,920
15	Total (Sum of Lines 2 thru 14)	\$ 103,507,469	\$ -	\$ 29,435,282	\$ 15,758,686	\$ -	\$ 2,884,473	\$ 61,197,974	\$ 6,567,205
16	13 Month Average (L15/13)	\$ 7,962,113	\$ -	\$ 2,264,252	\$ 1,212,207	\$ -	\$ 221,883	\$ 4,707,536	\$ 505,170

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 3
Page 2 of 4
(\$000s)

Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Accumulated Deferred Income Taxes (d)	Operating Reserves (e)	Working Capital Allowance (f)	Rate Base (a+b-c-d-e+f) (g)	Total NC Booked CWIP (h)
1	<u>Total NC Jurisdictional Data</u>								
	Balance at end of:								
2	Jun-19	5,524,642	-	1,508,442	849,672	-	183,557	3,350,085	392,404
3	Jul-19	5,552,982	-	1,519,262	849,672	-	192,824	3,376,872	427,682
4	Aug-19	5,628,248	-	1,527,717	864,581	-	197,260	3,433,209	414,956
5	Sep-19	5,689,514	-	1,536,899	899,959	-	203,178	3,455,834	443,555
6	Oct-19	5,793,900	-	1,544,858	899,540	-	208,769	3,558,270	432,242
7	Nov-19	5,814,193	-	1,554,915	907,159	-	216,021	3,568,140	489,227
8	Dec-19	5,914,190	-	1,562,664	937,325	-	212,490	3,626,690	451,360
9	Jan-20	5,948,148	-	1,549,384	937,325	-	202,893	3,664,332	464,040
10	Feb-20	6,041,869	-	1,555,870	933,633	-	192,340	3,744,706	430,436
11	Mar-20	6,108,509	-	1,557,499	939,188	-	196,435	3,808,257	420,983
12	Apr-20	6,233,502	-	1,565,777	938,014	-	196,285	3,925,995	340,300
13	May-20	6,249,624	-	1,559,464	937,372	-	200,926	3,953,714	359,498
14	Jun-20	6,277,859	-	1,569,464	942,472	-	205,328	3,971,251	361,040
15	Total (Sum of Lines 2 thru 14)	\$ 76,777,180	\$ -	\$ 20,112,216	\$ 11,835,911	\$ -	\$ 2,608,303	\$ 47,437,355	\$ 5,427,724
16	13 Month Average (L15/13)	\$ 5,905,937	\$ -	\$ 1,547,094	\$ 910,455	\$ -	\$ 200,639	\$ 3,649,027	\$ 417,517

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 3
Page 3 of 4
(\$000s)

Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Accumulated Deferred Income Taxes (d)	Operating Reserves (e)	Working Capital Allowance (f)	Rate Base (a+b-c-d-e+f) (g)	Total SC Booked CWIP (h)
1	<u>Total SC Jurisdictional Data</u>								
	Balance at end of:								
2	Jun-19	686,567	-	246,607	91,179	-	3,073	351,854	26,506
3	Jul-19	690,447	-	247,849	91,179	-	3,837	355,256	26,427
4	Aug-19	692,557	-	249,274	91,295	-	3,837	355,826	27,808
5	Sep-19	693,052	-	249,930	95,868	-	3,837	351,091	31,281
6	Oct-19	699,649	-	250,836	95,823	-	3,533	356,524	30,418
7	Nov-19	699,717	-	251,434	99,160	-	3,533	352,657	33,104
8	Dec-19	705,074	-	253,143	91,821	-	3,533	363,643	32,704
9	Jan-20	707,076	-	250,289	91,821	-	2,068	367,033	34,026
10	Feb-20	709,762	-	251,340	91,494	-	2,068	368,995	36,307
11	Mar-20	714,145	-	252,053	93,095	-	2,068	371,065	36,146
12	Apr-20	716,051	-	253,313	92,981	-	2,562	372,319	37,847
13	May-20	715,264	-	248,200	92,918	-	2,562	376,708	37,359
14	Jun-20	721,677	-	249,125	93,971	-	2,562	381,143	36,598
15	Total (Sum of Lines 2 thru 14)	\$ 9,151,037	\$ -	\$ 3,253,393	\$ 1,212,604	\$ -	\$ 39,073	\$ 4,724,113	\$ 426,531
16	13 Month Average (L15/13)	\$ 703,926	\$ -	\$ 250,261	\$ 93,277	\$ -	\$ 3,006	\$ 363,393	\$ 32,810

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 3
Page 4 of 4
(\$000s)

Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Accumulated Deferred Income Taxes (d)	Operating Reserves (e)	Working Capital Allowance (f)	Rate Base (a+b-c-d-e+f) (g)	Total Other Co Booked CWIP (h)
1	<u>Total Other Company Operations Data</u>								
	Balance at end of:								
2	Jun-19	1,274,359	-	458,546	196,919	-	17,596	636,490	59,307
3	Jul-19	1,281,334	-	461,005	196,919	-	18,746	642,155	67,008
4	Aug-19	1,301,778	-	463,687	204,032	-	19,858	653,917	64,271
5	Sep-19	1,313,098	-	465,044	211,362	-	20,711	657,403	61,300
6	Oct-19	1,332,187	-	465,899	211,275	-	20,710	675,724	56,330
7	Nov-19	1,362,215	-	467,843	219,727	-	21,802	696,446	37,097
8	Dec-19	1,369,726	-	469,482	205,644	-	20,919	715,520	39,481
9	Jan-20	1,375,508	-	465,195	205,644	-	18,511	723,180	39,701
10	Feb-20	1,382,370	-	467,279	200,959	-	16,297	730,429	41,794
11	Mar-20	1,386,191	-	468,844	213,510	-	12,751	716,588	52,429
12	Apr-20	1,390,461	-	470,887	213,271	-	16,101	722,404	61,109
13	May-20	1,400,930	-	472,595	213,140	-	16,301	731,496	63,841
14	Jun-20	1,409,095	-	473,366	217,769	-	16,794	734,754	69,283
15	Total (Sum of Lines 2 thru 14)	\$ 17,579,252	\$ -	\$ 6,069,673	\$ 2,710,171	\$ -	\$ 237,097	\$ 9,036,506	\$ 712,951
16	13 Month Average (L15/13)	\$ 1,352,250	\$ -	\$ 466,898	\$ 208,475	\$ -	\$ 18,238	\$ 695,116	\$ 54,842

NCUC Form G.S.-1
Income Statement
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 4
Page 1 of 2
(\$000s)

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
1	<u>OPERATING REVENUES BY REVENUE CLASS</u>				
2	Residential	\$ 669,364	\$ 476,421	\$ 72,934	120,009
3	Commercial	359,112	251,798	36,943	70,371
4	Industrial	34,304	20,228	12,610	1,466
5	Power Generation - Sales	39	39	-	-
6	Sales to Public Authorities	898	549	349	-
7	Sales for Resale	338	293	-	45
8	Provision for Rate Refund	-	-	-	-
9	Total Sales of Gas	\$ 1,064,055	\$ 749,328	\$ 122,836	\$ 191,891
10	Secondary market sales	\$ 1,409	\$ 922	\$ 151	\$ 336
11	Gas transportation for others	79,098	58,411	9,990	10,697
12	Transportation for resale	5,459	5,459	-	-
13	Power generation - transportation	101,711	93,388	8,323	-
14	Other operating revenues	4,135	2,440	422	1,273
15	Total Gas Operating Revenues	\$ 1,255,867	\$ 909,948	\$ 141,722	\$ 204,197
16	<u>OPERATING EXPENSES</u>				
17	Purchased Gas	372,022	249,712	55,948	\$ 66,362
18	Other Operating & Maintenance Expense ¹	299,373	212,457	34,443	52,473
19	Total O&M and Cost of Gas	\$ 671,396	\$ 462,169	\$ 90,391	\$ 118,835
20	Depreciation and Amortization	177,290	129,481	15,557	32,252
21	Total O&M, Cost of Gas & Depreciation	\$ 848,686	\$ 591,650	\$ 105,949	\$ 151,087
22	<u>OPERATING TAXES</u>				
23	Federal Income Tax Liability	(89,586)	\$ (71,169)	(3,354)	\$ (15,064)
24	Federal Income Tax - Deferred	141,080	113,964	7,001	20,115
25	Investment Tax Credit (ITC) Normalization	-	-	-	-
26	Amortization of Investment Tax Credits (ITC)	(46)	(37)	(5)	(4)
27	Total Federal Taxes - Operating	\$ 51,448	\$ 42,758	\$ 3,642	\$ 5,048
28	State Income Taxes	(2,156)	14,332	(61)	(16,427)
29	State Income Taxes - Deferred	(7,051)	(9,107)	740	1,316
30	Other Operating Taxes (General)	43,871	31,102	2,059	10,711
31	Utility EDIT Amortization	(23,048)	(16,427)	(734)	(5,887)
32	Total Operating Taxes	\$ 63,065	\$ 62,658	\$ 5,646	\$ (5,240)
33	Total Operating Expenses & Cost of Gas	\$ 911,750	\$ 654,309	\$ 111,595	\$ 145,847
34	Net Utility Operating Income (L15-L32)	\$ 344,117	\$ 255,639	\$ 30,127	\$ 58,350

¹ Other Operating & Maintenance Expense including interest on customer deposits

NCUC Form G.S.-1
Income Statement
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

Financial Method
Schedule 4
Page 2 of 2
(\$000s)

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
35	<u>OTHER INCOME</u>				
36	Interest charged to construction	n/a	n/a	n/a	n/a
37	Dividends and other interest income	n/a	n/a	n/a	n/a
38	Miscellaneous Income	n/a	n/a	n/a	n/a
39	Total Other Income	n/a	n/a	n/a	n/a
40	<u>OTHER DEDUCTIONS</u>				
41	Miscellaneous Income Deductions	n/a	n/a	n/a	n/a
42	Taxes Applicable to Other Income & Deductions	n/a	n/a	n/a	n/a
43	Total Other Deductions	n/a	n/a	n/a	n/a
44	<u>INTEREST CHARGES</u>				
45	Interest on Long-term Debt	\$ 104,619	\$ 75,247	\$ 11,664	\$ 17,708
46	Amortization of Debt Discount and Expense	1,894	1,362	211	321
47	Amortization of Premium on Debt (Cr.)	-	-	-	-
48	Interest on Advances from Affiliated Companies	-	-	-	-
49	Other Interest Expense	13,964	11,522	736	1,706
50	Total Interest Charges	\$ 120,478	\$ 88,131	\$ 12,612	\$ 19,735
51	Net Income Before Extraordinary and Delayed Items	\$ 223,639	\$ 167,508	\$ 17,515	\$ 38,615
52	Extraordinary & Delayed Items	-	-	-	-
53	Net Income	\$ 223,639	\$ 167,508	\$ 17,515	\$ 38,615
54	Less Preferred Dividends	-	-	-	-
55	Net Income Available for Members' (Common) Equity	\$ 223,639	\$ 167,508	\$ 17,515	\$ 38,615
56	Members' Equity Capital - Year End	\$ 2,617,694	2,617,694	2,617,694	2,617,694
57	Members' Equity Capital - Simple Average	\$ 2,485,640	2,485,640	2,485,640	2,485,640
58	Rate of Return on Members' Equity - Year End	8.54%	6.40%	0.67%	1.48%
59	Rate of Return on Members' (Common) Equity - Simple Average	9.00%	6.74%	0.70%	1.55%

NCUC Form G.S.-1
Condensed Balance Sheet
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

Financial Method
Schedule 5
(\$000s)

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
1	<u>ASSETS</u>				
2	Gross Plant in Service	\$ 8,408,631	\$ 6,277,859	\$ 721,677	\$ 1,409,095
3	Plant held for future use	16,562	16,562	-	0
4	Less: Accumulated Depreciation & Amortization	2,291,956	1,569,464	249,125	473,366
5	Net Plant in Service	\$ 6,133,237	\$ 4,724,956	\$ 472,551	\$ 935,729
6	Plus: Materials and Supplies	4,906	4,423	104	380
7	Net Plant in Service and Materials & Supplies	\$ 6,138,143	\$ 4,729,379	\$ 472,655	\$ 936,109
8	CWIP	466,920	361,040	36,598	69,283
9	Other Assets	649,980	499,640	48,619	101,722
10	Total Assets	<u>\$ 7,255,043</u>	<u>\$ 5,590,058</u>	<u>\$ 557,872</u>	<u>\$ 1,107,113</u>
11	<u>LIABILITIES AND MEMBERS' EQUITY</u> ¹				
12	Common Stock	859,847	n/a	n/a	n/a
13	Retained Earnings	1,308,843	n/a	n/a	n/a
14	Accumulated Other Comprehensive Income	(995)	n/a	n/a	n/a
15	Capital Contribution From Parent	450,000	n/a	n/a	n/a
16	Total Members' Equity	2,617,694	n/a	n/a	n/a
17	Total Long-term Debt (LTD)	2,774,178	n/a	n/a	n/a
18	Total Members' Equity and LTD	<u>\$ 5,391,873</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
19	Short-term Obligations	199,906	n/a	n/a	n/a
20	Accumulated Deferred Income Taxes (Net)	1,254,211	n/a	n/a	n/a
21	Other Liabilities and Deferred Credits	409,053	n/a	n/a	n/a
22	Total Liabilities and Members' Equity	<u>\$ 7,255,043</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

¹ Total Liabilities and Members' Equity are not maintained at the jurisdictional level.

NCUC Form G.S.-1
Comparative Data
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method
Schedule 6
Page 1 of 2
(\$000s)

N.C. Jurisdiction Revenues and Expenses

Line No.	Item	Last General Rate Case As Approved In NCUC Docket No. G-9, Sub 743			Actual Operations for Twelve Months Ended June 30, 2020		
		Revenue (a)	Expenses as a % of Revenue (b)	Expenses (c)	Revenue (d)	Expenses as a % of Revenue (e)	Expenses (f)
1	<u>OPERATING REVENUES</u>						
2	Gross Operating Revenues	\$ 1,010,840			\$ 909,948		
3	<u>OPERATING REVENUE DEDUCTIONS</u>						
4	Cost of Gas	\$ 334,653	33.11%	43.83%	\$ 249,712	27.44%	38.21%
5	Operating and Maintenance Expenses	214,077	21.18%	28.04%	211,597	23.25%	32.38%
6	Depreciation and Amortization	136,306	13.48%	17.85%	129,481	14.23%	19.82%
7	Taxes Other Than Income Taxes	31,872	3.15%	4.17%	31,102	3.42%	4.76%
8	Taxes - State Income	5,515	0.55%	0.72%	5,225	0.57%	0.80%
9	Taxes - Federal Income	45,165	4.47%	5.92%	42,795	4.70%	6.55%
10	Utility EDIT Amortization	(4,061)	-0.40%	-0.53%	(16,427)	-1.81%	-2.51%
11	Amortization of Investment Tax Credits (ITC)	(79)	-0.01%	-0.01%	(37)	0.00%	-0.01%
12	Total Operating Expenses	<u>\$ 763,448</u>		<u>100.00%</u>	<u>\$ 653,448</u>		<u>100.00%</u>
13	Interest on Customer Deposits	796	0.08%		860	0.09%	
14	Net Operating Income for Return	<u>\$ 246,596</u>	24.40%		<u>\$ 255,639</u>	28.09%	

NCUC Form G.S.-1
 Comparative Data
 Piedmont Natural Gas
 Twelve Months Ended June 30, 2020

N.C. Rate Base Method
 Schedule 6
 Page 2 of 2
 (\$000s)

N.C. Jurisdiction Rate Base			
Line No.	Item	Last General Rate Case As Approved In NCUC Docket No. G-9, Sub 743	Actual Operations As Of June 30, 2020
		North Carolina <u>Jurisdiction</u> (a)	North Carolina <u>Jurisdiction</u> (b)
15	Gas Utility Plant in Service	\$ 5,516,373	\$6,277,859
16	Accumulated Depreciation	<u>(1,520,637)</u>	<u>(1,569,464)</u>
17	Net Plant in Service	3,995,736	\$4,708,395
18	Customer Advances for Construction	-	(5,882)
19	Materials and Supplies	1,472	4,423
20	Gas in Storage	39,392	31,480
21	Customer Deposits	(9,765)	(11,180)
22	Cash Working Capital	52,414	61,762
23	Other Working Capital	98,222	124,725
24	Accumulated Deferred Income Taxes	(726,860)	(942,472)
25	Original Cost Rate Base (L16 thru L23)	<u>\$ 3,450,611</u>	<u>\$ 3,971,251</u>

Docket No. M-1, Sub 12PNG

NCUC Form G.S.-1
Long-Term Debt and Interest Charges
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

N.C. Rate Base Method / Financial Method
Schedule 7
(\$000s)

Line No.	Type Obligation (Bonds, Debentures, Notes, etc.)	Issue Date (a)	Maturity Date (b)	Face Amount (c)	Amount Outstanding (d)	Interest Rate (e)	Interest Booked for 12 Months Ended This Report (f)	Interest Annualized On Outstanding Long-Term Debt Col. (e)*(d) (g)
1	4.24 % Series	6/6/2011	6/6/2021	160,000	-	4.240	-	-
2	3.47 % Series	7/16/2012	7/16/2027	100,000	100,000	3.470	3,470	3,470
3	3.57 % Series	7/16/2012	7/16/2027	200,000	200,000	3.570	7,140	7,140
4	4.65 % Series	8/1/2013	8/1/2043	300,000	300,000	4.650	13,950	13,950
5	4.10 % Series	9/18/2014	9/18/2034	250,000	250,000	4.100	10,250	10,250
6	3.60 % Series	9/14/2015	9/1/2025	150,000	150,000	3.600	5,400	5,400
7	3.64 % Series	7/28/2016	11/1/2046	300,000	300,000	3.640	10,920	10,920
8	3.50% Series	5/24/2019	6/1/2029	600,000	600,000	3.500	21,000	21,000
9	3.35% Series	5/21/2020	6/1/2050	400,000	400,000	3.350	1,489	13,400
10	Total Senior Debt			\$ 2,460,000	\$ 2,300,000		\$ 73,619	\$ 85,530
11	6.87 % Series	10/06/1993	10/06/2023	45,000	45,000	6.870	3,092	3,092
12	8.45 % Series	09/19/1994	09/19/2024	40,000	40,000	8.450	3,380	3,380
13	7.40 % Series	10/03/1995	10/31/2025	55,000	55,000	7.400	4,070	4,070
14	7.50 % Series	10/09/1996	10/09/2026	40,000	40,000	7.500	3,000	3,000
15	7.95 % Series	9/14/1999	09/14/2029	60,000	60,000	7.950	4,770	4,770
16	6.00 % Series	12/19/2003	12/19/2033	100,000	100,000	6.000	6,000	6,000
17	Total Medium-Term Debt			\$ 340,000	\$ 340,000		\$ 24,312	\$ 24,312
18	Capital Leases			-	-		-	-
19	Other Long-Term Debt			-	-		-	-
20	Unamortized Debt Expense, Discount and Premium			-	25,697		1,894	-
21	Return on Prepaid Interest			-	-		-	-
22	Current Portion of Long-Term Debt			-	159,875		6,784	-
23	Long-Term Interest Allocated to Non-Utility Activities			-	-		(95)	-
24	Total Long-Term Debt			\$ 2,800,000	\$ 2,774,178		\$ 106,513	\$ 109,842

NCUC Form G.S.-1
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

Statistical Data
Schedule 8
Page 1 of 2
(000s)

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
1	<u>OPERATING REVENUES BY REVENUE CLASS</u> ¹				
2	Residential	\$ 669,364	\$ 476,421	\$ 72,934	\$ 120,009
3	Commercial	359,112	251,798	36,943	70,371
4	Industrial	34,304	20,228	12,610	1,466
5	Power Generation - Sales	39	39	-	-
6	Sales to Public Authorities	898	549	349	-
7	Sales for Resale	338	293	-	45
8	Total Revenue from Sales of Gas	<u>\$ 1,064,055</u>	<u>\$ 749,328</u>	<u>\$ 122,836</u>	<u>\$ 191,891</u>
9	Gas transported for others	\$ 79,098	\$ 58,411	\$ 9,990	\$ 10,697
10	Gas transported for power generation	101,711	93,388	8,323	-
11	Gas transported for resale	5,459	5,459	-	-
12	<u>DT of Gas Sold</u>				
13	Residential	53,881	35,268	7,084	11,529
14	Commercial	40,766	28,391	4,679	7,696
15	Industrial	6,413	3,791	2,382	240
16	Power Generation - Sales	16	16	-	-
17	Sales to Public Authorities	76	43	33	-
18	Sales for Resale ²	3	0	-	3
19	Total DT of Gas Sales	<u>101,156</u>	<u>67,509</u>	<u>14,178</u>	<u>19,469</u>
20	Gas transported for others	93,612	71,446	10,296	11,870
21	Gas transported for power generation	301,594	261,654	39,940	-
22	Gas transported for resale	3,847	3,847	-	-
23	<u>Revenue Per DT</u> ¹				
24	Residential	\$ 12.42	\$ 13.51	\$ 10.30	\$ 10.41
25	Commercial	\$ 8.81	\$ 8.87	\$ 7.90	\$ 9.14
26	Industrial	\$ 5.35	\$ 5.34	\$ 5.29	\$ 6.11
27	Power Generation - Sales	\$ 2.38	\$ 2.38	\$ -	\$ -
28	Sales to Public Authorities	\$ 11.84	\$ 12.92	\$ 10.46	\$ -
29	Sales for Resale ²	\$ 98.61	\$ 9,898.65	\$ -	\$ 13.24
30	Total Revenue per DT of Gas Sold	\$ 10.52	\$ 11.10	\$ 8.66	\$ 9.86
31	Gas transported for others	\$ 0.84	\$ 0.82	\$ 0.97	\$ 0.90
32	Gas transported for power generation	\$ 0.34	\$ 0.36	\$ 0.21	\$ -
33	Gas transported for resale	\$ 1.42	\$ 1.42	\$ -	\$ -

¹ Does not include revenues related to the provision for rate refund.

² BSS monthly revenue was collected from Sales for Resale Customers, but actual usage was much lower due to milder weather.

NCUC Form G.S.-1
Piedmont Natural Gas
Twelve Months Ended June 30, 2020

Statistical Data
Schedule 8
Page 2 of 2

Line No.	Item	Total Company Booked (a)	NC Jurisdiction (b)	SC Jurisdiction (c)	Other Company Operations (d)
1	<u>Period End Number of Customers By Revenue Class</u>				
2	Residential	1,000,494	691,462	136,098	172,934
3	Commercial	103,989	71,362	14,482	18,145
4	Industrial	1,452	1,083	351	18
5	Power generation - sales	2	2	-	-
6	Sales to public authorities	2,906	1,549	1,357	-
7	Sales for resale	3	-	-	3
8	Total Customers - Period End	1,108,846	765,458	152,288	191,100
9	Gas transported for others	768	551	94	123
10	Gas transported for power generation	26	23	3	-
11	Gas transported for resale	6	6	-	-
12	<u>Average Number of Customers By Revenue Class</u>				
13	Residential	986,143	680,851	134,172	171,120
14	Commercial	103,469	70,942	14,388	18,140
15	Industrial	1,452	1,080	355	18
16	Power generation - sales	2	2	-	-
17	Sales to public authorities	2,902	1,549	1,353	-
18	Sales for resale	4	1	-	3
19	Total Customers-Average	1,093,973	754,424	150,268	189,281
20	Gas transported for others	775	558	91	125
21	Gas transported for power generation	24	21	3	-
22	Gas transported for resale	6	6	-	-
23	<u>INFORMATIONAL ONLY</u>				
24	<u>Average DT Usage per Customer</u>				
25	Residential	55			
26	Commercial	394			
27	Industrial	4,415			
28	Power generation - sales	8,207			
29	Sales to public authorities	26			
30	Sales for resale	935			
31	Total DT Usage per Customer - Average	92			
32	Gas transported for others	120,802			
33	Gas transported for power generation	12,479,755			
34	Gas transported for resale	641,122			

NCUC Form G.S.-1

Piedmont Natural Gas

Twelve Months Ended June 30, 2020

NC Jurisdictional Revenue

Schedule 9

Line No.	Item	NCUC Fee Quarter Ended June 30, 2020
1	Revenue from Dts Sales Subject to NCUC Fee:	
2	Operating Revenues	
3	Residential Sales	\$ 59,980,249
4	Commercial Sales	39,762,644
5	Industrial Sales	3,620,353
6	Power generation Sales	3,201
7	Sales to public authorities	111,555
8	Sales for Resale	1,363,836
9	Total Revenue from Sales of Gas	\$ 104,841,838
10	Other Revenue Subject to NCUC Fee:	
11	Secondary market sales	\$ (8,750)
12	Gas transportation for others	\$ 11,746,163
13	Transportation for resale	\$ -
14	Power generation - transportation	\$ 27,565,408
15	Other operating revenues	\$ 234,265
16	Subtotal - Other Piedmont Natural Gas Revenue	\$ 39,537,087
17	Total Piedmont Natural Gas Revenues	\$ 144,378,925
18	Less: Uncollectible Revenues	\$ 3,998,390
19	Total Revenues subject to Regulatory Fee	\$ 140,380,535