

June 2, 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 ending March 31, 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

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

VERIFICATION

Bruce Barkley, being duly sworn, deposes and says that he is Vice President – Rates and Natural Gas Supply of Piedmont Natural Gas Company, Inc., that as such, he has read the foregoing and knows the contents thereof; and he believes that the facts set forth therein are true and correct.

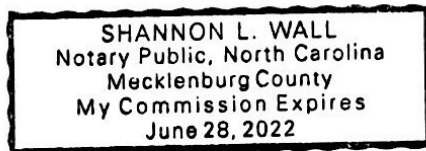
Bruce Barkley
Bruce Barkley

Mecklenburg County, North Carolina
Signed and sworn to before me this day by Bruce Barkley

Date: 6/1/2020 Shannon L. Wall
Notary Public

(Official Seal)

My commission expires: 6/28/2022



I signed this notarial certificate on 6/1/2020 (Date) according to the emergency video notarization requirements contained in G.S. 10B-25.

Quarterly Earnings Surveillance Report

Twelve Months Ended March 31, 2020

Docket No. M-1, Sub 12PNG

Piedmont Natural Gas Company
Quarterly Earnings Surveillance Report for the NCUC (Revised NCUC GS-1 Report) ¹

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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 ending March 31, 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 March 31, 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	\$ 2,341,536	46.78%	\$ 2,107,433	4.42%	2.07%	\$ 93,149
2	Short-term Debt	287,416	5.74%	258,681	1.94%	0.11%	5,018
3	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
4	Members' Equity	2,376,148	47.47%	2,138,584	10.96%	5.21%	234,481
5	Total Capitalization	<u>\$ 5,005,100</u>	<u>100.00%</u>	<u>\$ 4,504,698</u>		<u>7.39%</u>	<u>\$ 332,648</u>
North Carolina							
6	Long-term Debt ¹	\$ 2,341,536	46.78%	\$ 1,628,363	4.42%	2.07%	\$ 71,974
7	Short-term Debt	287,416	5.74%	199,876	1.94%	0.11%	3,878
8	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
9	Members' Equity	2,376,148	47.47%	1,652,433	10.21%	4.85%	168,711
10	Total Capitalization	<u>\$ 5,005,100</u>	<u>100.00%</u>	<u>\$ 3,480,672</u>		<u>7.03%</u>	<u>\$ 244,563</u>
South Carolina							
11	Long-term Debt ¹	\$ 2,341,536	46.78%	\$ 165,640	4.42%	2.07%	\$ 7,321
12	Short-term Debt	287,416	5.74%	20,332	1.94%	0.11%	394
13	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
14	Members' Equity	2,376,148	47.47%	168,089	13.06%	6.20%	21,949
15	Total Capitalization	<u>\$ 5,005,100</u>	<u>100.00%</u>	<u>\$ 354,061</u>		<u>8.38%</u>	<u>\$ 29,665</u>
Other Company Operations							
16	Long-term Debt ¹	\$ 2,341,536	46.78%	\$ 313,430	4.42%	2.07%	\$ 13,854
17	Short-term Debt	287,416	5.74%	38,473	1.94%	0.11%	746
18	Preferred Stock	-	0.00%	-	0.00%	0.00%	-
19	Members' Equity	2,376,148	47.47%	318,063	13.78%	6.54%	43,821
20	Total Capitalization	<u>\$ 5,005,100</u>	<u>100.00%</u>	<u>\$ 669,966</u>		<u>8.72%</u>	<u>\$ 58,421</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 March 31, 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	\$ 332,648	\$ 244,563	\$ 29,665	\$ 58,420
2	Net Investment Including Materials and Supplies	5,942,693	4,562,814	462,185	917,695
3	Rate of Return on Investment (L1/L2)	5.60%	5.36%	6.42%	6.37%
<u>Ratio of Earnings to Fixed Charges (SEC)</u>					
4	Net Income	218,846	162,189	17,323	39,333
5	Add Back:				
6	Federal Income Tax Including Investment Tax Credits	29,275	29,193	2,875	(2,792)
7	State Income Tax	(7,623)	5,389	655	(13,666)
8	Total Net Income Plus Income Taxes	<u>\$ 240,498</u>	<u>\$ 196,770</u>	<u>\$ 20,853</u>	<u>\$ 22,875</u>
<u>Fixed Charges</u>					
9	Interest Expense	113,803	82,374	12,342	19,088
10	1/3 Rentals Included in Fixed Charges	-	-	-	-
11	Total Fixed Charges (L9 + L10)	<u>\$ 113,803</u>	<u>\$ 82,374</u>	<u>\$ 12,342</u>	<u>\$ 19,088</u>
12	Earnings as Adjusted (L8+L11)	<u>\$ 354,300</u>	<u>\$ 279,144</u>	<u>\$ 33,195</u>	<u>\$ 41,963</u>
13	Ratio of Earnings to Fixed Charges (L12/L11)	<u>3.11</u>	<u>3.39</u>	<u>2.69</u>	<u>2.20</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 March 31, 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	Mar-19	2,132,963	200,985	-	2,210,315	4,544,263
3	Apr-19	2,133,090	205,835	-	2,219,562	4,558,488
4	May-19	2,378,942	49,032	-	2,213,237	4,641,210
5	Jun-19	2,379,003	-	-	2,353,585	4,732,588
6	Jul-19	2,379,119	101,270	-	2,349,397	4,829,786
7	Aug-19	2,379,273	210,890	-	2,340,589	4,930,752
8	Sep-19	2,379,428	261,522	-	2,334,111	4,975,062
9	Oct-19	2,379,583	359,208	-	2,340,694	5,079,486
10	Nov-19	2,379,738	469,916	-	2,378,216	5,227,870
11	Dec-19	2,379,587	476,482	-	2,442,617	5,298,686
12	Jan-20	2,379,721	484,489	-	2,527,361	5,391,571
13	Feb-20	2,379,876	430,880	-	2,569,996	5,380,752
14	Mar-20	2,379,651	485,898	-	2,610,240	5,475,789
15	Total (Sum of Lines 2 thru 14)	\$ 30,439,974	\$ 3,736,407	\$ -	\$ 30,889,920	\$ 65,066,302
16	13 Month Average (L15/13)	\$ 2,341,536	\$ 287,416	\$ -	\$ 2,376,148	\$ 5,005,100
17	13 Month Average Ratio	46.78%	5.74%	0.00%	47.47%	100.00%
18	Net Proceeds			\$ -		
19	Actual Interest Accrued for the Period	\$ 103,535	\$ 5,587			
20	13 Month Average Embedded Cost	4.42%	1.94%			

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 March 31, 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	Mar-19	7,228,404	-	2,174,471	1,120,148	-	180,081	4,113,866	445,749
3	Apr-19	7,303,969	-	2,187,806	1,120,148	-	184,281	4,180,296	467,303
4	May-19	7,381,319	-	2,200,776	1,135,293	-	193,475	4,238,726	482,819
5	Jun-19	7,485,569	-	2,213,596	1,137,770	-	204,226	4,338,429	478,217
6	Jul-19	7,524,763	-	2,228,116	1,137,770	-	215,406	4,374,283	521,117
7	Aug-19	7,622,583	-	2,240,678	1,159,908	-	220,955	4,442,952	507,035
8	Sep-19	7,695,664	-	2,251,873	1,207,188	-	227,725	4,464,328	536,136
9	Oct-19	7,825,735		2,261,593	1,206,637	-	233,012	4,590,517	518,990
10	Nov-19	7,876,125		2,274,192	1,226,046	-	241,356	4,617,242	559,429
11	Dec-19	7,988,990		2,285,289	1,234,790	-	236,942	4,705,853	523,544
12	Jan-20	8,030,731		2,264,868	1,234,790	-	223,472	4,754,545	537,767
13	Feb-20	8,134,001		2,274,490	1,226,086	-	210,705	4,844,130	508,538
14	Mar-20	8,208,844		2,278,395	1,245,793	-	211,254	4,895,910	509,558
15	Total (Sum of Lines 2 thru 14)	\$ 100,306,698	\$ -	\$ 29,136,143	\$ 15,392,368	\$ -	\$ 2,782,890	\$ 58,561,077	\$ 6,596,202
16	13 Month Average (L15/13)	\$ 7,715,900	\$ -	\$ 2,241,242	\$ 1,184,028	\$ -	\$ 214,068	\$ 4,504,698	\$ 507,400

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended March 31, 2020

N.C. Rate Base Method
Schedule 3
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(\$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	Mar-19	5,335,934	-	1,479,242	838,280	-	159,416	3,177,828	342,684
3	Apr-19	5,393,223	-	1,489,433	838,280	-	165,634	3,231,144	363,133
4	May-19	5,435,286	-	1,499,147	848,091	-	174,127	3,262,175	398,071
5	Jun-19	5,524,642	-	1,508,442	849,672	-	183,557	3,350,085	392,404
6	Jul-19	5,552,982	-	1,519,262	849,672	-	192,824	3,376,872	427,682
7	Aug-19	5,628,248	-	1,527,717	864,581	-	197,260	3,433,209	414,956
8	Sep-19	5,689,514	-	1,536,899	899,959	-	203,178	3,455,834	443,555
9	Oct-19	5,793,900	-	1,544,858	899,540	-	208,769	3,558,270	432,242
10	Nov-19	5,814,193	-	1,554,915	907,159	-	216,021	3,568,140	489,227
11	Dec-19	5,914,190	-	1,562,664	940,325	-	212,490	3,623,690	451,360
12	Jan-20	5,948,148	-	1,549,384	940,325	-	202,893	3,661,332	464,040
13	Feb-20	6,041,869	-	1,555,870	933,633	-	192,340	3,744,706	430,436
14	Mar-20	6,108,509	-	1,557,499	939,188	-	193,622	3,805,445	420,983
15	Total (Sum of Lines 2 thru 14)	\$ 74,180,637	\$ -	\$ 19,885,333	\$ 11,548,705	\$ -	\$ 2,502,130	\$ 45,248,730	\$ 5,470,775
16	13 Month Average (L15/13)	\$ 5,706,203	\$ -	\$ 1,529,641	\$ 888,362	\$ -	\$ 192,472	\$ 3,480,672	\$ 420,829

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended March 31, 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	Mar-19	661,617	-	243,372	91,043	-	5,472	332,675	35,760
3	Apr-19	671,901	-	244,355	91,043	-	3,073	339,576	28,733
4	May-19	675,653	-	245,576	95,904	-	3,073	337,246	31,541
5	Jun-19	686,567	-	246,607	91,179	-	3,073	351,854	26,506
6	Jul-19	690,447	-	247,849	91,179	-	3,837	355,256	26,427
7	Aug-19	692,557	-	249,274	91,295	-	3,837	355,826	27,808
8	Sep-19	693,052	-	249,930	95,868	-	3,837	351,091	31,281
9	Oct-19	699,649	-	250,836	95,823	-	3,533	356,524	30,418
10	Nov-19	699,717	-	251,434	99,160	-	3,533	352,657	33,104
11	Dec-19	705,074	-	253,143	92,145	-	3,533	363,319	32,704
12	Jan-20	707,076	-	250,289	92,145	-	2,068	366,709	34,026
13	Feb-20	709,762	-	251,340	91,494	-	2,068	368,995	36,307
14	Mar-20	714,145	-	252,053	93,095	-	2,068	371,065	36,146
15	Total (Sum of Lines 2 thru 14)	\$ 9,007,216	\$ -	\$ 3,236,058	\$ 1,211,373	\$ -	\$ 43,006	\$ 4,602,791	\$ 410,761
16	13 Month Average (L15/13)	\$ 692,863	\$ -	\$ 248,928	\$ 93,183	\$ -	\$ 3,308	\$ 354,061	\$ 31,597

NCUC Form G.S.-1
Rate Base
Piedmont Natural Gas
Twelve Months Ended March 31, 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	Mar-19	1,230,853	-	451,858	190,825	-	15,192	603,362	67,305
3	Apr-19	1,238,845	-	454,018	190,825	-	15,574	609,576	75,437
4	May-19	1,270,381	-	456,052	191,298	-	16,275	639,305	53,208
5	Jun-19	1,274,359	-	458,546	196,919	-	17,596	636,490	59,307
6	Jul-19	1,281,334	-	461,005	196,919	-	18,746	642,155	67,008
7	Aug-19	1,301,778	-	463,687	204,032	-	19,858	653,917	64,271
8	Sep-19	1,313,098	-	465,044	211,362	-	20,711	657,403	61,300
9	Oct-19	1,332,187	-	465,899	211,275	-	20,710	675,724	56,330
10	Nov-19	1,362,215	-	467,843	219,727	-	21,802	696,446	37,097
11	Dec-19	1,369,726	-	469,482	202,320	-	20,919	718,844	39,481
12	Jan-20	1,375,508	-	465,195	202,320	-	18,511	726,504	39,701
13	Feb-20	1,382,370	-	467,279	200,959	-	16,297	730,429	41,794
14	Mar-20	1,386,191	-	468,844	213,510	-	15,563	719,400	52,429
15	Total (Sum of Lines 2 thru 14)	\$ 17,118,845	\$ -	\$ 6,014,752	\$ 2,632,291	\$ -	\$ 237,754	\$ 8,709,556	\$ 714,666
16	13 Month Average (L15/13)	\$ 1,316,834	\$ -	\$ 462,673	\$ 202,484	\$ -	\$ 18,289	\$ 669,966	\$ 54,974

NCUC Form G.S.-1
Income Statement
Piedmont Natural Gas
Twelve Months Ended March 31, 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	\$ 667,837	\$ 476,853	\$ 71,358	119,626
3	Commercial	363,996	253,358	37,768	72,870
4	Industrial	35,978	21,382	13,029	1,567
5	Power Generation - Sales	45	45	-	-
6	Sales to Public Authorities	901	553	348	-
7	Sales for Resale	338	293	-	45
8	Provision for Rate Refund	(2,003)	(1,392)	-	(611)
9	Total Sales of Gas	\$ 1,067,092	\$ 751,092	\$ 122,503	\$ 193,497
10	Secondary market sales	\$ 1,571	\$ 1,029	\$ 162	\$ 380
11	Gas transportation for others	81,450	60,448	10,004	10,998
12	Transportation for resale	5,459	5,459	-	-
13	Power generation - transportation	94,982	86,705	8,277	-
14	Other operating revenues	5,666	3,339	560	1,767
15	Total Gas Operating Revenues	\$ 1,256,220	\$ 908,072	\$ 141,506	\$ 206,642
16	<u>OPERATING EXPENSES</u>				
17	Purchased Gas	380,056	255,202	56,547	\$ 68,307
18	Other Operating & Maintenance Expense ¹	301,930	213,563	34,464	53,903
19	Total O&M and Cost of Gas	\$ 681,987	\$ 468,766	\$ 91,011	\$ 122,210
20	Depreciation and Amortization	175,838	129,322	15,148	31,367
21	Total O&M, Cost of Gas & Depreciation	\$ 857,824	\$ 598,088	\$ 106,159	\$ 153,577
22	<u>OPERATING TAXES</u>				
23	Federal Income Tax Liability	(89,357)	\$ (69,034)	(2,993)	\$ (17,330)
24	Federal Income Tax - Deferred and EDIT Amortization	118,681	98,268	5,873	14,541
25	Investment Tax Credit (ITC) Normalization	-	-	-	-
26	Amortization of Investment Tax Credits (ITC)	(49)	(41)	(5)	(3)
27	Total Federal Taxes - Operating	\$ 29,275	\$ 29,193	\$ 2,875	\$ (2,792)
28	State Income Taxes	(2,825)	12,558	(187)	(15,196)
29	State Income Taxes - Deferred and EDIT Amortization	(4,798)	(7,170)	842	1,530
30	Other Operating Taxes (General)	44,095	30,840	2,152	11,103
31	Total Operating Taxes	\$ 65,747	\$ 65,421	\$ 5,682	\$ (5,356)
32	Total Operating Expenses & Cost of Gas	\$ 923,572	\$ 663,509	\$ 111,841	\$ 148,221
33	Net Utility Operating Income (L15-L32)	\$ 332,648	\$ 244,563	\$ 29,665	\$ 58,421

¹ Other Operating & Maintenance Expense including interest on customer deposits

NCUC Form G.S.-1
Income Statement
Piedmont Natural Gas
Twelve Months Ended March 31, 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)
34	<u>OTHER INCOME</u>				
35	Interest charged to construction	n/a	n/a	n/a	n/a
36	Dividends and other interest income	n/a	n/a	n/a	n/a
37	Miscellaneous Income	n/a	n/a	n/a	n/a
38	Total Other Income	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
39	<u>OTHER DEDUCTIONS</u>				
40	Miscellaneous Income Deductions	n/a	n/a	n/a	n/a
41	Taxes Applicable to Other Income & Deductions	n/a	n/a	n/a	n/a
42	Total Other Deductions	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
43	<u>INTEREST CHARGES</u>				
44	Interest on Long-term Debt	\$ 101,679	\$ 73,145	\$ 11,362	\$ 17,172
45	Amortization of Debt Discount and Expense	1,856	1,335	207	313
46	Amortization of Premium on Debt (Cr.)	-	-	-	-
47	Interest on Advances from Affiliated Companies	-	-	-	-
48	Other Interest Expense	10,268	7,893	772	1,602
49	Total Interest Charges	<u>\$ 113,803</u>	<u>\$ 82,374</u>	<u>\$ 12,342</u>	<u>\$ 19,088</u>
50	Net Income Before Extraordinary and Delayed Items	\$ 218,846	\$ 162,189	\$ 17,323	\$ 39,333
51	Extraordinary & Delayed Items	-	-	-	-
52	Net Income	<u>\$ 218,846</u>	<u>\$ 162,189</u>	<u>\$ 17,323</u>	<u>\$ 39,333</u>
53	Less Preferred Dividends	-	-	-	-
54	Net Income Available for Members' (Common) Equity	<u>\$ 218,846</u>	<u>\$ 162,189</u>	<u>\$ 17,323</u>	<u>\$ 39,333</u>
55	Members' Equity Capital - Year End	\$ 2,610,240	2,610,240	2,610,240	2,610,240
56	Members' Equity Capital - Simple Average	\$ 2,410,277	2,410,277	2,410,277	2,410,277
57	Rate of Return on Members' Equity - Year End	8.38%	6.21%	0.66%	1.51%
58	Rate of Return on Members' (Common) Equity - Simple Average	9.08%	6.73%	0.72%	1.63%

NCUC Form G.S.-1
Condensed Balance Sheet
Piedmont Natural Gas
Twelve Months Ended March 31, 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	\$ 8,208,844	\$ 6,108,509	\$ 714,145	\$ 1,386,191
3	Plant held for future use	7,255	7,257	(1)	(1)
4	Less: Accumulated Depreciation & Amortization	2,278,395	1,557,499	252,053	468,844
5	Net Plant in Service	\$ 5,937,704	\$ 4,558,268	\$ 462,091	\$ 917,345
6	Plus: Materials and Supplies	4,989	4,546	93	350
7	Net Plant in Service and Materials & Supplies	\$ 5,942,693	\$ 4,562,814	\$ 462,185	\$ 917,695
8	CWIP	509,558	420,983	36,146	52,429
9	Other Assets	702,217	539,794	52,526	109,897
10	Total Assets	<u>\$ 7,154,468</u>	<u>\$ 5,523,592</u>	<u>\$ 550,856</u>	<u>\$ 1,080,021</u>
11	<u>LIABILITIES AND MEMBERS' EQUITY</u> ¹				
12	Common Stock	859,847	n/a	n/a	n/a
13	Retained Earnings	1,300,432	n/a	n/a	n/a
14	Accumulated Other Comprehensive Income	(39)	n/a	n/a	n/a
15	Capital Contribution From Parent	450,000	n/a	n/a	n/a
16	Total Members' Equity	2,610,240	n/a	n/a	n/a
17	Total Long-term Debt (LTD)	2,379,651	n/a	n/a	n/a
18	Total Members' Equity and LTD	<u>\$ 4,989,891</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
19	Short-term Obligations	485,898	n/a	n/a	n/a
20	Accumulated Deferred Income Taxes (Net)	1,245,793	n/a	n/a	n/a
21	Other Liabilities and Deferred Credits	432,887	n/a	n/a	n/a
22	Total Liabilities and Members' Equity	<u>\$ 7,154,468</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 March 31, 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 March 31, 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			\$ 908,072		
3	<u>OPERATING REVENUE DEDUCTIONS</u>						
4	Cost of Gas	\$ 334,653	33.11%	43.83%	\$ 255,202	28.10%	38.51%
5	Operating and Maintenance Expenses	214,077	21.18%	28.04%	212,719	23.43%	32.10%
6	Depreciation and Amortization	136,306	13.48%	17.85%	129,322	14.24%	19.52%
7	Taxes Other Than Income Taxes	31,872	3.15%	4.17%	30,840	3.40%	4.65%
8	Taxes - State Income	5,515	0.55%	0.72%	5,389	0.59%	0.81%
9	Taxes - Federal Income	41,104	4.07%	5.38%	29,234	3.22%	4.41%
10	Amortization of Investment Tax Credits (ITC)	(79)	-0.01%	-0.01%	(41)	0.00%	-0.01%
11	Total Operating Expenses	<u>\$ 763,448</u>		<u>100.00%</u>	<u>\$ 662,664</u>		<u>100.00%</u>
12	Interest on Customer Deposits	796	0.08%		845	0.09%	
13	Net Operating Income for Return	<u>\$ 246,596</u>	24.40%		<u>\$ 244,563</u>	26.93%	

NCUC Form G.S.-1
 Comparative Data
 Piedmont Natural Gas
 Twelve Months Ended March 31, 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 March 31, 2020
		North Carolina Jurisdiction (a)	North Carolina Jurisdiction (b)
14	Gas Utility Plant in Service	\$ 5,516,373	\$6,108,509
15	Accumulated Depreciation	(1,520,637)	(1,557,499)
16	Net Plant in Service	3,995,736	\$4,551,010
17	Customer Advances for Construction	-	(781)
18	Materials and Supplies	1,472	4,546
19	Gas in Storage	39,392	26,821
20	Cash Working Capital	52,414	59,697
21	Other Working Capital	88,457	103,339
22	Accumulated Deferred Income Taxes	(726,860)	(939,186)
23	Original Cost Rate Base (L16 thru L23)	<u>\$ 3,450,611</u>	<u>\$ 3,805,445</u>

Docket No. M-1, Sub 12PNG

NCUC Form G.S.-1

Long-Term Debt and Interest Charges

Piedmont Natural Gas

Twelve Months Ended March 31, 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	160,000	4.240	6,784	6,784
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	17,908	21,000
8	Total Senior Debt			\$ 2,060,000	\$ 2,060,000		\$ 75,822	\$ 78,914
9	6.87 % Series	10/06/1993	10/06/2023	45,000	45,000	6.870	3,092	3,092
10	8.45 % Series	09/19/1994	09/19/2024	40,000	40,000	8.450	3,380	3,380
11	7.40 % Series	10/03/1995	10/31/2025	55,000	55,000	7.400	4,070	4,070
12	7.50 % Series	10/09/1996	10/09/2026	40,000	40,000	7.500	3,000	3,000
13	7.95 % Series	9/14/1999	09/14/2029	60,000	60,000	7.950	4,770	4,770
14	6.00 % Series	12/19/2003	12/19/2033	100,000	100,000	6.000	6,000	6,000
15	Total Medium-Term Debt			\$ 340,000	\$ 340,000		\$ 24,312	\$ 24,312
16	Capital Leases			-	-		-	-
17	Other Long-Term Debt			-	-		-	-
18	Unamortized Debt Expense, Discount and Premium			-	20,349		1,856	-
19	Return on Prepaid Interest			-	-		-	-
20	Current Portion of Long-Term Debt			-	-		1,641	-
21	Long-Term Interest Allocated to Non-Utility Activities			-	-		(95)	-
22	Total Long-Term Debt			\$ 2,400,000	\$ 2,379,651		\$ 103,535	\$ 103,226

NCUC Form G.S.-1
Piedmont Natural Gas
Twelve Months Ended March 31, 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	\$ 667,837	\$ 476,853	\$ 71,358	\$ 119,626
3	Commercial	363,996	253,358	37,768	72,870
4	Industrial	35,978	21,382	13,029	1,567
5	Power Generation - Sales	45	45	-	-
6	Sales to Public Authorities	901	553	348	-
7	Sales for Resale	338	293	-	45
8	Total Revenue from Sales of Gas	<u>\$ 1,069,095</u>	<u>\$ 752,484</u>	<u>\$ 122,503</u>	<u>\$ 194,108</u>
9	Gas transported for others	\$ 81,450	\$ 60,448	\$ 10,004	\$ 10,998
10	Gas transported for power generation	94,982	86,705	8,277	-
11	Gas transported for resale	5,459	5,459	-	-
12	<u>DT of Gas Sold</u>				
13	Residential	51,690	33,783	6,871	11,036
14	Commercial	41,373	28,775	4,769	7,830
15	Industrial	6,582	3,921	2,406	255
16	Power Generation - Sales	18	18	-	-
17	Sales to Public Authorities	76	43	33	-
18	Sales for Resale ²	3	0	-	3
19	Total DT of Gas Sales	<u>99,742</u>	<u>66,539</u>	<u>14,079</u>	<u>19,124</u>
20	Gas transported for others	94,558	72,311	10,259	11,988
21	Gas transported for power generation	309,992	269,142	40,850	-
22	Gas transported for resale	3,792	3,792	-	-
23	<u>Revenue Per DT</u> ¹				
24	Residential	\$ 12.92	\$ 14.12	\$ 10.39	\$ 10.84
25	Commercial	\$ 8.80	\$ 8.80	\$ 7.92	\$ 9.31
26	Industrial	\$ 5.47	\$ 5.45	\$ 5.42	\$ 6.15
27	Power Generation - Sales	\$ 2.53	\$ 2.53	\$ -	\$ -
28	Sales to Public Authorities	\$ 11.80	\$ 12.86	\$ 10.44	\$ -
29	Sales for Resale ²	\$ 107.83	\$ 9,898.65	\$ -	\$ 14.49
30	Total Revenue per DT of Gas Sold	\$ 10.72	\$ 11.31	\$ 8.70	\$ 10.15
31	Gas transported for others	\$ 0.86	\$ 0.84	\$ 0.98	\$ 0.92
32	Gas transported for power generation	\$ 0.31	\$ 0.32	\$ 0.20	\$ -
33	Gas transported for resale	\$ 1.44	\$ 1.44	\$ -	\$ -

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 March 31, 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	998,903	690,181	135,748	172,974
3	Commercial	104,688	71,763	14,567	18,358
4	Industrial	1,456	1,084	355	17
5	Power generation - sales	2	2	-	-
6	Sales to public authorities	2,904	1,550	1,354	-
7	Sales for resale	5	2	-	3
8	Total Customers - Period End	1,107,958	764,582	152,024	191,352
9	Gas transported for others	776	560	91	125
10	Gas transported for power generation	24	21	3	-
11	Gas transported for resale	6	6	-	-
12	<u>Average Number of Customers By Revenue Class</u>				
13	Residential	981,026	677,292	133,424	170,310
14	Commercial	103,264	70,780	14,357	18,127
15	Industrial	1,458	1,082	358	18
16	Power generation - sales	2	2	-	-
17	Sales to public authorities	2,901	1,550	1,352	-
18	Sales for resale	4	1	-	3
19	Total Customers-Average	1,088,655	750,706	149,490	188,458
20	Gas transported for others	777	560	91	126
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	53			
26	Commercial	401			
27	Industrial	4,515			
28	Power generation - sales	8,902			
29	Sales to public authorities	26			
30	Sales for resale	855			
31	Total DT Usage per Customer - Average	92			
32	Gas transported for others	121,697			
33	Gas transported for power generation	13,144,554			
34	Gas transported for resale	632,047			

NCUC Form G.S.-1
Piedmont Natural Gas
Twelve Months Ended March 31, 2020

NC Jurisdictional Revenue
Schedule 9

Line No.	Item	NCUC Fee Quarter Ended March 31, 2020
1	Revenue from Dts Sales Subject to NCUC Fee:	
2	Operating Revenues	
3	Residential Sales	\$ 207,773,318
4	Commercial Sales	94,616,341
5	Industrial Sales	7,569,894
6	Power generation Sales	7,025
7	Sales to public authorities	217,288
8	Sales for Resale	1,583,575
9	Total Revenue from Sales of Gas	\$ 311,767,440
10	Other Revenue Subject to NCUC Fee:	
11	Secondary market sales	\$ 124,339
12	Gas transportation for others	\$ 17,661,638
13	Transportation for resale	\$ -
14	Power generation - transportation	\$ 22,963,104
15	Other operating revenues	\$ 1,046,820
16	Subtotal - Other Piedmont Natural Gas Revenue	\$ 41,795,901
17	Total Piedmont Natural Gas Revenues	\$ 353,563,342
18	Less: Uncollectible Revenues	\$ 142,206
19	Total Revenues subject to Regulatory Fee	\$ 353,421,136