**STATE OF NORTH CAROLINA**

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

**DOCKET NO. G-9, SUB 837**

# DIRECT TESTIMONY

**OF**

**DANE A. WATSON, PE CDP**

**PARTNER,**

**ALLIANCE CONSULTING GROUP**

**ON BEHALF OF**

**PIEDMONT NATURAL GAS COMPANY, INC.**

Filed: April 1, 2024

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**OF DANE A. WATSON, WITNESS FOR**
**PIEDMONT NATURAL GAS COMPANY, INC.**

# DIRECT TESTIMONY OF DANE A. WATSON

## I. POSITION AND QUALIFICATIONS

**Q. Please state your name and address.**

A. My name is Dane A. Watson, and my business address is 101 E. Park Blvd., Suite 220, Plano, Texas 75074. I am a Partner of Alliance Consulting Group. Alliance Consulting Group provides consulting and expert services to the utility industry.

**R. What is your educational background?**

A. I hold a Bachelor of Science degree in Electrical Engineering from the University of Arkansas at Fayetteville and a Master's Degree in Business Administration from Amberton University.

**Q. Do you hold any special certification as a depreciation expert?**

A. Yes. The Society of Depreciation Professionals ("the Society") has established national standards for depreciation professionals. The Society administers an examination and has certain required qualifications to become certified in this field. I met all requirements and have become a Certified Depreciation Professional ("CDP").

**Q. Please briefly describe your educational and professional qualifications.**

A. I hold a Bachelor of Science degree in Electrical Engineering from the University of Arkansas at Fayetteville and a Master's Degree in Business Administration from Amberton University. Since graduation from college in 1985, I have worked in the area of depreciation and valuation. I founded Alliance Consulting Group in 2004 and am responsible for conducting

depreciation, valuation, and certain other accounting-related studies for utilities in various regulated industries. My duties related to depreciation studies include the assembly and analysis of historical and simulated data, conducting field reviews, determining service life and net salvage estimates, calculating annual depreciation, presenting recommended depreciation rates to utility management for its consideration, and supporting such rates before regulatory bodies.

My prior employment from 1985 to 2004 was with Texas Utilities ("TXU"). During my tenure with TXU, I was responsible for, among other things, conducting valuation and depreciation studies for the domestic TXU companies. During that time, I also served as Manager of Property Accounting Services and Records Management in addition to my depreciation responsibilities.

**Q. Have you previously submitted testimony before the north carolina utilities commission?**

A. Yes, I filed testimony on behalf of Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company") in Docket No. G-9, Sub 743. I also filed testimony on behalf of Progress Energy Carolinas, Inc. (now Duke Energy Progress, LLC) in Docket No. E-2, Sub 1025.

**Q. Have you previously testified before other state and/or federal regulatory commissions?**

A. Yes. During my 39-year career in performing depreciation studies, I have filed written testimony, and appeared before numerous state regulatory bodies and the Federal Energy Regulatory Commission ("FERC"). A complete list of the

proceedings in which I have filed written testimony, and/or testified before various state and federal commissions is provided in Exhibit DAW-1.

## II. PURPOSE OF DIRECT TESTIMONY

**Q. What is the purpose of your direct testimony in this proceeding?**

A. I sponsor and support the depreciation study performed for Piedmont of its wholly dedicated fixed assets for North Carolina, South Carolina, and Tennessee, and its multi-state dedicated fixed assets (referred to as 2 State (North Carolina and South Carolina) and 3 State ("Corporate") fixed assets, which jointly support Piedmont's operations in North Carolina, South Carolina, and Tennessee). This study combines the historical data from each entity into one database for analysis, which is the basis for the life and net salvage recommendations on a "system" basis. Those were then applied to entity specific plant balance and reserve balance at December 31, 2022, to calculate the annual depreciation expense and accrual rates.

**Q. Are you sponsoring any exhibits in this proceeding?**

A. Yes. I am sponsoring the following exhibits:

- DAW-1 – Dane A. Watson Testimony Appearances
- DAW-2 – Piedmont Natural Gas Company's Gas Depreciation Rate Study at December 31, 2022

**Q. Were these exhibits prepared by you or under your supervision and control?**

A. Yes.

**Q. Please summarize your conclusions.**

A. The study, which mentioned above encompasses all fixed assets for Piedmont results in an overall increase of $27.0 million in annual depreciation expense compared to the annualized current depreciation expense being recorded at December 31, 2022. In this proceeding, we only address the North Carolina, 2 State, and 3 State property, which resulted in approximately a $20.2 million increase. The North Carolina direct increase is approximately $14.5 million; 2 State is an increase of $3.5 million; and 3 State is an increase of $2.2 million. The increased investment, changes in removal cost experienced by the Company, the changes in lives, and the reserve levels, are the drivers for the change in annual depreciation expense. The Piedmont depreciation rate study is attached to my testimony as Exhibit DAW–2. I recommend adoption of the proposed North Carolina, 2 State and 3 State annual depreciation rates for each property group shown in Appendix B1, B4, and B5 of the study, as well as adoption of the reallocated book reserves.

## III. PIEDMONT NATURAL GAS COMPANY'S DEPRECIATION STUDY

**Q. Did you prepare the gas depreciation study?**

A. Yes. The Piedmont Depreciation Study is attached to my testimony as Exhibit DAW–2. The depreciation study shown in Exhibit DAW-2 analyzes the life and net salvage percentage for all of the Company's gas assets operating at December 31, 2022. The life and net salvage analysis for all five entities were combined, which results in one life and net salvage parameter recommendation for each account. Those parameters were then used to calculate annual depreciation accruals for each separate jurisdictional entity based on each

entity's plant and reserves. While the study encompasses all five entities and is discussed as a system, the annual depreciation expense accruals and rates being submitted to this Commission for approval are limited to North Carolina, 2 State, and 3 State (Corporate)

**Q. What property is included in the depreciation study?**

A. There are four general classes, or functional groups, of depreciable property: Storage Plant, Transmission Plant, Distribution Plant property, and General Plant. Intangible Plant was excluded from the study. The Storage Plant functional group primarily consists of facilities that store natural gas for use as needed. The Transmission Plant functional group primarily consists of high and intermediate pressure transmission assets that deliver gas to various receipt points or city gates. The Distribution Plant functional group primarily consists of lines and associated facilities used to distribute gas within the locale served by Piedmont. General Plant property is not location specific but is used to support the overall distribution of gas to its customers.

**Q. What definition of depreciation have you used for the purposes of conducting a depreciation study and preparing your testimony?**

A. The term "depreciation," as used herein, is considered in the accounting sense; that is, a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. Depreciation is a process of allocation, not valuation. Depreciation expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not

necessarily represent the loss or decrease in value that will occur during that particular period. Thus, depreciation is considered an expense or cost, rather than a loss or decrease in value. The Company accrues depreciation based on the original cost of all property included in each depreciable plant account. On retirement, the full cost of depreciable property, less the net salvage amount, if any, is charged to the depreciation reserve.

**Q. Please describe your depreciation study approach.**

A. I conducted the depreciation study in four phases as shown in my Exhibit DAW-2. The four phases are: Data Collection, Analysis, Evaluation, and Calculation. During the initial phase of the study, I collected historical data to be used in the analysis. After the data was assembled, I performed analyses to determine the life and net salvage percentage for the different property groups being studied. Using the same methodology used in the prior study, the historical asset data for all entities were combined for life and net salvage analysis. However the annual depreciation rates were computed separately. As part of this process, I conferred with field personnel, engineers, and managers responsible for the installation, operation, and removal of the assets to gain their input into the operation, maintenance, and salvage of the assets. The information obtained from field personnel, engineers, and managerial personnel, combined with the study results, was then evaluated to determine how the results of the historical asset activity analysis, in conjunction with the Company's expected future plans, should be applied. Using all of these resources, I then calculated separate depreciation rates for each account and function for each entity.

**Q. What depreciation methodology did you use?**

A. Consistent with the previously approved studies, the straight-line, Average Life Group ("ALG") remaining-life depreciation system was employed to calculate annual and accrued depreciation in this study.

**Q. How are the depreciation rates determined using the alg procedure?**

A. In this system, the annual depreciation expense for each group was computed by dividing the original cost of the asset, less allocated depreciation reserve, less estimated net salvage, by its respective average life group remaining life. The resulting annual accrual amounts of all depreciable property within an account were accumulated, and the total was divided by the original cost of all depreciable property within the account to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group. The computations of the annual depreciation rates are shown in Appendix A of my Exhibit DAW-2.

**Q. What time period did you use to develop the proposed depreciation rates?**

A. The account level depreciation rates were developed based on the depreciable property recorded on the Company's books at December 31, 2022.

**Q. Please summarize the depreciation study results with respect to depreciation rates.**

A. Tables 1 - 3 show the approved and recommended depreciation rates and annual accrual for each account for North Carolina, 2 State, and 3 State.

| Table 1 - Comparison of Existing versus Proposed North Carolina | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Existing | | Recommended | | | |
| | | Plant Balance | | Annual | | | Annual | Increase/ |
| Acct | Description | 12/31/2022 | Rate | Accrual | Rate | | Accrual | Decrease |
| | **TRANSMISSION PLANT** | | | | | | | |
| 26510 | Land | 49,228,221.90 | 0.00% | - | 0.00% | | - | - |
| 26520 | Land Rights | 140,950,148.50 | 1.25% | 1,759,678.68 | 1.29% | | 1,818,256.92 | 58,578.23 |
| 26610 | Structures & Improvements - Compressor Station | 22,726,693.71 | 2.10% | 476,412.57 | 2.22% | | 504,532.60 | 28,120.03 |
| 26620 | Structures & Improvements - M&R Stations | 13,607,382.70 | 2.10% | 285,202.33 | 2.20% | | 299,362.42 | 14,160.09 |
| 26700 | Mains & Cathodic Protection | 2,986,129,493.69 | 1.85% | 55,243,395.63 | 1.96% | | 58,528,138.08 | 3,284,742.44 |
| 26800 | Compressor Station Equipment | 170,814,986.45 | 2.85% | 4,861,147.54 | 3.45% | | 5,893,117.03 | 1,031,969.49 |
| 26900 | M&R Station Equipment | 321,896,245.03 | 2.33% | 7,488,385.63 | 2.25% | | 7,242,665.51 | (245,720.12) |
| | Total Transmission (excludes land) | 3,656,124,950.08 | 1.92% | 70,114,222.40 | 2.03% | | 74,286,072.56 | 4,171,850.16 |
| | **DISTRIBUTION PLANT** | | | | | | | |
| 27400 | Land | 3,097,521.92 | 0.00% | - | 0.00% | | - | - |
| 27401 | Land Rights | 16,790,244.82 | 1.32% | 222,205.43 | 1.32% | | 221,631.23 | (574.20) |
| 27500 | Structures & Improvements | 641,853.49 | 1.70% | 10,891.36 | 1.94% | | 12,451.96 | 1,560.59 |
| 27600 | Mains | 1,704,374,068.21 | 1.71% | 29,106,618.61 | 1.87% | | 31,871,795.08 | 2,765,176.47 |
| 27800 | M&R Station Equipment | 102,155,273.16 | 1.93% | 1,973,335.49 | 2.38% | | 2,431,295.50 | 457,960.01 |
| 27900 | M&R City Gate Equipment | 160,815,215.47 | 1.90% | 3,061,315.93 | 2.24% | | 3,602,260.83 | 540,944.90 |
| 28000 | Services | 937,309,565.25 | 2.78% | 26,074,006.20 | 3.10% | | 29,056,596.52 | 2,982,590.33 |
| 28100 | Meters Commercial & Industrial | 41,358,206.69 | 2.90% | 1,199,812.14 | 3.02% | | 1,249,017.84 | 49,205.70 |
| 28101 | Meters Residential | 56,228,719.49 | 2.90% | 1,631,209.52 | 3.72% | | 2,091,708.37 | 460,498.85 |
| 28105 | Meters - Meter Accessories & ERTs | 33,879,174.23 | 3.46% | 1,173,881.69 | 3.75% | | 1,270,469.03 | 96,587.34 |
| 28106 | New Meters | | 2.90% | | 5.00% | (1) | | 0.00 |
| 28200 | Meter Installations | 71,341,374.01 | 3.28% | 2,340,246.00 | 3.19% | | 2,275,789.83 | (64,456.17) |
| 28300 | House Regulators | 13,192,897.82 | 2.96% | 390,427.84 | 3.13% | | 412,937.70 | 22,509.86 |
| 28400 | House Regulator Installations | 726,793.37 | 3.40% | 24,697.44 | 3.20% | | 23,257.39 | (1,440.05) |
| 28500 | Industrial M&R Station Equipment | 53,721,434.51 | 1.63% | 876,290.89 | 1.94% | | 1,042,195.83 | 165,904.93 |
| 28600 | Property on Customer Premises | 743,304.27 | 1.50% | 11,139.20 | 1.49% | | 11,075.23 | (63.97) |
| 28700 | Other Equipment | 43,671.55 | 2.29% | 999.23 | 3.53% | | 1,541.61 | 542.37 |
| | Total Distribution (excludes land) | 3,193,321,796.34 | 2.13% | 68,097,076.98 | 2.37% | | 75,574,023.95 | 7,476,946.96 |
| | **GENERAL PLANT** | | | | | | | |
| 28900 | Land | 3,983,257.39 | 0.00% | - | 0.00% | | - | - |
| 29000 | Structures & Improvements | 143,518,152.11 | 2.00% | 2,867,394.64 | 2.10% | | 3,013,881.19 | 146,486.55 |
| 29002 | CNG Station Equipment | 23,414,052.80 | 3.90% | 914,219.11 | 4.09% | | 957,634.76 | 43,415.65 |
| 29210 | Passenger Cars & Station Wagons | 2,369,038.26 | 11.76% | 278,575.57 | 11.51% | | 272,676.30 | (5,899.27) |
| 29240 | Transportation Equipment - 3 Year Meter Reading | 316,864.67 | 18.07% | 57,245.87 | 25.00% | * | 79,216.17 | 21,970.30 |
| 29241 | Transportation - 5 Year Rural Use | 15,725,618.56 | 12.82% | 2,016,759.17 | 15.74% | | 2,475,212.36 | 458,453.19 |
| 29242 | Transportation - 7 Year Urban Use | 47,993,100.40 | 7.54% | 3,616,496.86 | 10.90% | | 5,231,247.94 | 1,614,751.08 |
| 29243 | Transportation - 10 Year Heavy Duty | 21,225,631.66 | 6.14% | 1,303,358.79 | 7.55% | | 1,602,535.19 | 299,176.40 |
| 29244 | Transportation - 15 Year Trailers & Other | 1,959,428.25 | 4.58% | 89,683.94 | 7.63% | | 149,504.38 | 59,820.44 |
| 29600 | Power Operated Equipment | 12,462,564.64 | 3.28% | 408,772.12 | 3.98% | | 496,010.07 | 87,237.95 |
| | Total General Depreciated (excludes land) | 268,984,451.35 | 4.29% | 11,552,506.08 | 5.31% | | 14,277,918.37 | 2,725,412.29 |
| | **GENERAL PLANT AMORTIZED** | | | | | | | |
| 29100 | Office Furniture & Equipment | 11,342,560.21 | 5.00% | 567,128.01 | 5.00% | | 567,128.01 | 0.00 |
| 29102 | PC Equipment | 149,597.21 | 20.00% | 29,919.44 | 20.00% | | 29,919.44 | 0.00 |
| 29300 | Stores Equipment | 3,385.21 | 5.00% | 169.26 | 5.00% | | 169.26 | 0.00 |
| 29400 | Tools, Shop & Garage Equipment | 19,134,218.73 | 5.00% | 956,710.94 | 5.00% | | 956,710.94 | 0.00 |
| 29500 | Laboratory Equipment | 755,302.88 | 5.00% | 37,765.14 | 5.00% | | 37,765.14 | 0.00 |
| 29700 | Communications Equipment | 6,880,115.01 | 5.56% | 382,228.61 | 6.67% | | 458,903.67 | 76,675.06 |
| 29800 | Miscellaneous Equipment | 3,439,096.63 | 5.00% | 171,954.83 | 5.00% | | 171,954.83 | 0.00 |
| | Total General Amortized | 41,704,275.88 | 5.15% | 2,145,876.24 | 5.33% | | 2,222,551.30 | 76,675.06 |
| | Total General Plant (excludes land) | 310,688,727.23 | 4.27% | 13,698,382.31 | 5.31% | | 16,500,469.66 | 2,802,087.35 |
| | Total Study Depreciated & Amortized | $ 7,160,135,473.65 | 2.12% | $ 151,909,681.69 | 2.32% | | $ 166,360,566.17 | $ 14,450,884.47 |
| | Total Plant with Land & Intangibles - GL | $ 7,219,519,691.53 | | | | | | |
| (1) Rate is (1-Net Salvage %)/ASL of asset group. | | | | | | | | |
| *Account is fully depreciated. Rate is (1-NS%)/ASL of group | | | | | | | | |

| Table 2 - Comparison of Existing versus Proposed 2-State | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Existing | | Recommended | | |
| | | Plant Balance | | Annual | | Annual | Increase/ |
| Acct | Description | 12/31/2022 | Rate | Accrual | Rate | Accrual | Decrease |
| | **STORAGE PLANT DEPRECIATED** | | | | | | |
| 26001 | Rights of Way | $ 117,629 | 0.00% | $ - | 1.26% | $ 1,482 | $ 1,482 |
| 26100 | Structures & Improvements | 167,787,704 | 2.02% | 3,389,311.62 | 2.67% | 4,479,932 | 1,090,620 |
| 26200 | Gas Holders | 113,458,495 | 1.48% | 1,679,186 | 1.70% | 1,928,794 | 249,609 |
| 26300 | Purification Equipment | 58,728,924 | 2.46% | 1,444,732 | 3.89% | 2,284,555 | 839,824 |
| 26310 | Liquefaction Equipment | 69,260,510 | 2.06% | 1,426,767 | 2.86% | 1,980,851 | 554,084 |
| 26320 | Vaporization Equipment | 57,559,802 | 3.43% | 1,974,301 | 4.24% | 2,440,536 | 466,234 |
| 26330 | Compressor Equipment | 22,841,851 | 2.51% | 573,330 | 2.98% | 680,687 | 107,357 |
| 26340 | M&R Equipment | 1,123,236 | 3.10% | 34,820 | 3.08% | 34,596 | (225) |
| 26350 | Other Equipment | 14,479,551 | 2.98% | 431,491 | 3.93% | 569,046 | 137,556 |
| | Total Storage (excludes land) | 505,357,704 | 2.17% | 10,953,938 | 2.85% | 14,400,479 | 3,446,541 |
| | **DISTRIBUTION PLANT DEPRECIATED** | | | | | | |
| 27500 | Structures & Improvements | 824,051.54 | 4.60% | 37,906 | 0.25% | 2,060 | (35,846) |
| 28100 | Meters - Commercial & Industrial | 100,076.21 | 4.50% | 4,503 | 2.64% | 2,642 | (1,861) |
| 28104 | Meters - Meter Accessories | 1,980,582.25 | 14.46% | 286,392 | 0.23% | 4,555 | (281,837) |
| 28106 | AMI Meter (New) | - | 4.50% | | 5.00% | - | 0 |
| | Total Distribution (excludes land) | 2,904,710 | 1.46% | 42,410 | 0.16% | 4,702 | (37,708) |
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 29000 | Structures & Improvements | 215,747 | 2.10% | 4,531 | 2.12% | 4,574 | 43 |
| 29242 | Transportation - 7 Year Urban Use | 380,714 | 8.83% | 33,617 | 17.44% | 66,397 | 32,779 |
| 29243 | Transportation - 10 Year Heavy Duty | 225,057 | 7.29% | 16,407 | 11.98% | 26,962 | 10,555 |
| 29244 | Transportation - Trailers & Other | 5,636 | 4.94% | 278 | 20.60% | 1,161 | 883 |
| 29600 | Power Operated Equipment | 861,228 | 3.71% | 31,952 | 4.71% | 40,564 | 8,612 |
| | Total General Depreciated (excludes land) | 1,688,381 | 5.14% | 86,784 | 8.27% | 139,657 | 52,873 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29100 | Office Furniture & Equipment | 218,667 | 5.00% | 10,933 | 5.00% | 10,933 | 0 |
| 29400 | Tools, Shop & Garage Equipment | 997,199 | 5.00% | 49,860 | 5.00% | 49,860 | 0 |
| 29500 | Laboratory Equipment | 367,010 | 5.00% | 18,350 | 5.00% | 18,350 | 0 |
| 29700 | Communications Equipment | 1,330,455 | 5.56% | 73,973 | 6.67% | 88,741 | 14,768 |
| 29800 | Miscellaneous Equipment | 552,497 | 5.00% | 27,625 | 5.00% | 27,625 | 0 |
| | Total General Amortized | 3,465,828 | 5.21% | 180,742 | 5.64% | 195,510 | 14,768 |
| | Total General Plant | 5,154,209 | 5.19% | 267,526 | 6.50% | 335,167 | 67,641 |
| Total Plant Depreciated & Amortized (excludes land) | | $ 513,416,623 | 2.19% | $ 11,263,874 | 2.87% | $ 14,740,348 | $ 3,476,474 |
| | **ASSETS NOT INCLUDED IN STUDY** | | | | | | |
| 26000 | Land & Land Rights | 6,957,417 | | | | | |
| 27400 | Land & Land Rights (Non-Depreciable) | 63,862 | | | | | |
| | Total Assets Not Included in Study | 7,021,279 | | | | | |
| General Amortized Assets Retired Age > ASL | | 4,933.71 | | | | | |
| | Total Plant In Service | $ 520,442,835 | | | | | |
| Total Plant Balance per General Ledger at 12/31/22 | | $ 520,442,835 | | | | | |

| Table 3 - Comparison of Existing versus Proposed 3-State | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Existing | | Recommended | | | |
| Acct | Description | Plant Balance 12/31/2022 | Rate | Annual Accrual | Rate | | Annual Accrual | Increase/ Decrease |
| | **DISTRIBUTION PLANT DEPRECIATED** | | | | | | | |
| 28100 | Meters - Commercial & Industrial | 7,352,675 | 4.50% | 330,870 | 3.16% | | 232,345 | (98,526) |
| 28101 | Meters - Residential | 5,107,469 | 4.50% | 229,836 | 4.07% | | 207,874 | (21,962) |
| 28105 | Meters - Meter Accessories & ERTs | 18,114,802 | 14.46% | 2,619,400 | 4.36% | | 789,805 | (1,829,595) |
| 28106 | AMI Meter - NEW | - | 4.50% | 0 | 5.00% | * | - | 0 |
| | Total Distribution (excludes land) | 30,574,945 | 11.91% | 2,849,236 | 3.26% | | 997,679 | (1,851,557) |
| | **GENERAL PLANT DEPRECIATED (4)** | | | | | | | |
| 29000 | Structures & Improvements | 2,677,624 | 2.10% | 56,230 | 2.35% | | 62,924 | 6,694 |
| 29240 | Transportation 3 Year Meter Reading Trucks | 104,284 | 18.07% | 0 | 25.00% | (1) | - | 0 |
| 29241 | Transportation 5 Year Rural | 828,717 | 15.40% | 127,622 | 15.00% | | 124,308 | (3,315) |
| 29242 | Transportation - 7 Year Urban Use | 1,429,699 | 8.83% | 126,242 | 33.96% | | 485,526 | 359,283 |
| 29243 | Transportation - 10 Year Heavy Duty | 130,042 | 7.29% | 9,480 | 35.60% | | 46,295 | 36,815 |
| 29244 | Transportation - Trailers & Other | 21,889 | 4.94% | 1,081 | 36.76% | | 8,046 | 6,965 |
| | Total General Depreciated (excludes land) | 5,192,254 | 5.23% | 320,656 | 14.00% | | 727,099 | 406,442 |
| | **GENERAL PLANT AMORTIZED (4)** | | | | | | | |
| 29001 | Leasehold Improvements | 39,914 | 4.76% | 1,900 | 7.50% | (2) | 6,893 | 4,993 |
| 29100 | Office Furniture & Equipment | 7,145,598 | 5.00% | 357,280 | 5.00% | (2) | 1,201,258 | 843,978 |
| 29101 | Electronic Data Processing/Mainframe Equipment | 1,454,289 | 20.00% | 290,858 | 20.00% | (2) | 486,140 | 195,283 |
| 29102 | PC/Server Equipment | 10,435,491 | 20.00% | 2,087,098 | 20.00% | (2) | 3,444,910 | 1,357,812 |
| 29400 | Tools, Shop & Garage Equipment | 3,794,578 | 5.00% | 189,729 | 5.00% | (2) | 452,657 | 262,928 |
| 29700 | Communications Equipment | 18,874,490 | 5.56% | 1,049,422 | 6.67% | (2) | 2,042,918 | 993,497 |
| 29800 | Miscellaneous Equipment | 33,588 | 5.00% | 1,679 | 5.00% | (2) | 3,917 | 2,237 |
| | Total General Amortized | 41,777,947 | 9.27% | 3,977,966 | 18.28% | | 7,638,693 | 3,660,728 |
| | Total General Plant | 46,970,201 | 8.76% | 4,298,622 | 17.81% | | 8,365,792 | 4,067,170 |
| | Total Plant Depreciated & Amortized (excludes land) | $ 77,545,146 | 9.64% | $7,147,858 | 12.07% | | $9,363,471 | $2,215,613 |
| | **ASSETS NOT INCLUDED IN STUDY** | | | | | | | |
| 20300 | Misc Intangible Plant - 5 Year | 75,751,208 | (3) | | | | | |
| 20303 | Customer Information System | 27,863 | (3) | | | | | |
| 20310 | Misc Intangible Plant - 10 Year | 140,536,818 | (3) | | | | | |
| 29103 | Customer Information System | 17,721,735 | (4) | | | | | |
| | Total Assets Not Included in Study | 234,037,624 | | | | | | |
| Various | PTC Retirements 2023 & 2024 General Plant | 13,243,330 | (5) | | | | | |
| | General Amortized Assets Retired Age > ASL | 18,040,984 | | | | | | |
| | | 342,867,084 | | | | | | |
| | Total Plant Balance per General Ledger at 12/31/22 | $ 342,867,084 | | | | | | |
| | | - | | | | | | |

*Denotes a whole life rate (1-NS%/ASL) is shown for future additions

(1) Account is fully depreciated, so no change is calculated. Proposed Rate is (1-NS%)/life and is to be applied to new additions.

(2) Rate is (1-Net Salvage %)/ASL of asset group. The annual amortization amount includes reserve true up for 4 years.

(3) Intangible Assets are amortized and therefore not included in the study.

(4) Customer Information System is fully accrued and will be retired in 2024.

(5) Piedmont Town Center Study Proforma Retirements Total $10,940,989.83 Recorded in 2023. However, Intangible 20300 retirements of $258,971.82 is excluded from the study, so the net PTC Study Retirements in 2023 are $10,682,018.01 and $2,561,311.87 in 2024 for a total of $13,243,329.88.

As noted previously, and shown above, the change in annual depreciation expense, for North Carolina, 2 State and 3 State combined is an increase of approximately $20.2 million.

**Q. What factors influence the depreciation rates for an account?**

A. The primary factors that influence the depreciation rate for an account are: 1. the remaining investment to be recovered in the account, 2. the depreciable life of the account, and 3. the net salvage for the account.

**Q. Which of these factors influenced the depreciation rates for piedmont natural gas?**

A. All of these factors influenced the proposed depreciation rates for Piedmont. Adjustments in the average service lives and net salvage factors for various accounts combined with the historical book reserve level are what influenced the proposed depreciation rates.

**Q. As part of your depreciation analysis, have you taken any action to properly align the company's depreciation reserve with the life characteristics of the assets within each plant function?**

A. Yes. In the process of analyzing the Company's depreciation reserve, I observed that the depreciation reserve positions of the various accounts needed to be re-balanced based on my recommended service lives and net salvage ratios. To allow the relative reserve positions of each account within a function to mirror the life characteristics of the underlying assets, I reallocated the depreciation reserves for all accounts within each function.

**Q. Does the reallocation of the depreciation reserve change the total reserve?**

A. No. The depreciation reserve represents the amounts that customers have contributed to the return of the investment. The reallocation process does

not change the total reserve for each function; it simply reallocates the reserve between accounts within each function.

**Q. Is a depreciation reserve reallocation a sound depreciation practice?**

A. Yes. The practice of depreciation reserve allocation is widely recognized and commonly practiced as part of a comprehensive depreciation study for the purposes of setting regulated rates where changes in services lives result in an imbalance between the theoretical and book reserve.[1]

**Q. How will the company implement the reallocation of its depreciation reserve if its proposed rates are approved?**

A. When the proposed depreciation rates are approved, the Company will reallocate the reserves on its books, at the time of implementation, to match the allocation performed in this study.

**Q. What method did you use to analyze historical data to determine life characteristics?**

A. All accounts, where sufficient data existed, were analyzed using actuarial analysis (retirement rate method) to estimate the life of property. In much the same manner as human mortality is analyzed by actuaries, depreciation analysts use models of property mortality characteristics that have been validated in research and empirical applications. Further detail is found in the life analysis section of Exhibit DAW-2.

[1] *Public Utility Depreciation Practices*, NARUC (1968), p. 48; *Public Utility Depreciation Practices*, NARUC (1996), p. 188.

**Q. How did you determine the average service lives for each asset group?**

A. Actuarial analysis combined vintage plant from all entities to determine one average service life and mortality curve for each account. Graphs and tables supporting the actuarial analysis and the chosen Iowa Curves used to determine the average service lives for analyzed accounts are found in the Life Analysis section of my Exhibit DAW-2. A summary of the proposed life parameters including average service life and mortality curve for each count is shown below in Table 4

| Table 4 - Piedmont Natural Gas Life & Net Salvage Parameters | | | | |
|---|---|---|---|---|
| | | | | |
| | SYSTEM PROPOSED | | | |
| Acct | Description | Life | Curve | NS |
| **STORAGE PLANT** | | | | |
| 26001 | Land Rights | 80 | R5 | 0% |
| 26100 | Structures & Improvements | 45 | R4 | -15% |
| 26200 | Gas Holders | 70 | R5 | -15% |
| 26300 | Purification Equipment | 30 | S5 | -10% |
| 26310 | Liquefaction Equipment | 40 | R4 | -10% |
| 26320 | Vaporizing Equipment | 30 | S5 | -5% |
| 26330 | Compressor Equipment | 40 | R4 | -10% |
| 26340 | M&R Equipment | 40 | S5 | -10% |
| 26350 | Other Equipment | 30 | S5 | -5% |
| **TRANSMISSION PLANT** | | | | |
| 26520 | Land Rights | 80 | R4 | 0% |
| 26610 | Compressor Station Structures | 50 | R4 | -5% |
| 26620 | M&R Station Structures | 50 | R4 | -5% |
| 26700 | Mains | 68 | R4 | -30% |
| 26800 | Compressor Station Equipment | 35 | R4 | -10% |
| 26900 | M&R Station Equipment | 50 | R1 | -10% |
| **DISTRIBUTION PLANT** | | | | |
| 27401 | Land Rights | 75 | R4 | 0% |
| 27500 | Structures & Improvements | 50 | R4 | -5% |
| 27600 | Mains | 68 | R4 | -30% |
| 27800 | M&R Station Equipment | 48 | R0.5 | -15% |
| 27900 | M&R City Gate Equipment | 51 | R1 | -15% |
| 28000 | Services | 60 | R2 | -90% |
| 28100 | Meters - Commercial & Industrial | 32 | R1 | 0% |
| 28101 | Meters - Residential | 25 | R1 | 0% |
| 28104 | Meter Accessories | 25 | R2 | 0% |
| 28105 | Meter Accessories, ERTs | 25 | R2 | 0% |
| 28106 | Honeywell AMI Meters - New Account | 20 | | 0% |
| 28200 | Meter Installations | 31 | L0 | 0% |
| 28300 | House Regulators | 31 | L0 | 0% |
| 28400 | House Regulator Installations | 31 | L0 | 0% |
| 28500 | Industrial M&R Station Equipment | 55 | R4 | -10% |
| 28600 | Property on Customer Premises | 40 | R3 | 0% |
| 28700 | Other Equipment | 26 | L5 | 0% |

| Table 4 - Piedmont Natural Gas Life & Net Salvage Parameters | | | | |
|---|---|---|---|---|
| | | | | |
| | | SYSTEM PROPOSED | | |
| Acct | Description | Life | Curve | NS |
| GENERAL PLANT DEPRECIATED | | | | |
| 29000 | Structures & Improvements | 50 | L1 | -5% |
| 29002 | CNG Station Equipment | 25 | R3 | -2% |
| 29600 | Power Operated Equipment | 22 | S1 | 13% |
| TRANSPORTATION EQUIPMENT | | | | |
| 29210 | Passenger Cars & Station Wagon | 7 | S4 | 25% |
| 29240 | 3 Year-Meter Reading Trucks | 3 | SQ | 25% |
| 29241 | 5 Year-Rural 1 ton or less | 5 | S4 | 25% |
| 29242 | 7 Year-Urban 1 ton or less | 7 | L4 | 25% |
| 29243 | 10 Year-Heavy Duty | 10 | L3 | 25% |
| 29244 | 15 Year- Trailers & Other | 10 | S5 | 25% |
| GENERAL PLANT AMORTIZED | | | | |
| 29001 | S&I Leasehold Improvements | 14 | SQ | -5% |
| 29100 | Office Furniture & Equipment | 20 | SQ | 0% |
| 29101 | Electronic Data Processing | 5 | SQ | 0% |
| 29102 | PC Equipment | 5 | SQ | 0% |
| 29300 | Stores Equipment | 20 | SQ | 0% |
| 29400 | Tools, Shop & Garage Equipment | 20 | SQ | 0% |
| 29500 | Laboratory Equipment | 20 | SQ | 0% |
| 29700 | Communications Equipment | 15 | SQ | 0% |
| 29800 | Miscellaneous Equipment | 20 | SQ | 0% |
| ACCOUNTS FULLY DEPRECIATED & RETIRED | | | | |
| 29103 | Customer Information System | | | |
| 29105 | SaaS - 3 Yr. Contract | | | |
| 29204 | Lease Buyout | | | |
| | | | | |
| *Note - Intangibles were excluded from the study | | | | |
| **Note - PTC Proforma Retirements recorded in 2023 and 2024 were made for rate calculation. | | | | |

**Q. Please describe some of the changes in the average service lives for the various accounts?**

A. The detailed analysis of each account is described fully in Exhibit DAW-2. Examples of some of the changes in average service lives are:

- For North Carolina, 2 State and 3 State (Corporate) lives increased in 10 accounts, lives decreased in 10 accounts, lives remained the same in 27 accounts, and three accounts where no comparison was possible. The largest change in life was Account 26340 – M&R Equipment that increased from 30 years to 40 years and Account 28105 Meter Accessories, ERTS that increased from 15 years to 25 years.

**Q. What is net salvage?**

A. While discussed more fully in the study itself, net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset). Salvage and removal cost percentages are calculated by dividing the current cost of salvage or removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the amount of removal cost and the timing of the addition versus the retirement. For example, a Distribution asset in FERC Account 376, Mains, with a current installed cost of $500 (2022) would have had an installed cost of $15.67[2] in 1954. A removal cost of $50 for the asset calculated (incorrectly) on current installed cost would only have a negative10 percent removal cost ($50/$500). However, a correct removal cost calculation would show a negative 319 percent removal cost for that asset ($50/$15.68). Inflation from the time of installation of the asset until the time of its removal must be considered in the calculation of the removal cost percentage because the depreciation rate,

[2] Using the Handy-Whitman Bulletin No. 198, G-2, line 44, $15.68 = $500 x 39/1244.

which includes the removal cost percentage, will be applied to the original installed cost of assets.

**Q. How did you determine the net salvage percentages for each asset group?**

A. The establishment of appropriate net salvage percentages for each account was determined by analyzing retirements, gross salvage, and cost of removal data for each account from 2003-2022. The net salvage as a percent of retirements for various bands (i.e. groupings of years such as the five-year average) for each account is shown in Appendix D of my Exhibit DAW-2. Judgment was used to select a net salvage percentage that represents the future expectations for each account on a system basis. The proposed net salvage percent for each account is shown above in Table 4.

**Q. Please describe some of the changes in the net salvage percentages for the various accounts?**

A. The detailed analysis of each account is described fully in Exhibit DAW-2. Examples of some of the changes in net salvage are:

- For North Carolina, 2 State, and 3 State (Corporate) net salvage increased (less negative/more positive) in two accounts, net salvage decreased (more negative/less positive) in 18 accounts, net salvage remained the same in 27 accounts, and three where no comparison was possible. The largest change, a decrease (i.e. more negative) from negative 20 percent to negative 30 percent, is in Account 267 Transmission Mains; and 276 – Distribution Mains decreased (i.e. more negative) from negative 80 percent to negative 90 percent in

Account 28000 – Services. Net salvage increased in Account 29210 Transportation – Autos from positive 17 percent to positive 25 percent.

## IV. CONCLUSION

**Q. Please summarize the conclusions you have reached as a result of your analysis.**

A. The depreciation study and analysis fully support resetting annual depreciation rates for Piedmont at the level indicated in my testimony and in Exhibit DAW-2. In this way, all customers will be charged for their appropriate share of the capital expended for their benefit. The depreciation study for Piedmont's depreciable property in North Carolina, South Carolina, Tennessee, 2 State and 3 State as of December 31, 2022, describes the extensive analysis performed and the resulting rates that are now appropriate for its respective property classes. Therefore, I recommend that this Commission: 1) approve the updated North Carolina, 2 State, and 3 State annual depreciation rates for Piedmont from this study in order to recover the Company's total investment in property over the estimated remaining life of the assets, and 2) approve the recommended reallocation of the books reserves for Piedmont.

**Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

A. Yes, it does.

**PIEDMONT NATURAL GAS COMPANY, INC.**
**GENERAL RATE CASE**
**DOCKET NO. G-9, SUB 837**



# EXHIBIT DAW-1

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| New Jersey | New Jersey Board of Public Utilities | GR24020158 | Elizabethtown Natural Gas | 2024 | Gas Depreciation Study |
| Texas New Mexico | FERC | ER24-1431-000 | Southwestern Public Service Company | 2024 | Electric Technical Update |
| Missouri | Missouri Public Service Commission | WR-2024-0104 | Liberty Utilities Missouri Water | 2024 | Water Depreciation Study |
| Missouri | Missouri Public Service Commission | SR-2024-0105 | Liberty Utilities Missouri Waste Water | 2024 | Waste Water Depreciation Study |
| Texas | Public Utility Commission of Texas | 56211 | CenterPoint | 2024 | Electric Depreciation Study |
| California | California Public Utilities Commission | A.24-01-001 | San Jose Water Co | 2024 | Water/Wastewater Depreciation Study |
| Missouri | Missouri Public Service Commission | GR-2024-0106 | Liberty Utilities Mid States Gas | 2024 | Gas Depreciation Study |
| Pennsylvania | Pennsylvnia Public Utility Commission | R-2024-3045193 | Veolia Pennsylvania | 2024 | WasteWater Depreciation Study |
| Pennsylvania | Pennsylvnia Public Utility Commission | R-2024-3045192 | Veolia Pennsylvania | 2024 | Water Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 23-079-U | Summit Utilities Arkansas | 2024 | Gas Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 23A-0632G | Atmos Energy | 2023 | Gas Clean Heat Plan |
| Illinois | Illinois Commerce Commission | 24-0043 | Liberty Mid States Gas-Illinois | 2023 | Gas Depreciation Study |
| Oklahoma | Oklahoma Corporation Commission | 2023-00087 | Oklahoma Gas & Electric | 2023 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | 21513 | Upper Peninsula Power Company | 2023 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 55867 | Lower Colorado River Authority | 2023 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | Case No. OS-23-00015513 | CenterPoint Texas Gas | 2023 | Gas Depreciation Study |
| Nevada | Public Utility Commission of Nevada | 23-090-12 | Southwest Gas | 2023 | Gas Depreciation Study - Nevada Division |
| Louisiana | Public Service Commission of Louisiana | 36959 | Entergy Louisiana | 2023 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | 13758 | Atmos Energy - APT | 2023 | Gas Depreciation Study |
| Florida | Florida Public Service Commission | 20230023 | Peoples Gas System | 2023 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 54565 | Central States Water Resources (CSWR Texas) | 2023 | Water Depreciation Study |
| New York | New York State Public Service Commission | 23-W-0111 | Veolia New York | 2023 | Water Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 22-085-U | Empire District Electric Company | 2023 | Electric Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Texas | Public Utility Commission of Texas | 54634 | Southwestern Public Service Company | 2023 | Electric Technical Update |
| Louisiana | Louisiana Public Service Commission | U-36923 | Cleco | 2023 | Electric Depreciation study |
| Arkansas | Arkansas Public Service Commission | 22-085-U | Liberty Empire Electric Arkansas | 2023 | Electric Depreciation Study |
| Florida | Florida Public Service Commission | 20220219 | People Gas System | 2022 | Gas Depreciation Study |
| Michigan | Michigan Public Service Commission | U-21329 | Michigan Gas Utilities Corporation | 2022 | Gas Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 22-00270-UT | Public Service of New Mexico | 2022 | Electric Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 22-00286-UT | Southwestern Public Service Company | 2022 | Electric Technical Update |
| Michigan | Michigan Public Service Commission | U-21294 | SEMCO Gas | 2022 | Gas Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 22-064-U | Liberty Pine Bluff Water | 2022 | Water Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 22AL-0348G | Atmos Energy | 2022 | Gas Depreciation Study |
| New York | FERC | ER22-2581-000 | New York Power Authority | 2022 | Electric Transmission and General Depreciation Study |
| South Carolina | South Carolina Public Service Commission | 2022-89-G | Piedmont Natural Gas | 2022 | Natural Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-22-034 | Chugach Electirc Association | 2022 | Electric Depreciation Study |
| Georgia | Georgia Public Service Commission | 44280 | Georgia Power Company | 2022 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 53719 | Entergy Texas | 2022 | Electric Depreciation Study |
| California | California Public Utilities Commission | A22-005-016 | San Diego Gas and Electric | 2022 | Electirc Gas and Common Depreciation Study |
| California | California Public Utilities Commission | A22-005-015 | Southern California Gas | 2022 | Gas Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 22AL-0046G | Public Service of Colorado | 2022 | Gas Alternatives to Climate Goals |
| Texas | Public Utility Commission of Texas | 53601 | Oncor Electric Delivery | 2022 | Electric Depreciation Study |
| New Jersey | New Jersey Board of Public Utilities | GR2222040253 | South Jersey Gas | 2022 | Gas Depreciation Study |
| Oklahoma | Coporation Commission of Oklahoma | PUD 202100163 | Empire District Electric Company | 2022 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | U-21176 | Consumers Gas | 2021 | Gas Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| New Jersey | New Jersey Board of Public Utilities | GR21121254 | Elizabethtown Natural Gas | 2021 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | TA116-118, TA115-97, TA160-37 and TA110-290 | Fairbanks Water and Wastewater | 2021 | Water and Waste Water Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-21-025 | Golden Valley Electric Association | 2021 | Electric Depreciation Study |
| Colorado | Public Utilities Commission of Colorado | 21AL-0317E | Public Service of Colorado | 2021 | Electric and Common Depreciation Study |
| Wisconsin | Public Serice Commission of Wisconsin | 5-DU-103 | WE Energies | 2021 | Electric and Gas Depreciation Study |
| Kentucky | Public Service Commission of Kentucky | 2021-00214 | Atmos Kentucky | 2021 | Gas Depreciation Study |
| Missouri | Missouri Public Service Commission | ER-2021-0312 | Empire District Electric Company | 2021 | Electric Depreciation Study |
| Louisiana | Louisiana Public Service Commission | U-35951 | Atmos Louisiana | 2021 | Gas Depreciation Study |
| Minnesota | Minnesota Public Utilities Commission | E015-D-21-229 | Allete Minnesota Power | 2021 | Intangible, Transmission, Distribution, and General Depreciation Study |
| Michigan | Michigan Public Service Commission | U-20849 | Consumers Energy | 2021 | Electric and Common Depreciation Study |
| Texas | Texas Public Utility Commission | 51802 | Southwestern Public Service Company | 2021 | Electric Technical Update |
| MultiState | FERC | RP21-441-000 | Florida Gas Transmission | 2021 | Gas Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 20-00238-UT | Southwestern Public Service Company | 2021 | Electric Technical Update |
| MultiState | FERC | ER21-709-000 | American Transmission Company | 2020 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 51611 | Sharyland Utilities | 2020 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 51536 | Brownsville Public Utilities Board | 2020 | Electric Depreciation Study |
| New Jersey | New Jersey Board of Public Utilities | WR20110729 | Suez Water New Jersey | 2020 | Water and Waste Water Depreciation Study |
| Idaho | Idaho Public Service Commission | SUZ-W-20-02 | Suez Water Idaho | 2020 | Water Depreciation Study |
| Texas | Texas Public Utility Commission | 50944 | Monarch Utilities | 2020 | Water and Waste Water Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Michigan | Michigan Public Service Commission | U-20844 | Consumers Energy/DTE Electric | 2020 | Ludington Pumped Storage Depreciation Study |
| Tennessee | Tennessee Public Utility Commission | 20-00086 | Piedmont Natural Gas | 2020 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | OS-00005136 | CoServ Gas | 2020 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | GUD 10988 | EPCOR Gas Texas | 2020 | Gas Depreciation Study |
| Florida | Florida Public Service Commission | 20200166-GU | People Gas System | 2020 | Gas Depreciation Study |
| Mississippi | Federal Energy Regulatory Commission | ER20-1660-000 | Mississippi Power Company | 2020 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 50557 | Corix Utilities | 2020 | Water and Waste Water Depreciation Study |
| Georgia | Georgia Public Service Commission | 42959 | Liberty Utilities Peach State Natural Gas | 2020 | Gas Depreciation Study |
| New Jersey | New Jersey Board of Public Utilities | GR20030243 | South Jersey Gas | 2020 | Gas Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 20AL-0049G | Public Service of Colorado | 2020 | Gas Depreciation Study |
| New York | Federal Energy Regulatory Commission | ER20-716-000 | LS Power Grid New York, Corp. | 2019 | Electric Transmission Depreciation Study |
| Mississippi | Mississippi Public Service Commission | 2019-UN-219 | Mississippi Power Company | 2019 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 50288 | Kerrville Public Utility District | 2019 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | GUD 10920 | CenterPoint Gas | 2019 | Gas Depreciation Study and Propane Air Study |
| Texas, New Mexico | Federal Energy Regulatory Commission | ER20-277-000 | Southwestern Public Service Company | 2019 | Electric Production and General Plant Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-19-086 | Alaska Electric Light and Power | 2019 | Electric Depreciation Study |
| Delaware | Delaware Public Service Commission | 19-0615 | Suez Water Delaware | 2019 | Water Depreciation Study |
| Texas | Public Utility Commission of Texas | 49831 | Southwestern Public Service Company | 2019 | Electric Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 19-00170-UT | Southwestern Public Service Company | 2019 | Electric Depreciation Study |
| Georgia | Georgia Public Service Commission | 42516 | Georgia Power Company | 2019 | Electric Depreciation Study |
| Georgia | Georgia Public Service Commission | 42315 | Atlanta Gas Light | 2019 | Gas Depreciation Study |
| Arizona | Arizona Corporation Commission | G-01551A-19-0055 | Southwest Gas Corporation | 2019 | Gas Removal Cost Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| New Hampshire | New Hampshire Public Service Commission | DE 19-064 | Liberty Utilities | 2019 | Electric Distribution and General |
| New Jersey | New Jersey Board of Public Utilities | GR19040486 | Elizabethtown Natural Gas | 2019 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 49421 | CenterPoint Houston Electric LLC | 2019 | Electric Depreciation Study |
| North Carolina | North Carolina Utilities Commission | Docket No. G-9, Sub 743 | Piedmont Natural Gas | 2019 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-18-121 | Municipal Power and Light City of Anchorage | 2018 | Electric Depreciation Study |
| Various | FERC | RP19-352-000 | Sea Robin | 2018 | Gas Depreciation Study |
| Texas New Mexico | Federal Energy Regulatory Commission | ER19-404-000 | Southwestern Public Service Company | 2018 | Electric Transmission Depreciation Study |
| California | Federal Energy Regulatory Commission | ER19-221-000 | San Diego Gas and Electric | 2018 | Electric Transmission Depreciation Study |
| Kentucky | Kentucky Public Service Commission | 2018-00281 | Atmos Kentucky | 2018 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-18-054 | Matanuska Electric Coop | 2018 | Electric Generation Depreciation Study |
| California | California Public Utilities Commission | A17-10-007 | San Diego Gas and Electric | 2018 | Electric and Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 48401 | Texas New Mexico Power | 2018 | Electric Depreciation Study |
| Nevada | Public Utility Commission of Nevada | 18-05031 | Southwest Gas | 2018 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 48231 | Oncor Electric Delivery | 2018 | Depreciation Rates |
| Texas | Public Utility Commission of Texas | 48371 | Entergy Texas | 2018 | Electric Depreciation Study |
| Kansas | Kansas Corporation Commission | 18-KCPE-480-RTS | Kansas City Power and Light | 2018 | Electric Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 18-027-U | Liberty Pine Bluff Water | 2018 | Water Depreciation Study |
| Kentucky | Kentucky Public Service Commission | 2017-00349 | Atmos KY | 2018 | Gas Depreciation Rates |
| Tennessee | Tennessee Public Utility Commission | 18-00017 | Chattanooga Gas | 2018 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | 10679 | Si Energy | 2018 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-17-104 | Anchorage Water and Wastewater | 2017 | Water and Waste Water Depreciation Study |
| Michigan | Michigan Public Service Commission | U-18488 | Michigan Gas Utilities Corporation | 2017 | Gas Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Texas | Railroad Commission of Texas | 10669 | CenterPoint South Texas | 2017 | Gas Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 17-061-U | Empire District Electric Company | 2017 | Depreciation Rates for New Wind Generation |
| Kansas | Kansas Corporation Commission | 18-EPDE-184-PRE | Empire District Electric Company | 2017 | Depreciation Rates for New Wind Generation |
| Oklahoma | Oklahoma Corporation Commission | PUD 201700471 | Empire District Electric Company | 2017 | Depreciation Rates for New Wind Generation |
| Missouri | Missouri Public Service Commission | EO-2018-0092 | Empire District Electric Company | 2017 | Depreciation Rates for New Wind Generation |
| Michigan | Michigan Public Service Commission | U-18457 | Upper Peninsula Power Company | 2017 | Electric Depreciation Study |
| Florida | Florida Public Service Commission | 20170179-GU | Florida City Gas | 2017 | Gas Depreciation Study |
| Michigan | FERC | ER18-56-000 | Consumers Energy | 2017 | Electric Depreciation Study |
| Missouri | Missouri Public Service Commission | GR-2018-0013 | Liberty Utilities | 2017 | Gas Depreciation Study |
| Michigan | Michigan Public Service Commission | U-18452 | SEMCO | 2017 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 47527 | Southwestern Public Service Company | 2017 | Electric Production Depreciation Study |
| MultiState | FERC | ER17-1664 | American Transmission Company | 2017 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-17-008 | Municipal Power and Light City of Anchorage | 2017 | Generating Unit Depreciation Study |
| Mississippi | Mississippi Public Service Commission | 2017-UN-041 | Atmos Energy | 2017 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 46957 | Oncor Electric Delivery | 2017 | Electric Depreciation Study |
| Oklahoma | Oklahoma Corporation Commission | PUD 201700078 | CenterPoint Oklahoma | 2017 | Gas Depreciation Study |
| New York | FERC | ER17-1010-000 | New York Power Authority | 2017 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | GUD 10580 | Atmos Pipeline Texas | 2017 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | GUD 10567 | CenterPoint Texas | 2016 | Gas Depreciation Study |
| MultiState | FERC | ER17-191-000 | American Transmission Company | 2016 | Electric Depreciation Study |
| New Jersey | New Jersey Board of Public Utilities | GR16090826 | Elizabethtown Natural Gas | 2016 | Gas Depreciation Study |
| Michigan | Michigan Public Service Commission | U-18195 | Consumers Energy/DTE Electric | 2016 | Ludington Pumped Storage Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Alabama | FERC | ER16-2313-000 | SEGCO | 2016 | Electric Depreciation Study |
| Alabama | FERC | ER16-2312-000 | Alabama Power Company | 2016 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | U-18127 | Consumers Energy | 2016 | Natural Gas Depreciation Study |
| Mississippi | Mississippi Public Service Commission | 2016 UN 267 | Willmut Natural Gas | 2016 | Natural Gas Depreciation Study |
| Iowa | Iowa Utilities Board | RPU-2016-0003 | Liberty-Iowa | 2016 | Natural Gas Depreciation Study |
| Illinois | Illinois Commerce Commission | GRM #16-208 | Liberty-Illinois | 2016 | Natural Gas Depreciation Study |
| Kentucky | FERC | RP16-097-000 | KOT | 2016 | Natural Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-16-067 | Alaska Electric Light and Power | 2016 | Generating Unit Depreciation Study |
| Florida | Florida Public Service Commission | 160170-EI | Gulf Power | 2016 | Electric Depreciation Study |
| California | California Public Utilities Commission | A 16-07-002 | California American Water | 2016 | Water and Waste Water Depreciation Study |
| Arizona | Arizona Corporation Commission | G-01551A-16-0107 | Southwest Gas | 2016 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 45414 | Sharyland | 2016 | Electric Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 16A-0231E | Public Service Company of Colorado | 2016 | Electric Depreciation Study |
| Multi-State NE US | FERC | 16-453-000 | Northeast Transmission Development, LLC | 2015 | Electric Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 15-098-U | CenterPoint Arkansas | 2015 | Gas Depreciation Study and Cost of Removal Study |
| New Mexico | New Mexico Public Regulation Commission | 15-00296-UT | Southwestern Public Service Company | 2015 | Electric Depreciation Study |
| Atmos Energy Corporation | Tennessee Regulatory Authority | 14-00146 | Atmos Tennessee | 2015 | Natural Gas Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 15-00261-UT | Public Service Company of New Mexico | 2015 | Electric Depreciation Study |
| Hawaii | NA | NA | Hawaii American Water | 2015 | Water/Wastewater Depreciation Study |
| Kansas | Kansas Corporation Commission | 16-ATMG-079-RTS | Atmos Kansas | 2015 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 44704 | Entergy Texas | 2015 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-15-089 | Fairbanks Water and Wastewater | 2015 | Water and Waste Water Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Arkansas | Arkansas Public Service Commission | 15-031-U | Source Gas Arkansas | 2015 | Underground Storage Gas Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 15-00139-UT | Southwestern Public Service Company | 2015 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 44746 | Wind Energy Transmission Texas | 2015 | Electric Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 15-AL-0299G | Atmos Colorado | 2015 | Gas Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 15-011-U | Source Gas Arkansas | 2015 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | GUD 10432 | CenterPoint- Texas Coast Division | 2015 | Gas Depreciation Study |
| Kansas | Kansas Corporation Commission | 15-KCPE-116-RTS | Kansas City Power and Light | 2015 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-14-120 | Alaska Electric Light and Power | 2014-2015 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 43950 | Cross Texas Transmission | 2014 | Electric Depreciation Study |
| New Mexico | New Mexico Public Regulation Commission | 14-00332-UT | Public Service of New Mexico | 2014 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 43695 | Xcel Energy | 2014 | Electric Depreciation Study |
| Multi State – SE US | FERC | RP15-101 | Florida Gas Transmission | 2014 | Gas Transmission Depreciation Study |
| California | California Public Utilities Commission | A.14-07-006 | Golden State Water | 2014 | Water and Waste Water Depreciation Study |
| Michigan | Michigan Public Service Commission | U-17653 | Consumers Energy Company | 2014 | Electric and Common Depreciation Study |
| Colorado | Public Utilities Commission of Colorado | 14AL-0660E | Public Service of Colorado | 2014 | Electric Depreciation Study |
| Wisconsin | Wisconsin | 05-DU-102 | WE Energies | 2014 | Electric, Gas, Steam and Common Depreciation Studies |
| Texas | Public Utility Commission of Texas | 42469 | Lone Star Transmission | 2014 | Electric Depreciation Study |
| Nebraska | Nebraska Public Service Commission | NG-0079 | Source Gas Nebraska | 2014 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-14-055 | TDX North Slope Generating | 2014 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-14-054 | Sand Point Generating LLC | 2014 | Electric Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Alaska | Regulatory Commission of Alaska | U-14-045 | Matanuska Electric Coop | 2014 | Electric Generation Depreciation Study |
| Texas, New Mexico | Public Utility Commission of Texas | 42004 | Southwestern Public Service Company | 2013-2014 | Electric Production, Transmission, Distribution and General Plant Depreciation Study |
| New Jersey | New Jersey Board of Public Utilities | GR13111137 | South Jersey Gas | 2013 | Gas Depreciation Study |
| Various | FERC | RP14-247-000 | Sea Robin | 2013 | Gas Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 13-078-U | Arkansas Oklahoma Gas | 2013 | Gas Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 13-079-U | Source Gas Arkansas | 2013 | Gas Depreciation Study |
| California | California Public Utilities Commission | Proceeding No.: A.13-11-003 | Southern California Edison | 2013 | Electric Depreciation Study |
| North Carolina/South Carolina | FERC | ER13-1313 | Progress Energy Carolina | 2013 | Electric Depreciation Study |
| Wisconsin | Public Service Commission of Wisconsin | 4220-DU-108 | Northern States Power Company - Wisconsin | 2013 | Electric, Gas and Common Transmission, Distribution and General |
| Texas | Public Utility Commission of Texas | 41474 | Sharyland | 2013 | Electric Depreciation Study |
| Kentucky | Kentucky Public Service Commission | 2013-00148 | Atmos Energy Corporation | 2013 | Gas Depreciation Study |
| Minnesota | Minnesota Public Utilities Commission | 13-252 | Allete Minnesota Power | 2013 | Electric Depreciation Study |
| New Hampshire | New Hampshire Public Service Commission | DE 13-063 | Liberty Utilities | 2013 | Electric Distribution and General |
| Texas | Railroad Commission of Texas | 10235 | West Texas Gas | 2013 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-12-154 | Alaska Telephone Company | 2012 | Telecommunications Utility |
| New Mexico | New Mexico Public Regulation Commission | 12-00350-UT | Southwestern Public Service Company | 2012 | Electric Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 12AL-1269ST | Public Service Company of Colorado | 2012 | Gas and Steam Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 12AL-1268G | Public Service Company of Colorado | 2012 | Gas and Steam Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-12-149 | Municipal Power and Light City of Anchorage | 2012 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 40824 | Xcel Energy | 2012 | Electric Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| South Carolina | Public Service Commission of South Carolina | Docket 2012-384-E | Progress Energy Carolina | 2012 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-12-141 | Interior Telephone Company | 2012 | Telecommunications Utility |
| Michigan | Michigan Public Service Commission | U-17104 | Michigan Gas Utilities Corporation | 2012 | Gas Depreciation Study |
| North Carolina | North Carolina Utilities Commission | E-2 Sub 1025 | Progress Energy Carolina | 2012 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 40606 | Wind Energy Transmission Texas | 2012 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 40604 | Cross Texas Transmission | 2012 | Electric Depreciation Study |
| Minnesota | Minnesota Public Utilities Commission | 12-858 | Northern States Power Company - Minnesota | 2012 | Electric, Gas and Common Transmission, Distribution and General |
| Texas | Railroad Commission of Texas | 10170 | Atmos Mid-Tex | 2012 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | 10174 | Atmos West Texas | 2012 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | 10182 | CenterPoint Beaumont/ East Texas | 2012 | Gas Depreciation Study |
| Kansas | Kansas Corporation Commission | 12-KCPE-764-RTS | Kansas City Power and Light | 2012 | Electric Depreciation Study |
| Nevada | Public Utility Commission of Nevada | 12-04005 | Southwest Gas | 2012 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | 10147, 10170 | Atmos Mid-Tex | 2012 | Gas Depreciation Study |
| Kansas | Kansas Corporation Commission | 12-ATMG-564-RTS | Atmos Kansas | 2012 | Gas Depreciation Study |
| Texas | Texas Public Utility Commission | 40020 | Lone Star Transmission | 2012 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | U-16938 | Consumers Energy Company | 2011 | Gas Depreciation Study |
| Colorado | Public Utilities Commission of Colorado | 11AL-947E | Public Service of Colorado | 2011 | Electric Depreciation Study |
| Texas | Texas Public Utility Commission | 39896 | Entergy Texas | 2011 | Electric Depreciation Study |
| MultiState | FERC | ER12-212 | American Transmission Company | 2011 | Electric Depreciation Study |
| California | California Public Utilities Commission | A1011015 | Southern California Edison | 2011 | Electric Depreciation Study |
| Mississippi | Mississippi Public Service Commission | 2011-UN-184 | Atmos Energy | 2011 | Gas Depreciation Study |
| Michigan | Michigan Public Service Commission | U-16536 | Consumers Energy Company | 2011 | Wind Depreciation Rate Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Texas | Public Utility Commission of Texas | 38929 | Oncor | 2011 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | 10038 | CenterPoint South TX | 2010 | Gas Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-10-070 | Inside Passage Electric Cooperative | 2010 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 36633 | City Public Service of San Antonio | 2010 | Electric Depreciation Study |
| Texas | Texas Railroad Commission | 10000 | Atmos Pipeline Texas | 2010 | Gas Depreciation Study |
| Multi State – SE US | FERC | RP10-21-000 | Florida Gas Transmission | 2010 | Gas Depreciation Study |
| Maine/ New Hampshire | FERC | 10-896 | Granite State Gas Transmission | 2010 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 38480 | Texas New Mexico Power | 2010 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 38339 | CenterPoint Electric | 2010 | Electric Depreciation Study |
| Texas | Texas Railroad Commission | 10041 | Atmos Amarillo | 2010 | Gas Depreciation Study |
| Georgia | Georgia Public Service Commission | 31647 | Atlanta Gas Light | 2010 | Gas Depreciation Study |
| Texas | Public Utility Commission of Texas | 38147 | Southwestern Public Service | 2010 | Electric Technical Update |
| Alaska | Regulatory Commission of Alaska | U-09-015 | Alaska Electric Light and Power | 2009-2010 | Electric Depreciation Study |
| Alaska | Regulatory Commission of Alaska | U-10-043 | Utility Services of Alaska | 2009-2010 | Water Depreciation Study |
| Michigan | Michigan Public Service Commission | U-16055 | Consumers Energy/DTE Energy | 2009-2010 | Ludington Pumped Storage Depreciation Study |
| Michigan | Michigan Public Service Commission | U-16054 | Consumers Energy | 2009-2010 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | U-15963 | Michigan Gas Utilities Corporation | 2009 | Gas Depreciation Study |
| Michigan | Michigan Public Service Commission | U-15989 | Upper Peninsula Power Company | 2009 | Electric Depreciation Study |
| Texas | Railroad Commission of Texas | 9869 | Atmos Energy | 2009 | Shared Services Depreciation Study |
| Mississippi | Mississippi Public Service Commission | 09-UN-334 | CenterPoint Energy Mississippi | 2009 | Gas Depreciation Study |
| Texas | Railroad Commission of Texas | 9902 | CenterPoint Energy Houston | 2009 | Gas Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 09AL-299E | Public Service Company of Colorado | 2009 | Electric Depreciation Study |
| Louisiana | Louisiana Public Service Commission | U-30689 | Cleco | 2008 | Electric Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Texas | Public Utility Commission of Texas | 35763 | Southwestern Public Service Company | 2008 | Electric Production, Transmission, Distribution and General Plant Depreciation Study |
| Wisconsin | Wisconsin | 05-DU-101 | WE Energies | 2008 | Electric, Gas, Steam and Common Depreciation Studies |
| North Dakota | North Dakota Public Service Commission | PU-07-776 | Northern States Power Company - Minnesota | 2008 | Net Salvage |
| New Mexico | New Mexico Public Regulation Commission | 07-00319-UT | Southwestern Public Service Company | 2008 | Testimony – Depreciation |
| Multiple States | Railroad Commission of Texas | 9762 | Atmos Energy | 2007-2008 | Shared Services Depreciation Study |
| Minnesota | Minnesota Public Utilities Commission | E015/D-08-422 | Minnesota Power | 2007-2008 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 35717 | Oncor | 2008 | Electric Depreciation Study |
| Texas | Public Utility Commission of Texas | 34040 | Oncor | 2007 | Electric Depreciation Study |
| Michigan | Michigan Public Service Commission | U-15629 | Consumers Energy | 2006-2009 | Gas Depreciation Study |
| Colorado | Colorado Public Utilities Commission | 06-234-EG | Public Service Company of Colorado | 2006 | Electric Depreciation Study |
| Arkansas | Arkansas Public Service Commission | 06-161-U | CenterPoint Energy – Arkla Gas | 2006 | Gas Distribution Depreciation Study and Removal Cost Study |
| Texas, New Mexico | Public Utility Commission of Texas | 32766 | Southwestern Public Service Company | 2005-2006 | Electric Production, Transmission, Distribution and General Plant Depreciation Study |
| Texas | Railroad Commission of Texas | 9670/9676 | Atmos Energy Corp | 2005-2006 | Gas Distribution Depreciation Study |
| Texas | Railroad Commission of Texas | 9400 | TXU Gas | 2003-2004 | Gas Distribution Depreciation Study |
| Texas | Railroad Commission of Texas | 9313 | TXU Gas | 2002 | Gas Distribution Depreciation Study |
| Texas | Railroad Commission of Texas | 9225 | TXU Gas | 2002 | Gas Distribution Depreciation Study |
| Texas | Public Utility Commission of Texas | 24060 | TXU | 2001 | Line Losses |
| Texas | Public Utility Commission of Texas | 23640 | TXU | 2001 | Line Losses |
| Texas | Railroad Commission of Texas | 9145-9148 | TXU Gas | 2000-2001 | Gas Distribution Depreciation Study |
| Texas | Public Utility Commission of Texas | 22350 | TXU | 2000-2001 | Electric Depreciation Study, Unbundling |
| Texas | Railroad Commission of Texas | 8976 | TXU Pipeline | 1999 | Pipeline Depreciation Study |

**Dane Watson Testimony Appearances**

| Asset Location | Commission | Docket (If Applicable | Company | Year | Description |
|---|---|---|---|---|---|
| Texas | Public Utility Commission of Texas | 20285 | TXU | 1999 | Fuel Company Depreciation Study |
| Texas | Public Utility Commission of Texas | 18490 | TXU | 1998 | Transition to Competition |
| Texas | Public Utility Commission of Texas | 16650 | TXU | 1997 | Customer Complaint |
| Texas | Public Utility Commission of Texas | 15195 | TXU | 1996 | Mining Company Depreciation Study |
| Texas | Public Utility Commission of Texas | 12160 | TXU | 1993 | Fuel Company Depreciation Study |
| Texas | Public Utility Commission of Texas | 11735 | TXU | 1993 | Electric Depreciation Study |

**PIEDMONT NATURAL GAS COMPANY, INC.**
**GENERAL RATE CASE**
**DOCKET NO. G-9, SUB 837**



# EXHIBIT DAW-2

# PIEDMONT NATURAL GAS COMPANY

# SYSTEM

## DEPRECIATION RATE STUDY

## AT DECEMBER 31, 2022


http://www.utilityalliance.com

# PIEDMONT NATURAL GAS COMPANY
# DEPRECIATION RATE STUDY
# EXECUTIVE SUMMARY

Duke Energy engaged Alliance Consulting Group to conduct a depreciation study of its Piedmont Natural Gas ("PNG" or "Company") System depreciable assets as of December 31, 2022. The PNG System consists of several different parts: 2 State and 3 State, North Carolina ("NC"), South Carolina ("SC"), and Tennessee ("TN").

This study recommends a change to depreciation rates, which results in a system increase of approximately $27.0 million in annual depreciation expense compared to the annual depreciation expense currently being recorded as of December 31, 2022. The increase is comprised of an increase for NC of approximately $14.5 million; an increase of $2.3 million for SC; an increase of $4.6 million for TN; an increase of $3.5 million for 2 State; and an increase of $2.2 million for 3 State. Each entity has individual account drivers, but the magnitude of investment in Transmission and Distribution has the biggest overall impact on the results for NC, SC, and TN. In 2 State the Storage function is driving the change and in 3 State the change is driven by the General plant function. In addition, depreciation expense is impacted by the reserve position.

This study reflects PNG's continued investment into CNG assets by segregating the investment into a separate account, Account 29002. This will allow PNG to track the investment and mortality characteristics of these assets. The Company continues to grow its CNG investment in public stations and private stations. PNG has also segregated its software assets into Intangible Plant with 5 and 10-year life accounts, which have been excluded from the study. The existing Customer Information System is fully depreciated and has been excluded as it is expected to be retired. This study also includes the Piedmont Town Center retirements that occurred in 2023 and 2024, as proforma adjustments. Finally, this study recognizes and segregates Transportation into specific use and life accounts. These changes better align the depreciation rates with the ongoing

operations.

The continuation of Vintaged Group Amortization (general plant amortization) for certain General Plant accounts is recommended. This process provides for the efficient and timely recording of retirements for the General Plant function.

In the past, the life and net salvage analyses were performed on a combined basis for the Carolinas (NC and SC) and Corporate (2 State and 3 State) assets. This study also includes Tennessee and is referred to as the PNG "System." The resulting life parameters and net salvage factors are then applied to each entity's plant and reserve balances at December 31, 2022 to calculate the annual accrual and depreciation rates. Therefore, there will be five sub-appendices for Appendix A (NC, SC, TN, 2 State, and 3 State), which provides the annual depreciation accrual and rate calculations. There will be five sub-appendices for Appendix B (NC, SC, TN, 2 State, and 3 State), which provides a comparison between existing and proposed annual depreciation expense accruals and rates by account and function. Appendix C provides a comparison between the existing entities approved parameters and a system study recommended depreciation life and net salvage parameters. Appendix D provides the net salvage analysis on a System-wide basis.

# PIEDMONT NATURAL GAS COMPANY
# NATURAL GAS OPERATIONS
# DEPRECIATION RATE STUDY
# AT DECEMBER 31, 2022

## Table of Contents

## PURPOSE

The purpose of this study is to develop depreciation rates for the depreciable property on the books for all of the PNG System at December 31, 2022. The account-based depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of on a straight-line basis. Non-depreciable property and property that is amortized, such as intangibles, were excluded from this study.

PNG is an energy service company primarily engaged in the transmission and distribution of natural gas to more than one million residential and business customers in North Carolina, South Carolina, and Tennessee. PNG has been in operation for more than 70 years.

PNG owns and operates a complex system of high and intermediate pressure transmission mains, liquefied natural gas storage, and intermediate and low-pressure distribution networks located across the service area. There are a number of receipt points (or city gates) located throughout the system where gas is delivered by the transmission system. Once gas is metered through these city gates, the pressure is reduced through regulators in order to meet system requirements as determined by pressure and volume needs.

## STUDY RESULTS

Overall depreciation rates for each entity's depreciable property are shown in Appendix B. These rates translate into a combined annual depreciation expense accrual of $248.3 million based on PNG's depreciable investment at December 31, 2022. The annual depreciation expense calculated using the currently approved rates is $221.3 million. Appendix A demonstrates the development of the annual depreciation accruals and rates. Appendix B presents a comparison of approved rates versus proposed rates by account. Each individual entity's Appendix A annual accrual calculations, as well as individual entity Appendix B rate and expense comparison, are provided in sub-appendices. Appendix C presents a comparison of the existing and proposed life and net salvage estimates by account. Appendix D presents the net salvage analysis by account. As stated previously, Appendix C and D were performed on a System-wide basis.

Intangible assets, including software, have been excluded. Transportation is now segregated into five accounts (3-year Meter Reading, 5-year Rural Use, 7-year Urban Use, 10-year Heavy Duty, and Trailers and Other) to better match the use and life of the assets. CNG assets are in Account 29002 so that the investment of these assets and their mortality characteristics can be tracked. There is CNG investment in the public and private sector. Currently, across PNG's jurisdictions there are 13 public stations and two private stations owned and operated by PNG.

Consistent with the prior study, this depreciation study reflects depreciation expense for Vintaged Group Amortization in Accounts 291 through 298, excluding Transportation 292 Accounts and Power Operated Equipment Account 29600. This process provides for the amortization of general plant over the same life as recommended in this study. In 3 State there is a separate amortization to allocate any deficit or excess reserve over a 4-year period. At the end of the amortized life, property will be retired from the books.

The study adjusted, upward and downward, the average service life ("ASL")

for most accounts, but it is the combined change in ASL and net salvage when compared to existing that drive the largest portion of the increase. Due to the settlement life changes for SC in 2022 for certain Transmission and Distribution, it is no longer easy to quantify between the Carolinas and Corporate and TN. Please refer to Appendix C for further details.

## RECOMMENDATIONS

In addition to the results described above and in the remainder of this report, we have the following recommendations in regard to book depreciation for PNG assets.

1. We recommend adoption of the annual depreciation rates shown in Appendix B for each property group and entity.

2. Due to the reserve position, our study reflects the reallocation of the book reserve between accounts within each function and entity (North Carolina, South Carolina, Tennessee, 2 State, and 3 State). These reallocated book reserves should be adopted by PNG and reflected in PNG's accounting system based upon approval by the various state regulators at the time the new depreciation rates will be implemented.

3. Due to changes in the mix and characteristics of assets and net salvage experience over time, we recommend an update to the depreciation study be made at least every five years.

4. We have recognized and recommend the continued use of Vintage Amortization Accounting for certain accounts of the General Plant function. As part of the amortization, a true up of the reserve for these amortized accounts is sometimes necessary, but 3 State is the only entity where a reserve true up is needed. A separate accrual amount has been reflected for each account over a 4-year period for Vintage Amortization in 3 State only.

## GENERAL DISCUSSION

### Definition

The term "depreciation" as used in this study is considered in the accounting sense, that is, as a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. At retirement the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

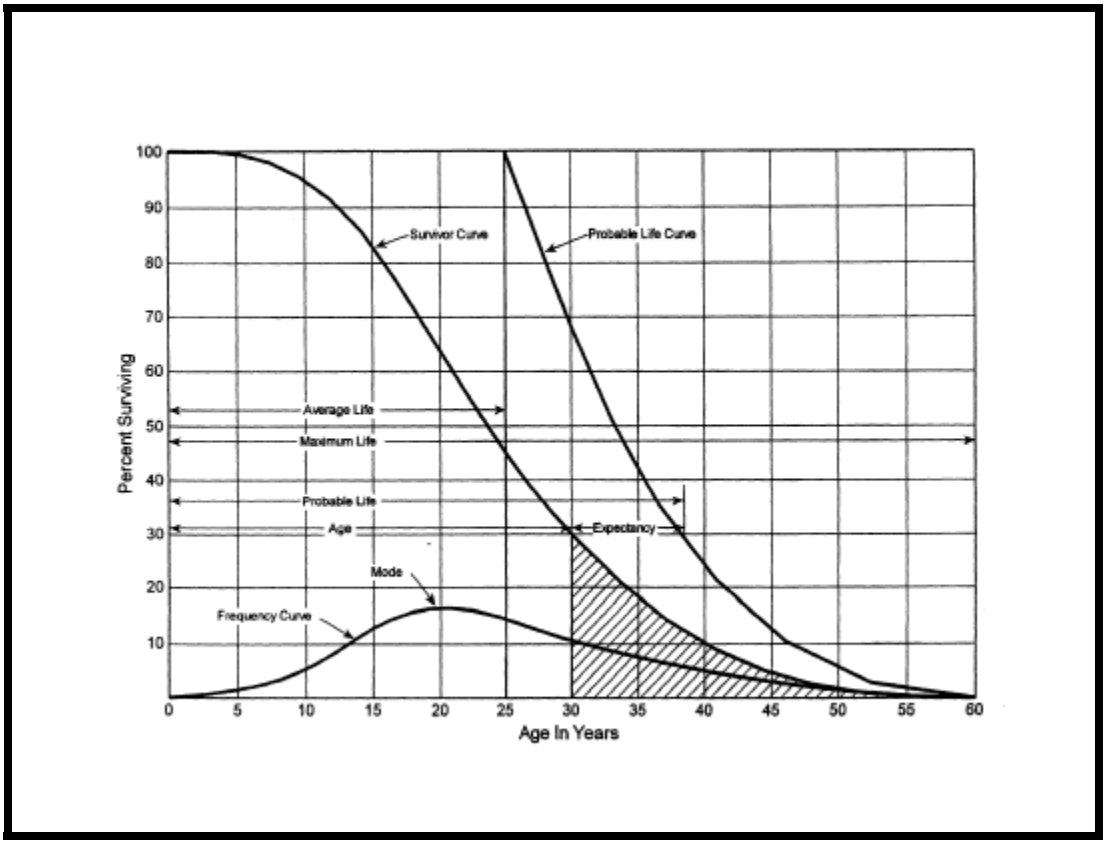
### Basis of Depreciation Estimates

Annual and accrued depreciation were calculated in this study by the straight-line, broad group (“ALG”), remaining-life depreciation system. In this system, the annual depreciation expense for each vintage is computed by dividing the original cost of the asset vintage (less allocated depreciation reserve less estimated net salvage) by its respective average remaining life. The resulting annual accrual amounts were divided by the original cost of the depreciable property in each account to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group and were computed in a direct weighting by multiplying each vintage or account balance times its remaining life and dividing by the plant investment in service at December 31, 2022. The computations of the annual depreciation and amortization rates are shown in Appendices A1-A5.

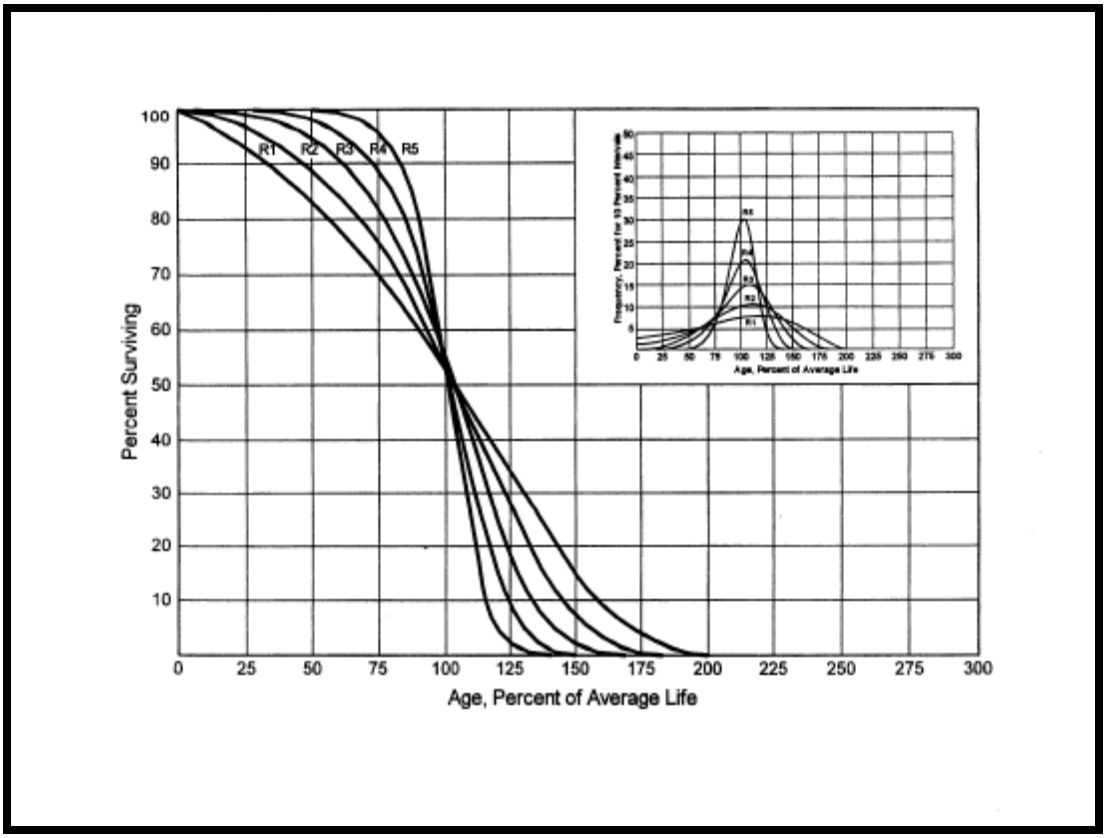
Actuarial analysis was used with each account where sufficient data was available, and judgment was used to some degree on all accounts.

**Survivor Curves**

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual assets within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by comparing actual experience against various survivor curves. A survivor curve represents the percentage of property remaining in service at various age intervals. The most widely used set of representative survivor curves are the Iowa Survivor Curves ("Iowa Curves"). The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the twentieth century. Through common usage, revalidation, and regulatory acceptance, these curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.




There are four families in the Iowa Curves which are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. The four families are designated as “R”— Right, “S” — Symmetric, “L” — Left, and “O” — Origin Modal. First, for patterns with the mode age greater than the average life, an "R" designation (*i.e.*, Right modal) is used. The family of “R” moded curves is shown below.




Second, an "S" designation (*i.e.*, Symmetric modal) is used for the family whose mode age is symmetric about the average life. Third, an "L" designation (*i.e.*, Left modal) is used for the family whose mode age is less than the average life. Fourth, a special case of left modal dispersion is the "O" or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A "6" indicates that the retirements are not greatly dispersed from the mode (*i.e.*, high mode frequency) while a "1" indicates a large dispersion about the mode (*i.e.*, low mode frequency). For example, a curve with an average life of 30 years and an "L3" dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (*i.e.*, units of common age retire simultaneously).

For Storage, Transmission, Distribution, and General Property accounts, a survivor curve pattern was selected based on analysis of historical data, as well as other factors, such as general changes relevant to the Company's operations. The blending of judgment concerning current conditions and future trends, along with the matching of historical data, permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern. Iowa Curves were used to depict the estimated survivor curves for each account.

**Actuarial Analysis**

Actuarial analysis (retirement rate method) was used in evaluating historical asset retirement experience where vintage data were available and sufficient retirement activity was present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals were chained by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves such as the Iowa Curves. Many accounts were analyzed using this method. Placement bands were used to illustrate the composite history over a specific era, and experience bands were used to focus on retirement history for all vintages during a set period. Matching data in observed life tables for each experience and placement band to an Iowa Curve requires visual examination. As stated in Depreciation Systems by Wolf and Fitch, "the analyst must decide which points or sections of the curve should be given the most weight. Points at the end of the

curve are often based on fewer exposures and may be given less weight than those points based on larger samples" (page 46). Some analysts choose to use mathematical fitting as a tool to narrow the population of curves using a least squares technique. However, Depreciation Systems cautions, "… the results of mathematical fitting should be checked visually, and the final determination of best fit made by the analyst" (page 48). This study uses the visual matching approach to match Iowa Curves, since mathematical fitting produces theoretically possible curve matches that do not match Company specific experience. Visual examination and experienced judgment allow the depreciation professional to make the final determination as to the best curve type.

Detailed information for each account is shown later in this study and in workpapers.

**Judgment**

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound understanding of depreciation theory are needed to apply this informed judgment. In this depreciation study, judgment was used in areas such as survivor curve modeling and selection, depreciation method selection, SPR method analysis, and actuarial analysis.

Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, property mix in accounts, or a multitude of other considerations that affect the analysis (potentially in various directions), judgment is used to take all of these considerations and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one consideration in these cases may have a substantial impact on the analysis, but overall, the collective effect of these considerations may shed light on the use

and characteristics of assets. Judgment may also be defined as deduction, inference, wisdom, common sense, or the ability to make sensible decisions. There is no single correct result from statistical analysis; hence, there is no answer absent judgment.

**Theoretical Depreciation Reserve**

The book accumulated provision for depreciation within each entity and each account within a function was allocated among Storage, Transmission, Distribution, and General Property Plant accounts through the use of the theoretical depreciation reserve model. This study used a reserve model that relied on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates.

The theoretical reserve of a property group is developed from the estimated remaining life of the group, the total life of the group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current forecasts were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The straight-line remaining-life theoretical reserve ratio ("RR") at any given age is calculated as:

$$RR = 1 - \frac{(Average\ Remaining\ Life)}{(Average\ Service\ Life)} * (1 - Net\ Salvage\ Ratio)$$

**Average Life Group Depreciation**

PNG's existing rates use the average life group ("ALG") depreciation procedure. Consistent with the currently approved depreciation rates, this study continues to use the ALG depreciation procedure to group the assets within each account. After an average service life and dispersion were selected for each account, those parameters were used to estimate what portion of the surviving investment of each vintage was expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ALG groups are defined by their respective account dispersion, life, and net salvage estimates. A straight-line rate for each ALG group is calculated by computing a composite remaining life for each group across all vintages within the group, dividing the remaining investment to be recovered by the remaining life to find the annual depreciation expense and dividing the annual depreciation expense by the surviving investment. The resultant rate for each ALG group is designed to recover all retirements less net salvage when the last unit retires. The ALG procedure recovers net book cost over the life of each account by averaging many components.

## DETAILED DISCUSSION

### Depreciation Study Process

This depreciation study encompassed four distinct phases. The first phase involved data collection and field interviews. The second phase was where the initial data analysis occurred. The third phase was where the information and analysis were evaluated. After the first three stages were complete, the fourth phase began. This phase involved calculating deprecation rates and documenting the corresponding recommendations.

During the Phase 1 data collection process, historical data was compiled from continuing property records and general ledger systems. Data were validated for accuracy by extracting and comparing to multiple financial system sources: Projects System (Construction ledger), Fixed Asset System (continuing property ledger), General Ledger, and interfaces from other operating systems. Audit of this data was validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data was reviewed extensively so that it could be put in the proper format for a depreciation study. Further discussion on data review and adjustment is found in the Salvage Consideration section of this study. Also, as part of the Phase 1 data collection process, numerous discussions were conducted with engineers and field operations personnel to obtain information that would be helpful in formulating life and salvage recommendations in this study. One of the most important elements in performing a proper depreciation study is the understanding of how a company utilizes assets and the environment of those assets. Understanding industry and geographical norms for mortality characteristics are important factors in selecting life and salvage recommendations; however, care must be used not to apply them rigorously to any particular company since no two companies would have the same exact forces of retirement acting upon their assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is helpful when evaluating the output from the life and net salvage

programs in relation to a company's actual asset utilization and environment. Information that was gleaned in these discussions with Company personnel for this study is found both in the Detailed Discussion portions of the Life Analysis and Salvage Analysis sections and in workpapers. In addition, Alliance personnel possess a significant understanding of the types of electric utility property, the forces of retirement due to years of day-to-day exposures, and operations of electric utility property.

Phase 2 is where the actuarial analysis is performed. Phase 2 and Phase 3 (to be discussed in the next paragraph) overlap to a significant degree. The detailed property records information is used in Phase 2 to develop observed life tables for life analysis. It is possible that an analyst would cycle back to this phase based on the evaluation process performed in Phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group and account to determine values and trends in gross salvage and removal cost. This information is then carried forward into Phase 3 for the evaluation process.

Phase 3 is the evaluation process, which synthesizes analysis, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from Phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in Phase 1. The preliminary results are then reviewed by the depreciation analyst and discussed with accounting and operations personnel. Phases 2 and 3 allow a depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual company operational experience.

Finally, Phase 4 involves calculating of accrual rates, making recommendations, and documenting the conclusions in a final report. The calculation of accrual rates for this study is found in Appendix A. Recommendations for the various accounts are contained within the Detailed

Discussion of this report. The depreciation study flow diagram shown as Figure 1[1] documents the steps used in conducting this study. Depreciation Systems[2] documents the same basic processes in performing a depreciation study, namely statistical analysis, evaluation of statistical analysis, discussions with management, forecast assumptions, and document recommendations.

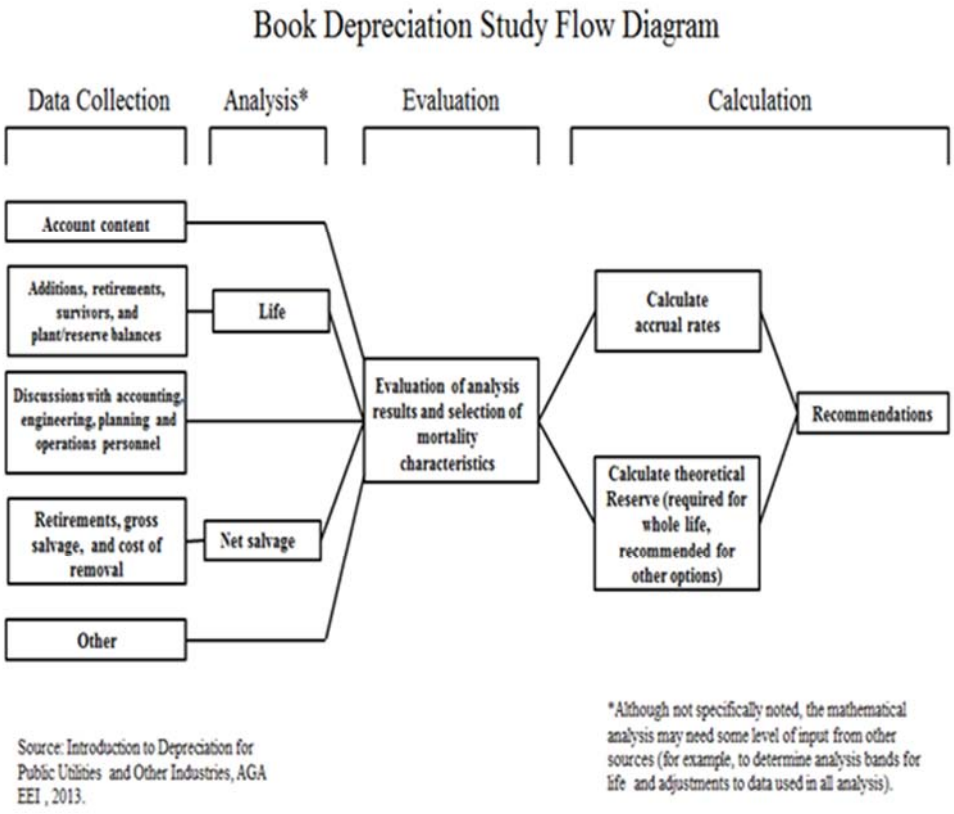



Figure 1

***PNG DEPRECIATION STUDY PROCESS***

[1] American Gas Association and Edison Electric Institute, *Introduction to Depreciation for Public Utilities and Other Industries* (2013).
[2] W. C. Fitch and F. K. Wolf, *Depreciation Systems* 289 (Iowa State Press 1994).

**Depreciation Rate Calculation**

Annual depreciation expense amounts for the depreciable accounts of PNG were calculated by the straight line method, average life group procedure, and remaining-life technique. With this approach, remaining lives were calculated according to standard ALG group expectancy techniques, using the Iowa Survivor Curves noted in the calculation. For each plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated book depreciation reserve, was divided by the average remaining life to yield the annual depreciation expense.

**Remaining Life Calculation**

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group was based on engineering judgment that incorporated available accounting information analyzed using the Retirement Rate actuarial methods. After establishment of appropriate average service lives and retirement dispersion, remaining life was computed for each account. Theoretical depreciation reserve with zero net salvage was calculated using theoretical reserve ratios as defined in the theoretical reserve portion of the General Discussion section. The difference between plant balance and theoretical reserve was then spread over the ALG depreciation accruals. Remaining life computations are found for each account in work papers.

**Life Analysis**

The retirement rate actuarial analysis method was applied to all accounts for PNG. For each account, an actuarial retirement rate analysis was made with placement and experience bands of varying width. The historical observed life table was plotted and compared with various Iowa Curves to obtain the most appropriate match. A selected curve for each account is shown in the Life Analysis Section of this report. The observed life tables for all analyzed placement and

experience bands are provided in workpapers.

For each account the overall band (*i.e.*, placement from earliest vintage year, which varied for each account, through 2018) is used as a starting point. Then, after looking at the overall experience band, different experience bands were plotted and analyzed in increments of 20 or 10 years, for instance 2003-2022, 1993-2022, 1973-2022, etc. Repeated matching usually pointed to a focus on one dispersion family and small range of service lives. Then using the same average life, various dispersion curves were plotted. Frequently, visual matching would confirm one specific dispersion pattern (*e.g.*, L, S, or R) as an obviously better match than others. The next step would be to determine the most appropriate life using that dispersion pattern. The goal of visual matching was to minimize the differential between the observed life table and Iowa curve in the top and mid-range of the plots. These results are used in conjunction with all other factors that may influence asset lives.

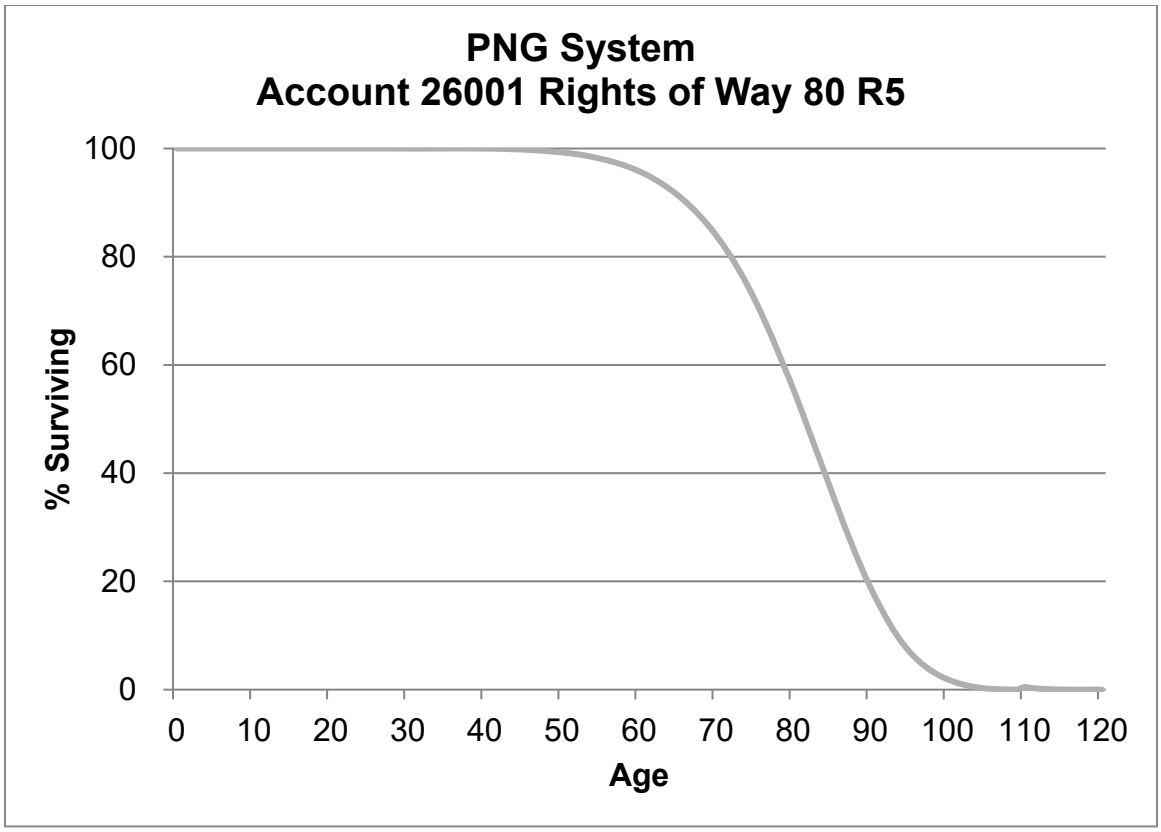
In the specific account life and net salvage analysis results that follow, the data and activity was combined for analysis. The recommended life and net salvage parameters are then applied to the individual entities' (NC, SC, TN, 2 State, and 3 State) balances and allocated reserves at December 31, 2022 to develop the annual depreciation expense accrual and depreciation rates. Existing parameters related to direct property of NC, SC, and TN will be noted accordingly, as will 2 State and 3 State in the life and net salvage analysis below.

## ACCOUNT SPECIFIC LIFE ANALYSIS RESULTS

**Storage Plant**

**Account 26001 Land Rights (80 R5)**

This account consists of depreciable rights of way related to the storage function. There is approximately $118 thousand in this combined account which includes 2 State. There has not been an approved life established. This study recommends that they be tied to the assets in the function, so 80 R5 is recommended to be applied for all entities going forward. No analysis was performed. A representative graph of the recommended 80 R5 is shown below.

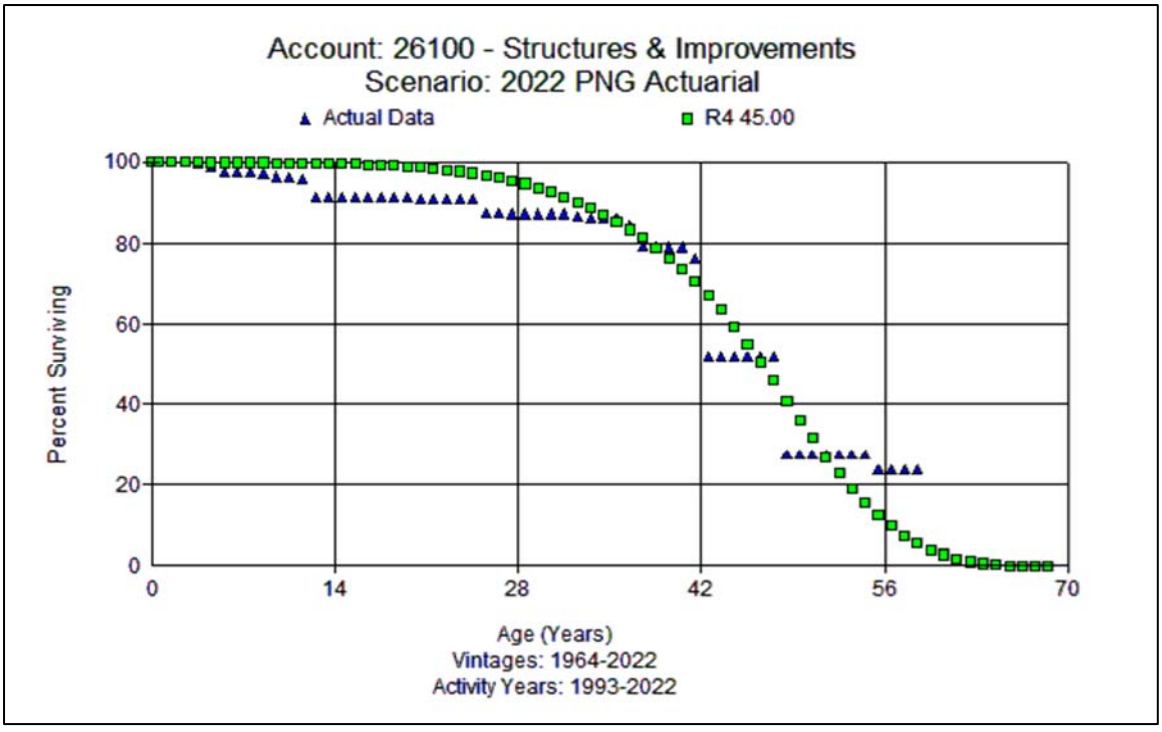


**Account 26100 Structures and Improvements (45 R4)**

This account consists primarily of buildings. There is approximately $184.7 million in this combined account which includes 2 State and TN. The approved life for 2 State is 54 R4 and 35 S5 for TN.

Discussions with Company Subject Matter Experts ("SMEs") indicated that there are no buildings being replaced due to end of life. Some additional buildings have been built for new equipment. There was some lead abatement work in 2010 at Huntersville and earlier at Nashville. Nearly all buildings and roofs are metal. The security systems and HVAC assets would last around 15 years. Operationally, a 45-year life is reasonable.

The analysis indicates a life around 44-45 years, generally with a steep pattern, across the bands analyzed. Based on the analysis, the existing parameters, type of assets, and Company input, this study recommends the 45 R4 dispersion pattern. A graph of the observed life table and the proposed life and curve is shown below.

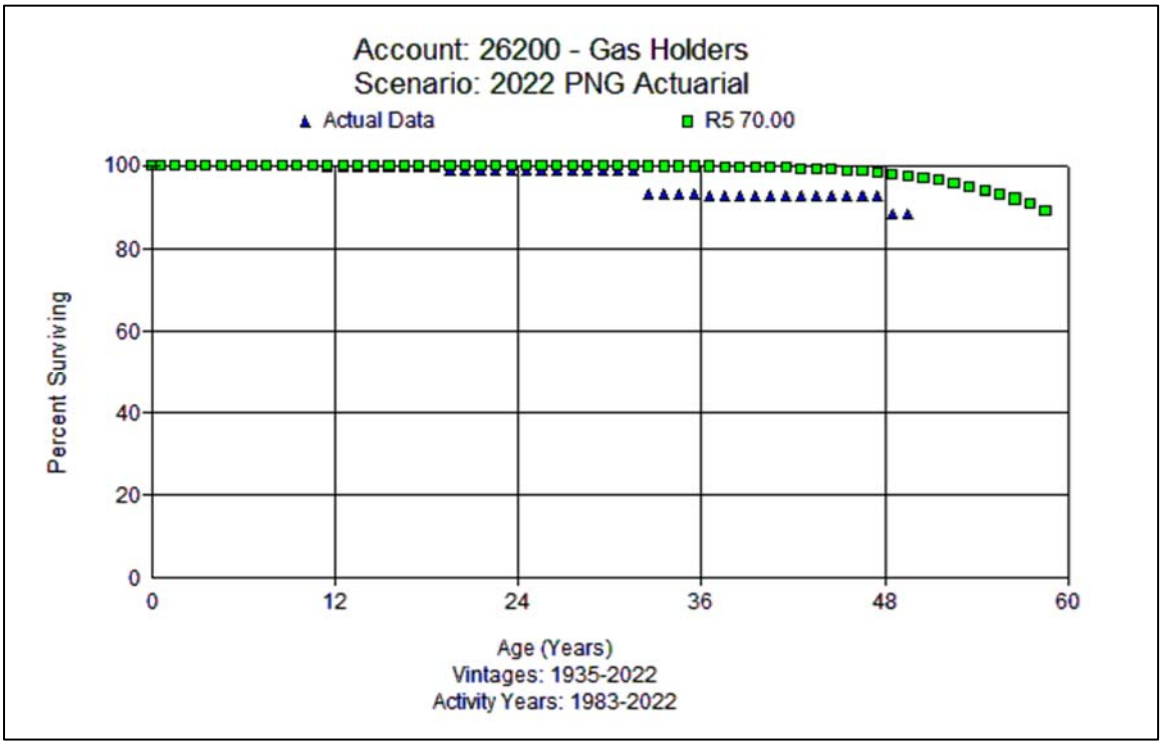


**Account 26200 Gas Holders (70 R5)**

This account consists of gas holders. There is approximately $117.6 million in this combined account which includes 2 State and TN. The approved life for 2 State is 70 R5 and 70 S5 for TN.

Discussions with Company SMEs indicated the in-service dates for the plants to be: 6/30/73 Huntersville, 12/18/73 Nashville, and 1/7/86 Bentonville. No corrosion takes place on the inside of the tank. Annual inspections and elevation certifications occur. The life will be long if the outside of the holders is well maintained. Company personnel believe 70 years is reasonable.

There have been a few retirements, which would create a fit with a 65 R4, but with the limited activity, Company expectations, and the type of asset this study recommends retention of the 70-year life and R5 dispersion pattern. A graph of the observed life table and the proposed life and curve is shown below.

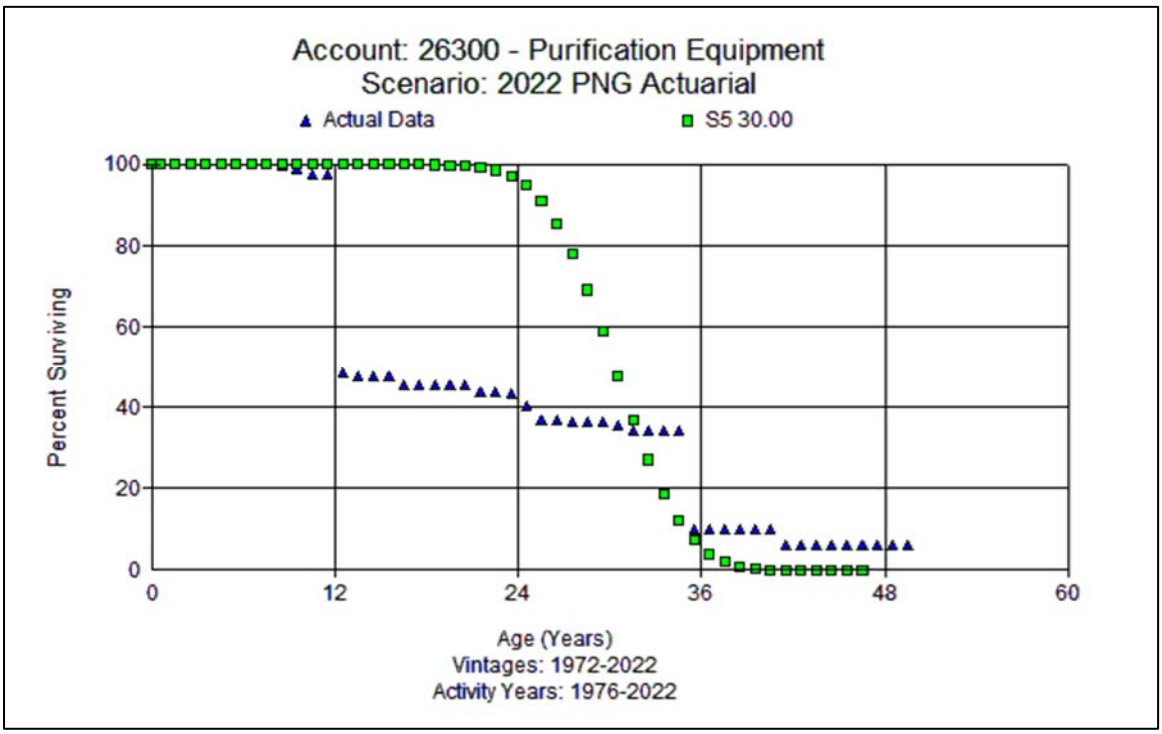


**Account 26300 Purification Equipment (30 S5)**

This account consists of miscellaneous purification equipment. There is approximately $65.3 million in this combined account which includes 2 State and TN. The approved lives are 42 R4 for 2 State and 30 S5 for TN.

Discussions with Company SMEs indicated that the adsorber changes in the past were due to change in gas composition conditions. The design life is expected to be around 30 years, with exception of the molecular sieve, which is 10 years. Purification heaters have a 20-year life and control systems have a shorter life due to technology. Company personnel believe that a shorter life is reasonable due to more electronic components, which have shorter lives than previous equipment.

The analysis indicates retirements are occurring at earlier ages, which is consistent with Company input. Considering the new investment, analysis, and Company input this study recommends the 30 S5 dispersion pattern. A graph of the observed life table and the proposed life and curve is shown below.

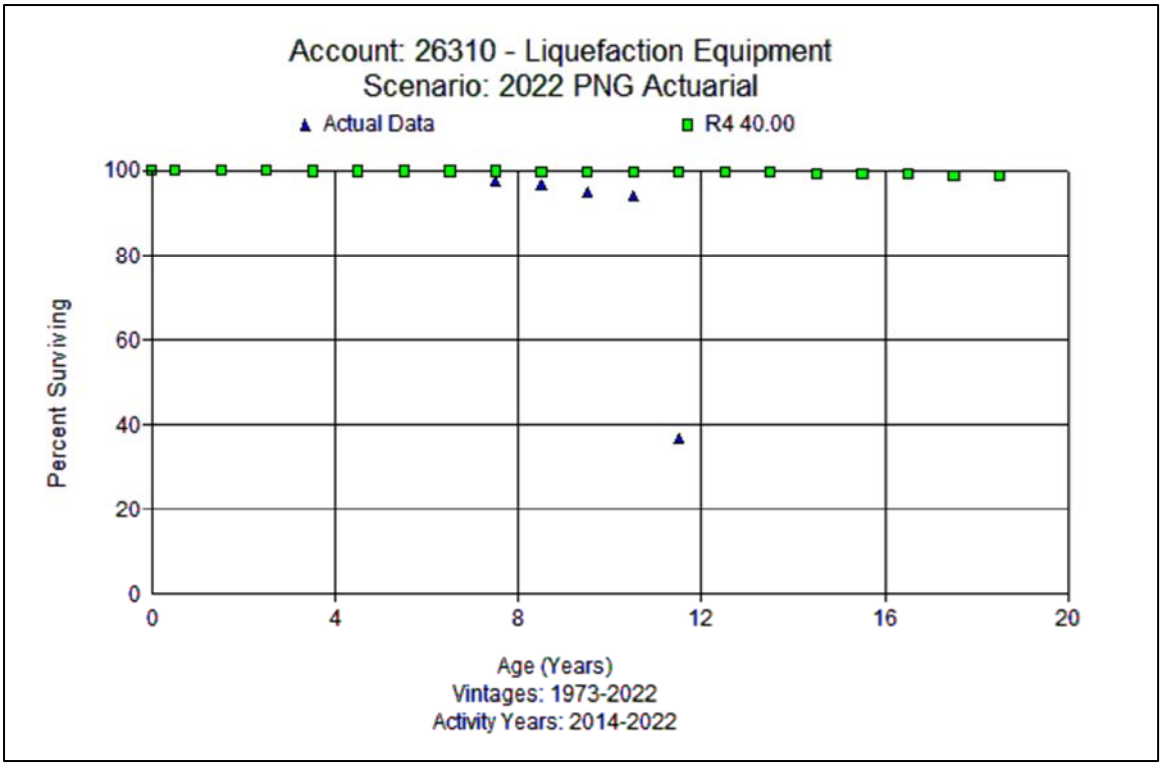


**Account 26310 Liquefaction Equipment (40 R4)**

This account consists of miscellaneous liquefaction equipment. There is approximately $84.6 million in this combined account which includes 2 State and TN. The approved lives are 50 R4 for 2 State and 30 S5 for TN.

Discussions with Company personnel indicated that Huntersville went 48 years, Nashville 52 years, and Bentonville 33 years before replacing this equipment. The new equipment has 30-year design criteria. They are using the equipment more than in the past and newer equipment will not last as long due to the electronics. PLCs will only last 20 years at most. Operationally, the expectations are between 30 and 40 years. Gas make-up, capacity, and end of life issues are driving these replacements.

Retirements have only been recorded since 2014, so there is limited value in the analysis. Based on the type and mix of assets, discussions with Company personnel, and judgment, this study recommends 40 R4. A graph of the observed life table and the proposed life and curve is shown below.

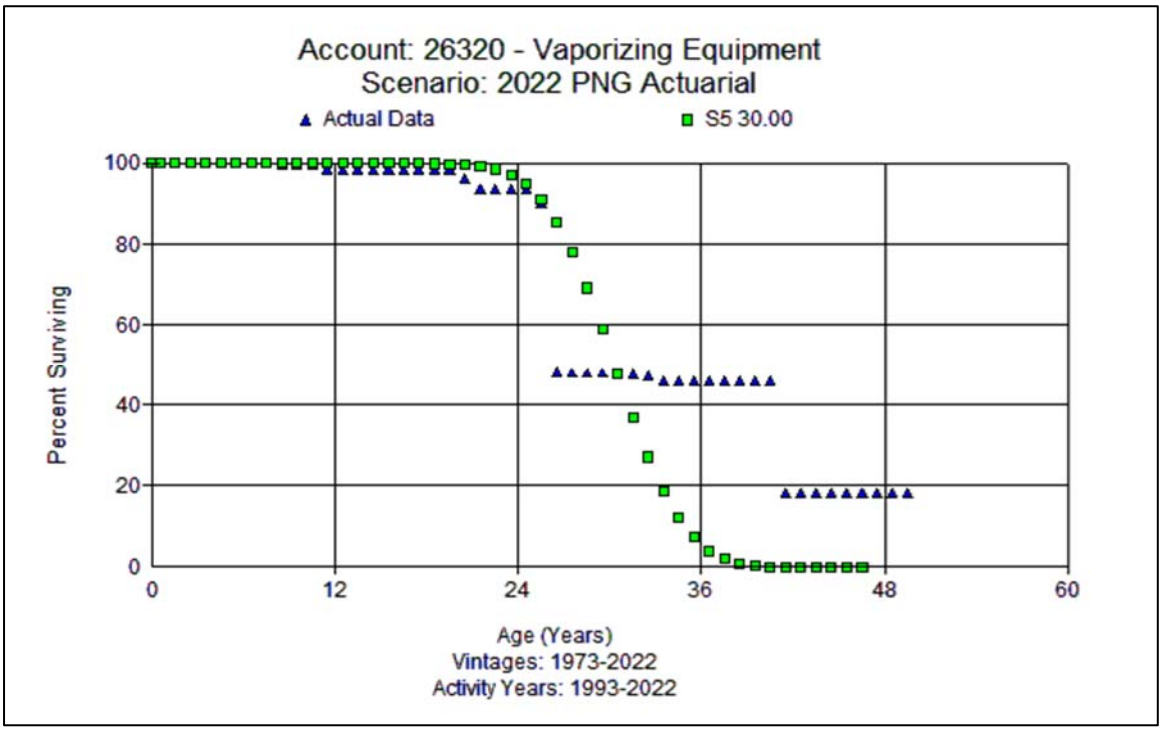


**Account 26320 Vaporizing Equipment (30 S5)**

This account consists of miscellaneous vaporizing equipment. There is approximately $78.4 million in this combined account which includes 2 State and TN. The approved lives are 30 S6 for 2 State and 30 S5 for TN.

Discussions with Company SMEs indicated that all vaporization equipment was changed out at all three plants. The design and expected life are 30 years. A different type of system (water/glycol heaters) was installed, which is more than 50% of the investment, and may only last for 20 years. The shell and tubes would last perhaps 40 years. There are some heaters that are having major repairs (fire tube refractory replacement) that are only 10 years old. However, the Company believes 30 years is still a reasonable life estimate.

The analysis indicates a longer life in the full band and a shorter life in the more recent bands, which is consistent with the recent activity. Based on the analysis, type of assets, Company expectations, and judgment, this study recommends the 30 S5. A graph of the observed life table and the proposed life and curve is shown below.

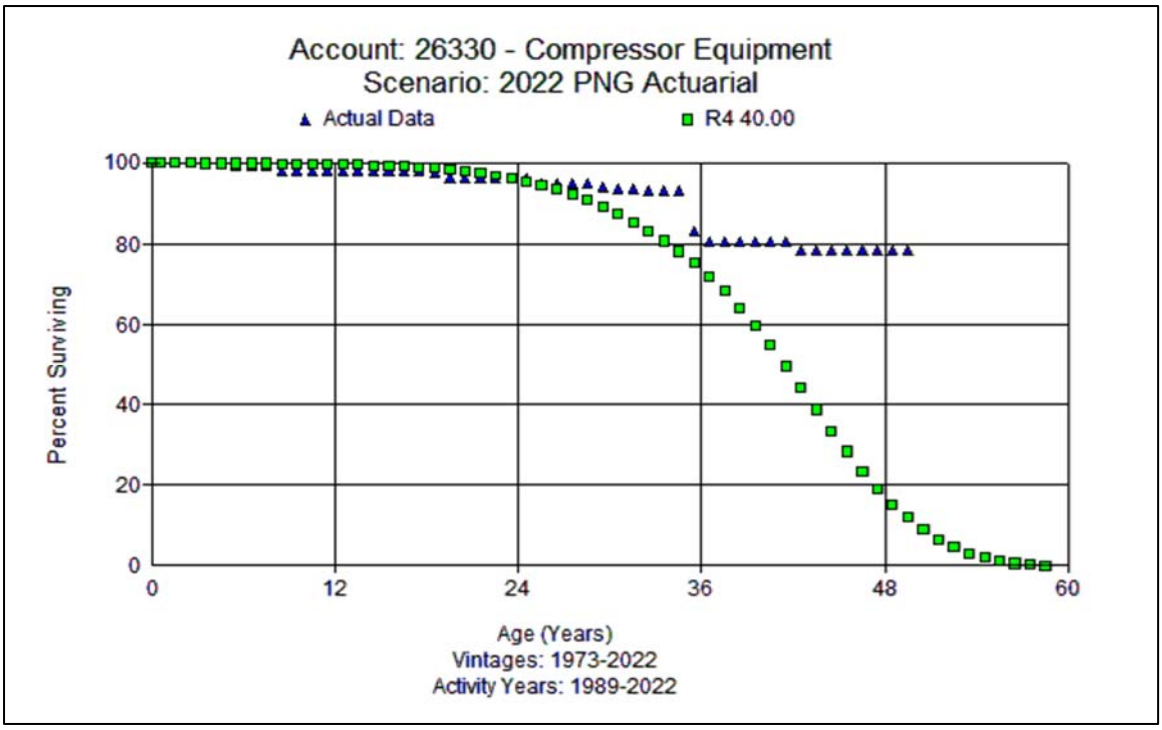


**Account 26330 Compressor Equipment (40 R4)**

This account consists of miscellaneous compressor equipment. There is approximately $32.7 million in this combined account which includes 2 State and TN. The approved lives are 40 R4 for 2 State and 35 S5 for TN.

Discussions with Company SMEs indicated that there are two at Bentonville and three at Huntersville. Replacing pistons or valves are capital expenditures making up 5%-10% of the account, and they do not last the life of the compressor, only about 15-20 years. PLCs will only last 20 years at most. Compressors are original equipment. Approximately 15% is glycol coolers, which will only last 30 years. Controls were upgraded with the other equipment. Company believes 40 years is a reasonable expectation.

There is limited activity for actuarial analysis. Based on recent activity, type of assets, Company input, and judgment, this study recommends 40 R4. A graph of the observed life table and the proposed life and curve is shown below.

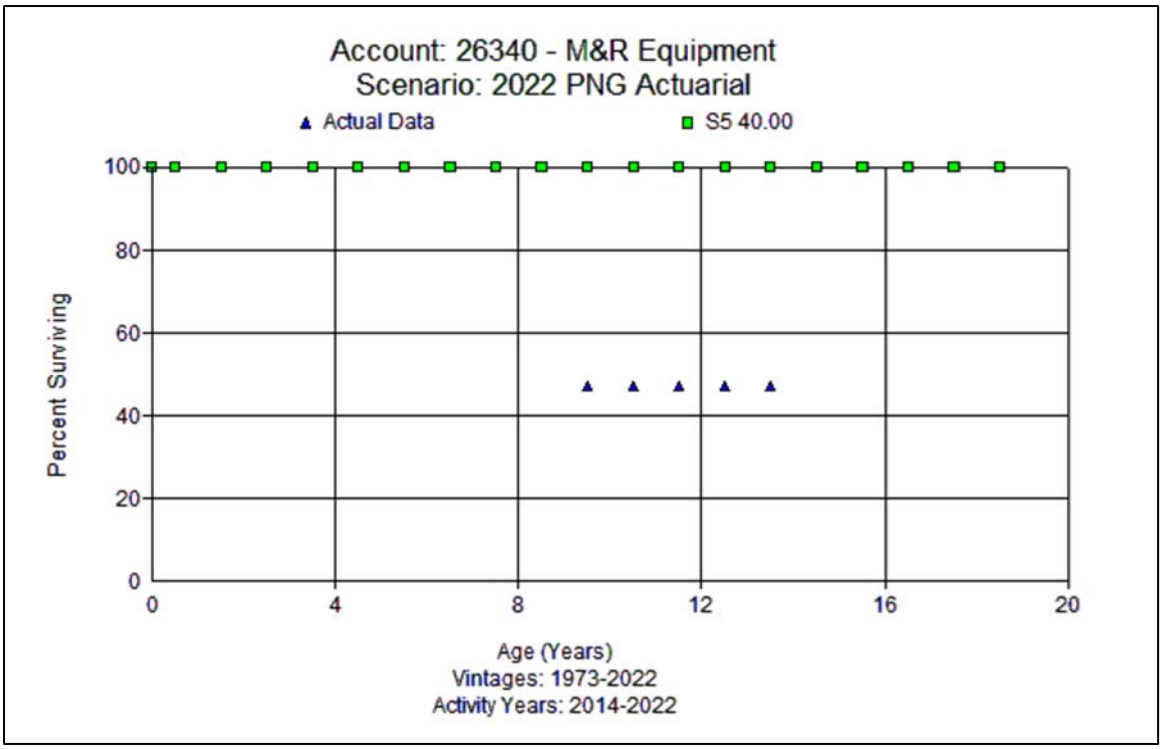


**Account 26340 M&R Equipment (40 S5)**

This account consists of miscellaneous measuring and regulating equipment. There is approximately $1.2 million in this combined account which includes 2 State and TN. The approved lives are 30 R4 for 2 State and 35 S5 for TN.

Discussions with Company SMEs indicated that assets have lives ranging from 10 years for electronic transmitters, 20 years for control valves, and 30 years for the stations. The YZ odorizer was replaced in 2014 at Bentonville due to send out capacity; at that time, it was 8 years old.

The first retirements were recorded in 2014, with an average age of retirement of 33 years for this account. The life analysis was not useful in selecting a life. Considering the limited retirements, type of assets, Company input, and judgment, this study recommends a 40 S5 dispersion pattern. A graph of the observed life table and the proposed life and curve is shown below.

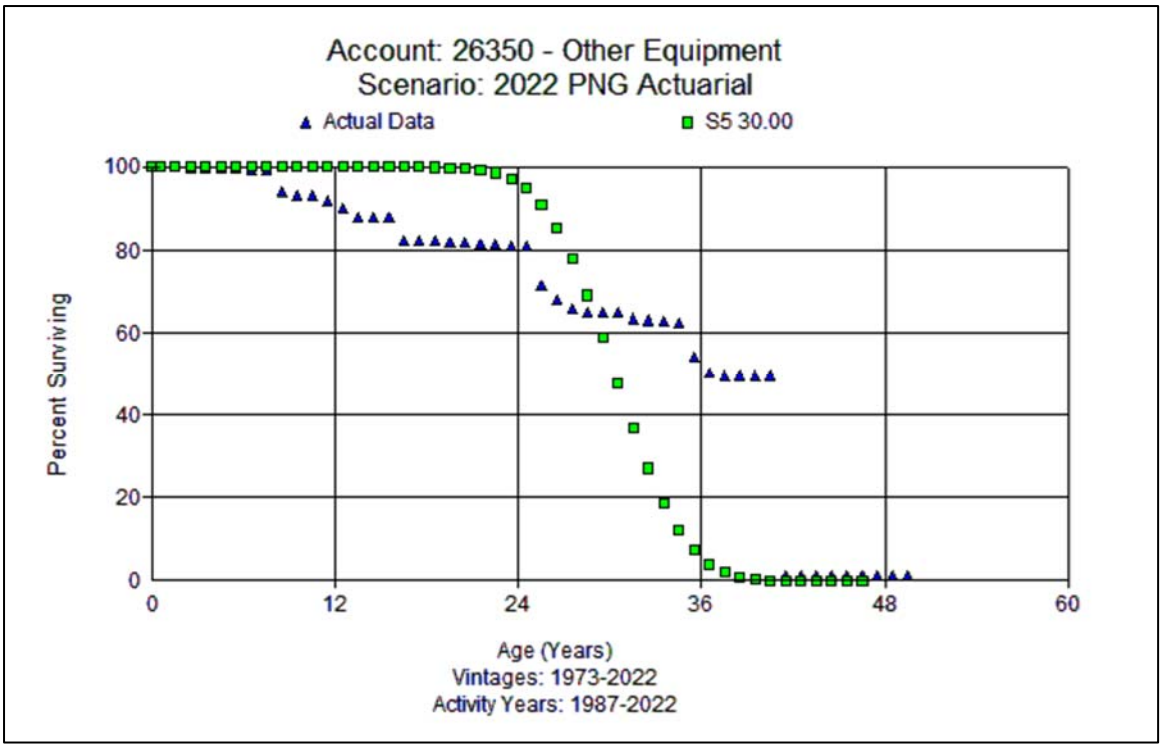


**Account 26350 Other Equipment (30 S5)**

This account consists of various tools and miscellaneous equipment used for LNG plant operations. There is approximately $17.3 million in this combined account which includes 2 State and TN. The approved lives are 33 R4 for 2 State and 30 S5 for TN.

Discussions with Company personnel indicated there are shorter lived assets such as PLCs, HMI, communication systems, and other miscellaneous equipment recorded in this account. Some of these would have a much shorter life cycle.

The average age of retirement is around 22 years. The fuller bands indicate a life around 30-35 years, but the more recent bands have a much shorter life indication. Considering both the full and short band indications in the analysis, recent activity, type of assets, and judgment, this study recommends the 30 S5. A graph of the observed life table and the proposed life and curve is shown below.

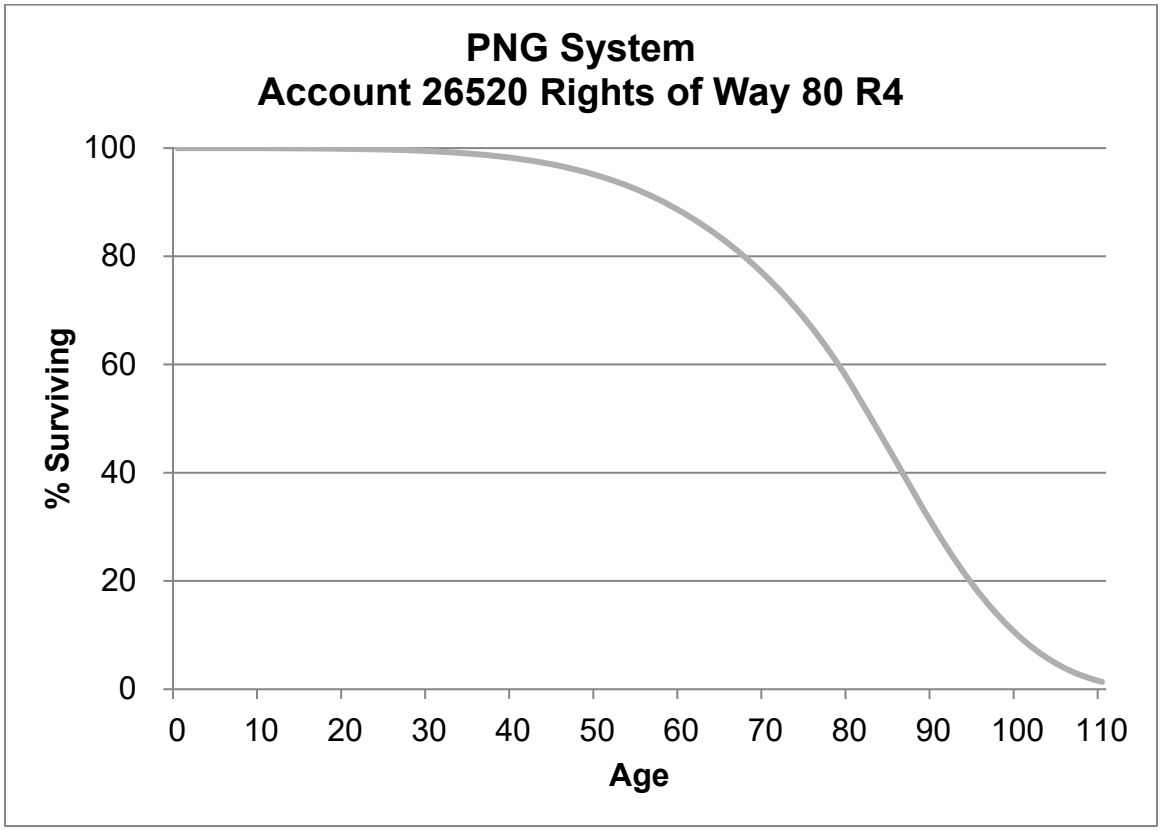


**Transmission Plant**

**Account 26520 Rights of Way (80 R4)**

This account includes of rights of way used in connection with transmission operations and assets. There is approximately $170.1 million in this combined account which includes NC, SC, and TN direct property. The approved lives are 80 R4 for NC and SC and 80 R2 for TN.

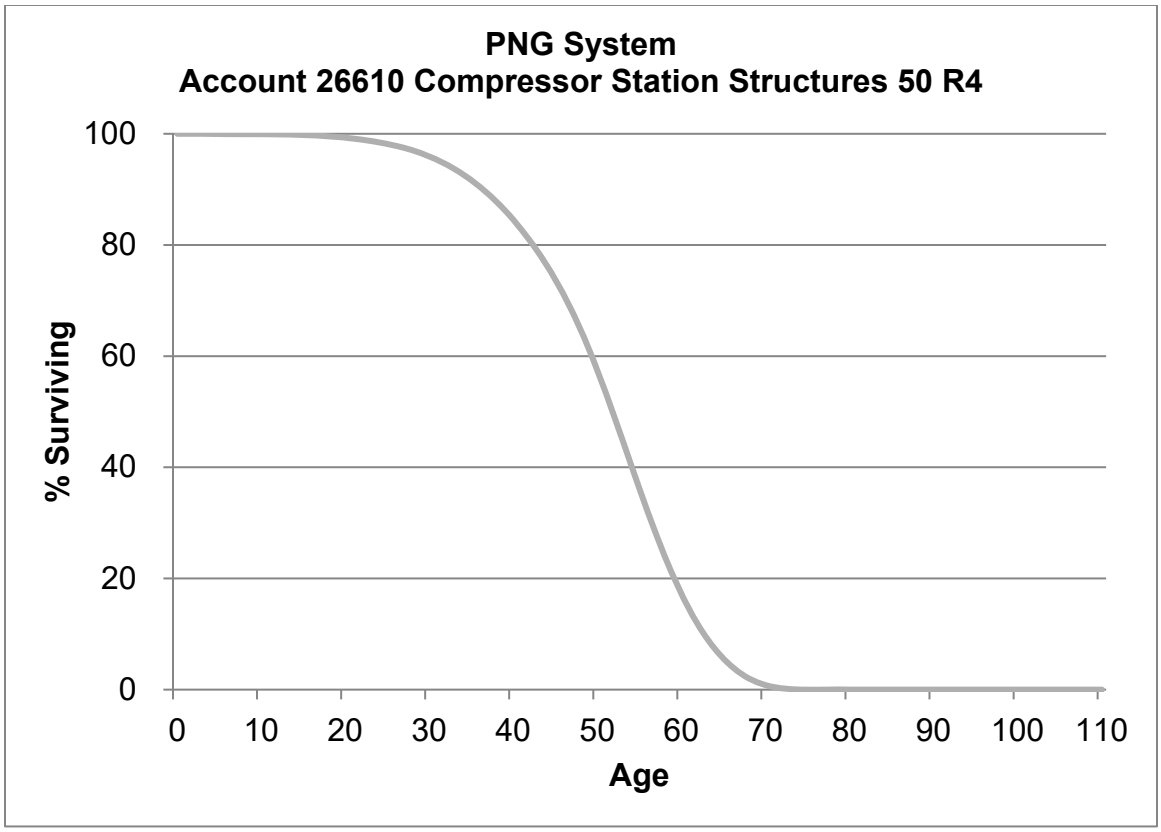
There have been no retirements recorded and few are expected. These land rights are generally used in conjunction with the installation of mains, so a reasonable expectation is the life would equal or exceed the life of mains. Based on the life of Account 367, Mains, this study recommends increasing the existing life to 80 years and retaining the R4 dispersion. A representative graph of the recommended 80 R4 is shown below.



**Account 26610 Compressor Station Structures & Improvements (50 R4)**

This account includes compressor station structures used in connection with transmission operations and assets. There is approximately $19.8 million in this account. The approved life for NC is 50 R4 dispersion.

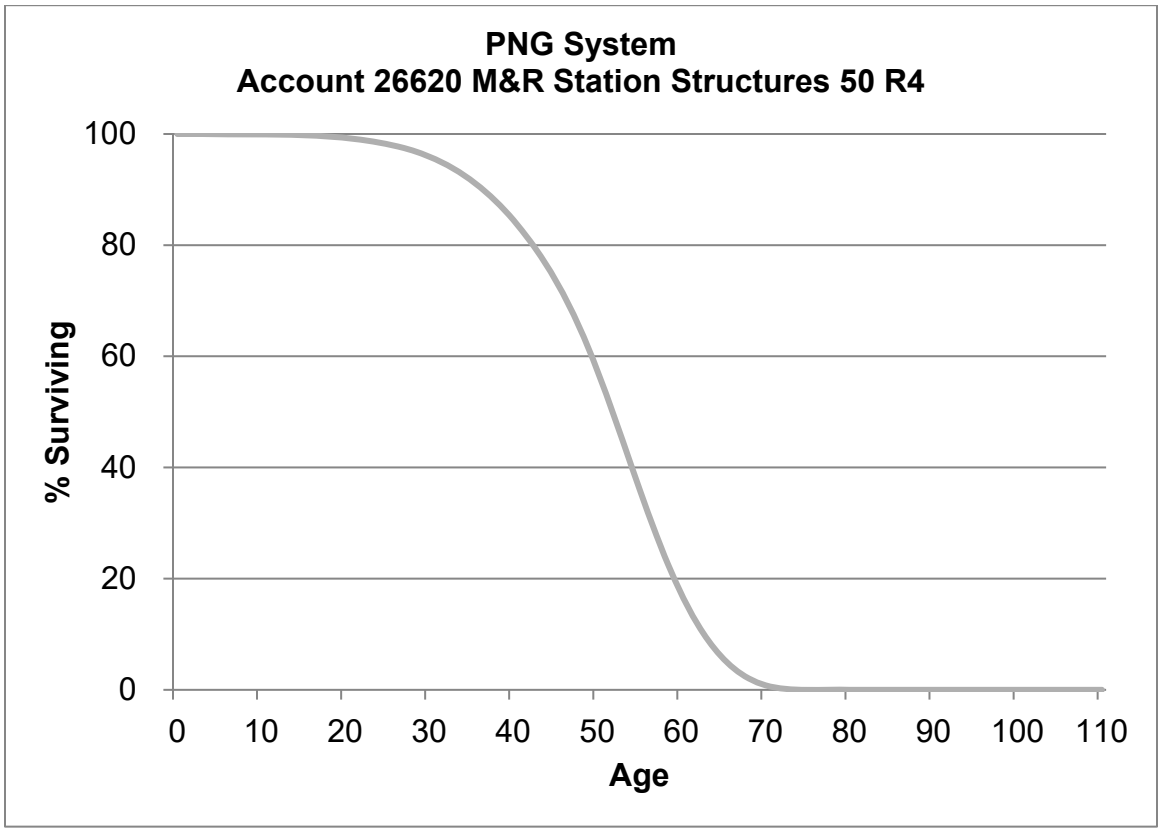
There has been approximately $195 thousand retired, and the first retirement was recorded in 2021, so the life analysis is not meaningful in selecting a life. The average age of the recorded retirements is 9 years. No actuarial analysis was performed, and the study recommends retention of the approved 50 R4. A representative graph of the recommended 50 R4 is shown below.



**Account 26620 M&R Station Structures & Improvements (50 R4)**

This account includes M&R station structures used in connection with transmission operations and assets. There is approximately $16.5 million in this combined account which includes NC, SC, and TN. The approved lives are 50 R4 for NC and SC and 50 R3 for TN.

There has been approximately $144 thousand retired, and the first retirement was recorded in 2020, so the life analysis is not meaningful in selecting a life. The average age of the recorded retirements is 4.5 years. No actuarial analysis was performed, and the study recommends the 50 R4 currently in use in NC and SC. A representative graph of the recommended 50 R4 is shown below.

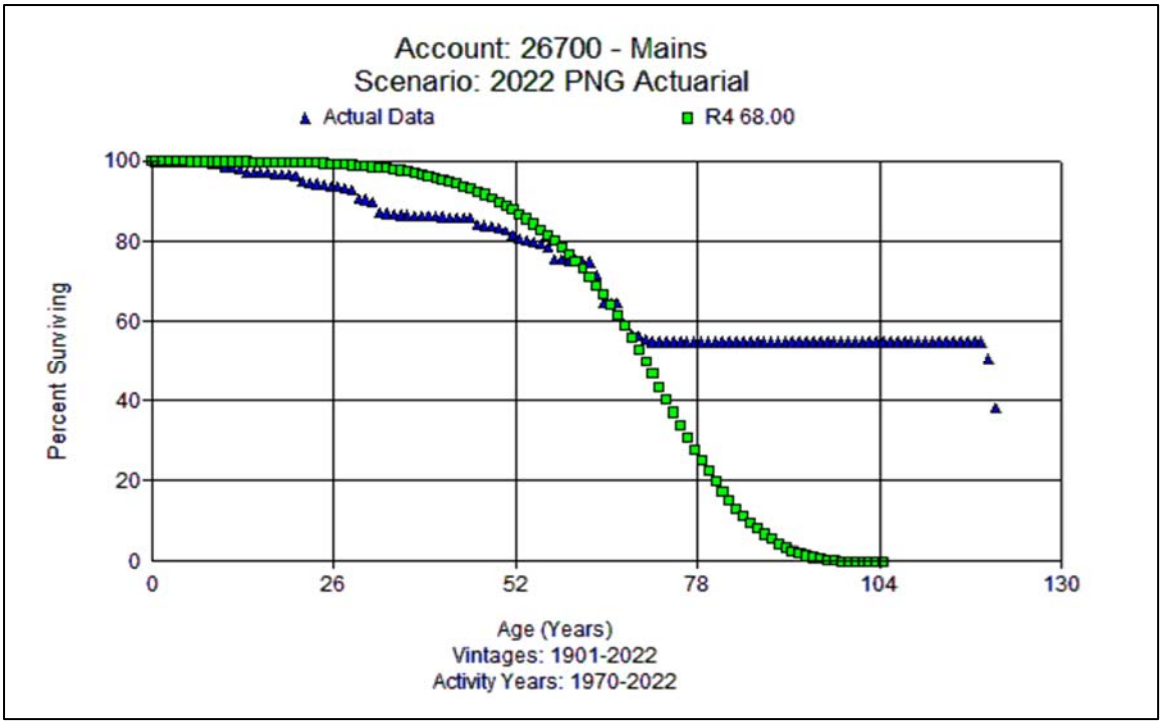


**Account 26700 Mains & Cathodic Protection (68 R4)**

This account includes mains of all sizes, both coated steel and plastic, as well as fittings, miscellaneous piping, and cathodic protection equipment. There is approximately $3.4 billion combined which includes NC, SC, and TN direct property. The approved lives are 65 R4 for NC, 70 R4 for SC, and 75 R2 for TN.

Discussions with Company SMEs indicate that they are seeing more forced relocations due to growth and road projects (DOT). PNG conducts routine assessments in the Transmission Integrity Management Program ("TIMP"), which would help to extend the life in the long term. Besides TIMP, one of the major contributors to retirement is third-party damage. Regulations would have a shortening effect on the lives. There are more activities triggered by the Mega rule, which has 3 different parts that affect transmission. Many of the replacements are from the 1960s and 1970s. What is being installed now would have a longer expected life than older pipe in the ground. The cathodic protection assets are primarily impressed current and are expected to last around 20-25 years.

The life analysis results in various life and dispersion pattern best fits, to the observed life table at 50% surviving, in the full band. In more recent bands the observed life table drops just above 60% surviving. The average age of retirement is 19 years, and the average age of current survivors is nearing 8 years. Considering the analysis indications, the various approved lives and dispersion patterns, the expected impact of regulation, Company plans and expectations, and the young average age of survivors for this type of asset, this study proposes 68 R4. A graph of the observed life table and the proposed life and curve is shown below.

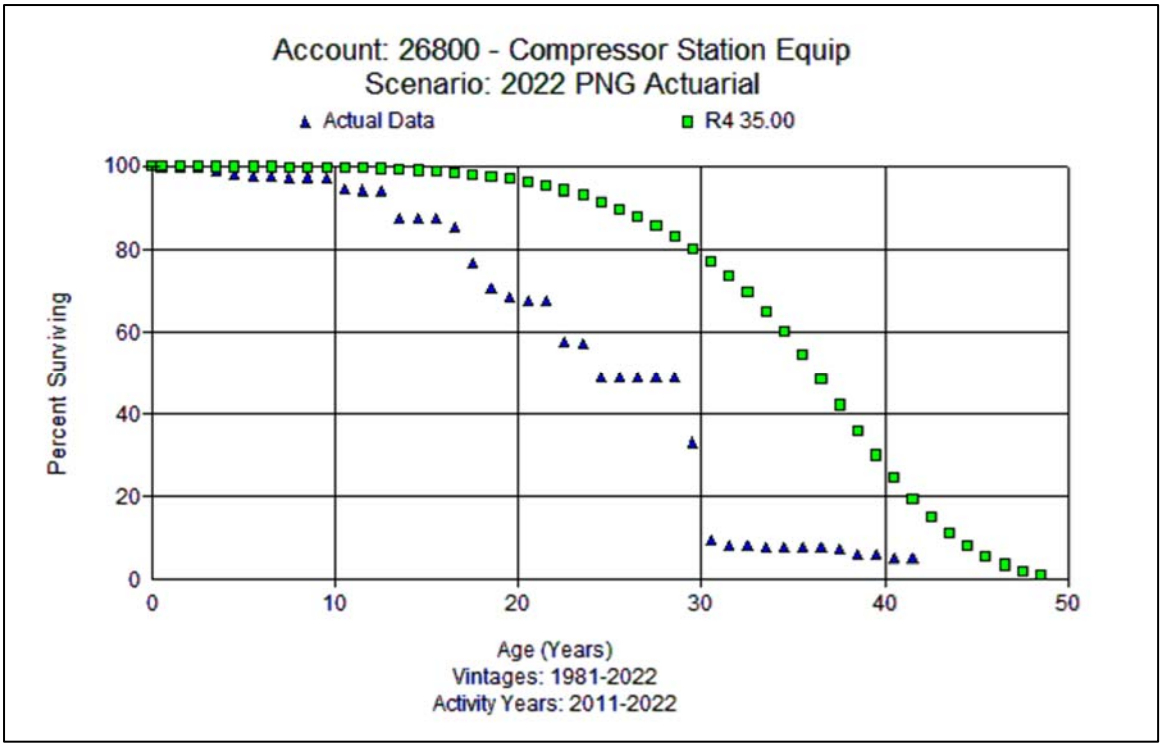


**Account 26800 Compressor Station Equipment (35 R4)**

This account includes cost of transmission compressor station equipment such as boiler plant, compressed air equipment, electric power system equipment, fire-fighting equipment, and gas lines and equipment. The account balance is approximately $209.7 million. The approved life for NC is 35 R4.

Discussions with Company SMEs indicated that there are three stations that have been or are being retired: Battleboro, Pembroke, and Monroe (retire post ACP). There are five stations remaining, which have been installed in the last 15 years. Two are electric motor driven reciprocating and three are gas driven reciprocating. PNG is in the process of building four ne stations that are electric motor driven reciprocating. The Company believes a 35-year life is more in line with Company expectations.

The full band analysis, Placement 1981-2022 and Experience 2011-2022, results in a great fit with 23 R3 or 24 R2.5. The only subsequent placement band, 1993-2022, also indicates a lower life with 22 R3, but it does not drop to 60% surviving. Since the earliest experience band starts at 2011, there are not a lot of fits. While the life analysis indicates a much shorter life, Company SMEs do not believe a lower life is warranted at this time. Based on the analysis, recent investment, discussions with Company personnel, and future expectations, this study proposes retaining the existing 35 R4 dispersion. A graph of the observed life table and the proposed life and curve is shown below.

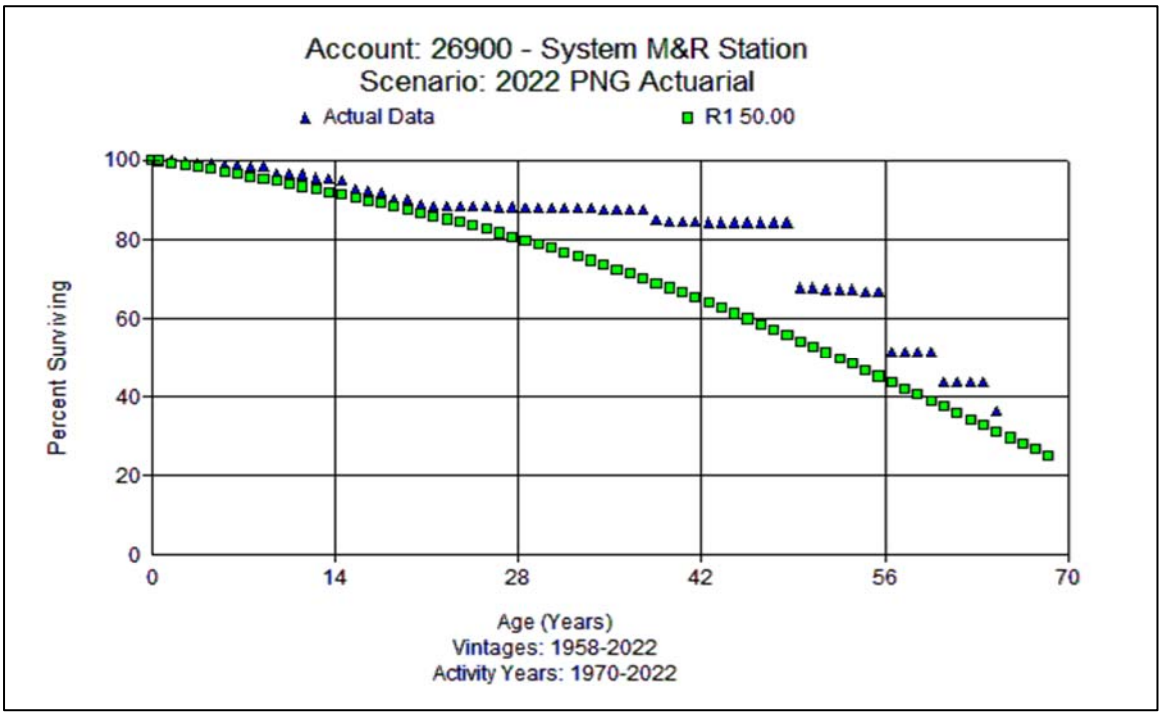


**Account 26900 M&R Station Equipment (50 R1)**

This account includes measuring equipment, gauges, piping, and valves associated with the transmission system. There is approximately $410.5 million in this combined account which includes NC, SC, and TN direct property. The approved lives are 45 R4 for NC, 55 R4 for SC, and 50 R1 for TN.

Discussions with Company SMEs indicated transmission may be static or trend downward due to future regulation related to the inlet replacements needs. They are not replacing stations at any different rate than in the past, and they see no operational reason that the life would increase.

The majority of the account, 88 percent, has been added since 2012 with an overall average age of survivor nearing 7 years. Average age of retirements is about 12 years, which is young based on average service life expectations. There has been only $9 million retired with $8 million occurring since 2022. Considering the age, retirements, type of assets, Company expectations, and judgment, this study recommends 50 R1. A graph of the observed life table and the proposed life and curve is shown below.

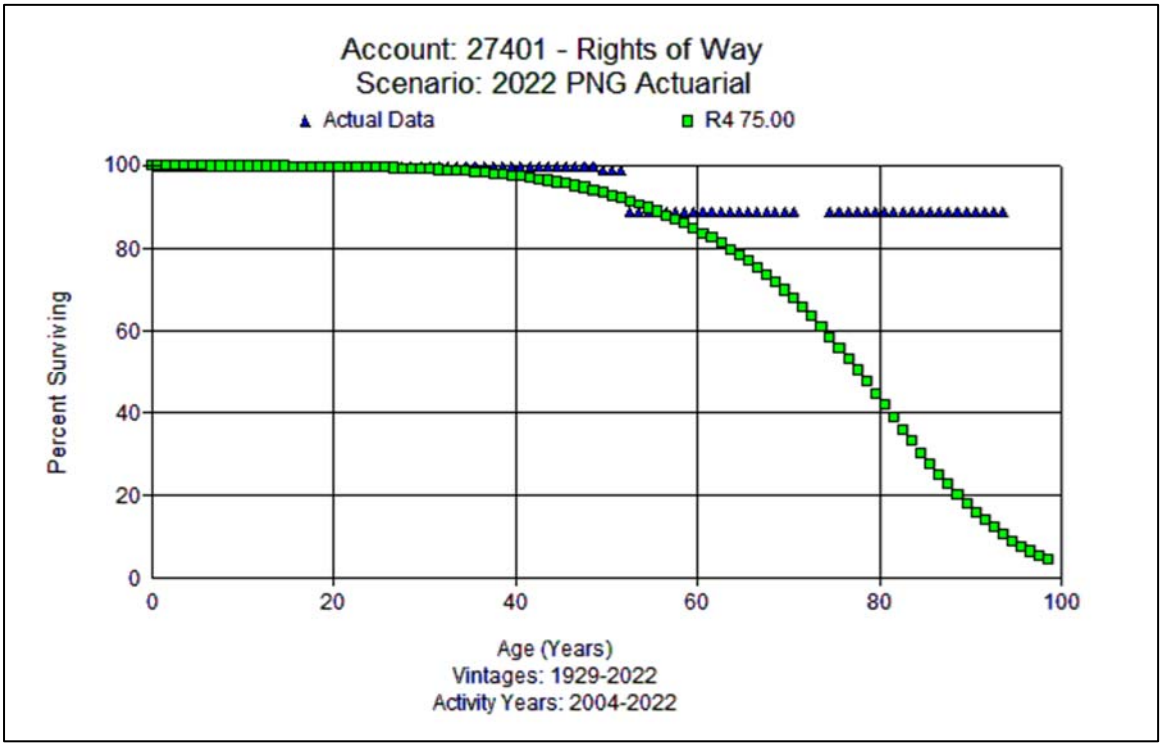


## Distribution Plant

### Account 27401 Land Rights (75 R4)

This account includes the cost of rights of way used in connection with distribution operations. There is approximately $23.6 million in this combined account which includes NC, SC, and TN direct property. The approved lives are 75 R4 for NC and SC and 73 R4 for TN.

There have been only a few retirements recorded throughout time and few are expected in the future. Since there are few retirements, the life analysis has limited value. Consistent with the prior studies, the life of rights of way is linked to the underlying assets, which are primarily mains. The expectation is that the life will be at least that of mains, but generally longer. Based on the life for Account 276, Mains, this study recommends 75 R4. A graph of the observed life table and the proposed life and curve is shown below.

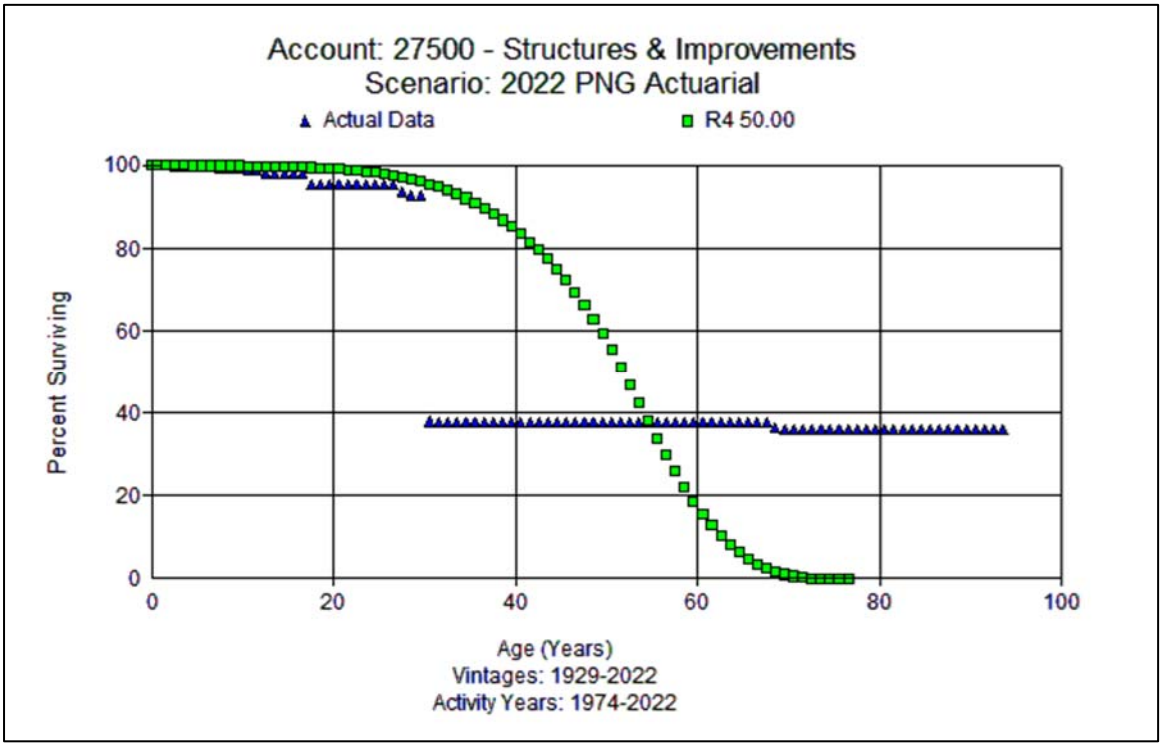


**Account 27500 Structures and Improvements (50 R4)**

This account includes buildings. There is approximately $2.5 million in this combined account which includes NC, SC, and TN direct property. The approved lives are 50 R4 for NC and SC and 29 R4 for TN.

Discussions with Company personnel indicated that there are primarily small sheds for SCADA equipment.

There have been limited historical retirements, with some small retirements occurring in recent years. The additions to the account from 2000-2022 make up about a third of the current investment. However, the current average age of investment is 23 years. The few retirements that have occurred in the past had an average age of approximately 29 years. Based on the type of assets in the account, the average age and judgment, this study proposes 50 R4. A graph of the observed life table and the proposed life and curve is shown below.

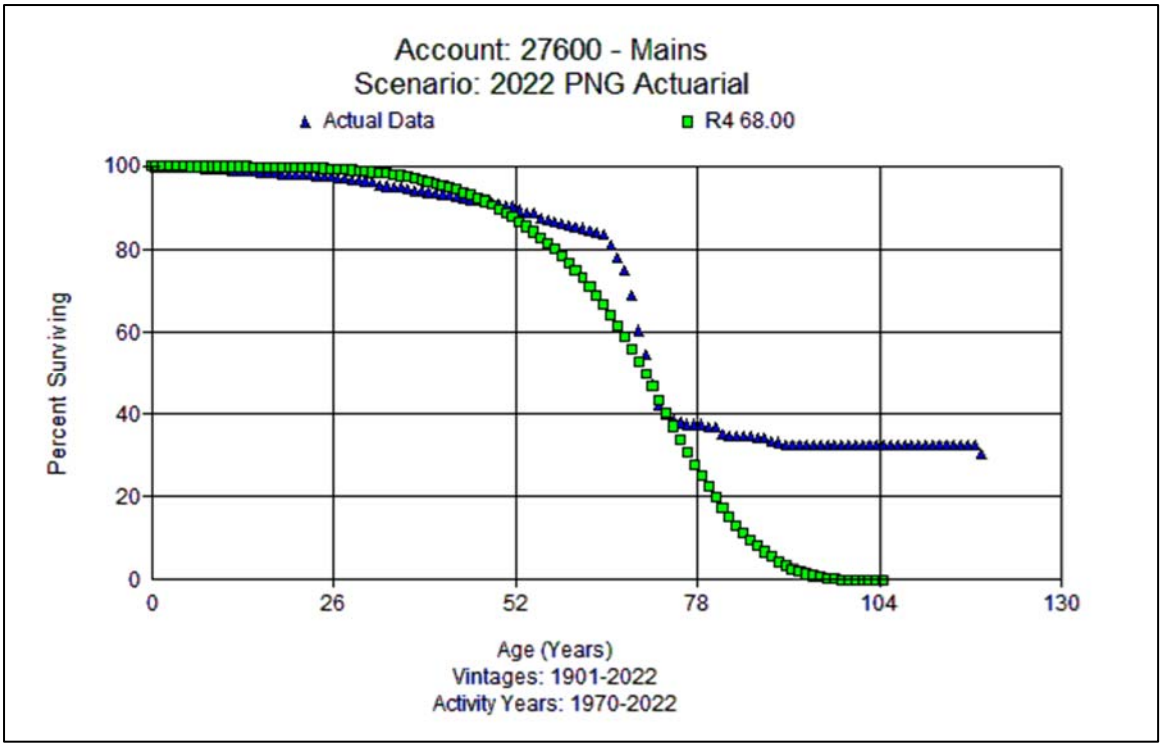


**Account 27600 Mains – All (68 R4)**

This account consists of all sizes of distribution mains as well as miscellaneous fitting, equipment, miscellaneous piping, and cathodic protection. The system has both coated steel and plastic mains. There is approximately $2.7 billion of investment in this combined account which includes NC, SC, and TN direct property. The approved lives are 65 R4 for NC, 70 R4 for SC, and 68 R4 for TN.

There has been significant investment ($1.2 billion) from 2017-2022, which accounts for 44% of the total investment. Discussions with Company SMEs indicated that they have no cast iron mains, nearly no low-pressure mains, and no bare steel mains. PNG has addressed most of the pre-1974 plastic mains, but some remain and are being watched. They are seeing more forced relocations due to growth and road projects (DOT). Regulations could shorten the life while the routine assessments would help extend the life in the long term. Third party damage is a major contributor to retirement. Company personnel note that there has been little change since the last study.

The average age of investment is about 14 years, and the average age of retirement is 27 years. The full band is the only band that drops below 60% surviving, with life indications of 68-70 years. Based on the direction seen in the analysis, discussions with Company SMEs, type of assets, and judgment this study recommends 68 R4. A graph of the observed life table and the proposed life and curve is shown below.

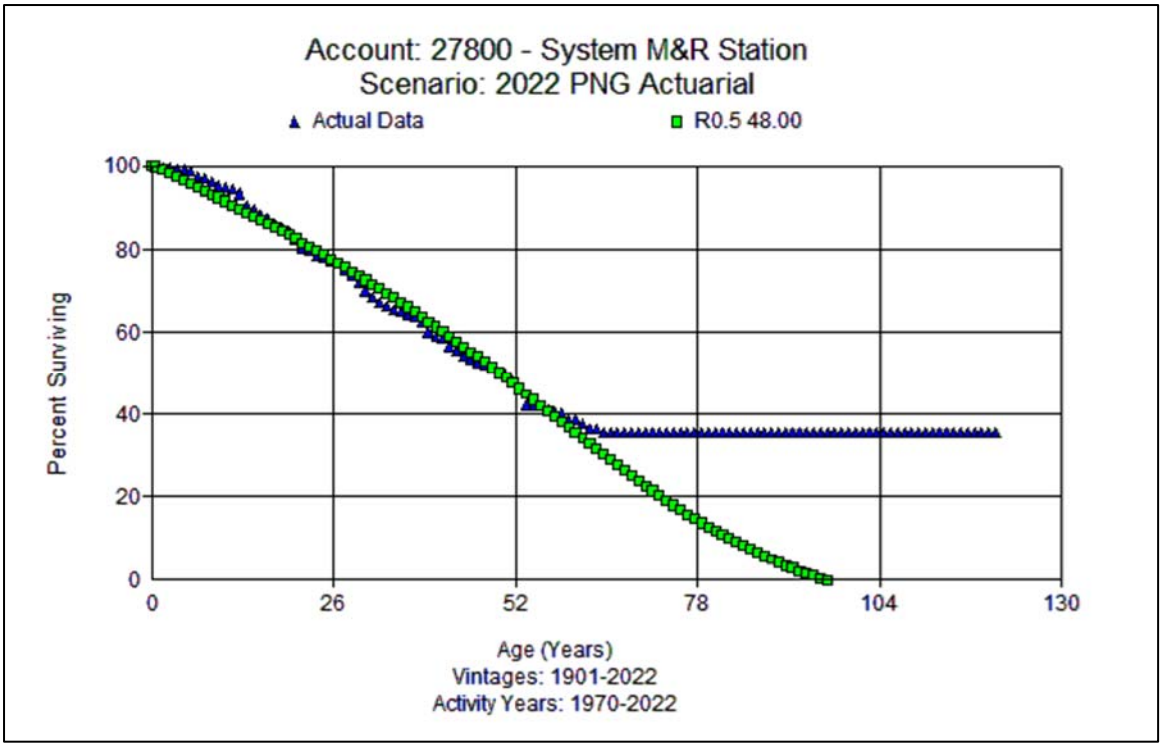


**Account 27800 M&R Station Equipment (48 R0.5)**

This account consists primarily of buildings, meter sets, filter/strainers, miscellaneous equipment, regulators, relief valves, station fittings, and equipment. There is approximately $153.4 million of investment in this combined account which includes NC, SC, and TN direct property. The approved lives are 55 R2 for NC and SC and 35 R3 for TN.

Discussions with Company personnel indicated that the components in transmission, district regulator stations ("DRS"), or city gates are the same assets. The regulators have a 12-month (not to exceed 15 month) maintenance cycle. In the Carolinas, stations are typically installed on PNG owned easements or land (not in DOT right of way). There is no operational reason that the distribution station lives should be increasing. They would expect a slightly shorter life for the DRS in this account due to road widening, cars hitting, etc. The continued growth would suggest the upgrading of stations over time as well.

The combined entity analysis suggests a longer life around 48 years in the fuller band and 40-42 in mid-band. There is an excellent fit, to 40% surviving, in the full band (P1901-22 E70-22) of 48 R0.5. Based on the life analysis and information from Company SMEs, this study recommends 48 R0.5. A graph of the observed life table and the proposed life and curve is shown below.

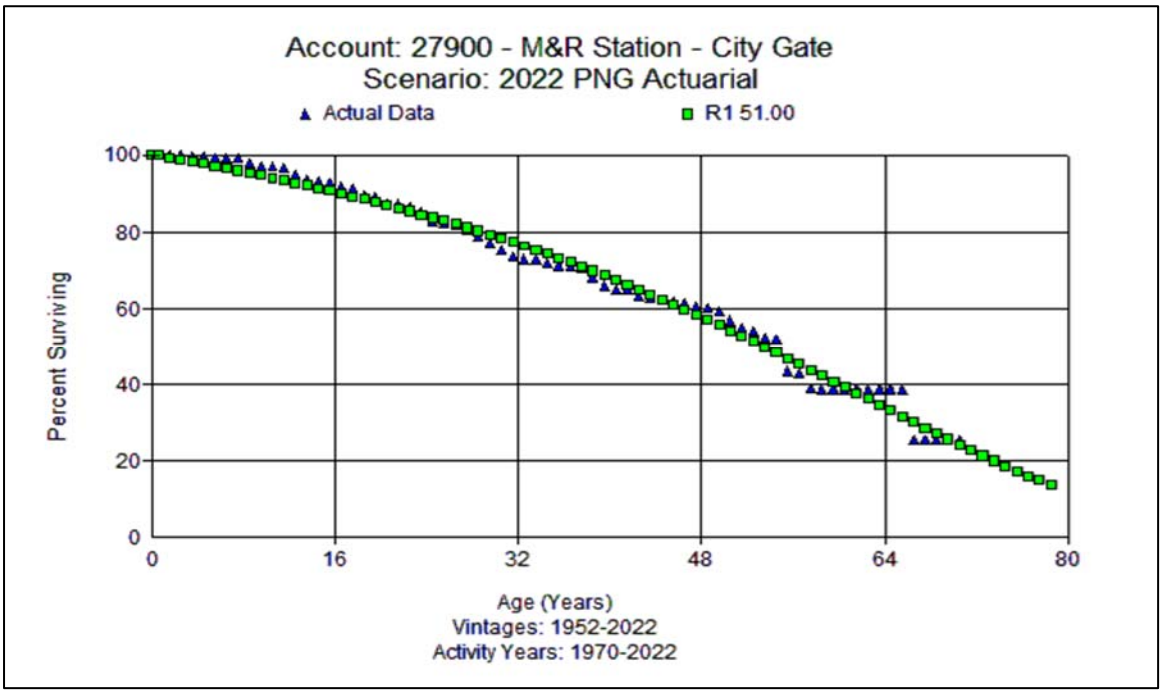


**Account 27900 M&R City Gate Equip. (51 R1)**

This account consists primarily of buildings, electronic correctors, meter sets, station fittings, and equipment. There is approximately $184.2 million of investment in this combined account which includes NC, SC, and TN direct property. The approved lives are 55 R2 for NC and SC and 41 R4 for TN.

Discussions with Company personnel indicated that the components in transmission, DRS, or city gates are the same assets. The regulators have a 12-month (not to exceed 15 month) maintenance cycle. In the Carolinas, stations are typically installed on PNG owned easements or land (not in DOT right of way). City gates are expected to have a slightly longer life than DRS.

The life analysis indications are consistent across the bands analyzed. The average age of survivors is about 7 years. A majority of the fits are less than 55 years. Based on the analysis, type of assets, and Company expectations, we recommend 51 R1. A graph of the observed life table and the proposed life and curve is shown below.

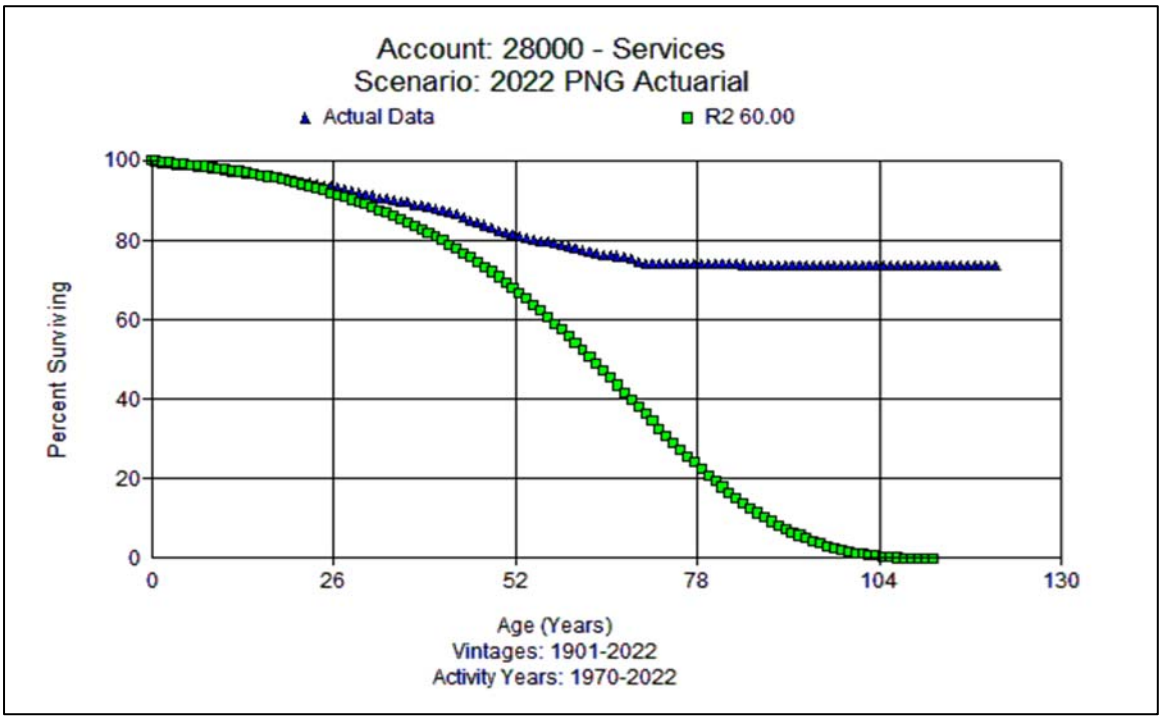


**Account 28000 Services (60 R2)**

This account consists of steel and plastic services. There is approximately $1.5 billion of investment in this combined account which includes NC, SC, and TN direct property. The approved curves for this account are 60 R2.5 for NC, 65 R2.5 for SC, and 60 R2 for TN.

Discussions with Company SMEs indicated that most services are plastic. The Company indicated that there should be some differential between the life of mains and services (with services having a shorter life). There are more frequent dig-in and relocations with services. When mains are replaced, in many situations, the service would be replaced as well (*e.g.*, steel service with plastic main, early vintage plastic, etc.).

The actuarial analysis indicates a longer life than expected. Based on recent activity, type of assets, Company expectations, and judgment, this study recommends the 60 R2 dispersion pattern. A graph of the observed life table and the proposed life and curve is shown below.

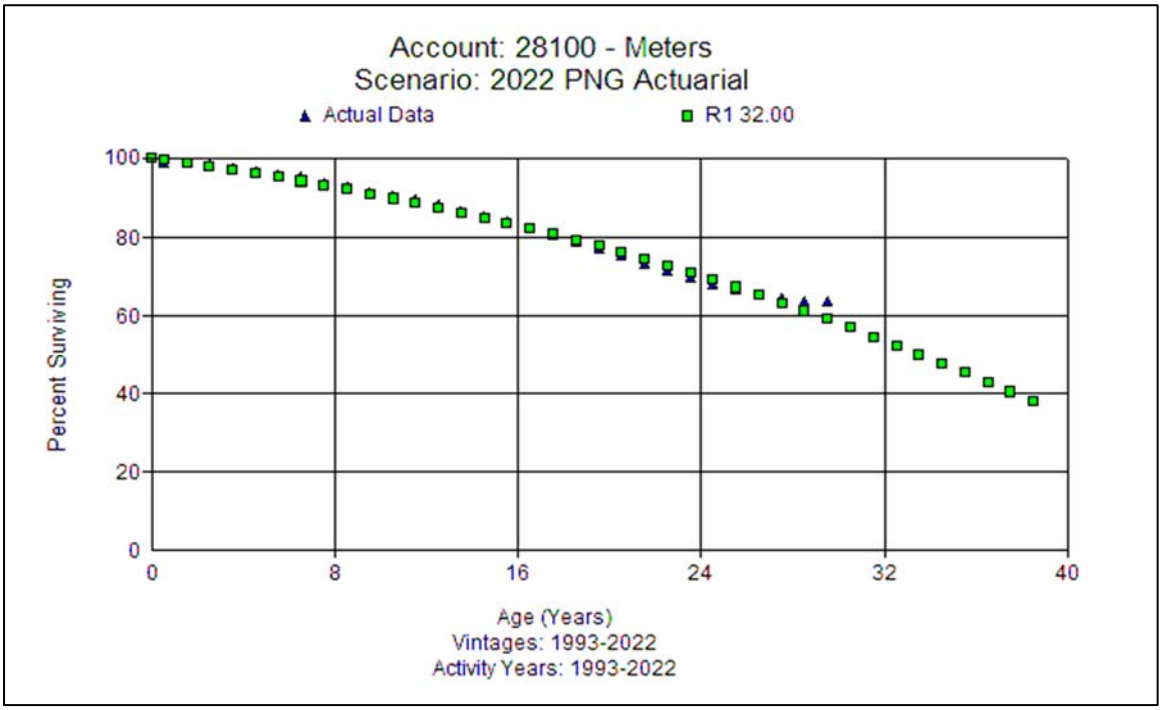


**Account 28100 Meters – Commercial & Industrial (32 R1)**

This account includes the cost of commercial and industrial meters. There is approximately $74.5 million of investment in this combined account which includes NC, SC, and TN direct property, as well as 2 and 3 State. The approved lives are based on all meters and are 29 R1.5 for NC and 3 State, 35 R1.5 for SC, and 30 R3 for TN.

Discussions with Company SMEs indicated that the new meter technology to be implemented will initially be for residential only. Commercial meters will only have a few replacements for the next few years. Company personnel believe a life of 30-35 years is reasonable at this time.

The life analysis, which was all meters combined, indicates a longer life in the full band, and the mid and recent bands are slightly lower. This is consistent with the various meter technologies that occurred over the years. Commercial and Industrial meters will remain fairly close to 30–35-year range. Based on the discussion with Company SMEs, this study recommends 32 R1. A graph of the observed life table and the proposed life and curve is shown below.

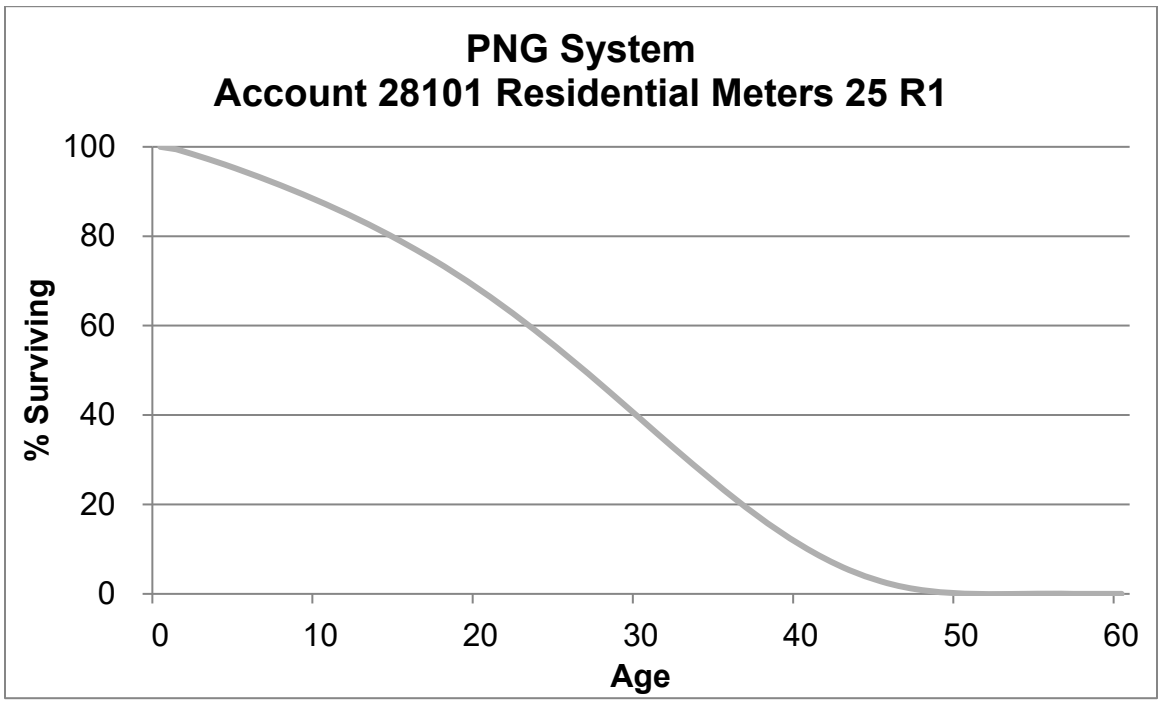


**Account 28101 Meters – Residential (25 R1)**

This account includes the cost of meters. There is approximately $83.7 million of investment in this combined account which includes NC, SC, and TN direct property, as well as 2 State and 3 State. The approved lives are based on all meters and are 29 R1.5 for NC, 2 State and 3 State, 35 R1.5 for SC, and 30 R3 for TN.

Discussions with Company SMEs indicated they are focusing on residential meters over 30 years old for retirement. Initial deployment of new AMI meters in 2023 was halted and will resume in October of 2024. They will be installing Honeywell (AC250 NXS) ultrasonic meters. They are planning to complete replacements in 2029. In 2005-2006 they replaced all walk by meters with ERTs. Company personnel believe an overall life of 25 years is reasonable at this time.

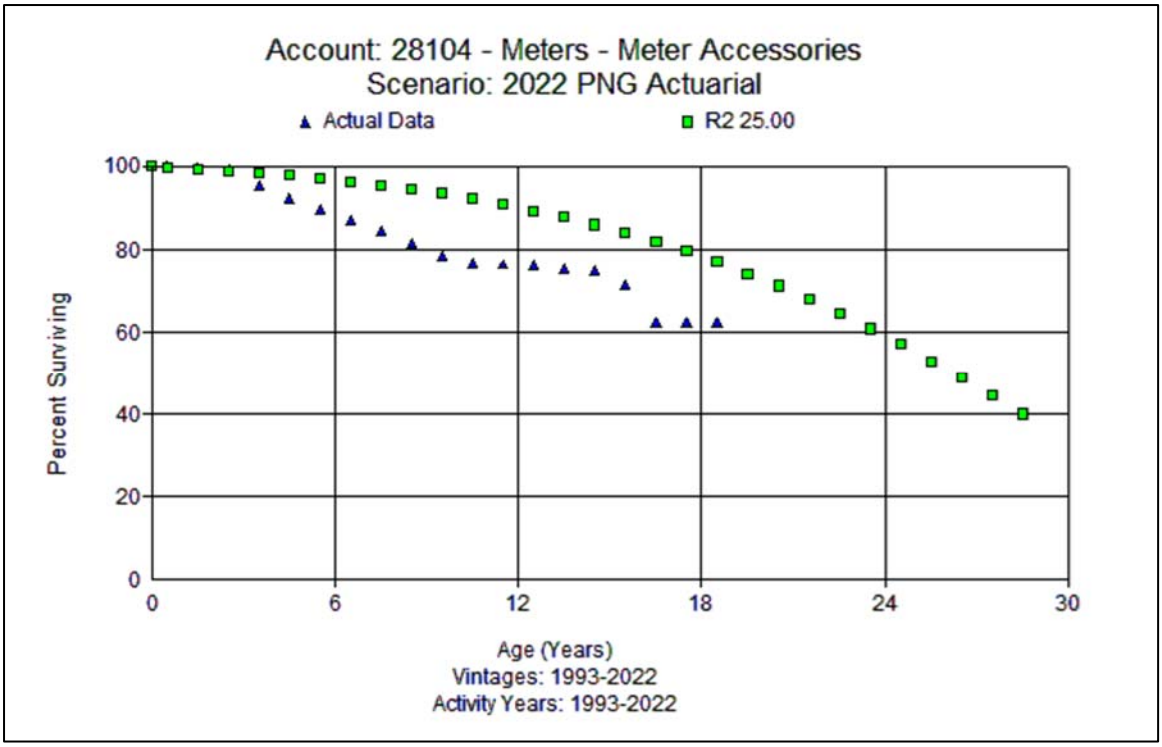
The life analysis, which was all meters combined, is not going to be reflective of these meters going forward due to planned replacement. Considering the plans on replacement, this study recommends 25 R1. A representative graph of the proposed life and curve is shown below.



**Account 28104 Meter Accessories (25 R2)**

This account includes the cost of meter accessories used in metering of customers. There is approximately $2.0 million of investment in this account which is only in 2 State. The approved lives are 16 R1.5 2 State and 20 R4 for TN.

This account has a small remaining balance to depreciate and based on the proposed 25 R2 with the current investment it will have a 5.11-year remaining life. Similar types of assets were recorded in Account 28105 with different meter technology. The Company is planning to implement entirely new AMI meters for residential customers, which will be recorded in Account 28106. A graph of the observed life table and the proposed life and curve is shown below.

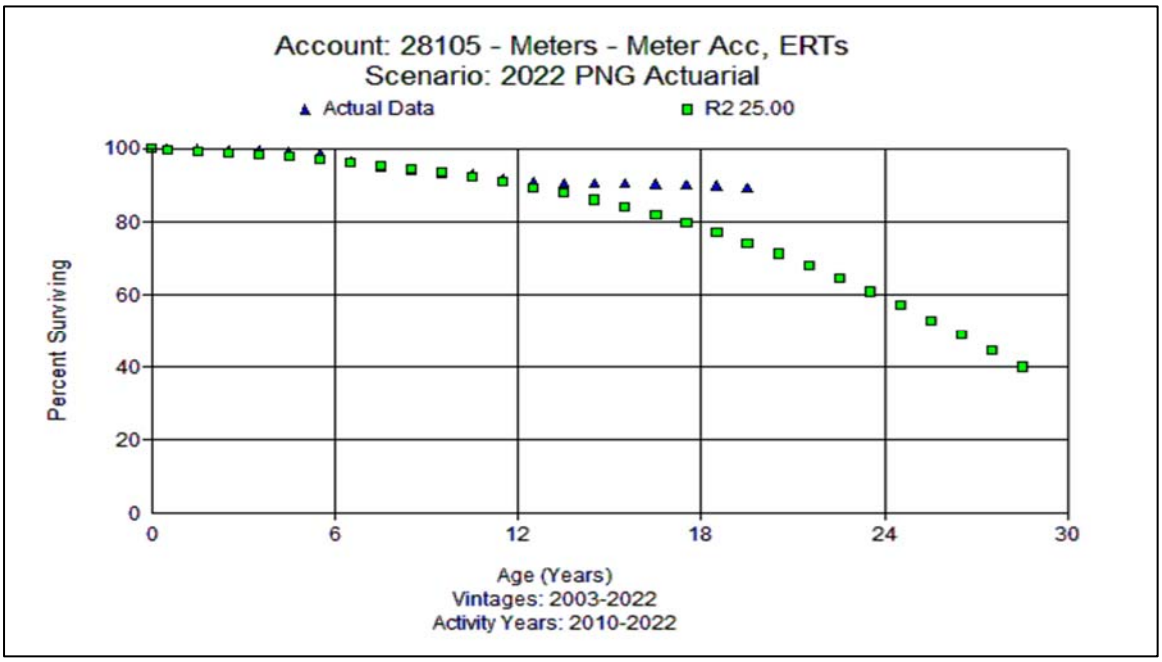


**Account 28105 Meter Accessories & ERTS (25 R2)**

This account includes the cost of automatic meter reading accessories and related equipment. There is approximately $67.6 million of investment in this combined account which includes NC, SC, and TN direct property as well as 3 State. The approved lives for this account are 15 R4 for NC, SC, and 3 State and 20 R4 for TN.

Discussion with Company SMEs indicated that this equipment is technologically very different than the older designs. ERTs are installed on meters by the vendor. If a meter is being replaced, the Company will replace the ERT at the same time but will not replace a meter if an ERT is being replaced.

The limited life analysis in the study, due to the earliest retirement being recorded in 2010, suggests a longer life and flatter dispersion. The 2005-2006 installed ERTs are 40G and are expected to last 20-25 years. Considering information from manufacturers, discussions with Company SMEs, and knowledge of this type of equipment, this study recommends the 25 R2. A graph of the observed life table and the proposed life and curve is shown below.

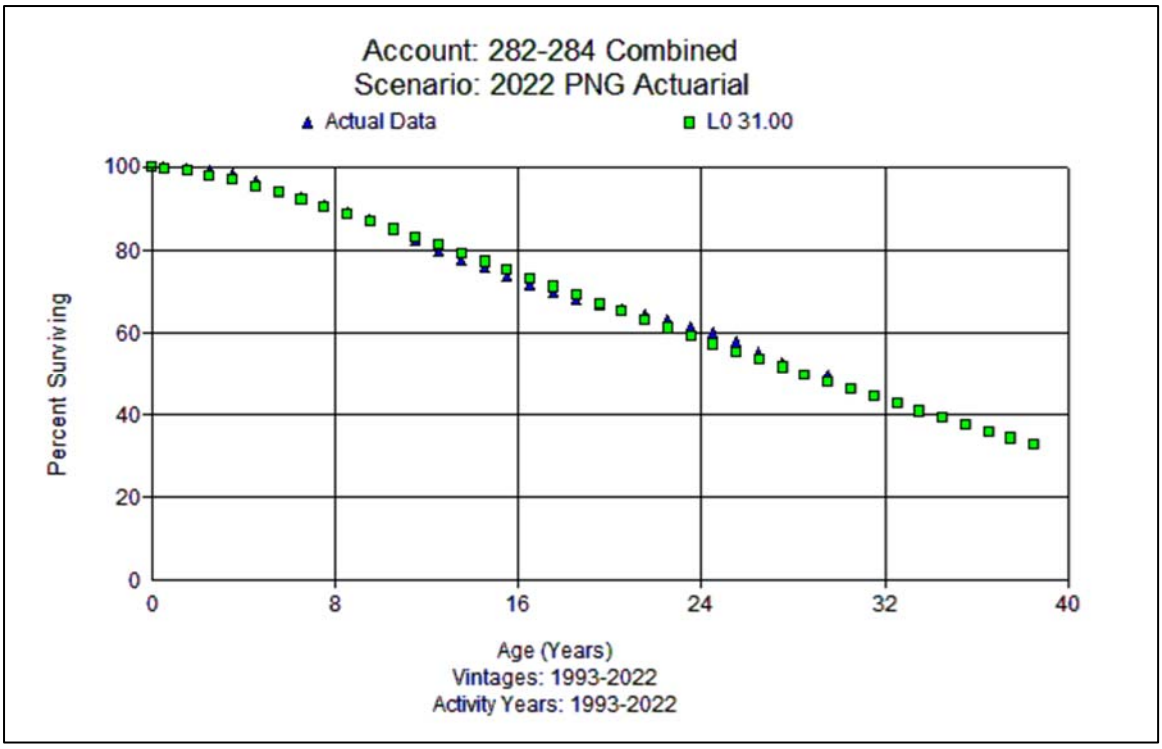


**Account 28200 Meter Installations (31 L0)**

This account includes the cost of installation of meters. There is approximately $105.5 million of investment in this combined account which includes NC, SC, and TN direct property. The approved lives for this account are 29 R1.5 for NC, 29 R2.5 for SC, and 30 R3 for TN. Accounts 28200, 28300, and 28400 were combined for one analysis.

Discussions with Company SMEs indicated that they implemented a process in 2010 that will retire a meter installation at the same time a meter (Account 281) is retired. The analysis that was run includes Accounts 282-284.

The life analysis indicates a lower life in the more recent bands and longer in the full bands. There is a new AMI meter that is being implemented for all residential customers across the system. Due to the process from 2010 and now the new meter rollout, this study recommends moving to 31 L0. A graph of the observed life table and the proposed life and curve is shown below.



**Account 28300 House Regulators (31 L0)**

This account includes the cost of house regulators. There is approximately $20.2 million of investment in this combined account which includes NC, SC, and TN direct property. The approved lives for this account are 29 R1.5 for NC, 29 R2.5 for SC, and 30 R3 for TN. See the discussion above in Account 28200 and the graph, which represents the combined analysis of Accounts 282-284.

**Account 28400 House Regulator Installations (31 L0)**

This account includes the cost of installing house regulating equipment. The current balance is approximately $4.2 million in this combined account which includes 2 State – NC and TN. The approved lives for this account are 29 R1.5 for NC and 30 R3 for TN. See the discussion above in Account 28200 and the graph, which represents the combined analysis of Accounts 282-284.

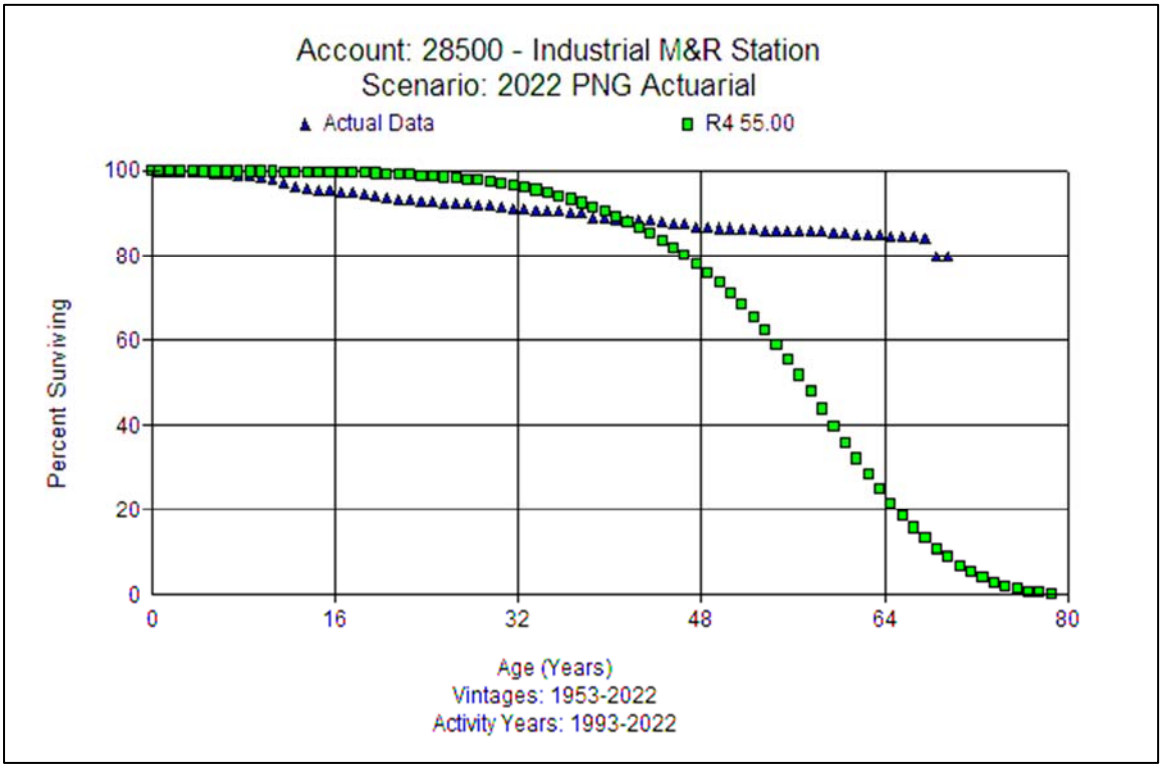
**Account 28500 Industrial M&R Station Equipment (55 R4)**

This account includes electronic corrector, fences, filter/strainer, meter installation, meter sets, regulators, relief valves, electronic pressure recorders, valves, station fillings, and equipment at specific industrial customer sites. The current balance is approximately $72.1 million for this combined account which includes NC, SC, and TN direct property. The approved lives for this account are 55 R4 for NC and SC and 40 R2 for TN.

Discussions with Company SMEs indicated that the M&R equipment in the other accounts (269, 278, and 279) is similar. However, for Industrial M&R they typically expect a longer life as they try to repair the large industrial meters. This is evident in the analysis. The current average age of the surviving investment and the average age of retirements are both 15 years.

Retirements have been recorded across the years, but they are only small amounts, and the survivor curve does not drop below 80 percent in the full band. This limits the value of the analysis. Based on the analysis, type of equipment,

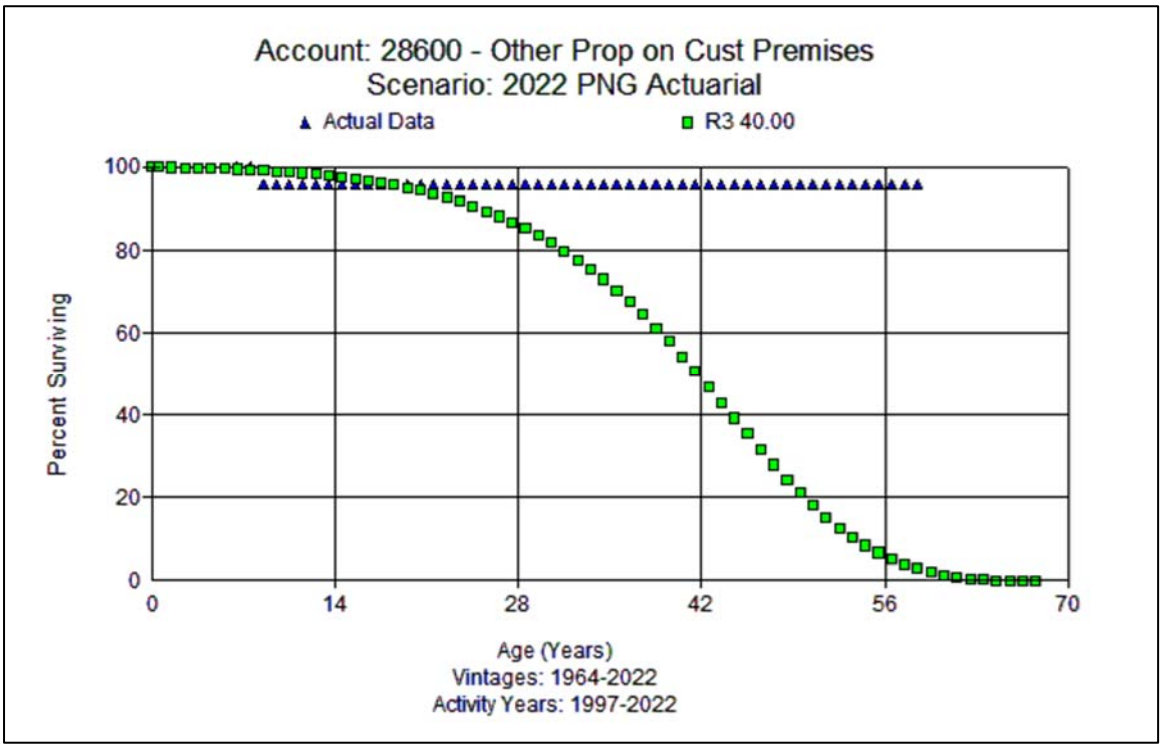
discussions with Company personnel, and judgment this study recommends 55 R4. A graph of the observed life table and the proposed life and curve is shown below.



**Account 28600 Property on Customer Premises (40 R3)**

This account includes the cost of other property on customer premises. The current balance is $743 thousand. The approved life is 40 years with the R3 dispersion for the three entities' (NC, SC, and TN) direct property.

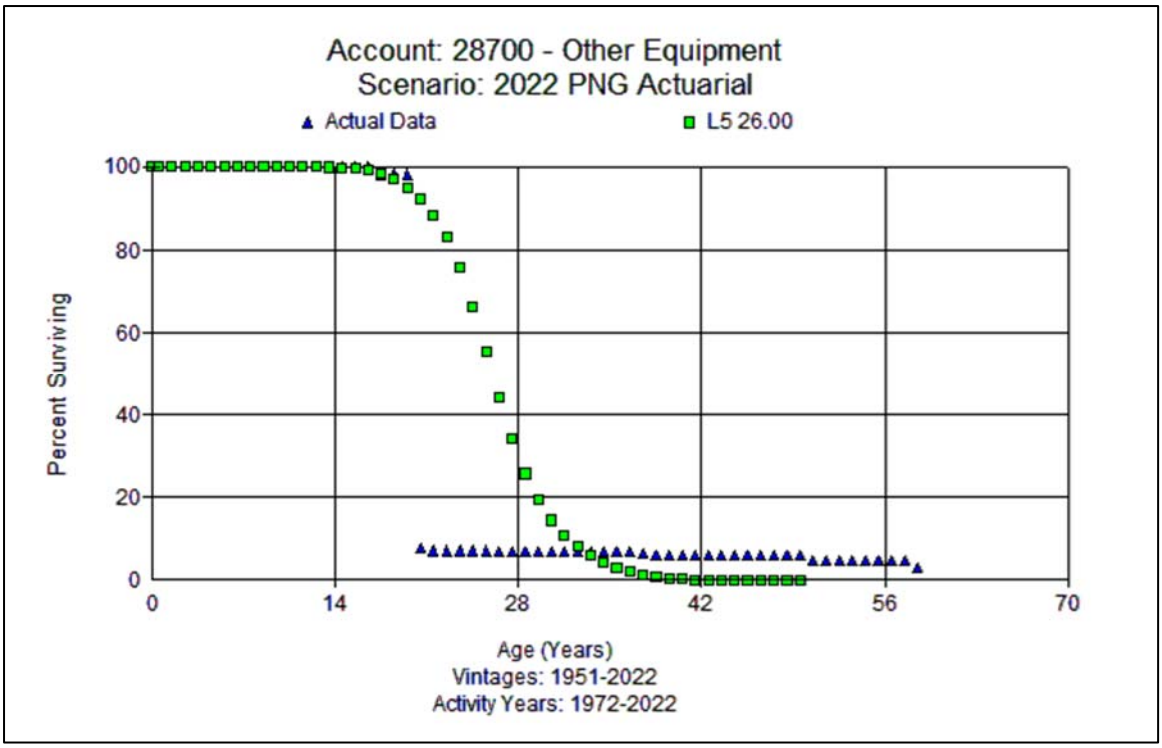
The average age of retirement is 30 years and survivors are about 46 years. Only a few retirements have been recorded in the past. The limited retirement activity does not allow for a meaningful life analysis. Based on type of assets and judgment, this study recommends the 40 R3, which is the current approved for all three jurisdictions. A graph of the observed life table and the proposed life and curve is shown below.



**Account 28700 Other Equipment (26 L5)**

This account includes the cost of miscellaneous gas equipment used in conjunction with providing distribution service. The current balance is about $44 thousand. The approved life is 41 S6 for NC.

The average age of retirements is 22 years and average age of survivors is about 20 years. There was a large retirement in 2009 but the last recorded retirement was in 2010. Considering the analysis, type of equipment, and judgment, this study recommends 26 L5 for all entities going forward. A graph of the observed life table and the proposed life and curve is shown below.



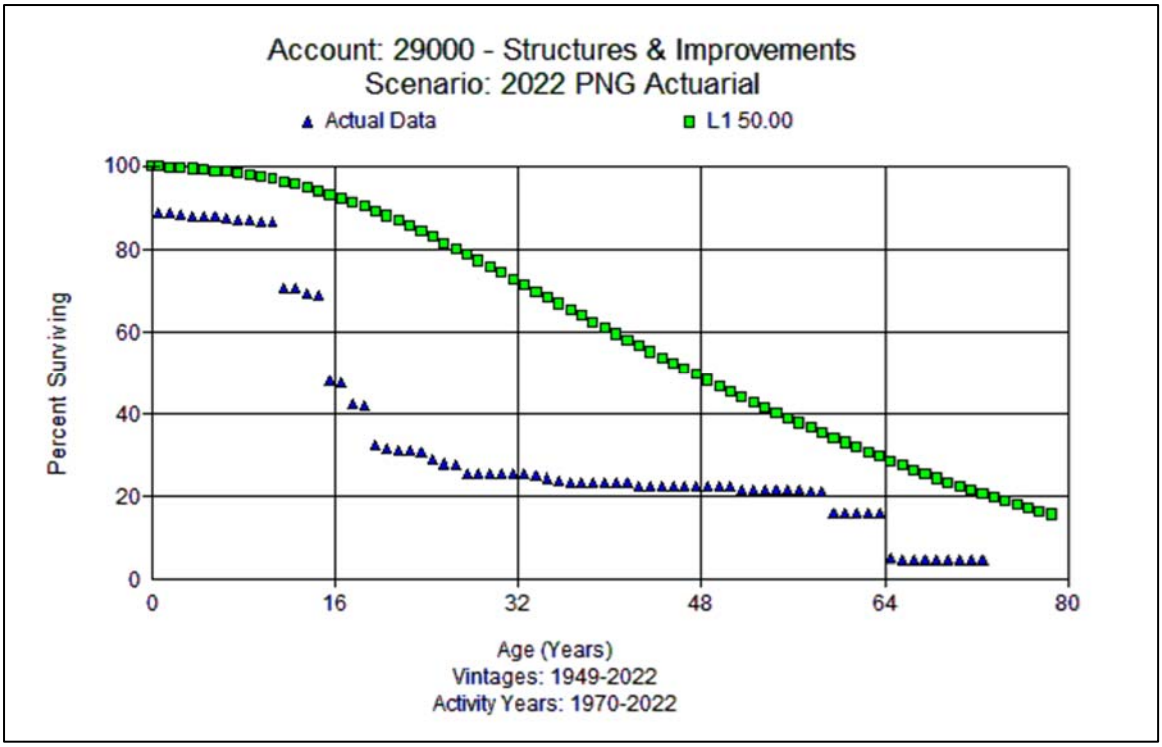
**General Plant - Depreciated**

**Account 29000 Structures & Improvements (50 L1)**

This account includes AC heating, buildings, elevator, crane, hoist system, structures & improvements, plumbing system, roof, security system, roads, and parking areas. Currently, there is about $184.6 million in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved lives for this account are 50 L1 for NC, SC, 2 State, 3 State and 45 R3 for TN.

Discussions with Company SMEs indicated that they follow ASHRA, which is the standard for lives of assets. There is one large structure in Nashville, an Operation Center. The superstructure could last 50 years not but substructures (e.g., HVAC and roofs). In the past, not many facilities have been sold but the few that were sold are long lived assets. They will renovate facilities on a 10 year cycle. They would perform preventative maintenance in the past but shifted to a run to fail approach for 3 years and are now moving back to preventative maintenance. HVAC, roofs, etc. would have a life of around 20 years. Piedmont Town Center ("PTC") was retired in 2019 (around $50M). The trigger for selling facilities would have a number of factors (location, capacity needs, etc.). They exited PTC and another center in Charlotte. Their facilities strategy is not materially different than in the past except for some changes in Charlotte. Additional PTC retirements recorded in 2023 and 2024, outside of the actual study period, were reflected as proforma and encompassed various accounts in the general plant function.

The analysis indicates a shorter life due to more recent retirements recorded related to PTC and are not representative of future expectations. Based on Company plans and expectations for remaining properties, type of surviving assets, and judgment, this study proposes 50 L1. A graph of the observed life table and the proposed life and curve is shown below.

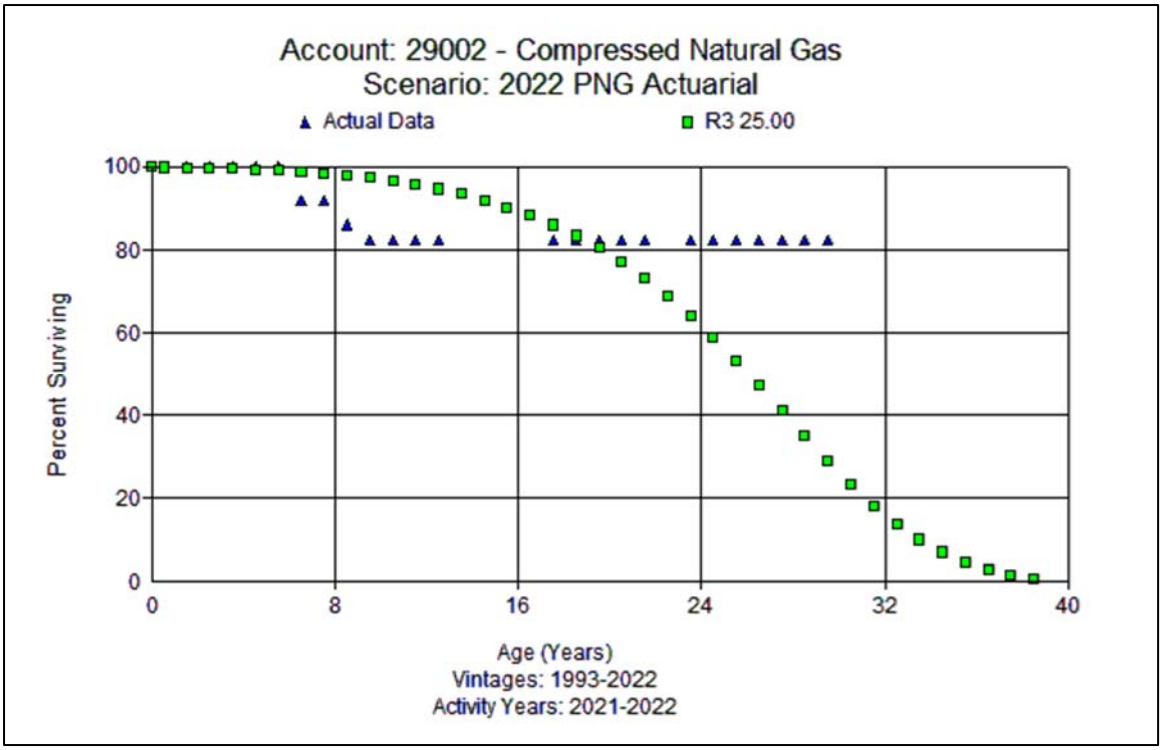


**Account 29002 CNG Station Equipment (25 R3)**

This account consists of station structures and improvements, storage cylinders, compressors, dryers, priority panels, and dispensers used in public CNG refueling stations. There is approximately $33.8 million in this combined account which includes NC, SC, and TN direct property. The approved life is 25 R3 across all entities. In the recent past, these assets were segregated from various other accounts and combined into one account to better track the investment in CNG as well as its individual life characteristics.

Discussions with Company SMEs indicated that there are multiple sites across the three states. There have been upgrades to the stations and a new station in Wilmington was added in June 2022. Most of the stations are fairly comparable and have similar designs. The primary items are the compressors, and they are running much of the time. There are 13 publicly accessible CNG stations: eight in North Carolina, four in South Carolina, and one in Tennessee. They are planning a new station in Charlotte. In addition to the public stations, there are two private stations that PNG owns and operates.

Based on the composite investment and life expectations of the various assets at each station, this study recommends a 25 R3. A graph of the observed life table and the proposed life and curve is shown below.



**Transportation and Power Operated Equipment**

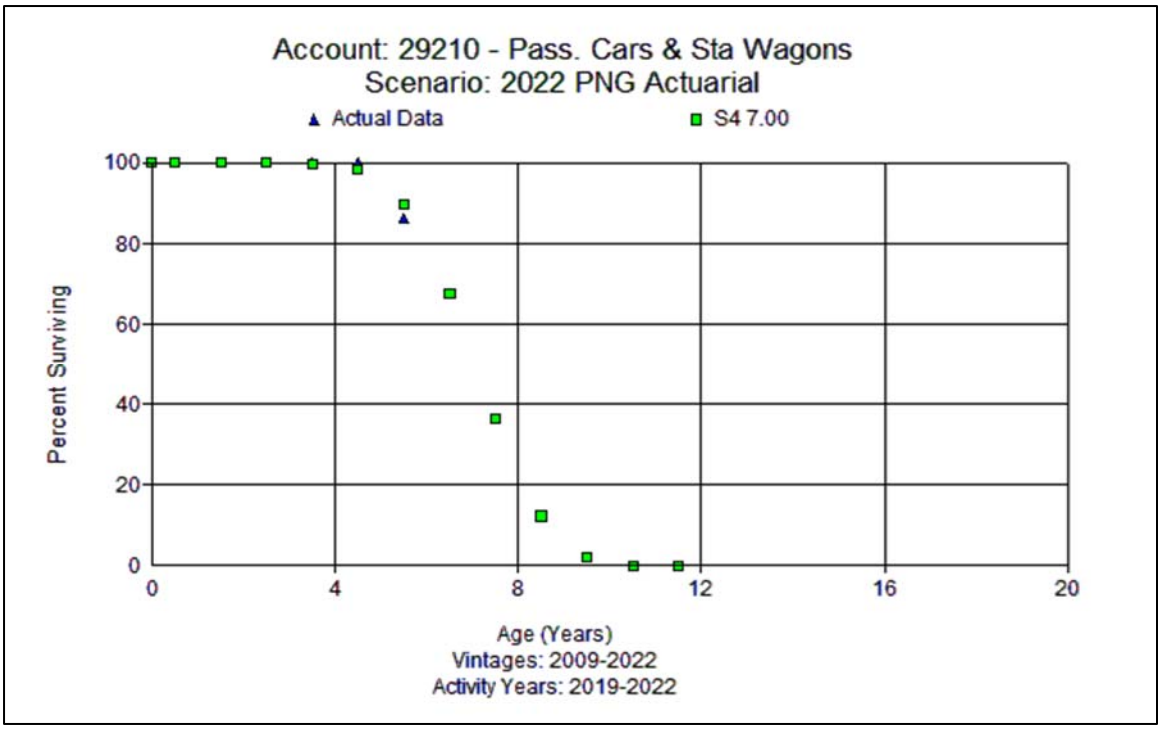
Transportation equipment and to some extent power operated equipment have experienced supply chain issues over the last couple of years (during the pandemic), which has caused the company to keep vehicles and some power operated equipment longer than expected. They believe that their replacement pattern will move back to normal and the current life cycles of the various classes of equipment are appropriate for the future. The Company currently uses a prioritization process for replacing vehicles using a scoring criterion, which allows them to focus on replacing based on availability of vehicles. Over half of the vehicles were cancelled in 2022. In 2023, they were not able to buy enough to replace the vehicles that were cancelled in 2022. The Company has segregated its transportation equipment into six distinct life classes in recent years, with account changes along the way. Many of the historical retirements were recorded in one primary account, 29200, so not every class of vehicle will have enough historical experience for analysis. The specific account detail that follows will not repeat this information, but it should be noted that it applies to the broad group of assets.

**Account 29210 Passenger Cars & Station Wagons (7 S4)**

This account consists of various cars and station wagons used in performing various general company operations. The approved life for NC, SC, and TN is 7 SQ. The current balance is $3.6 million in this account.

Discussions with Company personnel indicated a 7-year replacement cycle is reasonable for this class of vehicle and is appropriate for the future.

Based on the analysis, Company plans and expectations, type of equipment, and judgment, this study proposes 7 S4. A graph of the observed life table and the proposed life and curve is shown below.

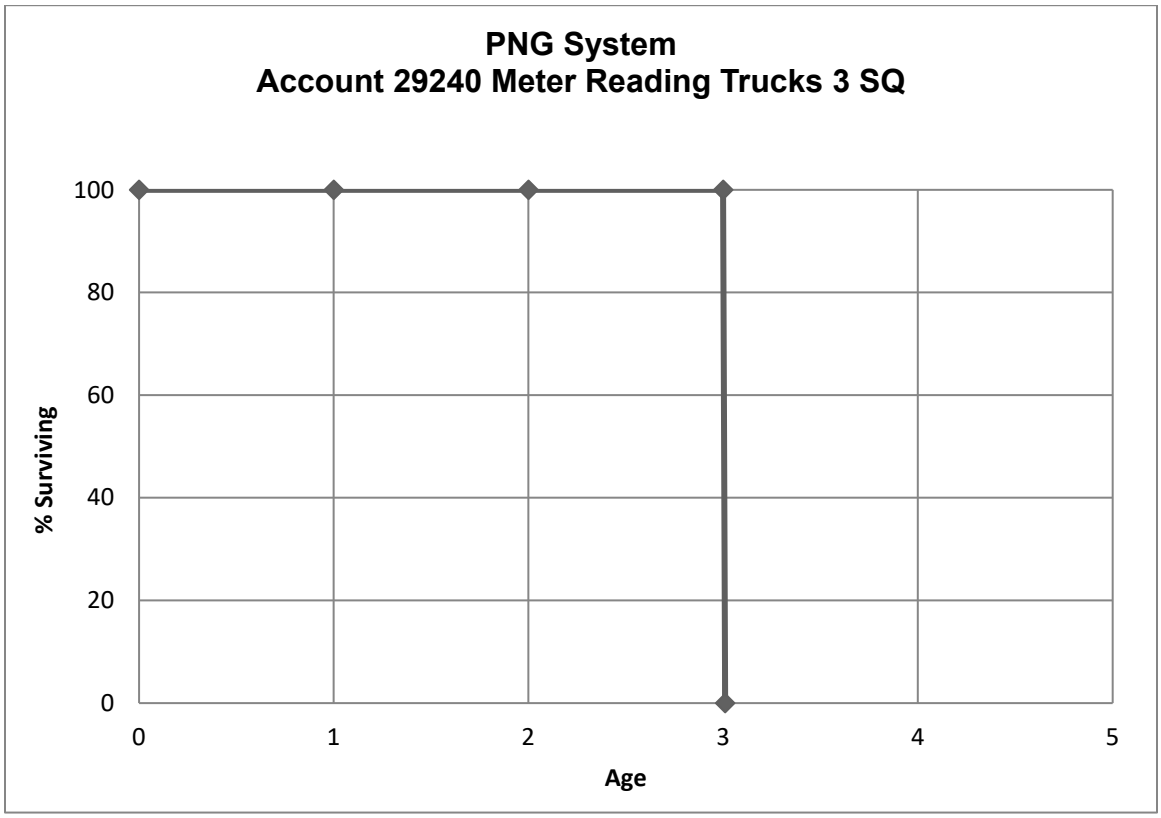


**Account 29240 Meter Reading Trucks 3-Year (3 SQ)**

This account consists of meter reading service trucks used in performing various general company operations. There is approximately $504 thousand in this account. The approved life for this account is 3 SQ for NC and 3 State.

Based on discussions with Company SMEs these vehicles are used every day and accumulate high mileage in a short period of time. They average between 40,000 and 50,000 miles per year and will hit 150,000 in three years. Based on their criteria, these assets are expected to last about 3 years.

This study recommends 3 SQ. No analysis was able to be performed, so a representative graph of the proposed life and curve is shown below.

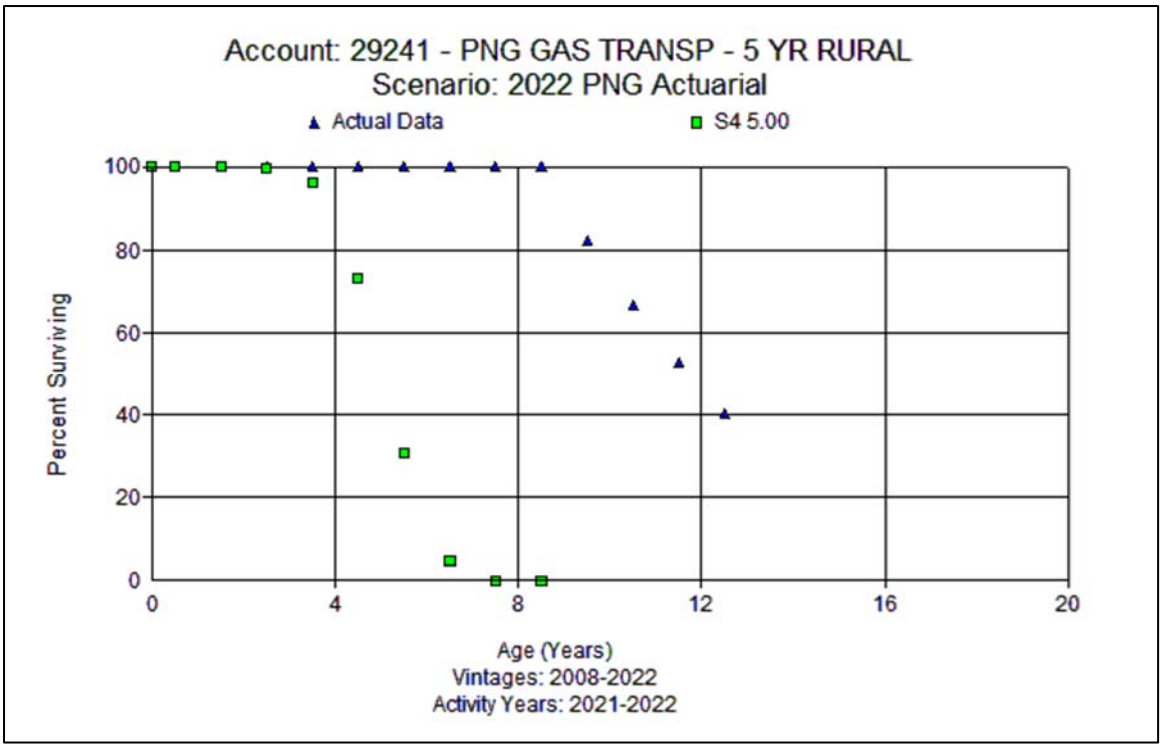


**Account 29241 Rural Use 5-Year (5 S4)**

This account consists of primarily light duty trucks used in performing various general company operations. There is approximately $17.3 million in this account. The approved life for NC, SC, and 3 State is 5 SQ.

Based on discussions with Company SMEs, these assets are rural small (1 ton or less) vehicles used by service tech and operations personnel, and they generally would expect them to have a 5-year life. Rural areas cover a larger area and will incur more miles on the vehicles. They believe current life cycles are appropriate in the long term.

The life analysis does not indicate the life expected by the Company, but as explained previously the planned replacement schedule has been interrupted. Based on the analysis, Company plans and expectations, type and use of assets, the study recommends 5 S4. A graph of the observed life table and the proposed life and curve is shown below.

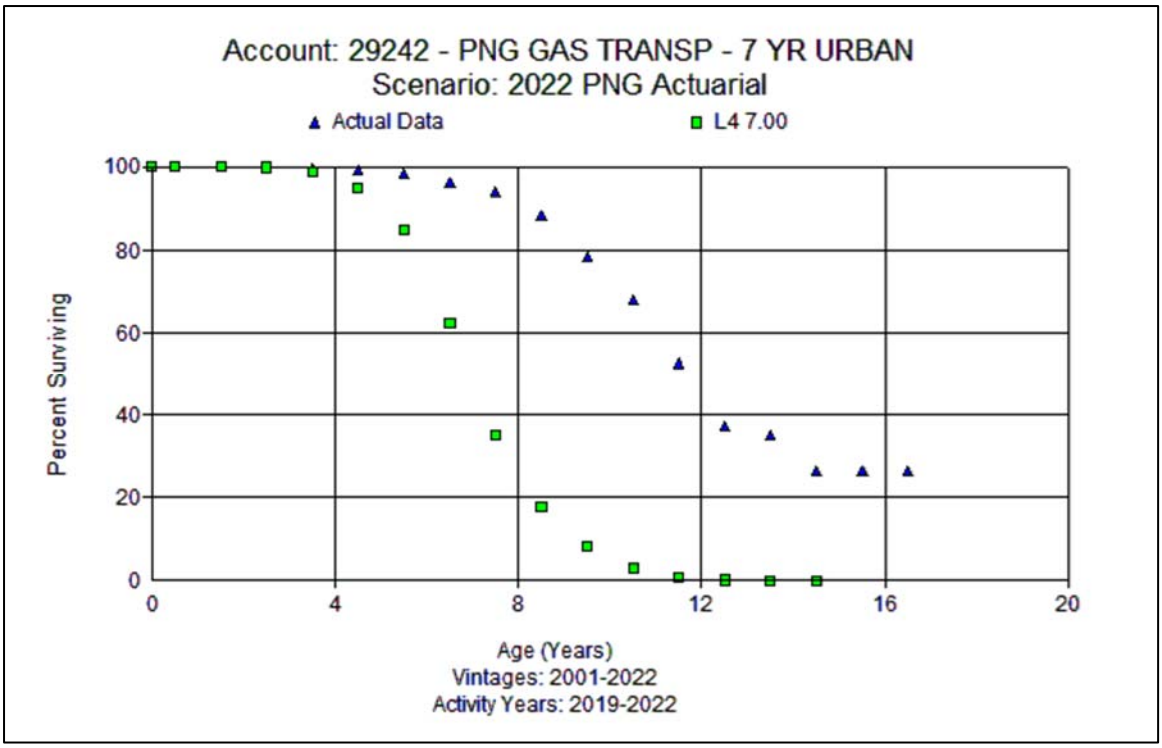


**Account 29242 Urban Use 7-Year (7 L4)**

This account consists of a few automobiles, vans, and trucks used in general company operations. There is approximately $68.4 million in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved life for this account is 7 SQ for all entities.

Discussions with Company personnel indicated these urban vehicles have a smaller footprint to drive and would incur fewer miles per year. They believe replacement patterns will move back to normal and the life cycles are appropriate in the long term.

The life analysis does not indicate the life expected by the Company, but as explained previously the planned replacement schedule has been interrupted. Based on the analysis, Company plans and expectations, type and use of assets, the study recommends 7 L4. A graph of the observed life table and the proposed life and curve is shown below.

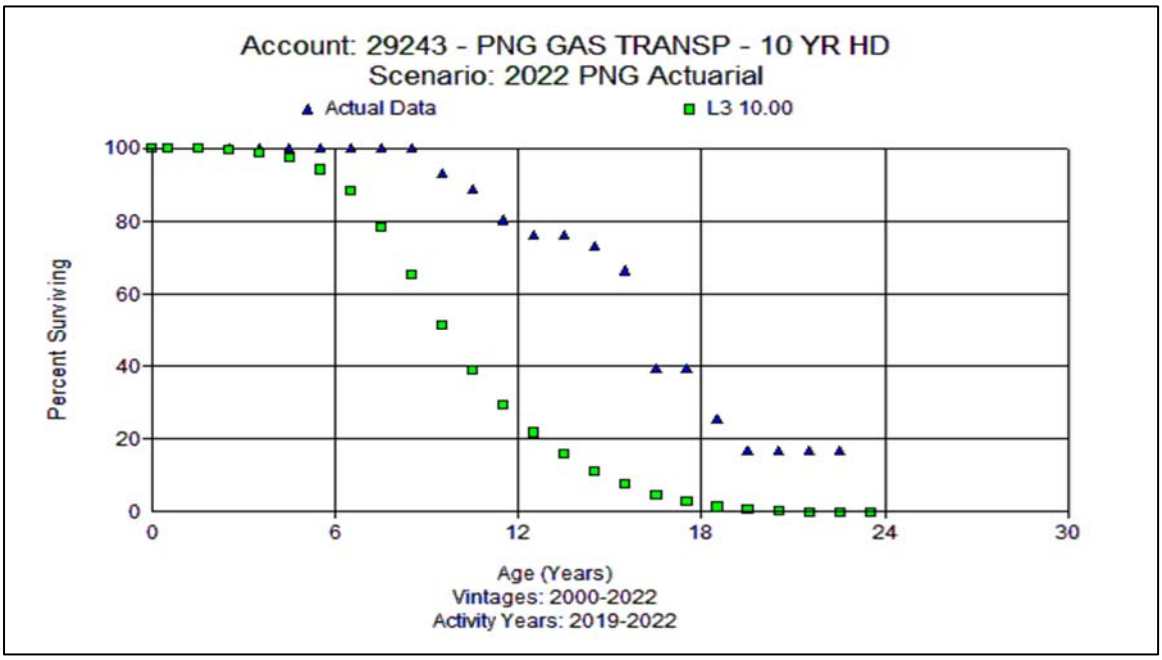


**Account 29243 Heavy Duty Trucks 10-Year (10 L3)**

This account consists of heavy duty trucks used in performing various general company operations. There is approximately $29.4 million in this combined account which includes which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved life is 10 SQ for all entities.

Discussions with Company personnel indicated these heavy duty trucks do not get as many miles as the smaller vehicles. They come back to the office each night. They are more costly and are diesels (or natural gas). They also would stay at a single job site for much longer. In 2022, they ordered 76 Super Dutys and there were 32 vehicles that were cancelled. The fleet has grown over the last couple years which temporarily would extend the life a little due to the reaction to COVID rules. They believe current life cycles are appropriate in the long term.

The life analysis does not indicate the life expected by the Company, but as explained previously the planned replacement schedule has been interrupted. Based on the analysis, Company plans and expectations, type and use of assets, the study recommends 10 L3. A graph of the observed life table and the proposed life and curve is shown below.

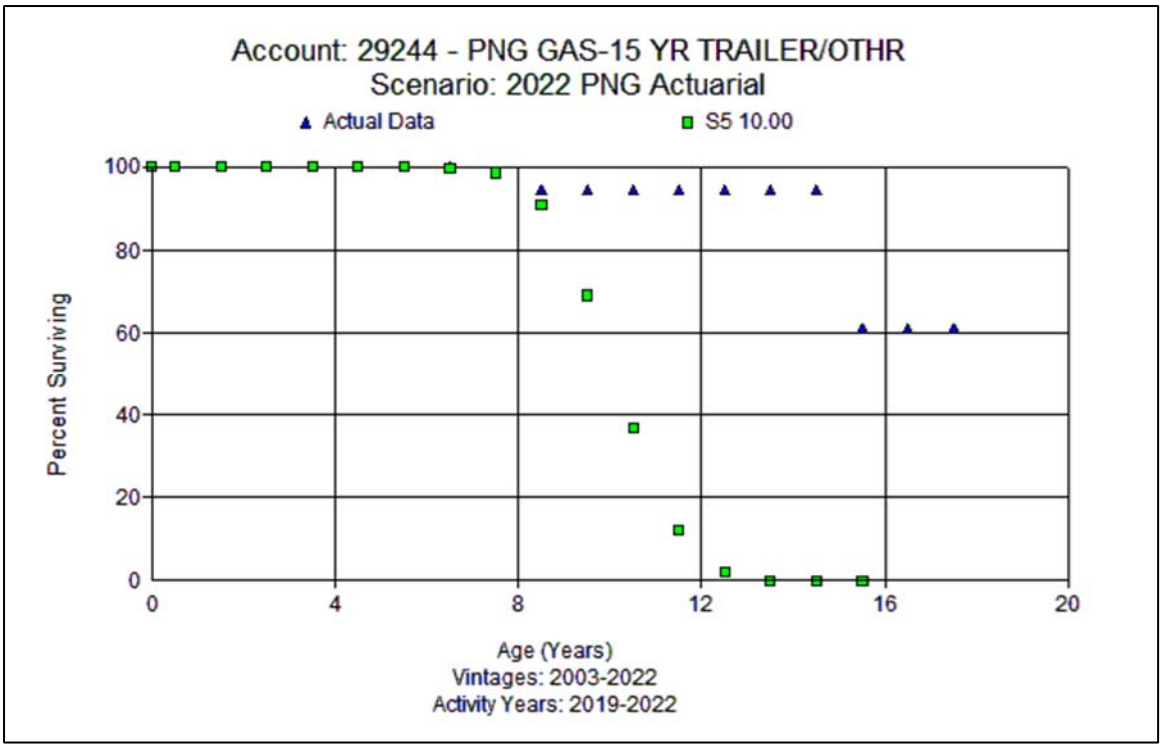


**Account 29244 Trailers and Other 15-Year (10 S5)**

This account contains trailers and other miscellaneous equipment with longer life expectations. The current balance is $2.4 million for this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved life for this account is 15 SQ for all entities.

Discussions with Company personnel indicated that the life of trailers, the primary asset in the account, is currently too long. The trailers get wear and tear and are behind the heavy vehicles with a lot of weight on them. They are moving in the direction of replacing at 10 years for safety reasons.

The life analysis does not indicate the life expected by the Company, but as explained previously the planned replacement schedule has been interrupted. Based on the analysis, Company plans and expectations, type and use of assets, the study recommends 10 S5. A graph of the observed life table and the proposed life and curve is shown below.

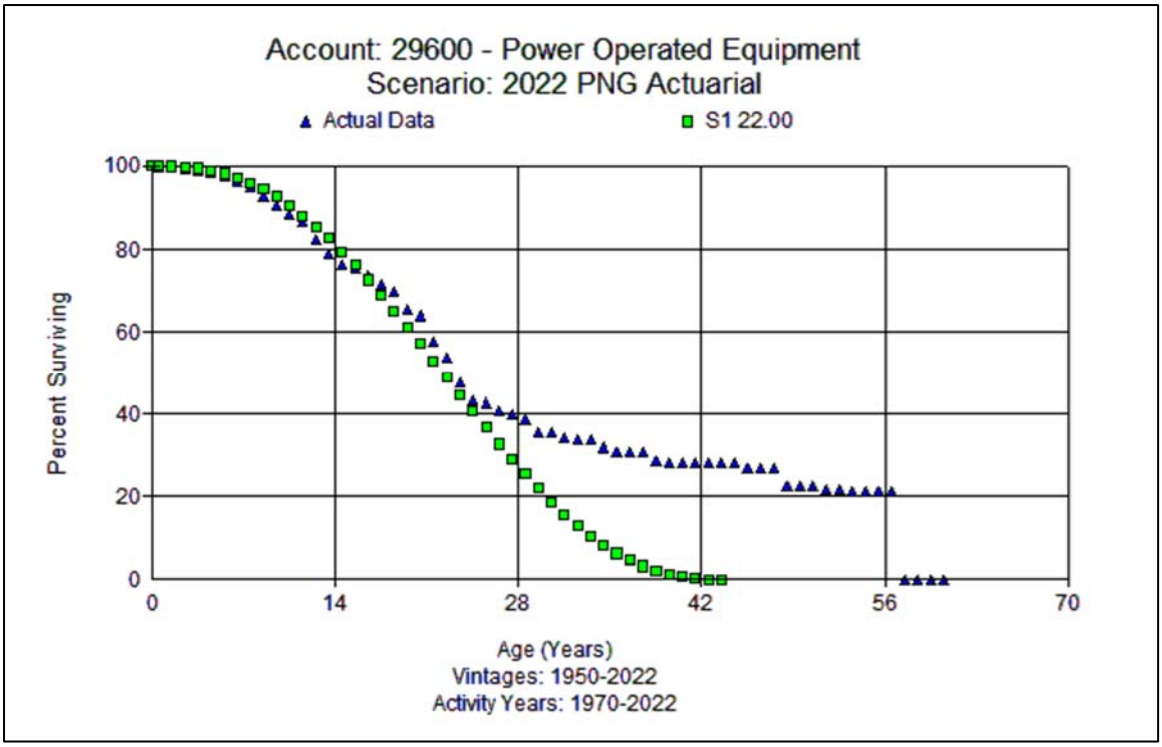


**Account 29600 Power Operated Equipment (22 S1)**

This account consists of backhoe loader, 12-volt pump, rock drill, paving breakers, and other power operated equipment that cannot be licensed on roadways. There is approximately $16.6 million in this combined account which includes NC, SC, and TN direct as well as 2 State. The approved lives for this account are 22 S1 for NC, SC, 2 State and 28 S0 for TN.

Discussions with Company personnel indicated they are generally on a 10 year schedule, so they would expect a shorter life than either existing 22 or 28 year lives. The pandemic and supply chain did have some impact, though not as quantifiable as vehicles. Moving the life longer does not make sense operationally.

The analysis tracks well with a 22 S1 until around 40% surviving where it pushes way past what the Company believes is operationally reasonable. Based on type of assets, analysis indications, and Company input, this study recommends 22 S1. A graph of the observed life table and the proposed life and curve is shown below.



**General Plant Amortized**

The following accounts reflect accounts that follow vintage group amortization accounting. As a result they are reviewed with Company personnel to make sure the amortization life remains appropriate, but no analysis is performed, and no graph will be provided. The retirement of PTC created numerous accounts that were impacted by 2023 and 2024 retirements, which are considered proforma in the study and reduce the balance for rate calculation purposes. The 3 State accrual has a PTC proforma tab, which provides the details of amounts and accounts where retirements occurred. There are other accounts in the various accruals that have assets to be retired because their age is greater than the recommended service life. Please refer to Appendix A for those detailed calculations.

**Account 29001 Leasehold Improvements (14 SQ)**

This account has a balance of $8.6 million, which includes $116,703.14 related to SC and $39,914.01 related to the Gas Control War Room that is part of 3 State, both of which will remain. However, the remaining balance is related to PTC and is retired as part of the study proforma. Remaining assets are leasehold improvements that are tied to the lease and renewal options of the property. Currently, 21 SQ is the approved life.

Discussions with Company personnel indicated the majority of the investment is related to PTC, which is a proforma retirement in this study on 3 State books. There is not enough information to extend the leaseholds for the remaining assets at this time, so this study reflects a 14 SQ. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29100 Office Furniture & Equipment (20 SQ)**

This account consists of tables, safes, office equipment, floor covering, miscellaneous equipment, filing, storage cabinets, drafting room equipment,

cubical workstation, bookcases, and shelves. There is approximately $23.7 million in equipment in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved life for all entities is a 20 SQ and is retained. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29101 Electronic Data Processing (5 SQ)**

There is approximately $2.9 million in this account but only $1.5 million remains after the PTC proforma retirements. The approved life is 5 SQ for 3 State. Company personnel confirmed the approved life remains appropriate, and it is retained in the study and would apply to all entities going forward. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29102 PC Equipment (5 SQ)**

This account consists of personal computer equipment. There is approximately $12.5 million in this account. The approved life is 5 SQ for NC, SC, and TN direct property as well as 3 State. No changes were noted by Company personnel, so the approved 5 SQ is retained in the study and would apply to all entities going forward. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29103 Customer Information Systems (30 SQ)**

This account consists of software associated with the customer information system. There is approximately $17.7 million in this account. It is considered fully depreciated and will be retired. It is therefore excluded from the rate calculations.

**Account 29105 SaaS – 3-Year Contract (3 SQ)**

This account consists of software as a service under a three year contract. There is approximately $208 thousand in this account as part of 3 State and is

considered fully retired as part of the 2023 proforma retirements associated with PTC. It is excluded from the rate calculations.

**Account 29300 Stores Equipment (20 SQ)**

This account consists of stores equipment. There is approximately $10 thousand in this account. The current investment is related to NC and SC direct property with an approved life of 20 SQ. No changes were noted by Company personnel. Should assets be recorded into any of the other entities, the same 20 SQ is appropriate and is the recommendation in this study. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29400 Tools, Shop & Garage Equipment (20 SQ)**

This account consists of vacuum excavation machine, tapping machines, electro fusion unit, pipe horn & pipe horn valve locators, mustang squeezer, roots transfer prover, air tools, various pipe squeezers, and other miscellaneous tools and equipment used in shop and garages to support operations. There is approximately $30.0 million in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved life for all entities is 20 SQ. Company personnel did not note any changes, so the study recommends retention of the approved 20 SQ to be applied to all entities going forward. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29500 Laboratory Equipment (20 SQ)**

This account consists of laboratory equipment. There is approximately $1.5 million in this combined account which includes NC, SC, and TN direct property, as well as 2 State. The approved curve is the 20 SQ. Company personnel did not note any changes, so the study recommends retention of the approved 20 SQ to

be applied to all entities going forward. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29700 Communication Equipment (15 SQ)**

This account consists of a variety of phone, SCADA, communication instruments, vehicle communication area network devices, and other miscellaneous communication equipment used in general utility service. There is $47.6 million in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The approved lives are 18 SQ for NC, SC, 2 State, 3 State and 15 SQ for TN. Company personnel provided a detailed listing of existing assets and after review, it was determined that most of these assets are subject to technological changes and support issues beyond 15 years. As a result, this study recommends a 15 SQ for all entities going forward. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Account 29800 Miscellaneous Equipment (20 SQ)**

This account consists of miscellaneous equipment used in general utility service. There is approximately $5.5 million in this combined account which includes NC, SC, and TN direct property as well as 2 State and 3 State. The existing life parameter is 20 SQ for all entities and was confirmed to be retained in this study. Due to vintage amortization, no analysis was performed, and no graph is provided.

**Net Salvage Analysis**

When a capital asset is retired, physically removed from service, and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset). Salvage and removal cost percentages are calculated by dividing the current cost of salvage or removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the timing of the original addition versus the retirement. For example, a Distribution asset in FERC Account 376, Mains, with a current installed cost of $500 (2022) would have had an installed cost of $15.67[3] in 1954. A removal cost of $50 for the asset calculated (incorrectly) on current installed cost would only have a negative 10 percent removal cost ($50/$500). However, a correct removal cost calculation would show a negative 319 percent removal cost for that asset ($50/$15.68). Inflation from the time of installation of the asset until the time of its removal must be considered in the calculation of the removal cost percentage because the depreciation rate, which includes the removal cost percentage, will be applied to the original installed cost of assets.

The net salvage analysis uses the history of the individual accounts to estimate the future net salvage that PNG can expect in its operations. As a result, the analysis not only looks at the historical experience of PNG, but also considers recent and expected changes in operations that could reasonably lead to different future expectations than were experienced in the past. Recent experience is more heavily weighted in making net salvage recommendations than older experience.

**Net Salvage Characteristics**

For each account, data for retirements, gross salvage, and cost of removal is derived from 2003-2022 activity on a system basis. Limiting the historical

[3] Using the Handy-Whitman Bulletin No. 198, G-2, line 44, $15.68 = $500 x 39/1244.

analysis to 20 years provides a broad view of activity and trends. Moving averages, which help remove timing differences between retirement and salvage and removal cost, were analyzed over periods varying from one to 10 years. NC, SC, 2 State and 3 State have the same existing net salvage parameters, but TN had separate net salvage parameters in the past.

## ACCOUNT SPECIFIC NET SALVAGE RESULTS

**Storage Plant**

### Account 26001 Rights of Way (0% NS)

This account includes any salvage and removal cost related to easements, legal fees, and recording costs of rights of way used in connection with the storage plant operations. Generally, little or no removal cost is incurred, and no salvage is received at the retirement of rights of way. Therefore, this study recommends a zero percent net salvage factor for this account for all entities.

### Account 26100 Structures and Improvements (-15% NS)

This account consists of structures, gates, fences, paving, security, and plant control systems related to LNG storage plant. The authorized net salvage for this account is negative 10 percent for 2 State and negative 5 percent for TN. There have been limited retirements but when they occur, cost of removal exceeds salvage. The most recent moving average for 5 and 10-year is negative 23 percent and negative 30 percent. Based on the analysis and judgment, this study recommends a negative 15 percent net salvage for all entities.

### Account 26200 Gas Holders (-15% NS)

This account consists of gas holders for LNG storage. The authorized net salvage for this account is negative 10 percent for 2 State and negative 5 percent for TN. The most recent 5 and 10-year moving average is negative 57 percent and negative 56 percent. There has been some activity and indications suggest moving to a more negative net salvage is reasonable going forward. Future expectations are that cost of removal will exceed salvage at time of final removal. This study recommends a negative 15 percent for all entities.

**Account 26300 Purification Equipment (-10% NS)**

This account consists of purification equipment in the LNG storage function. The authorized net salvage is negative 5 percent for 2 State and TN. The first recorded activity in the analysis was 2014. Current activity 2020-2022 indicates the most recent 5 and 10-year moving average is negative 20 percent and negative 23 percent. Future expectations are that cost of removal will exceed salvage at time of final retirement. This study recommends a negative 10 percent for all entities.

**Account 26310 Liquefaction Equipment (-10% NS)**

This account consists of liquefaction equipment in the LNG storage function. The authorized net salvage is negative 5 percent for both 2 State and TN. There has been only two years of recorded activity, which indicates cost of removal exceeds salvage when retirements were recorded. This is expected to continue at the time of retirements in the future. The most recent 5 and 10-year moving average is negative 21 percent and negative 34 percent, respectively. This study recommends negative 10 percent net salvage for all entities.

**Account 26320 Vaporizing Equipment (-5% NS)**

This account consists of vaporizing equipment for the LNG storage function. The authorized net salvage for this account is negative 5 percent for 2 State and TN. Recent activity indicates cost of removal exceeds any salvage. This is expected in the future. The most recent 5 and 10-year moving average is negative 0.64 percent and negative 16 percent, respectively. This study recommends negative 5 percent net salvage for all entities.

**Account 26330 Compressor Equipment (-10% NS)**

This account consists of compressor equipment related to LNG storage. The authorized net salvage for this account is negative 5 percent for 2 State and

TN. Recent activity indicates cost of removal exceeds salvage. This is expected in the future. The most recent 5 and 10-year moving average is negative 34 percent and negative 55 percent, respectively. This study recommends negative 10 percent net salvage for all entities.

**Account 26340 M&R Equipment (-10% NS)**

This account consists of measuring and regulating equipment in the LNG storage function. The authorized net salvage for this account is negative 5 percent for 2 State and TN. The recent retirement activity does not show any salvage or cost of removal. In 2014 the large retirement has a negative 25 percent net salvage, which is the 10-year moving average. Cost of removal is expected to exceed salvage in the future. This study recommends negative 10 percent net salvage for all entities.

**Account 26350 Other Equipment (-5% NS)**

This account includes any salvage and removal cost related to other equipment for LNG storage plant. The authorized net salvage for this account is zero percent for 2 State and negative 5 percent for TN. The recent retirement activity does not have any salvage but there is some cost of removal. Cost of removal is expected to exceed salvage in the future. The most recent 5 and 10-year moving average is negative 22 percent and negative 41 percent, respectively. This study recommends negative 5 percent net salvage for all entities.

**Transmission Plant**

**Account 26520 Rights of Way (0% NS)**

This account includes any salvage and removal cost related to easements, legal fees, and recording costs of land rights used in connection with transmission operations. Generally, little or no salvage and removal cost is incurred at

retirement of rights of way. Therefore, this study recommends retaining the approved zero percent net salvage factor for this account for all entities.

**Account 26610 Compressor Station Structures & Improvements (-5% NS)**

This account includes any salvage and removal cost related to compressor station structures and improvements used in connection with transmission operations. The approved net salvage for this account is negative 5 percent for NC. The account activity starts in 2015. There has been no salvage recorded and the overall 8-year moving average is a negative 8 percent. Based on the limited experience, but understanding the type of assets, and that cost of removal is expected to exceed any salvage, this study recommends a negative 5 percent net salvage factor for this account for all entities.

**Account 26620 M&R Station Structures & Improvements (-5% NS)**

This account includes any salvage and removal cost related to M&R station structures and improvements used in connection with transmission operations. The approved net salvage is negative 5 percent for NC and SC, and zero percent for TN. The account activity starts in 2015, there has been no salvage recorded, and the overall 8-year moving average is a negative 89 percent. Based on the limited experience, but understanding the type of assets, and that cost of removal is expected to exceed salvage, this study recommends a negative five percent net salvage factor for this account for all entities.

**Account 26700 Mains & Cathodic Protection (-30% NS)**

This account consists of any salvage and removal cost related to transmission mains of all sizes, rectifiers and ground beds used for cathodic protection, valves, and leak clamps associated with pipe. The authorized net salvage is negative 20 percent for NC and SC, and negative 5 percent for TN. The current study analysis overall indications are that net salvage is moving more

negative. The most recent five-year moving average is negative 65 percent, and the 10-year is negative 70 percent. This study recommends moving toward the indications but limiting the change to a negative 30 percent net salvage for all entities.

**Account 26800 Compressor Station Equipment (-10% NS)**

This account consists of any salvage and removal cost related to compressor stations. The authorized net salvage is zero percent for NC and SC. Recent activity suggests cost of removal will exceed any salvage at retirement. The most recent 5 and 10-year moving average is negative 32 percent and negative 24 percent, respectively. As a result of the analysis and indications of negative net salvage, and expectations, this study recommends a negative 10 percent net salvage for this account for all entities.

**Account 26900 M&R Station Equipment (-10% NS)**

This account consists of any salvage and removal cost related to M&R Equipment related to transmission. The authorized net salvage is negative five percent for NC and SC, and zero percent for TN. The analysis has limited activity in the early years of the analysis. However, beginning in 2018 and through 2022 there are retirements and cost of removal recorded. Both the 5 and 10-year moving average is negative 24 percent. Considering the existing, current indications, and expectations that cost of removal is expected to exceed any salvage, this study recommends moving toward the indications with a negative 10 percent net salvage for all entities.

**Distribution Plant**

**Account 27401 Rights of Way (0% NS)**

This account includes any salvage and removal cost related to land rights used in connection with distribution operations. Generally, few retirements and

little or no removal cost or salvage is recorded related to land rights. Therefore, this study recommends retaining the approved zero percent net salvage factor for this account for all entities.

**Account 27500 Structures and Improvements (-5% NS)**

This account consists of any salvage and removal cost related to structures and associated assets on the distribution system. The authorized net salvage is negative 5 percent for NC and TN, and zero percent for SC. There has been limited activity over the 20-year analysis, with a large amount of cost of removal in 2021. It appears there might be timing differences on related retirements, which results in unreasonable indications. More recent activity indicates cost of removal will exceed salvage at retirement, so this study recommends moving to negative five percent net salvage for all entities.

**Account 27600 Mains (-30% NS)**

This account consists of any salvage and removal cost related to steel and plastic mains. The authorized net salvage is negative 20 percent for NC and SC, and negative 10 percent for TN. The current analysis indicates more negative net salvage. The most recent 5 and 10-year moving average is negative 53 percent and negative 48 percent, respectively. Based on the more recent trend in the analysis, this study recommendation is to move toward recent experience but limit the change to a negative 30 percent for net salvage for all entities.

**Account 27800 M&R Station Equipment (-15% NS)**

This account includes any salvage and removal cost related primarily to valves, regulators, and heaters. The authorized net salvage is negative 10 percent for NC, SC, and TN. The current analysis has some very large negative net salvage indications. However, some are likely due to timing differences in recording retirements. The most recent 5 and 10-year moving average is negative

53 percent and negative 56 percent, respectively. Based on the expectation and indication that cost of removal will exceed salvage at retirement, this study conservatively recommends a negative 15 percent net salvage for all entities.

**Account 27900 M&R City Gate Equipment (-15% NS)**

This account includes any salvage and removal cost related to valves, regulators, and heaters used in regulating gas at city gate entry points to the distribution system. The approved net salvage is negative 10 percent across all three entities. The current analysis indicates a more negative net salvage than in the past. The most recent 5 and 10-year moving average is negative 70 percent and negative 59 percent. There is likely some timing differences impacting the results. Considering the existing and expectations, this study recommends limiting the change to negative 15 percent for all entities.

**Account 28000 Services (-90% NS)**

This account includes any salvage and removal cost related to service lines on the distribution system. Service lines are the pipes and accessories leading from the main to the customers' premises. The authorized net salvage rate is negative 80 percent for NC and SC, and negative 100 percent for TN. The current analysis indicates more negative net salvage across most of the moving averages. There was no salvage or cost of removal recorded in 2018 and 2019. The most recent 5 and 10-year moving average is negative 166 percent and negative 135 percent, respectively. Based on the existing for the three entities and considering the indications, this study recommends a negative 90 percent for all entities.

**Account 28100 Meters Commercial & Industrial (0% NS)**

This account includes any salvage and removal cost related to meters used in measuring gas to commercial and industrial customers. The authorized net salvage rate is zero percent for all entities. The analysis was performed on the

total 28100 account, but the expectations are the same for the segregated accounts. Some salvage and cost of removal has been recorded but the most recent 5 and 10-year moving average is close to zero. There is no basis to change, so zero percent net salvage is retained for all entities.

**Account 28101 Meters Residential (0% NS)**

This account includes any salvage and removal cost related to meters used in measuring gas to residential customers. The authorized net salvage rate is zero percent for all entities. The analysis was performed on the total 28100 account, but the expectations are the same for segregated accounts. Some salvage and cost of removal has been recorded but the most recent 5 and 10-year moving average is close to zero. There is no basis to change, so zero percent net salvage is retained for all entities.

**Account 28104 Meter Accessories (0% NS)**

The majority of the assets in this account were transferred to 28100 and 28105. However, some assets remain on 2 State books for this account. This account includes any salvage and removal cost related to meter accessories used in measuring gas to customers. The existing net salvage is zero percent and is retained for all entities.

**Account 28105 Meter Accessories & ERTs (0% NS)**

This account includes any salvage and removal cost related to meter accessories and ERTs used in measuring gas to customers. The existing net salvage is zero percent for all entities. Some cost of removal has been recorded in the past, but nothing since 2017. Overall, cost of removal has exceeded salvage but the current year moving average is near zero. This study recommends retention of the existing zero percent net salvage for all entities.

**Account 28106 Honeywell AMI Meters (0% NS)**

This account includes any salvage and removal cost related to meters for the new Honeywell AMI meters being installed on the system. It is a new account, so no activity has been recorded. At this time, a zero percent net salvage is proposed.

**Account 28200 Meter Installations (0% NS)**

This account includes any salvage and removal cost related to meter installations. The authorized net salvage rate is zero percent for all three entities. The study has linked Accounts 282-284 together for life and net salvage. There is no expectation that material amounts of salvage or cost of removal will be recorded, so zero percent net salvage is recommended for all entities.

**Account 28300 House Regulators (0% NS)**

This account includes any salvage and removal cost related to house regulators. The authorized net salvage percent is zero percent for all entities. The study has linked Accounts 282-284 together for life and net salvage. There is no expectation that material amounts of salvage or cost of removal will be recorded, so zero percent net salvage is recommended for all entities.

**Account 28400 House Regulator Installations (0% NS)**

This account includes any salvage and removal cost related to house regulator installations. The authorized net salvage percent is zero percent for all entities. The study has linked Accounts 282-284 together for life and net salvage. There is no expectation that material amounts of salvage or cost of removal will be recorded, so zero percent net salvage is recommended for all entities.

**Account 28500 Industrial M&R Equipment (-10% NS)**

This account includes the salvage and removal costs related to measuring

and regulating equipment used in industrial stations. The authorized net salvage percent is negative five percent. The current analysis indicates more negative net salvage. The most recent 5 and 10-year moving average is negative 26 percent and negative 28 percent, respectively. This study recommends a move toward the indications but limiting it to negative 10 percent net salvage for all entities.

**Account 28600 Property on Customer Premises (0% NS)**

This account includes the salvage and removal costs related to assets owned and maintained by PNG on customer premises. The currently authorized net salvage percent is zero percent and is retained for all entities.

**Account 28700 Other Equipment (0% NS)**

This account includes the salvage and removal costs related to miscellaneous distribution equipment used in distribution operations. Consistent with experience, Company expectations are that no salvage or cost of removal will be recorded at time of retirement, so this study recommends retention of a zero percent net salvage rate at this time for all three entities.

**General Plant - Depreciated**

**Account 29000 Structures and Improvements (-5% NS)**

This account includes any salvage and removal cost related to structures and improvements used for general utility operations. The authorized net salvage rate for this account is negative five percent for all entities. Based on experience some salvage has been recorded but it is related to the sale of buildings, which is not expected to reoccur. Cost of removal is expected to exceed any salvage on routine retirements. Current 5 and 10-year moving average is a negative 6 percent for both. PTC activity may have some impact on the current analysis, but in the future salvage is not likely to exceed cost of removal. This study recommends retention of the existing negative 5 percent net salvage this time.

**Account 29002 CNG Station Equipment (-2% NS)**

This account consists of station structures and improvements, storage cylinders, compressors, dryers, priority panels, and dispensers used at public CNG refueling stations. The authorized net salvage rate for this account is negative two percent. This is a relatively new account, there has been one retirement in 2021 with cost of removal. However, due to the limited experience, the study recommends retention of the existing negative 2 percent net salvage for all entities.

**Transportation and Power Operated Equipment**

**Account 29210 Passenger Cars & Station Wagons (25% NS)**

This account consists of various cars and station wagons used in performing various general company operations. The approved net salvage is 17 percent for NC and SC and 20% for TN. There has been an ongoing process of classifying vehicles into more discrete groups that better match with life and salvage expectations. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29240 3-Year Meter Reading Trucks (25% NS)**

This account consists of salvage and removal costs associated with light duty trucks used for meter reading. The approved net salvage is 30 percent. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29241 5-Year Rural 1 ton or less (25% NS)**

This account consists of salvage and removal costs associated with light trucks used in rural areas. The approved net salvage is 23 percent. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29242 7-Year Urban 1 ton or less (25% NS)**

This account consists of salvage and removal costs associated with trucks, used in urban areas. The approved net salvage is 30 percent for NC and SC and 25% for TN. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29243 10-Year Heavy Duty Trucks (25% NS)**

This account consists of salvage and removal costs associated with heavy duty work trucks. The approved net salvage is 25 percent. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29244 15-Year Trailers & Other (25% NS)**

This account consists of salvage and removal costs associated with trailers

and other transportation equipment. The approved net salvage is 25 percent. Previously, all transportation equipment had been recorded to 29200, so much of the historical retirement activity is not available at this detailed level. This study segregates the assets based on type, use, and expected life, which comes from discussions with Company SMEs and recent experience. This study recommends positive 25 percent net salvage for all entities.

**Account 29600 Power Operated Equipment (13% NS)**

This account includes any salvage and removal cost related to backhoes, forklifts, trenchers, and other power operated equipment that cannot be licensed on roadways. The authorized net salvage rate is 17 percent for NC and SC, and 12 percent for TN. The most recent 5 and 10-year moving average is positive 7 percent and positive 13 percent, respectively. Based on the current analysis indications and discussions with Company personnel, this study recommends a positive 13 percent net salvage for all entities.

**General Plant Amortized**

The existing salvage across the entities is zero percent. These accounts typically do not experience salvage or cost of removal, and neither is expected in the future. However, we will discuss each account briefly to explain specific activity and our study recommendation.

**Account 29001 Leasehold Improvements (-5% NS)**

Some cost of removal was recorded in 2021 and 2022. Activity related to the retirement of PTC will not reoccur. For leasehold improvements, there is an expectation that you might be required to remove assets at the end of the lease and that cost of removal will exceed any salvage. Based on lease requirements, this study recommends a negative 5 percent net salvage for all entities.

**Account 29100 Office Furniture and Equipment (0% NS)**

Some salvage and cost of removal has been recorded in 2021 and 2022. Activity related to the retirement of PTC will not reoccur. Based on the future expectations of the account, this study recommends a zero net salvage for all entities.

**Account 29101 Electronic Data Processing (0% NS)**

This account includes any salvage and removal cost related to computer hardware and software used for general utility operations. No salvage or cost of removal has been recorded and none is expected. This study recommends zero percent net salvage rate for all entities.

**Account 29102 PC Equipment (0% NS)**

This account includes any salvage and removal cost related to personal computer equipment used for general utility operations. Some salvage was recorded in 2016, and there were two years (2012 and 2021) where cost of removal was recorded. Overall, those do not result in measurable net salvage. Based on the expectations that there will be little-to-no salvage or cost of removal in the future, this study recommends zero percent net salvage rate for all entities.

**Account 29300 Stores Equipment (0% NS)**

This account consists of shelving, bins, and other miscellaneous stores equipment. There was salvage recorded in 2013, but nothing since. No salvage or cost of removal is expected, this study recommends zero percent net salvage rate for all entities.

**Account 29400 Tools, Shop & Garage Equipment (0% NS)**

This account consists of tools, shop, and garage equipment. Some salvage and cost of removal has been recorded. However, these do not result in

measurable net salvage. This study recommends zero percent net salvage rate for all entities.

**Account 29500 Laboratory Equipment (0% NS)**

This account consists of laboratory equipment. Some cost of removal was recorded in 2015 but none since. No salvage or cost of removal is expected in the future at time of retirement. This study recommends zero percent net salvage rate for all entities.

**Account 29700 Communication Equipment (0% NS)**

This account consists of communications equipment. No salvage or cost of removal had been recorded from 2003-2020. Cost of removal was recorded in 2021. However, the overall result is not significant and not even a negative 1 percent. Based on the expectations that there will be little to no salvage or cost of removal in the future, this study recommends zero percent net salvage rate for all entities.

**Account 29800 Miscellaneous Equipment (0% NS)**

This account consists of miscellaneous equipment. There has been some activity in this account from 2019-2022. The most recent 5 and 10-year moving average is a negative 5 percent. However, this level of activity is not expected to occur in the future. This study recommends zero percent net salvage rate for all entities.

# APPENDIX A

## Computation of Depreciation Accrual Rate

**PIEDMONT NATURAL GAS**
**NORTH CAROLINA DIRECT PROPERTIES**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/22 | Allocated Book Reserve at 12/31/22 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Remaining Life | Annual Accrual Amount | Annual Accrual % | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **TRANSMISSION PLANT** | | | | | | | | | |
| 26520 | Land Rights | 140,950,149 | 18,604,097 | 0% | - | 122,346,051 | 67.11 | 1,823,110 | 1.29% | |
| 26610 | Structures & Improvements - Compressor Stations | 22,726,694 | 3,546,156 | -5% | (1,136,335) | 20,316,872 | 40.32 | 503,910 | 2.22% | |
| 26620 | Structures & Improvements - M&R Stations | 13,607,383 | 2,359,966 | -5% | (680,369) | 11,927,786 | 39.92 | 298,814 | 2.20% | |
| 26700 | Mains & Cathodic Protection | 2,986,129,494 | 409,308,671 | -30% | (895,838,848) | 3,472,659,671 | 59.26 | 58,596,269 | 1.96% | |
| 26800 | Compressor Station Equipment | 170,814,986 | 53,622,618 | -10% | (17,081,499) | 134,273,867 | 22.81 | 5,887,832 | 3.45% | |
| 26900 | M&R Station Equipment | 321,896,245 | 33,536,026 | -10% | (32,189,625) | 320,549,844 | 44.22 | 7,249,237 | 2.25% | |
| | **Total Transmission** | 3,656,124,950 | 520,977,534 | | (946,926,675) | 4,082,074,091 | | 74,359,172 | 2.03% | |
| | **DISTRIBUTION PLANT** | | | | | | | | | |
| 27401 | Land Rights | 16,790,245 | 1,844,385 | 0% | - | 14,945,860 | 67.34 | 221,962 | 1.32% | |
| 27500 | Structures & Improvements | 641,853 | 393,362 | -5% | (32,093) | 280,584 | 22.57 | 12,433 | 1.94% | |
| 27600 | Mains | 1,704,374,068 | 502,115,980 | -30% | (511,312,220) | 1,713,570,309 | 53.66 | 31,931,622 | 1.87% | |
| 27800 | M&R Station Equipment | 102,155,273 | 11,496,191 | -15% | (15,323,291) | 105,982,373 | 43.63 | 2,429,109 | 2.38% | |
| 27900 | M&R City Gate Equipment | 160,815,215 | 20,407,713 | -15% | (24,122,282) | 164,529,785 | 45.76 | 3,595,152 | 2.24% | |
| 28000 | Services | 937,309,565 | 431,711,036 | -90% | (843,578,609) | 1,349,177,138 | 46.47 | 29,034,093 | 3.10% | |
| 28100 | Meters Commercial & Industrial | 41,358,207 | 13,367,919 | 0% | - | 27,990,288 | 22.38 | 1,250,952 | 3.02% | |
| 28101 | Meters Residential | 56,228,719 | 30,607,569 | 0% | - | 25,621,150 | 12.25 | 2,092,270 | 3.72% | |
| 28105 | Meters - Meter Accessories & ERTs | 33,879,174 | 16,730,076 | 0% | - | 17,149,098 | 13.51 | 1,268,907 | 3.75% | |
| 28200 | Meter Installations | 71,341,374 | 10,773,132 | 0% | - | 60,568,242 | 26.64 | 2,273,160 | 3.19% | |
| 28300 | House Regulators | 13,192,898 | 4,111,395 | 0% | - | 9,081,503 | 22.01 | 412,562 | 3.13% | |
| 28400 | House Regulator Installations | 726,793 | 71,707 | 0% | - | 655,086 | 28.15 | 23,267 | 3.20% | |
| 28500 | Industrial M&R Station Equipment | 53,721,435 | 18,326,236 | -10% | (5,372,143) | 40,767,342 | 39.13 | 1,041,807 | 1.94% | |
| 28600 | Property on Customer Premises | 743,304 | 677,804 | 0% | - | 65,501 | 5.93 | 11,043 | 1.49% | |
| 28700 | Other Equipment | 43,672 | 27,858 | 0% | - | 15,813 | 10.26 | 1,542 | 3.53% | |
| | **Total Distribution** | 3,193,321,796 | 1,062,662,363 | | (1,399,740,639) | 3,530,400,072 | | 75,599,881 | 2.37% | |
| | **GENERAL PLANT DEPRECIATED** | | | | | | | | | |
| 29000 | Structures & Improvements | 143,518,152 | 23,783,207 | -5% | (7,175,908) | 126,910,853 | 42.04 | 3,018,486 | 2.10% | |
| 29002 | CNG Station Equipment | 23,414,053 | 6,887,642 | -2% | (468,281) | 16,994,692 | 17.73 | 958,456 | 4.09% | |
| 29210 | Passenger Cars & Station Wagons | 2,369,038 | 1,588,824 | 25% | 592,260 | 187,955 | 0.69 | 272,583 | 11.51% | |
| 29240 | Transportation Equipment - 3 Year Meter Reading | 316,865 | 237,649 | 25% | 79,216 | - | 0.00 | | 25.00% | * |
| 29241 | Transportation - 5 Year Rural Use | 15,725,619 | 10,058,861 | 25% | 3,931,405 | 1,735,353 | 0.70 | 2,475,661 | 15.74% | |
| 29242 | Transportation - 7 Year Urban Use | 47,993,100 | 24,293,086 | 25% | 11,998,275 | 11,701,739 | 2.24 | 5,230,515 | 10.90% | |
| 29243 | Transportation - 10 Year Heavy Duty | 21,225,632 | 7,473,053 | 25% | 5,306,408 | 8,446,171 | 5.27 | 1,603,472 | 7.55% | |
| 29244 | Transportation - 15 Year Trailers & Other | 1,959,428 | 989,701 | 25% | 489,857 | 479,870 | 3.21 | 149,467 | 7.63% | |
| 29600 | Power Operated Equipment | 12,462,565 | 5,195,331 | 13% | 1,620,133 | 5,647,100 | 11.37 | 496,557 | 3.98% | |
| | **Total General Depreciated** | 268,984,451 | 80,507,353 | | 16,373,365 | 172,103,733 | | 14,205,196 | 5.28% | |
| | **Total Depreciated Plant** | $ 7,118,431,198 | $ 1,664,147,250 | | $ (2,330,293,948) | $ 7,784,577,896 | | $ 164,164,249 | 2.31% | |

*Account is fully depreciated. Rate is (1-NS%)/ASL of group

**PIEDMONT NATURAL GAS**
**NORTH CAROLINA DIRECT PROPERTIES**
**COMPUTATION OF AMORTIZATION AMOUNT**
**FOR AMORTIZED GENERAL PROPERTY**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

**Amortized before Retirements**

| Account | Description | Plant Balance at 12/31/22 | Allocated Book Reserve at 12/31/22 | Theoretical Reserve at 12/31/22 | Reserve Deficit/Surplus | Remaining Life | Amortize Reserve Deficit/(Surplus) | Assets with Age > Average Service Life | Annual Amortization % |
|---|---|---|---|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | 11,411,644 | 4,245,670 | 4,245,670 | - | | | 69,083 | 5.00% |
| 29102 | PC Equipment | 149,597 | 89,066 | 89,066 | - | | | - | 20.00% |
| 29300 | Stores Equipment | 3,385 | 3,301 | 3,301 | - | | | - | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 19,486,292 | 6,582,386 | 6,582,386 | - | | | 352,073 | 5.00% |
| 29500 | Laboratory Equipment | 797,185 | 582,060 | 582,060 | - | | | 41,882 | 5.00% |
| 29700 | Communications Equipment | 8,881,322 | 5,432,750 | 5,432,750 | - | | | 2,001,207 | 6.67% |
| 29800 | Miscellaneous Equipment | 3,439,097 | 1,574,391 | 1,574,391 | - | | | - | 5.00% |
| | **Total General Amortized** | $ 44,168,520 | $ 18,509,622 | $ 18,509,622 | $ - | | $ - | $ 2,464,245 | |

**Amortized after Retirements**

| Account | Description | Plant Balance at 12/31/22 | Allocated Book Reserve at 12/31/22 | Annual (1) Amortization Amount | Annual (2) Amortization Rate |
|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | 11,342,560 | 4,176,586 | 567,128 | 5.00% |
| 29102 | PC Equipment | 149,597 | 89,066 | 29,919 | 20.00% |
| 29300 | Stores Equipment | 3,385 | 3,301 | 169 | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 19,134,219 | 6,230,313 | 956,711 | 5.00% |
| 29500 | Laboratory Equipment | 755,303 | 540,178 | 37,765 | 5.00% |
| 29700 | Communications Equipment | 6,880,115 | 3,431,543 | 458,674 | 6.67% |
| 29800 | Miscellaneous Equipment | 3,439,097 | 1,574,391 | 171,955 | 5.00% |
| | **Total General Amortized** | $ 41,704,276 | $ 16,045,377 | $ 2,222,322 | 0.00% |
| | **Total General Depreciated & Amortized** | $ 310,688,727 | $ 96,552,730 | | |
| | **Total Depreciated & Amortized** | $ 7,160,135,474 | $ 1,680,192,627 | | |

(1) Annual Amortization Amount is balance/life of asset group
(2) Rate is (1-Net Salvage %)/ASL of asset group.

**PIEDMONT NATURAL GAS**
**SOUTH CAROLINA DIRECT PROPERTIES**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/22 | Allocated Book Reserve at 12/31/22 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Average Remaining Life | Annual Accrual Amount | Annual Accrual % |
|---|---|---|---|---|---|---|---|---|---|
| | **TRANSMISSION PLANT** | | | | | | | | |
| 26520 | Land Rights | $ 10,546,643 | $ 1,833,783 | 0% | $ - | $ 8,712,860 | 64.10 | $ 135,926 | 1.29% |
| 26620 | Structures & Improvements - M&R Stations | 918,450 | 129,582 | -5% | (45,923) | 834,791 | 42.32 | 19,726 | 2.15% |
| 26700 | Mains | 108,190,648 | 20,534,575 | -30% | (32,457,194) | 120,113,267 | 117.16 | 1,025,207 | 0.95% |
| 26800 | Compressor Station Equipment | 38,880,228 | 6,925,271 | -30% | (11,664,068) | 43,619,025 | 28.52 | 1,529,419 | 3.93% |
| 26900 | M&R Station Equipment | 42,129,501 | 3,662,510 | -10% | (4,212,950) | 42,679,941 | 45.48 | 938,433 | 2.23% |
| | **Total Transmission** | 200,665,469 | 33,085,721 | | (48,380,135) | 215,959,884 | | 3,648,711 | 1.82% |
| | **DISTRIBUTION PLANT** | | | | | | | | |
| 27401 | Land Rights | 2,242,778 | 433,354 | 0% | - | 1,809,424 | 61.29 | 29,522 | 1.32% |
| 27500 | Structures & Improvements | 794,118 | 121,105 | -5% | (39,706) | 712,719 | 43.13 | 16,525 | 2.08% |
| 27600 | Mains | 276,772,170 | 107,827,307 | -30% | (83,031,651) | 251,976,514 | 48.72 | 5,171,874 | 1.87% |
| 27800 | M&R Station Equipment | 22,454,277 | 2,204,108 | -15% | (3,368,141) | 23,618,310 | 44.12 | 535,273 | 2.38% |
| 27900 | M&R City Gate Equipment | 7,887,070 | 1,595,953 | -15% | (1,183,061) | 7,474,178 | 42.51 | 175,821 | 2.23% |
| 28000 | Services | 179,903,636 | 89,793,441 | -90% | (161,913,272) | 252,023,467 | 45.09 | 5,589,545 | 3.11% |
| 28100 | Meters - Commercial & Industrial | 9,019,737 | 2,971,403 | 0% | - | 6,048,334 | 22.03 | 274,591 | 3.04% |
| 28101 | Meters - Residential | 11,637,196 | 6,811,883 | 0% | - | 4,825,313 | 11.16 | 432,556 | 3.72% |
| 28105 | Meters - Meter Accessories & ERTs | 7,519,258 | 3,332,795 | 0% | - | 4,186,463 | 14.52 | 288,389 | 3.84% |
| 28200 | Meter Installations | 12,354,332 | 2,024,617 | 0% | - | 10,329,715 | 26.19 | 394,358 | 3.19% |
| 28300 | House Regulators | 3,043,485 | 902,766 | 0% | - | 2,140,719 | 22.30 | 95,994 | 3.15% |
| 28400 | House Regulator Installations | 9,429 | 794 | 0% | - | 8,635 | 28.53 | 303 | 3.21% |
| 28500 | Industrial M&R Station Equipment | 10,876,158 | 3,627,124 | 0% | - | 7,249,034 | 39.22 | 184,808 | 1.70% |
| | **Total Distribution** | 544,513,644 | 221,646,650 | | (249,535,831) | 572,402,825 | | 13,189,559 | 2.42% |
| | **GENERAL PLANT DEPRECIATED** | | | | | | | | |
| 29000 | Structures & Improvements | 12,235,547 | 3,867,438 | -5% | (611,777) | 8,979,886 | 36.75 | 244,322 | 2.00% |
| 29002 | CNG Station Equipment | 6,395,706 | 2,415,564 | -2% | (127,914) | 4,108,056 | 16.85 | 243,749 | 3.81% |
| 29210 | Passenger Cars and Wagons | 507,259 | 352,101 | 25% | 126,815 | 28,344 | 0.52 | 54,349 | 10.71% |
| 29241 | Transportation - 5 Year Urban | 716,732 | 431,797 | 25% | 179,183 | 105,752 | 1.33 | 79,398 | 11.08% |
| 29242 | Transportation - 7 Year Urban Use | 8,360,525 | 4,754,411 | 25% | 2,090,131 | 1,515,982 | 2.10 | 720,868 | 8.62% |
| 29243 | Transportation - 10 Year Heavy Duty | 3,858,098 | 1,691,699 | 25% | 964,525 | 1,201,874 | 4.86 | 247,551 | 6.42% |
| 29244 | Transportation - 15 Year Trailers & Other | 184,169 | 99,633 | 25% | 46,042 | 38,494 | 3.38 | 11,372 | 6.17% |
| 29600 | Power Operated Equipment | 1,822,894 | 931,776 | 13% | 236,976 | 654,142 | 10.63 | 61,565 | 3.38% |
| | **Total General Depreciated** | 34,080,930 | 14,544,420 | | 2,903,981 | 16,632,530 | | 1,663,175 | 4.88% |
| | **Total Depreciated Plant** | $ 779,260,043 | $ 269,276,790 | | $ (295,011,986) | $ 804,995,239 | | $ 18,501,444 | 2.37% |

**PIEDMONT NATURAL GAS**
**SOUTH CAROLINA DIRECT PROPERTIES**
**COMPUTATION OF AMORTIZATION AMOUNT**
**FOR AMORTIZED GENERAL PROPERTY**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

**Amortized before Retirements**

| Account | Description | Plant Balance at 12/31/22 | Allocated Book Reserve at 12/31/22 | Theoretical Reserve at 12/31/22 | Reserve Deficit/Surplus | Reserve Amortization Period | Amortize Reserve Deficit/(Surplus) | Assets with Age > Average Service Life | Annual Amortization % |
|---|---|---|---|---|---|---|---|---|---|
| 29001 | Leasehold Improvements | $ 116,703 | $ 119,852 | $ 119,852 | $ - | 4 | $ - | $ 85,632 | 6.79% |
| 29100 | Office Furniture & Equipment | 912,721 | 393,572 | 393,572 | - | 4 | - | 22,779 | 5.00% |
| 29102 | PC Equipment | 21,987 | 11,348 | 11,348 | - | 4 | - | - | 20.00% |
| 29300 | Stores Equipment | 6,463 | 2,747 | 2,747 | - | 4 | - | - | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 2,311,484 | 700,236 | 700,236 | - | 4 | - | 30,191 | 5.00% |
| 29500 | Laboratory Equipment | 182,788 | 97,206 | 97,206 | - | 4 | - | 6,455 | 5.00% |
| 29700 | Communications Equipment | 812,980 | 592,228 | 592,228 | - | 4 | - | 316,593 | 6.67% |
| 29800 | Miscellaneous Equipment | 756,665 | 264,143 | 264,143 | - | 4 | - | - | 5.00% |
| | **Total General Amortized** | 5,121,792 | 2,181,332 | 2,181,332 | - | | - | 461,650 | |

**Amortized after Retirements**

| Account | Description | Plant Balance at 12/31/22 | Allocated Book Reserve at 12/31/22 | Annual (1) Amortization Amount | Annual (2) Amortization Rate |
|---|---|---|---|---|---|
| 29001 | Leasehold Improvements | 31,071 | 34,220 | 2,219 | 6.79% |
| 29100 | Office Furniture & Equipment | 889,942 | 370,794 | 44,497 | 5.00% |
| 29102 | PC Equipment | 21,987 | 11,348 | 4,397 | 20.00% |
| 29300 | Stores Equipment | 6,463 | 2,747 | 323 | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 2,281,293 | 670,044 | 114,065 | 5.00% |
| 29500 | Laboratory Equipment | 176,333 | 90,751 | 8,817 | 5.00% |
| 29700 | Communications Equipment | 496,387 | 275,635 | 33,092 | 6.67% |
| 29800 | Miscellaneous Equipment | 756,665 | 264,143 | 37,833 | 5.00% |
| | **Total General Amortized** | 4,660,142 | 1,719,681 | 245,244 | |
| | **Total General Depreciated & Amortized** | 38,741,072 | 16,264,101 | | |
| | **Total Depreciated & Amortized** | $ 783,920,185 | $ 270,996,472 | | |

(1) Annual Amortization Amount is balance/life of asset group
(2) Rate is (1-Net Salvage %)/ASL of asset group.

**PIEDMONT NATURAL GAS - TENNESSEE**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/22 | Allocated Reserve at 12/31/22 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Remaining Life | Annual Accrual Amount | Annual Accrual % |
|---|---|---|---|---|---|---|---|---|---|
| | **STORAGE PLANT** | | | | | | | | |
| 26100 | Structures & Improvements | $ 14,030,938 | $ 2,651,505 | -15% | $ (2,104,641) | $ 13,484,074 | 34.89 | $ 386,476 | 2.75% |
| 26200 | Gas Holders | 4,102,434 | 1,101,903 | -15% | (615,365) | 3,615,897 | 47.65 | 75,890 | 1.85% |
| 26300 | Purification Equipment | 6,608,481 | 2,111,299 | -10% | (660,848) | 5,158,031 | 18.09 | 285,176 | 4.32% |
| 26310 | Liquefaction Equipment | 15,299,548 | 2,067,854 | -10% | (1,529,955) | 14,761,649 | 33.28 | 443,554 | 2.90% |
| 26320 | Vaporizing Equipment | 20,836,303 | 5,893,600 | -5% | (1,041,815) | 15,984,519 | 18.95 | 843,473 | 4.05% |
| 26330 | Compressor Equipment | 9,818,090 | 2,219,085 | -10% | (981,809) | 8,580,814 | 28.76 | 298,329 | 3.04% |
| 26340 | M&R Equipment | 28,208 | 6,525 | -10% | (2,821) | 24,504 | 28.50 | 860 | 3.05% |
| 26350 | Other Equipment | 2,829,228 | 904,991 | -5% | (141,461) | 2,065,698 | 17.50 | 118,008 | 4.17% |
| | **Total Storage Plant** | 73,553,230 | 16,956,761 | | (7,078,715) | 63,675,184 | | 2,451,765 | 3.33% |
| | **TRANSMISSION PLANT** | | | | | | | | |
| 26520 | Land Rights | 18,560,350 | 1,131,726 | 0% | - | 17,428,625 | 70.70 | 246,528 | 1.33% |
| 26620 | M&R Station Structures | 1,935,009 | 202,604 | -5% | (96,750) | 1,829,156 | 40.49 | 45,175 | 2.33% |
| 26700 | Mains | 334,930,097 | 23,923,610 | -30% | (100,479,029) | 411,485,515 | 60.87 | 6,759,631 | 2.02% |
| 26900 | M&R Equipment | 46,482,923 | 3,013,926 | -10% | (4,648,292) | 48,117,290 | 44.38 | 1,084,240 | 2.33% |
| | **Total Transmission Plant** | 401,908,379 | 28,271,865 | | (105,224,072) | 478,860,586 | | 8,135,573 | 2.02% |
| | **DISTRIBUTION PLANT** | | | | | | | | |
| 27401 | Rights of Way | 4,607,773 | 398,168 | 0% | - | 4,209,605 | 69.47 | 60,596 | 1.32% |
| 27500 | Structures & Improvements | 218,689 | 155,217 | -5% | (10,934) | 74,407 | 21.16 | 3,517 | 1.61% |
| 27600 | Mains | 681,344,427 | 205,951,678 | -30% | (204,403,328) | 679,796,076 | 54.51 | 12,471,574 | 1.83% |
| 27800 | M&R Equipment | 28,764,699 | 4,660,412 | -15% | (4,314,705) | 28,418,992 | 42.23 | 672,969 | 2.34% |
| 27900 | City Gate Equipment | 15,520,350 | 2,907,073 | -15% | (2,328,053) | 14,941,330 | 43.91 | 340,260 | 2.19% |
| 28000 | Services | 365,260,270 | 190,396,056 | -90% | (328,734,243) | 503,598,457 | 45.95 | 10,958,938 | 3.00% |
| 28100 | Meters - Commercial & Industrial | 16,680,016 | 4,476,104 | 0% | - | 12,203,912 | 24.67 | 494,644 | 2.97% |
| 28101 | Meters - Residential | 10,727,669 | 6,399,385 | 0% | - | 4,328,284 | 12.27 | 352,642 | 3.29% |
| 28105 | ERT's and Accessories | 8,124,665 | 4,074,178 | 0% | - | 4,050,486 | 14.30 | 283,209 | 3.49% |
| 28200 | Meter Installations | 21,819,465 | 5,613,487 | 0% | - | 16,205,978 | 24.19 | 669,827 | 3.07% |
| 28300 | House Regulators | 4,013,114 | 1,469,745 | 0% | - | 2,543,369 | 21.31 | 119,341 | 2.97% |
| 28400 | House Regulator Installations | 3,471,745 | 1,591,648 | 0% | - | 1,880,097 | 18.87 | 99,623 | 2.87% |
| 28500 | Industrial M&R Equipment | 7,458,007 | 1,478,670 | -10% | (745,801) | 6,725,139 | 46.54 | 144,501 | 1.94% |
| | **Total Distribution Plant** | 1,168,010,888 | 429,571,821 | | (540,537,064) | 1,278,976,131 | | 26,671,640 | 2.28% |

**PIEDMONT NATURAL GAS - TENNESSEE**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/22 | Allocated Reserve at 12/31/22 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Remaining Life | Annual Accrual Amount | Annual Accrual % |
|---|---|---|---|---|---|---|---|---|---|
| | **GENERAL PLANT DEPRECIATED** | | | | | | | | |
| 29000 | Structures & Improvements | 24,883,688 | 6,087,357 | -5% | (1,244,184) | 20,040,515 | 40.21 | 498,348 | 2.00% |
| 29002 | CNG Equipment | 4,016,998 | 1,820,256 | -2% | (80,340) | 2,277,083 | 15.67 | 145,316 | 3.62% |
| 29210 | Passenger Cars & Station Wagon | 755,193 | 532,753 | 25% | 188,798 | 33,642 | 1.47 | 22,905 | 3.03% |
| 29242 | Transportation 7 Year Urban | 10,311,743 | 6,946,228 | 25% | 2,577,936 | 787,579 | 1.72 | 458,337 | 4.44% |
| 29243 | Transportation - Heavy Duty | 3,935,807 | 1,954,232 | 25% | 983,952 | 997,623 | 4.44 | 224,770 | 5.71% |
| 29244 | Transportaion - Trailers & Other | 238,572 | 115,435 | 25% | 59,643 | 63,494 | 4.58 | 13,862 | 5.81% |
| 29600 | Power Operated Equipment | 1,495,529 | 738,252 | 13% | 194,419 | 562,859 | 11.51 | 48,887 | 3.27% |
| | **Total General Depreciated Plant** | 45,637,531 | 18,194,512 | | 2,680,223 | 24,762,795 | | 1,412,425 | 3.09% |
| | **Total Depreciated Plant** | **$ 1,689,110,028** | **$ 492,994,960** | | **$ (650,159,627)** | **$ 1,846,274,696** | | **$ 38,671,404** | 2.29% |

**COMPUTATION OF AMORTIZATION AMOUNT**
**FOR AMORTIZED GENERAL PROPERTY**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**

**Before Retirements**

| Account | Description | Plant Balance at 12/31/22 | Allocated Reserve at 12/31/22 | Theoretical Reserve at 12/31/22 | Reserve Surplus/Deficit | Assets > ASL to be Retired |
|---|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | $ 2,749,081 | $ 1,581,375 | $ 1,581,375 | $ - | $ 20,144 |
| 29102 | PC Equipment | 9,964 | 2,989 | 2,989 | - | - |
| 29400 | Tools, Shop & Garage Equipment | 3,295,922 | 1,395,531 | 1,395,531 | - | 134,548 |
| 29500 | Laboratory Equipment | 105,879 | 91,628 | 91,628 | - | - |
| 29700 | Communication Equipment | 874,701 | 426,383 | 426,383 | - | - |
| 29800 | Miscellaneous Equipment | 656,945 | 227,941 | 227,941 | - | - |
| | **Total General Amortized** | 7,692,491 | 3,725,848 | 3,725,848 | - | 154,691 |

**COMPUTATION OF AMORTIZATION AMOUNT**
**FOR AMORTIZED GENERAL PROPERTY**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**



**After Retirements of Assets With Age > Average Service Life**

| Account | Description | Plant Balance at 12/31/22 | Allocated Reserve at 12/31/22 | Annual (1) Amortization | Amortization Life | Annual (2) Amortization Rate |
|---|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | 2,728,937 | 1,561,232 | 136,447 | 20 | 5.00% |
| 29102 | PC Equipment | 9,964 | 2,989 | 1,993 | 5 | 20.00% |
| 29400 | Tools, Shop & Garage Equipment | 3,161,374 | 1,260,984 | 158,069 | 20 | 5.00% |
| 29500 | Laboratory Equipment | 105,879 | 91,628 | 5,294 | 20 | 5.00% |
| 29700 | Communication Equipment | 874,701 | 426,383 | 58,313 | 15 | 6.67% |
| 29800 | Miscellaneous Equipment | 656,945 | 227,941 | 32,847 | 20 | 5.00% |
| | **Total General Amortized** | 7,537,800 | 3,571,157 | 392,963 | | |
| | **Study Total Depreciated & Amortized** | $ 1,696,647,828 | $ 496,566,117 | | | |

(1) Annual Amortization Amount is balance/life of asset group
(2) Rate is (1-Net Salvage %)/ASL of asset group.

Appendix A4
Page 1 of 2

**PIEDMONT NATURAL GAS COMPANY**
**2-STATE COMMON PROPERTY ASSETS**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/2022 | Allocated Book Reserve at 12/31/2022 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Remaining Life | Annual Accrual Amount | Annual Accrual % |
|---|---|---|---|---|---|---|---|---|---|
| | **STORAGE PLANT** | | | | | | | | |
| 26001 | Rights of Way | $ 117,629 | $ 2,336 | 0% | $ - | $ 115,293 | 77.50 | $ 1,488 | 1.26% |
| 26100 | Structures & Improvements | 167,787,704 | 13,304,578 | -15% | (25,168,156) | 179,651,282 | 40.12 | 4,478,175 | 2.67% |
| 26200 | Gas Holders | 113,458,495 | 7,327,290 | -15% | (17,018,774) | 123,149,979 | 63.81 | 1,929,836 | 1.70% |
| 26300 | Purification Equipment | 58,728,924 | 5,923,494 | -10% | (5,872,892) | 58,678,323 | 25.67 | 2,285,775 | 3.89% |
| 26310 | Liquefaction Equipment | 69,260,510 | 4,723,336 | -10% | (6,926,051) | 71,463,225 | 36.10 | 1,979,734 | 2.86% |
| 26320 | Vaporization Equipment | 57,559,802 | 14,144,870 | -5% | (2,877,990) | 46,292,923 | 18.95 | 2,442,812 | 4.24% |
| 26330 | Compressor Equipment | 22,841,851 | 2,984,157 | -10% | (2,284,185) | 22,141,879 | 32.52 | 680,790 | 2.98% |
| 26340 | M&R Equipment | 1,123,236 | 195,052 | -10% | (112,324) | 1,040,507 | 30.06 | 34,611 | 3.08% |
| 26350 | Other Equipment | 14,479,551 | 2,425,659 | -5% | (723,978) | 12,777,870 | 22.47 | 568,723 | 3.93% |
| | **Total Storage** | 505,240,075 | 51,028,437 | | (60,984,350) | 515,195,988 | | 14,400,456 | 2.85% |
| | **DISTRIBUTION PLANT** | | | | | | | | |
| 27500 | Structures & Improvements | 824,052 | 822,579 | -5% | (41,203) | 42,675 | 20.89 | 2,043 | 0.25% |
| 28100 | Meters | 100,076 | 28,015 | 0% | - | 72,061 | 27.31 | 2,638 | 2.64% |
| 28104 | Meters - Meter Accessories | 1,980,582 | 1,957,258 | 0% | - | 23,324 | 5.11 | 4,566 | 0.23% |
| 28106 | AMI Meter (New) | - | - | 0% | - | - | 0.00 | | 5.00% |
| | **Total Distribution** | 2,904,710 | 2,807,852 | | (41,203) | 138,060 | | 9,248 | 0.32% |
| | **GENERAL PLANT DEPRECIATED** | | | | | | | | |
| 29000 | Structures & Improvements | 215,747 | 16,307 | -5% | (10,787) | 210,227 | 45.89 | 4,581 | 2.12% |
| 29242 | Transportation - 7 Year Urban Use | 380,714 | 208,369 | 25% | 95,179 | 77,166 | 1.16 | 66,401 | 17.44% |
| 29243 | Transportation - 10 Year Heavy Duty | 225,057 | 122,130 | 25% | 56,264 | 46,663 | 1.73 | 26,957 | 11.98% |
| 29244 | Transportation - Trailers & Other | 5,636 | 3,452 | 25% | 1,409 | 775 | 0.67 | 1,161 | 20.60% |
| 29600 | Power Operated Equipment | 861,228 | 396,524 | 13% | 111,960 | 352,744 | 8.69 | 40,572 | 4.71% |
| | **Total General Depreciated** | 1,688,381 | 746,782 | | 254,024 | 687,576 | | 139,672 | 8.27% |
| | **Total Depreciated Plant** | $ 509,833,167 | $ 54,583,071 | | $ (60,771,528) | $ 516,021,624 | | $ 14,549,377 | 2.85% |

## 2-STATE COMMON PROPERTY ASSETS
## COMPUTATION OF AMORTIZATION AMOUNT AND RATES
## FOR AMORTIZED GENERAL PROPERTY
## DEPRECIATION STUDY AT DECEMBER 31, 2022

| **Amortize before Retirements** Account | Description | Plant Balance at 12/31/2022 | Allocated Book Reserve at 12/31/2022 | Theoretical Reserve at 12/31/2022 | Reserve Deficit/Surplus | Assets with Age > Average Service Life | Annual Amortization % |
|---|---|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | $ 218,667 | $ 72,823 | $ 72,823 | $ - | $ - | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 1,002,132 | 433,475 | 433,475 | - | 4,934 | 5.00% |
| 29500 | Laboratory Equipment | 367,010 | 273,122 | 273,122 | - | - | 5.00% |
| 29700 | Communications Equipment | 1,330,455 | 695,081 | 695,081 | - | - | 6.67% |
| 29800 | Miscellaneous Equipment | 552,497 | 113,967 | 113,967 | - | - | 5.00% |
| | **Total General Amortized** | 3,470,761 | 1,588,469 | 1,588,469 | - | 4,934 | |

| **Amortize after Retirement of Assets with Age > Average Service Life** Account | Description | Plant Balance at 12/31/2022 | Allocated Book Reserve at 12/31/2022 | Annual (1) Amortization Amount | Annual (2) Amortization Rate |
|---|---|---|---|---|---|
| 29100 | Office Furniture & Equipment | 218,667 | 72,823 | 10,933 | 5.00% |
| 29400 | Tools, Shop & Garage Equipment | 997,199 | 428,541 | 49,860 | 5.00% |
| 29500 | Laboratory Equipment | 367,010 | 273,122 | | 5.00% |
| 29700 | Communications Equipment | 1,330,455 | 695,081 | 88,697 | 6.67% |
| 29800 | Miscellaneous Equipment | 552,497 | 113,967 | 27,625 | 5.00% |
| | **Total Amortized after AR 15 Retirements** | 3,465,828 | 1,583,535 | 177,115 | 5.11% |
| | **Total General Depreciated & Amortized** | 5,154,209 | 2,330,317 | | |
| | **Total Depreciated & Amortized (excludes land)** | $ 513,298,994 | $ 56,166,606 | | |

(1) Annual Amortization Amount is Balance-0% NS/ASL of account.
(2) Rate is (1-0%NS)/ASL of asset account.

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**PIEDMONT NATURAL GAS COMPANY**
**3-STATE COMMON PROPERTY ASSETS**
**COMPUTATION OF ANNUAL DEPRECIATION ACCRUAL AND RATES**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Account | Description | Original Cost at 12/31/2022 | Allocated Book Reserve at 12/31/2022 | Net Salvage % | Net Salvage Amount | Unrecovered Investment | Remaining Life | Annual Accrual Amount | Annual Accrual % |
|---|---|---|---|---|---|---|---|---|---|
| | **DISTRIBUTION PLANT** | | | | | | | | |
| 28100 | Meters - Commercial & Industrial | $ 7,352,675 | $ 444,382 | 0% | $ - | $ 6,908,293 | 29.71 | $ 232,535 | 3.16% |
| 28101 | Meters - Residential | 5,107,469 | 409,673 | 0% | - | 4,697,796 | 22.62 | 207,644 | 4.07% |
| 28105 | Meters - Meter Accessories & ERTs | 18,114,802 | 5,607,296 | 0% | - | 12,507,505 | 15.83 | 790,028 | 4.36% |
| 28106 | Honeywell AMI Meters - New Account | - | - | 0% | - | - | 0.00 | - | 5.00% * |
| | **Total Distribution** | 30,574,945 | 6,461,351 | | - | 17,205,301 | | 997,672 | 3.26% |
| | **GENERAL PLANT DEPRECIATED** | | | | | | | | |
| 29000 | Structures & Improvements | 2,677,624 | 177,578 | -5% | (133,881) | 2,633,927 | 41.84 | 62,952 | 2.35% |
| 29240 | Transportation 3 Year Meter Reading Trucks | 104,284 | 78,213 | 25% | 26,071 | - | 0.00 | - | 25.00% ** |
| 29241 | Transportation 5 Year Rural | 828,717 | 542,874 | 25% | 207,179 | 78,664 | 0.63 | 124,308 | 15.00% |
| 29242 | Transportation - 7 Year Urban Use | 1,429,699 | 323,582 | 25% | 357,425 | 748,692 | 1.54 | 485,563 | 33.96% |
| 29243 | Transportation - 10 Year Heavy Duty | 130,042 | 32,439 | 25% | 32,510 | 65,093 | 1.41 | 46,289 | 35.60% |
| 29244 | Transportation - Trailers & Other | 21,889 | 5,491 | 25% | 5,472 | 10,926 | 1.36 | 8,047 | 36.76% |
| | **Total General Depreciated** | 5,192,254 | 1,160,176 | | 494,776 | 3,537,301 | | 727,159 | 14.00% |
| | **Total Depreciated Plant** | $ 35,767,199 | $ 7,621,527 | | $ 494,776 | $ 20,742,602 | | $ 1,724,831 | 4.82% |

*Account is new. Proposed Rate is (1-NS%)/ASL years and will be applied to new AMI Meters.
**Account is fully depreciated. Proposed Rate is (1-NS%)/ASL years and is to be applied to new additions.

**PIEDMONT NATURAL GAS COMPANY**
**3-STATE COMMON PROPERTY ASSETS**
**COMPUTATION OF AMORTIZATION AMOUNT**
**FOR AMORTIZED GENERAL PROPERTY**
**DEPRECIATION STUDY AT DECEMBER 31, 2022**

| Amortized before Retirements | | Plant Balance | Allocated Book Reserve | Theoretical Reserve | Reserve | Reserve Amortization | Amortize Reserve | Assets with Age > Average | Annual Amortization |
|---|---|---|---|---|---|---|---|---|---|
| Account | Description | at 12/31/2022 | at 12/31/2022 | at 12/31/2022 | (Deficit)/Surplus | Period | Deficit/(Surplus) | Service Life | % |
| 29001 | Leasehold Improvements | $ 1,899,219 | $ 1,962,118 | $ 1,977,715 | $ (15,597) | 4.00 | $ 3,899 | $ 1,859,305 | 7.50% |
| 29100 | Office Furniture & Equipment | 7,145,598 | 2,131,481 | 5,507,395 | (3,375,914) | 4.00 | 843,978 | - | 5.00% |
| 29101 | Electronic Data Processing/Mainframe Equipment | 1,454,289 | 1,299,382 | 1,304,892 | (5,510) | 4.00 | 1,377 | - | 20.00% |
| 29102 | PC/Server Equipment | 10,842,264 | 3,835,948 | 9,267,194 | (5,431,246) | 4.00 | 1,357,812 | 406,774 | 20.00% |
| 29400 | Tools, Shop & Garage Equipment | 3,794,578 | 664,029 | 1,715,742 | (1,051,713) | 4.00 | 262,928 | - | 5.00% |
| 29700 | Communications Equipment | 34,649,396 | 17,756,473 | 20,894,949 | (3,138,476) | 4.00 | 784,619 | 15,774,905 | 6.67% |
| 29800 | Miscellaneous Equipment | 33,588 | 5,650 | 14,599 | (8,949) | 4.00 | 2,237 | - | 5.00% |
| | **Total General Amortized** | 59,818,931 | 27,655,082 | 40,682,487 | (13,027,405) | | 3,256,851 | 18,040,984 | |

| Amortize after Retirement of Assets with Age > Average Service Life | | Plant Balance | Allocated Book Reserve | Annual (1) Amortization | Amortization Reserve | Total Amortization | Annual (2) Amortization |
|---|---|---|---|---|---|---|---|
| Account | Description | at 12/31/2022 | at 12/31/2022 | Amount | Amount | Amount | Rate |
| 29001 | Leasehold Improvements | 39,914 | 102,813 | 2,994 | 3,899 | 6,893 | 7.50% |
| 29100 | Office Furniture & Equipment | 7,145,598 | 2,131,481 | 357,280 | 843,978 | 1,201,258 | 5.00% |
| 29101 | Electronic Data Processing/Mainframe Equipment | 1,454,289 | 1,299,382 | 484,763 | 1,377 | 486,140 | 20.00% |
| 29102 | PC/Server Equipment | 10,435,491 | 3,429,175 | 2,087,098 | 1,357,812 | 3,444,910 | 20.00% |
| 29400 | Tools, Shop & Garage Equipment | 3,794,578 | 664,029 | 189,729 | 262,928 | 452,657 | 5.00% |
| 29700 | Communications Equipment | 18,874,490 | 1,981,568 | 1,258,299 | 784,619 | 2,042,918 | 6.67% |
| 29800 | Miscellaneous Equipment | 33,588 | 5,650 | 1,679 | 2,237 | 3,917 | 5.00% |
| | **Total General Amortized after AR 15 retirements** | 41,777,947 | 9,614,098 | 4,381,842 | 3,256,851 | 7,638,693 | 18.28% |
| | **Total General Depreciated & Amortized** | 46,970,201 | 10,774,274 | | | | |
| | **Total Depreciated & Amortized (excludes land)** | $ 77,545,146 | $ 17,235,625 | | | | |

(1) Annual Amortization Amount is balance-net salvage/life of asset group.
(2) Rate is (1-Net Salvage %)/ASL of asset group.

**APPENDIX B**

**Comparison of Depreciation Rates**

Appendix B1
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**PIEDMONT NATURAL GAS - NORTH CAROLINA**
**COMPARISON OF EXISTING TO RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **TRANSMISSION PLANT** | | | | | | |
| 26510 | Land | 49,228,222 | 0.00% | - | 0.00% | - | - |
| 26520 | Land Rights | 140,950,149 | 1.25% | 1,759,679 | 1.29% | 1,818,257 | 58,578 |
| 26610 | Structures & Improvements - Compressor Stations | 22,726,694 | 2.10% | 476,413 | 2.22% | 504,533 | 28,120 |
| 26620 | Structures & Improvements - M&R Stations | 13,607,383 | 2.10% | 285,202 | 2.20% | 299,362 | 14,160 |
| 26700 | Mains & Cathodic Protection | 2,986,129,494 | 1.85% | 55,243,396 | 1.96% | 58,528,138 | 3,284,742 |
| 26800 | Compressor Station Equipment | 170,814,986 | 2.85% | 4,861,148 | 3.45% | 5,893,117 | 1,031,969 |
| 26900 | M&R Station Equipment | 321,896,245 | 2.33% | 7,488,386 | 2.25% | 7,242,666 | (245,720) |
| | **Total Transmission (excludes land)** | $ 3,656,124,950 | 1.92% | $ 70,114,222 | 2.03% | $ 74,286,073 | $ 4,171,850 |
| | **DISTRIBUTION PLANT** | | | | | | |
| 27400 | Land | 3,097,522 | 0.00% | - | 0.00% | - | - |
| 27401 | Land Rights | 16,790,245 | 1.32% | 222,205 | 1.32% | 221,631 | (574) |
| 27500 | Structures & Improvements | 641,853 | 1.70% | 10,891 | 1.94% | 12,452 | 1,561 |
| 27600 | Mains | 1,704,374,068 | 1.71% | 29,106,619 | 1.87% | 31,871,795 | 2,765,176 |
| 27800 | M&R Station Equipment | 102,155,273 | 1.93% | 1,973,335 | 2.38% | 2,431,296 | 457,960 |
| 27900 | M&R City Gate Equipment | 160,815,215 | 1.90% | 3,061,316 | 2.24% | 3,602,261 | 540,945 |
| 28000 | Services | 937,309,565 | 2.78% | 26,074,006 | 3.10% | 29,056,597 | 2,982,590 |
| 28100 | Meters Commercial & Industrial | 41,358,207 | 2.90% | 1,199,812 | 3.02% | 1,249,018 | 49,206 |
| 28101 | Meters Residential | 56,228,719 | 2.90% | 1,631,210 | 3.72% | 2,091,708 | 460,499 |
| 28105 | Meters - Meter Accessories & ERTs | 33,879,174 | 3.46% | 1,173,882 | 3.75% | 1,270,469 | 96,587 |
| 28106 | Honeywell AMI Meters - New Account | | 2.90% | | 5.00% (1) | | - |
| 28200 | Meter Installations | 71,341,374 | 3.28% | 2,340,246 | 3.19% | 2,275,790 | (64,456) |
| 28300 | House Regulators | 13,192,898 | 2.96% | 390,428 | 3.13% | 412,938 | 22,510 |
| 28400 | House Regulator Installations | 726,793 | 3.40% | 24,697 | 3.20% | 23,257 | (1,440) |
| 28500 | Industrial M&R Station Equipment | 53,721,435 | 1.63% | 876,291 | 1.94% | 1,042,196 | 165,905 |
| 28600 | Property on Customer Premises | 743,304 | 1.50% | 11,139 | 1.49% | 11,075 | (64) |
| 28700 | Other Equipment | 43,672 | 2.29% | 999 | 3.53% | 1,542 | 542 |
| | **Total Distribution (excludes land)** | $ 3,193,321,796 | 2.13% | $ 68,097,077 | 2.37% | $ 75,574,024 | $ 7,476,947 |

**PIEDMONT NATURAL GAS - NORTH CAROLINA**
**COMPARISON OF EXISTING TO RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 28900 | Land | 3,983,257 | 0.00% | - | 0.00% | - | - |
| 29000 | Structures & Improvements | 143,518,152 | 2.00% | 2,867,395 | 2.10% | 3,013,881 | 146,487 |
| 29002 | CNG Station Equipment | 23,414,053 | 3.90% | 914,219 | 4.09% | 957,635 | 43,416 |
| 29210 | Passenger Cars & Station Wagons | 2,369,038 | 11.76% | 278,576 | 11.51% | 272,676 | (5,899) |
| 29240 | Transportation Equipment - 3 Year Meter Reading | 316,865 | 18.07% | 57,246 | 25.00% * | 79,216 | 21,970 |
| 29241 | Transportation - 5 Year Rural Use | 15,725,619 | 12.82% | 2,016,759 | 15.74% | 2,475,212 | 458,453 |
| 29242 | Transportation - 7 Year Urban Use | 47,993,100 | 7.54% | 3,616,497 | 10.90% | 5,231,248 | 1,614,751 |
| 29243 | Transportation - 10 Year Heavy Duty | 21,225,632 | 6.14% | 1,303,359 | 7.55% | 1,602,535 | 299,176 |
| 29244 | Transportation - 15 Year Trailers & Other | 1,959,428 | 4.58% | 89,684 | 7.63% | 149,504 | 59,820 |
| 29600 | Power Operated Equipment | 12,462,565 | 3.28% | 408,772 | 3.98% | 496,010 | 87,238 |
| | **Total General Depreciated (excludes land)** | $ 268,984,451 | 4.29% | $ 11,552,506 | 5.31% | $ 14,277,918 | $ 2,725,412 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29100 | Office Furniture & Equipment | 11,342,560 | 5.00% | 567,128 | 5.00% | 567,128 | - |
| 29102 | PC Equipment | 149,597 | 20.00% | 29,919 | 20.00% | 29,919 | - |
| 29300 | Stores Equipment | 3,385 | 5.00% | 169 | 5.00% | 169 | - |
| 29400 | Tools, Shop & Garage Equipment | 19,134,219 | 5.00% | 956,711 | 5.00% | 956,711 | - |
| 29500 | Laboratory Equipment | 755,303 | 5.00% | 37,765 | 5.00% | 37,765 | - |
| 29700 | Communications Equipment | 6,880,115 | 5.56% | 382,229 | 6.67% | 458,904 | 76,675 |
| 29800 | Miscellaneous Equipment | 3,439,097 | 5.00% | 171,955 | 5.00% | 171,955 | - |
| | **Total General Amortized** | $ 41,704,276 | 5.15% | $ 2,145,876 | 5.33% | $ 2,222,551 | $ 76,675 |
| | **Total General Plant (excludes land)** | $ 310,688,727 | 4.27% | $ 13,698,382 | 5.31% | $ 16,500,470 | $ 2,802,087 |
| | **Total Study Depreciated & Amortized** | $ 7,160,135,474 | 2.12% | $ 151,909,682 | 2.32% | $ 166,360,566 | $ 14,450,884 |
| | **Total Plant with Land & Intangibles - GL** | $ 7,219,519,692 | | | | | |

(1) Rate is (1-Net Salvage %)/ASL of asset group.
*Account is fully depreciated. Rate is (1-NS%)/ASL of group

**Appendix B2**
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**PIEDMONT NATURAL GAS - SOUTH CAROLINA**
**COMPARISON OF EXISTING AND RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **TRANSMISSION PLANT** | | | | | | |
| 26510 | Land | $ 2,298,633 | 0.00% | $ - | 0.00% | $ - | $ - |
| 26520 | Land Rights | 10,546,643 | 1.25% | 131,623 | 1.29% | 136,052 | 4,429 |
| 26620 | Structures & Improvements - M&R Stations | 918,450 | 2.10% | 19,249 | 2.15% | 19,747 | 498 |
| 26700 | Mains | 108,190,648 | 1.69% | 1,823,260 | 0.95% | 1,027,811 | (795,449) |
| 26800 | Compressor Station Equipment | 38,880,228 | 2.85% | 1,108,086 | 3.93% | 1,527,993 | 419,906 |
| 26900 | M&R Station Equipment | 42,129,501 | 1.88% | 791,512 | 2.23% | 939,488 | 147,976 |
| | **Total Transmission (excludes land)** | 200,665,469 | 1.93% | 3,873,730 | 1.82% | 3,651,090 | (222,639) |
| | **DISTRIBUTION PLANT** | | | | | | |
| 27400 | Land | 70,779 | 0.00% | - | 0.00% | - | - |
| 27401 | Land Rights | 2,242,778 | 1.27% | 28,495 | 1.32% | 29,605 | 1,110 |
| 27500 | Structures & Improvements | 794,118 | 1.82% | 14,443 | 2.08% | 16,518 | 2,075 |
| 27600 | Mains | 276,772,170 | 1.53% | 4,240,364 | 1.87% | 5,175,640 | 935,275 |
| 27800 | M&R Station Equipment | 22,454,277 | 1.92% | 432,204 | 2.38% | 534,412 | 102,207 |
| 27900 | M&R City Gate Equipment | 7,887,070 | 1.84% | 145,304 | 2.23% | 175,882 | 30,577 |
| 28000 | Services | 179,903,636 | 2.55% | 4,578,677 | 3.11% | 5,595,003 | 1,016,326 |
| 28100 | Meters - Commercial & Industrial | 9,019,737 | 2.19% | 197,543 | 3.04% | 274,200 | 76,657 |
| 28101 | Meters - Residential | 11,637,196 | 2.19% | 254,868 | 3.72% | 432,904 | 178,036 |
| 28105 | Meters - Meter Accessories & ERTs | 7,519,258 | 4.10% | 308,396 | 3.84% | 288,740 | (19,656) |
| 28106 | Honeywell AMI Meters - New Account | | 2.19% | - | 5.00% (1) | - | - |
| 28200 | Meter Installations | 12,354,332 | 3.29% | 406,095 | 3.19% | 394,103 | (11,991) |
| 28300 | House Regulators | 3,043,485 | 3.08% | 93,629 | 3.15% | 95,870 | 2,241 |
| 28400 | House Regulator Installations | 9,429 | 3.40% | 321 | 3.21% | 303 | (18) |
| 28500 | Industrial M&R Station Equipment | 10,876,158 | 1.82% | 198,223 | 1.70% | 184,895 | (13,329) |
| | **Total Distribution (excludes land)** | 544,513,644 | 2.00% | 10,898,561 | 2.42% | 13,198,072 | 2,299,511 |

**PIEDMONT NATURAL GAS - SOUTH CAROLINA**
**COMPARISON OF EXISTING AND RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 28900 | Land | 3,924,257 | 0.00% | - | 0.00% | - | - |
| 29000 | Structures & Improvements | 12,235,547 | 1.83% | 223,648 | 2.00% | 244,711 | 21,063 |
| 29002 | CNG Station Equipment | 6,395,706 | 3.69% | 236,307 | 3.81% | 243,676 | 7,369 |
| 29210 | Passenger Cars and Wagons | 507,259 | 11.60% | 58,842 | 10.71% | 54,327 | (4,515) |
| 29241 | Transportation - 5 Year Urban | 716,732 | 15.40% | 110,377 | 11.08% | 79,414 | (30,963) |
| 29242 | Transportation - 7 Year Urban Use | 8,360,525 | 7.03% | 587,772 | 8.62% | 720,677 | 132,905 |
| 29243 | Transportation - 10 Year Heavy Duty | 3,858,098 | 4.67% | 180,285 | 6.42% | 247,690 | 67,405 |
| 29244 | Transportation - 15 Year Trailers & Other | 184,169 | 4.74% | 8,724 | 6.17% | 11,363 | 2,639 |
| 29600 | Power Operated Equipment | 1,822,894 | 2.89% | 52,672 | 3.38% | 61,614 | 8,942 |
| | **Total General Depreciated (excludes land)** | 34,080,930 | 4.28% | 1,458,627 | 4.88% | 1,663,473 | 204,846 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29001 | Leasehold Improvements | 31,071 | 4.76% | 1,479 | 6.79% (1) | 2,110 | 631 |
| 29100 | Office Furniture & Equipment | 889,942 | 5.00% | 44,497 | 5.00% (1) | 44,497 | - |
| 29102 | PC Equipment | 21,987 | 20.00% | 4,397 | 20.00% (1) | 4,397 | - |
| 29300 | Stores Equipment | 6,463 | 5.00% | 323 | 5.00% (1) | 323 | - |
| 29400 | Tools, Shop & Garage Equipment | 2,281,293 | 5.00% | 114,065 | 5.00% (1) | 114,065 | - |
| 29500 | Laboratory Equipment | 176,333 | 5.00% | 8,817 | 5.00% (1) | 8,817 | - |
| 29700 | Communications Equipment | 496,387 | 5.56% | 27,577 | 6.67% (1) | 33,109 | 5,532 |
| 29800 | Miscellaneous Equipment | 756,665 | 5.00% | 37,833 | 5.00% (1) | 37,833 | - |
| | **Total General Amortized** | 4,660,142 | 3.58% | 237,509 | 5.22% | 243,041 | 5,532 |
| | **Total General Plant (excludes land)** | 38,741,072 | 3.88% | 1,696,136 | 4.92% | 1,906,514 | 210,378 |
| | **Total Plant Depreciated & Amortized (excludes land)** | 783,920,185 | 2.01% | 16,468,427 | 2.39% | 18,755,676 | 2,287,249 |
| | **Total Plant with Land and Intangibles** | $ 790,213,854 | | | | | |

(1) Rate is (1-Net Salvage %)/ASL of asset group.

**Appendix B3**
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**PIEDMONT NATURAL GAS - TENNESSEE**
**COMPARISON OF EXISTING VS RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rates % | Existing Annual Accrual | Recommended Rates % | | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|---|
| | **STORAGE PLANT** | | | | | | | |
| 26100 | Structures & Improvements | $ 14,030,938 | 3.68% | $ 516,339 | 2.75% | | $ 385,851 | $ (130,488) |
| 26200 | Gas Holders | 4,102,434 | 0.19% | 7,795 | 1.85% | | 75,895 | 68,100 |
| 26300 | Purification Equipment | 6,608,481 | 3.89% | 257,070 | 4.32% | | 285,486 | 28,416 |
| 26310 | Liquefaction Equipment | 15,299,548 | 3.64% | 556,904 | 2.90% | | 443,687 | (113,217) |
| 26320 | Vaporizing Equipment | 20,836,303 | 3.95% | 823,034 | 4.05% | | 843,870 | 20,836 |
| 26330 | Compressor Equipment | 9,818,090 | 3.08% | 302,397 | 3.04% | | 298,470 | (3,927) |
| 26340 | M&R Equipment | 28,208 | 6.61% | 1,865 | 3.05% | | 860 | (1,004) |
| 26350 | Other Equipment | 2,829,228 | 4.00% | 113,169 | 4.17% | | 117,979 | 4,810 |
| | **Total Storage Plant** | 73,553,230 | 3.51% | 2,578,571 | 3.33% | | 2,452,098 | (126,473) |
| | **TRANSMISSION PLANT** | | | | | | | |
| 26520 | Land Rights | 18,560,350 | 1.25% | 232,004 | 1.33% | | 246,853 | 14,848 |
| 26620 | M&R Station Structures | 1,935,009 | 2.00% | 38,700 | 2.33% | | 45,086 | 6,386 |
| 26700 | Mains | 334,930,097 | 1.39% | 4,655,528 | 2.02% | | 6,765,588 | 2,110,060 |
| 26900 | M&R Equipment | 46,482,923 | 2.00% | 929,658 | 2.33% | | 1,083,052 | 153,394 |
| | **Total Transmission Plant** | 401,908,379 | 1.46% | 5,855,891 | 2.03% | | 8,140,578 | 2,284,687 |
| | **DISTRIBUTION PLANT** | | | | | | | |
| 27401 | Rights of Way | 4,607,773 | 1.38% | 63,587 | 1.32% | | 60,823 | (2,765) |
| 27500 | Structures & Improvements | 218,689 | 3.05% | 6,670 | 1.61% | | 3,521 | (3,149) |
| 27600 | Mains | 681,344,427 | 1.58% | 10,765,242 | 1.83% | | 12,468,603 | 1,703,361 |
| 27800 | M&R Equipment | 28,764,699 | 2.89% | 831,300 | 2.34% | | 673,094 | (158,206) |
| 27900 | City Gate Equipment | 15,520,350 | 2.49% | 386,457 | 2.19% | | 339,896 | (46,561) |
| 28000 | Services | 365,260,270 | 2.63% | 9,606,345 | 3.00% | | 10,957,808 | 1,351,463 |
| 28100 | Meters - Commercial & Industrial | 16,680,016 | 3.28% | 547,105 | 2.97% | | 495,396 | (51,708) |
| 28101 | Meters - Residential | 10,727,669 | 3.28% | 351,868 | 3.29% | | 352,940 | 1,073 |
| 28105 | ERT's and Accessories | 8,124,665 | 3.55% | 288,426 | 3.49% | | 283,551 | (4,875) |
| 28106 | Honeywell AMI Meters - New | - | 3.28% | - | 5.00% | (1) | - | - |
| 28200 | Meter Installations | 21,819,465 | 3.10% | 676,403 | 3.07% | | 669,858 | (6,546) |

**Appendix B3**
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**PIEDMONT NATURAL GAS - TENNESSEE**
**COMPARISON OF EXISTING VS RECOMMENDED DEPRECIATION RATES w RESERVE ALLOCATION**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rates % | Existing Annual Accrual | Recommended Rates % | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| 28300 | House Regulators | 4,013,114 | 2.55% | 102,334 | 2.97% | 119,189 | 16,855 |
| 28400 | House Regulator Installations | 3,471,745 | 2.24% | 77,767 | 2.87% | 99,639 | 21,872 |
| 28500 | Industrial M&R Equipment | 7,458,007 | 2.70% | 201,366 | 1.94% | 144,685 | (56,681) |
| | **Total Distribution Plant** | 1,168,010,888 | 2.05% | 23,904,870 | 2.28% | 26,669,003 | 2,764,134 |
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 29000 | Structures & Improvements | 24,883,688 | 1.93% | 480,255 | 2.00% | 497,674 | 17,419 |
| 29002 | Compressed Natural Gas | 4,016,998 | 4.95% | 198,841 | 3.62% | 145,415 | (53,426) |
| 29210 | Passenger Cars & Station Wagon | 755,193 | 11.43% | 86,319 | 3.03% | 22,882 | (63,436) |
| 29242 | Transportation 7 Year Urban | 10,311,743 | 7.61% | 784,724 | 4.44% | 457,841 | (326,882) |
| 29243 | Transportation - Heavy Duty | 3,935,807 | 4.54% | 178,686 | 5.71% | 224,735 | 46,049 |
| 29244 | Transportaion - Trailers & Other | 238,572 | 3.62% | 8,636 | 5.81% | 13,861 | 5,225 |
| 29600 | Power Operated Equipment | 1,495,529 | 2.35% | 35,145 | 3.27% | 48,904 | 13,759 |
| | **Total General Depreciated Plant** | 45,637,531 | 3.66% | 1,772,606 | 3.09% | 1,411,312 | (361,293) |
| | **Total Depreciated Plant** | 1,689,110,028 | 2.03% | 34,111,938 | 2.29% | 38,672,992 | 4,561,054 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29100 | Office Furniture & Equipment | 2,728,937 | 5.00% | 136,447 | 5.00% | 136,447 | - |
| 29102 | PC Equipment | 9,964 | 20.33% | 2,026 | 20.00% | 1,993 | (33) |
| 29400 | Tools, Shop & Garage Equipment | 3,161,374 | 5.00% | 158,069 | 5.00% | 158,069 | - |
| 29500 | Laboratory Equipment | 105,879 | 5.00% | 5,294 | 5.00% | 5,294 | - |
| 29700 | Communication Equipment | 874,701 | 6.67% | 58,343 | 6.67% | 58,343 | - |
| 29800 | Miscellaneous Equipment | 656,945 | 5.00% | 32,847 | 5.00% | 32,847 | - |
| | **Total General Amortized Plant** | 7,537,800 | 5.25% | 393,025 | 5.21% | 392,992 | (33) |
| | **Total Depreciated & Amortized Plant** | $ 1,696,647,828 | 2.05% | $ 34,504,963 | 2.30% | $ 39,065,985 | $ 4,561,021 |

(1) Rate is (1-Net Salvage %)/ASL of asset group.

Appendix B4
Page 1 of 1

**PIEDMONT NATURAL GAS COMPANY**
**2-STATE COMMON PROPERTY ASSETS**
**COMPARISON OF EXISTING VERSUS RECOMMENDED DEPRECIATION RATES**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **STORAGE PLANT DEPRECIATED** | | | | | | |
| 26001 | Rights of Way | $ 117,629 | 0.00% | $ - | 1.26% | $ 1,482 | $ 1,482 |
| 26100 | Structures & Improvements | 167,787,704 | 2.02% | 3,389,312 | 2.67% | 4,479,932 | 1,090,620 |
| 26200 | Gas Holders | 113,458,495 | 1.48% | 1,679,186 | 1.70% | 1,928,794 | 249,609 |
| 26300 | Purification Equipment | 58,728,924 | 2.46% | 1,444,732 | 3.89% | 2,284,555 | 839,824 |
| 26310 | Liquefaction Equipment | 69,260,510 | 2.06% | 1,426,767 | 2.86% | 1,980,851 | 554,084 |
| 26320 | Vaporization Equipment | 57,559,802 | 3.43% | 1,974,301 | 4.24% | 2,440,536 | 466,234 |
| 26330 | Compressor Equipment | 22,841,851 | 2.51% | 573,330 | 2.98% | 680,687 | 107,357 |
| 26340 | M&R Equipment | 1,123,236 | 3.10% | 34,820 | 3.08% | 34,596 | (225) |
| 26350 | Other Equipment | 14,479,551 | 2.98% | 431,491 | 3.93% | 569,046 | 137,556 |
| | **Total Storage** | 505,357,704 | 2.17% | 10,953,938 | 2.85% | 14,400,479 | 3,446,541 |
| | **DISTRIBUTION PLANT DEPRECIATED** | | | | | | |
| 27500 | Structures & Improvements | 824,052 | 4.60% | 37,906 | 0.25% | 2,060 | (35,846) |
| 28100 | Meters | 100,076 | 4.50% | 4,503 | 2.64% | 2,642 | (1,861) |
| 28104 | Meters - Meter Accessories | 1,980,582 | 14.46% | 286,392 | 0.23% | 4,555 | (281,837) |
| 28106 | Honeywell AMI Meters - New Account | - | 4.50% | | 5.00% (1) | - | - |
| | **Total Distribution** | 2,904,710 | 1.46% | 42,410 | 0.16% | 4,702 | (37,708) |
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 29000 | Structures & Improvements | 215,747 | 2.10% | 4,531 | 2.12% | 4,574 | 43 |
| 29242 | Transportation - 7 Year Urban Use | 380,714 | 8.83% | 33,617 | 17.44% | 66,397 | 32,779 |
| 29243 | Transportation - 10 Year Heavy Duty | 225,057 | 7.29% | 16,407 | 11.98% | 26,962 | 10,555 |
| 29244 | Transportation - Trailers & Other | 5,636 | 4.94% | 278 | 20.60% | 1,161 | 883 |
| 29600 | Power Operated Equipment | 861,228 | 3.71% | 31,952 | 4.71% | 40,564 | 8,612 |
| | **Total General Depreciated** | 1,688,381 | 5.14% | 86,784 | 8.27% | 139,657 | 52,873 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29100 | Office Furniture & Equipment | 218,667 | 5.00% | 10,933 | 5.00% | 10,933 | - |
| 29400 | Tools, Shop & Garage Equipment | 997,199 | 5.00% | 49,860 | 5.00% | 49,860 | - |
| 29500 | Laboratory Equipment | 367,010 | 5.00% | 18,350 | 5.00% | 18,350 | - |
| 29700 | Communications Equipment | 1,330,455 | 5.56% | 73,973 | 6.67% | 88,741 | 14,768 |
| 29800 | Miscellaneous Equipment | 552,497 | 5.00% | 27,625 | 5.00% | 27,625 | - |
| | **Total General Amortized** | 3,465,828 | 5.21% | 180,742 | 5.64% | 195,510 | 14,768 |
| | **Total General Plant** | 5,154,209 | 5.19% | 267,526 | 6.50% | 335,167 | 67,641 |
| | **Total Plant Depreciated & Amortized** | $ 513,416,623 | 2.19% | $ 11,263,874 | 2.87% | $ 14,740,348 | $ 3,476,474 |

(1) Rate is (1-Net Salvage %)/ASL of asset group.

Appendix B5
Page 1 of 2

**PIEDMONT NATURAL GAS COMPANY**
**3-STATE COMMON PROPERTY ASSETS**
**COMPARISON OF EXISTING VERSUS RECOMMENDED DEPRECIATION RATES**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| | **DISTRIBUTION PLANT DEPRECIATED** | | | | | | |
| 28100 | Meters - Commercial & Industrial | $ 7,352,675 | 4.50% | $ 330,870 | 3.16% | $ 232,345 | $ (98,526) |
| 28101 | Meters - Residential | 5,107,469 | 4.50% | 229,836 | 4.07% | 207,874 | (21,962) |
| 28105 | Meters - Meter Accessories & ERTs | 18,114,802 | 14.46% | 2,619,400 | 4.36% | 789,805 | (1,829,595) |
| 28106 | Honeywell AMI Meters - New Account | - | 4.50% | - | 5.00% * | - | - |
| | **Total Distribution** | 30,574,945 | 11.91% | 2,849,236 | 3.26% | 997,679 | (1,851,557) |
| | **GENERAL PLANT DEPRECIATED** | | | | | | |
| 29000 | Structures & Improvements | 2,677,624 | 2.10% | 56,230 | 2.35% | 62,924 | 6,694 |
| 29240 | Transportation 3 Year Meter Reading Trucks | 104,284 | 18.07% | - | 25.00% (1) | - | - |
| 29241 | Transportation 5 Year Rural | 828,717 | 15.40% | 127,622 | 15.00% | 124,308 | (3,315) |
| 29242 | Transportation - 7 Year Urban Use | 1,429,699 | 8.83% | 126,242 | 33.96% | 485,526 | 359,283 |
| 29243 | Transportation - 10 Year Heavy Duty | 130,042 | 7.29% | 9,480 | 35.60% | 46,295 | 36,815 |
| 29244 | Transportation - Trailers & Other | 21,889 | 4.94% | 1,081 | 36.76% | 8,046 | 6,965 |
| | **Total General Depreciated** | 5,192,254 | 5.23% | 320,656 | 14.00% | 727,099 | 406,442 |
| | **GENERAL PLANT AMORTIZED** | | | | | | |
| 29001 | Leasehold Improvements | 39,914 | 4.76% | 1,900 | 7.50% (2) | 6,893 | 4,993 |
| 29100 | Office Furniture & Equipment | 7,145,598 | 5.00% | 357,280 | 5.00% (2) | 1,201,258 | 843,978 |
| 29101 | Electronic Data Processing/Mainframe Equipment | 1,454,289 | 20.00% | 290,858 | 20.00% (2) | 486,140 | 195,283 |

**PIEDMONT NATURAL GAS COMPANY**
**3-STATE COMMON PROPERTY ASSETS**
**COMPARISON OF EXISTING VERSUS RECOMMENDED DEPRECIATION RATES**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Account Description | Plant Balance 12/31/2022 | Existing Rate | Existing Annual Accrual | Recommended Rate | Recommended Annual Accrual | Increase/ Decrease |
|---|---|---|---|---|---|---|---|
| 29102 | PC/Server Equipment | 10,435,491 | 20.00% | 2,087,098 | 20.00% (2) | 3,444,910 | 1,357,812 |
| 29400 | Tools, Shop & Garage Equipment | 3,794,578 | 5.00% | 189,729 | 5.00% (2) | 452,657 | 262,928 |
| 29700 | Communications Equipment | 18,874,490 | 5.56% | 1,049,422 | 6.67% (2) | 2,042,918 | 993,497 |
| 29800 | Miscellaneous Equipment | 33,588 | 5.00% | 1,679 | 5.00% (2) | 3,917 | 2,237 |
| | **Total General Amortized** | 41,777,947 | 9.27% | 3,977,966 | 18.28% | 7,638,693 | 3,660,728 |
| | **Total General Plant** | 46,970,201 | 8.76% | 4,298,622 | 17.81% | 8,365,792 | 4,067,170 |
| | **Total Plant Depreciated & Amortized** | $ 77,545,146 | 9.64% | $ 7,147,858 | 12.07% | $ 9,363,471 | $ 2,215,613 |

*Denotes a whole life rate (1-NS%/ASL) is shown for future additions

(1) Account is fully depreciated, so no change is calculated. Proposed Rate is (1-NS%)/life and is to be applied to new additions.

(2) Rate is (1-Net Salvage %)/ASL of asset group. The annual amortization amount includes reserve true up for 4 years.

(3) Customer Information System is fully accrued and will be retired in 2024, so it has been excluded.

# APPENDIX C

## Comparison of Mortality Characteristics

**PIEDMONT NATURAL GAS**
**SYSTEM WIDE PARAMETERS**
**COMPARISON OF MORTALITY CHARACTERISTICS**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | | Combined Plant Balance for Analysis at 12-31-2022 | Existing for NC & Corp Approved NCUC 2019 Docket G-9Sub 743 | | | Existing for SC Approved PSCSC 2022 Docket 2022-89-G SC | | | Existing for TN Approved TPUC 2021 Docket 20-00086 | | | SYSTEM PROPOSED | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | Description | | Life | Curve | NS | Life | Curve | NS | Life | Curve | NS | Life | Curve | NS |
| | **STORAGE PLANT** | | | | | | | | | | | | | |
| 26001 | Land Rights | 117,629 | | | | | | | | | | 80 | R5 | 0% |
| 26100 | Structures & Improvements | 184,726,495 | 54 | R4 | -10% | 54 | R4 | -10% | 35 | S5 | -5% | 45 | R4 | -15% |
| 26200 | Gas Holders | 117,560,929 | 70 | R5 | -10% | 70 | R5 | -10% | 70 | S5 | -5% | 70 | R5 | -15% |
| 26300 | Purification Equipment | 65,337,406 | 42 | R4 | -5% | 42 | R4 | -5% | 30 | S5 | -5% | 30 | S5 | -10% |
| 26310 | Liquefaction Equipment | 84,560,059 | 50 | R4 | -5% | 50 | R4 | -5% | 30 | S5 | -5% | 40 | R4 | -10% |
| 26320 | Vaporizing Equipment | 78,396,106 | 30 | S6 | -5% | 30 | S6 | -5% | 30 | S5 | -5% | 30 | S5 | -5% |
| 26330 | Compressor Equipment | 32,659,941 | 40 | R4 | -5% | 40 | R4 | -5% | 35 | S5 | -5% | 40 | R4 | -10% |
| 26340 | M&R Equipment | 1,151,444 | 30 | R4 | -5% | 30 | R4 | -5% | 35 | S5 | -5% | 40 | S5 | -10% |
| 26350 | Other Equipment | 17,308,779 | 33 | R4 | 0% | 33 | R4 | 0% | 30 | S5 | -5% | 30 | S5 | -5% |
| | **TRANSMISSION PLANT** | | | | | | | | | | | | | |
| 26520 | Land Rights | 170,057,142 | 80 | R4 | 0% | 80 | R4 | 0% | 80 | R2 | 0% | 80 | R4 | 0% |
| 26610 | Compressor Station Structures | 19,818,840 | 50 | R4 | -5% | | | | | | | 50 | R4 | -5% |
| 26620 | M&R Station Structures | 16,460,842 | 50 | R4 | -5% | 50 | R4 | -5% | 50 | R3 | 0% | 50 | R4 | -5% |
| 26700 | Mains | 3,429,250,238 | 65 | R4 | -20% | 70 | R4 | -20% | 75 | R2 | -5% | 68 | R4 | -30% |
| 26800 | Compressor Station Equipment | 209,695,214 | 35 | R4 | 0% | | | | | | | 35 | R4 | -10% |
| 26900 | M&R Station Equipment | 410,508,669 | 45 | R4 | -5% | 55 | R4 | -5% | 50 | R1 | 0% | 50 | R1 | -10% |
| | **DISTRIBUTION PLANT** | | | | | | | | | | | | | |
| 27401 | Land Rights | 23,640,796 | 75 | R4 | 0% | 75 | R4 | 0% | 73 | R4 | 0% | 75 | R4 | 0% |
| 27500 | Structures & Improvements | 2,478,712 | 50 | R4 | -5% | 50 | R4 | 0% | 29 | R4 | -5% | 50 | R4 | -5% |
| 27600 | Mains | 2,662,490,665 | 65 | R4 | -20% | 70 | R4 | -20% | 68 | R4 | -10% | 68 | R4 | -30% |
| 27800 | M&R Station Equipment | 153,374,249 | 55 | R2 | -10% | 55 | R2 | -10% | 35 | R3 | -10% | 48 | R0.5 | -15% |
| 27900 | M&R City Gate Equipment | 184,222,636 | 55 | R2 | -10% | 55 | R2 | -10% | 41 | R4 | -10% | 51 | R1 | -15% |
| 28000 | Services | 1,482,473,471 | 60 | R2.5 | -80% | 65 | R2.5 | -80% | 60 | R2 | -100% | 60 | R2 | -90% |
| 28100 | Meters - Commercial & Industrial | 74,510,711 | 29 | R1.5 | 0% | 35 | R1.5 | 0% | 30 | R3 | 0% | 32 | R1 | 0% |
| 28101 | Meters - Residential | 83,701,053 | 29 | R1.5 | 0% | 35 | R1.5 | 0% | 30 | R3 | 0% | 25 | R1 | 0% |
| 28104 | Meter Accessories | 1,980,582 | 16 | R1.5 | 0% | | | | 20 | R4 | 0% | 25 | R2 | 0% |
| 28105 | Meter Accessories, ERTs | 67,637,898 | 15 | R4 | 0% | 15 | R4 | 0% | 20 | R4 | 0% | 25 | R2 | 0% |
| 28106 | Honeywell AMI Meters - New Account | - | | | | | | | | | | 20 | | 0% |
| 28200 | Meter Installations | 105,515,171 | 29 | R1.5 | 0% | 29 | R2.5 | 0% | 30 | R3 | 0% | 31 | L0 | 0% |
| 28300 | House Regulators | 20,249,496 | 29 | R1.5 | 0% | 29 | R2.5 | 0% | 30 | R3 | 0% | 31 | L0 | 0% |
| 28400 | House Regulator Installations | 4,207,967 | 29 | R1.5 | 0% | | | | 30 | R3 | 0% | 31 | L0 | 0% |
| 28500 | Industrial M&R Station Equipment | 72,055,600 | 55 | R4 | -5% | 55 | R4 | -5% | 40 | R2 | -5% | 55 | R4 | -10% |
| 28600 | Property on Customer Premises | 743,304 | 40 | R3 | 0% | | | | | | | 40 | R3 | 0% |
| 28700 | Other Equipment | 43,672 | 41 | S6 | 0% | | | | | | | 26 | L5 | 0% |

**PIEDMONT NATURAL GAS**
**SYSTEM WIDE PARAMETERS**
**COMPARISON OF MORTALITY CHARACTERISTICS**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account Number | Description | Combined Plant Balance for Analysis at 12-31-2022 | Existing for NC & Corp Approved NCUC 2019 Docket G-9Sub 743 Life | Curve | NS | Existing for SC Approved PSCSC 2022 Docket 2022-89-G SC Life | Curve | NS | Existing for TN Approved TPUC 2021 Docket 20-00086 Life | Curve | NS | SYSTEM PROPOSED Life | Curve | NS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **GENERAL PLANT DEPRECIATED** | | | | | | | | | | | | | | |
| 29000 | Structures & Improvements | 184,583,620 | 50 | L1 | -5% | 50 | L1 | -5% | 45 | R3 | -5% | 50 | L1 | -5% |
| 29002 | CNG Station Equipment | 33,829,665 | 25 | R3 | -2% | 25 | R3 | -2% | 25 | R3 | -2% | 25 | R3 | -2% |
| 29600 | Power Operated Equipment | 16,642,215 | 22 | S1 | 17% | 22 | S1 | 17% | 28 | S0 | 12% | 22 | S1 | 13% |
| **TRANSPORTATION EQUIPMENT** | | | | | | | | | | | | | | |
| 29210 | Passenger Cars & Station Wagon | 3,631,491 | 7 | SQ | 17% | 7 | SQ | 17% | 7 | SQ | 20% | 7 | S4 | 25% |
| 29240 | 3 Year-Meter Reading Trucks | 504,114 | 3 | SQ | 30% | 3 | SQ | 30% | | | | 3 | SQ | 25% |
| 29241 | 5 Year-Rural 1 ton or less | 17,271,067 | 5 | SQ | 23% | 5 | SQ | 23% | | | | 5 | S4 | 25% |
| 29242 | 7 Year-Urban 1 ton or less | 68,392,816 | 7 | SQ | 30% | 7 | SQ | 30% | 7 | SQ | 25% | 7 | L4 | 25% |
| 29243 | 10 Year-Heavy Duty | 29,374,636 | 10 | SQ | 25% | 10 | SQ | 25% | 10 | SQ | 25% | 10 | L3 | 25% |
| 29244 | 15 Year- Trailers & Other | 2,409,694 | 15 | SQ | 25% | 15 | SQ | 25% | 15 | SQ | 5% | 10 | S5 | 25% |
| **GENERAL PLANT AMORTIZED** | | | | | | | | | | | | | | |
| 29001 | S&I Leasehold Improvements | 8,626,122 ** | | | | | | | | | | 14 | SQ | -5% |
| 29100 | Office Furniture & Equipment | 23,702,294 | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% |
| 29101 | Electronic Data Processing | 2,875,000 | 5 | SQ | 0% | | | | | | | 5 | SQ | 0% |
| 29102 | PC Equipment | 12,527,615 | 5 | SQ | 0% | | | | | | | 5 | SQ | 0% |
| 29300 | Stores Equipment | 9,849 | 20 | SQ | 0% | | | | | | | 20 | SQ | 0% |
| 29400 | Tools, Shop & Garage Equipment | 30,035,728 | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% |
| 29500 | Laboratory Equipment | 1,452,861 | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% |
| 29700 | Communications Equipment | 47,559,994 | 18 | SQ | 0% | 18 | SQ | 0% | 15 | SQ | 0% | 15 | SQ | 0% |
| 29800 | Miscellaneous Equipment | 5,462,140 | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% | 20 | SQ | 0% |
| **ACCOUNTS FULLY DEPRECIATED & RETIRED** | | | | | | | | | | | | | | |
| 29103 | Customer Information System | 17,721,735 | | | | | | | | | | | | |
| 29105 | SaaS - 3 Yr. Contract | 208,452 | | | | | | | | | | | | |
| 29204 | Lease Buyout | 44,289 | | | | | | | | | | | | |

*Note - Intangibles were excluded from the study
**Note - PTC Proforma Retirements recorded in 2023 and 2024 were made for rate calculation.

**APPENDIX D**

**Net Salvage**

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26100 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26100 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26100 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26100 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26100 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26100 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26100 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26100 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26100 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26100 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26100 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26100 | 2014 | 305,856 | 39,922 | 403,803 | (363,881) | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% | -118.97% |
| 26100 | 2015 | 122,967 | - | 5,099 | (5,099) | -4.15% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% |
| 26100 | 2016 | - | - | - | - | NA | -4.15% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% |
| 26100 | 2017 | - | - | - | - | NA | NA | -4.15% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% |
| 26100 | 2018 | - | - | - | - | NA | NA | NA | -4.15% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% | -86.04% |
| 26100 | 2019 | 1,875,922 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | -0.26% | -16.01% | -16.01% | -16.01% | -16.01% | -16.01% |
| 26100 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | -0.26% | -16.01% | -16.01% | -16.01% | -16.01% |
| 26100 | 2021 | 1,151,193 | - | 785,219 | (785,219) | -68.21% | -68.21% | -25.94% | -25.94% | -25.94% | -25.94% | -25.09% | -33.40% | -33.40% | -33.40% |
| 26100 | 2022 | 902,456 | - | 137,248 | (137,248) | -15.21% | -44.92% | -44.92% | -23.48% | -23.48% | -23.48% | -23.48% | -22.89% | -29.63% | -29.63% |
| 26200 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26200 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26200 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26200 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26200 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26200 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26200 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26200 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26200 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26200 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26200 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26200 | 2014 | 15,240 | - | 2,990 | (2,990) | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% |
| 26200 | 2015 | - | - | - | - | NA | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% |
| 26200 | 2016 | - | - | - | - | NA | NA | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% |
| 26200 | 2017 | - | - | - | - | NA | NA | NA | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% | -19.62% |
| 26200 | 2018 | 3,574 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | -15.89% | -15.89% | -15.89% | -15.89% | -15.89% | -15.89% |
| 26200 | 2019 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | -15.89% | -15.89% | -15.89% | -15.89% | -15.89% |
| 26200 | 2020 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | -15.89% | -15.89% | -15.89% | -15.89% |
| 26200 | 2021 | 723,341 | - | 439,705 | (439,705) | -60.79% | -60.79% | -60.79% | -60.49% | -60.49% | -60.49% | -60.49% | -59.65% | -59.65% | -59.65% |
| 26200 | 2022 | 96,697 | - | 25,657 | (25,657) | -26.53% | -56.75% | -56.75% | -56.75% | -56.50% | -56.50% | -56.50% | -56.50% | -55.83% | -55.83% |
| 26300 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26300 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26300 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26300 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26300 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26300 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26300 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26300 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26300 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26300 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26300 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26300 | 2014 | 635,414 | - | 346,751 | (346,751) | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2015 | - | - | - | - | NA | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2016 | - | - | - | - | NA | NA | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2017 | - | - | - | - | NA | NA | NA | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2018 | - | - | - | - | NA | NA | NA | NA | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2019 | - | - | - | - | NA | NA | NA | NA | NA | -54.57% | -54.57% | -54.57% | -54.57% | -54.57% |
| 26300 | 2020 | 87,251 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -47.98% | -47.98% | -47.98% | -47.98% |
| 26300 | 2021 | 1,431,410 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -16.10% | -16.10% | -16.10% |
| 26300 | 2022 | 5,028,685 | - | 1,289,868 | (1,289,868) | -25.65% | -19.97% | -19.70% | -19.70% | -19.70% | -19.70% | -19.70% | -19.70% | -22.79% | -22.79% |
| 26310 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 26310 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 26310 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26310 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26310 | 2014 | 706,968 | - | 207,051 | (207,051) | -29.29% | -29.29% | -29.29% | -29.29% | -29.29% | | | | | |
| 26310 | 2015 | 220,877 | 2,308 | 481,808 | (479,500) | -217.09% | -73.99% | -73.99% | -73.99% | -73.99% | -73.99% | | | | |
| 26310 | 2016 | - | - | - | - | NA | -217.09% | -73.99% | -73.99% | -73.99% | -73.99% | -73.99% | | | |
| 26310 | 2017 | - | - | - | - | NA | NA | -217.09% | -73.99% | -73.99% | -73.99% | -73.99% | -73.99% | | |
| 26310 | 2018 | - | - | - | - | NA | NA | NA | -217.09% | -73.99% | -73.99% | -73.99% | -73.99% | -73.99% | |
| 26310 | 2019 | 127,291 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | -137.72% | -65.07% | -65.07% | -65.07% | -65.07% | -65.07% |
| 26310 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | -137.72% | -65.07% | -65.07% | -65.07% | -65.07% |
| 26310 | 2021 | 1,298,350 | - | 7,432 | (7,432) | -0.57% | -0.57% | -0.52% | -0.52% | -0.52% | -0.52% | -29.57% | -29.49% | -29.49% | -29.49% |
| 26310 | 2022 | 1,280,578 | - | 549,110 | (549,110) | -42.88% | -42.88% | -21.58% | -21.58% | -20.57% | -20.57% | -20.57% | -20.57% | -35.39% | -34.21% |
| 26320 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26320 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26320 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26320 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26320 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26320 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26320 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26320 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26320 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26320 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26320 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26320 | 2014 | 2,282,563 | - | 1,453,012 | (1,453,012) | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% | -63.66% |
| 26320 | 2015 | 16,739 | - | 13,997 | (13,997) | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% |
| 26320 | 2016 | - | - | - | - | NA | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% |
| 26320 | 2017 | - | - | - | - | NA | NA | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26320 | 2018 | - | - | - | - | NA | NA | NA | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% |
| 26320 | 2019 | - | - | - | - | NA | NA | NA | NA | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% | -63.80% |
| 26320 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | -83.62% | -63.80% | -63.80% | -63.80% | -63.80% |
| 26320 | 2021 | 6,989,289 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.20% | -15.79% | -15.79% | -15.79% |
| 26320 | 2022 | 306,461 | - | 46,356 | (46,356) | -15.13% | -0.64% | -0.64% | -0.64% | -0.64% | -0.64% | -0.64% | -0.83% | -15.77% | -15.77% |
| 26330 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 26330 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 26330 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26330 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26330 | 2014 | 45,378 | - | 35,102 | (35,102) | -77.35% | -77.35% | -77.35% | -77.35% | -77.35% | | | | | |
| 26330 | 2015 | 59,023 | - | 147,417 | (147,417) | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% | -174.83% | | | | |
| 26330 | 2016 | - | - | - | - | NA | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% | -174.83% | | | |
| 26330 | 2017 | - | - | - | - | NA | NA | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% | -174.83% | | |
| 26330 | 2018 | - | - | - | - | NA | NA | NA | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% | -174.83% | |
| 26330 | 2019 | - | - | - | - | NA | NA | NA | NA | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% | -174.83% |
| 26330 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | -249.76% | -174.83% | -174.83% | -174.83% | -174.83% |
| 26330 | 2021 | 379,551 | - | 100,000 | (100,000) | -26.35% | -26.35% | -26.35% | -26.35% | -26.35% | -26.35% | -56.41% | -58.38% | -58.38% | -58.38% |
| 26330 | 2022 | 203,586 | - | 98,917 | (98,917) | -48.59% | -34.11% | -34.11% | -34.11% | -34.11% | -34.11% | -34.11% | -53.93% | -55.48% | -55.48% |
| 26340 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 26340 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 26340 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26340 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26340 | 2014 | 574,060 | - | 143,285 | (143,285) | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% | | | | | |
| 26340 | 2015 | - | - | - | - | NA | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% | | | | |
| 26340 | 2016 | - | - | - | - | NA | NA | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% | | | |
| 26340 | 2017 | - | - | - | - | NA | NA | NA | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% | | |
| 26340 | 2018 | - | - | - | - | NA | NA | NA | NA | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% | |
| 26340 | 2019 | - | - | - | - | NA | NA | NA | NA | NA | -24.96% | -24.96% | -24.96% | -24.96% | -24.96% |
| 26340 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | NA | -24.96% | -24.96% | -24.96% | -24.96% |
| 26340 | 2021 | 15,750 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -24.29% | -24.29% | -24.29% |
| 26340 | 2022 | 172 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -24.29% | -24.29% |
| 26350 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26350 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26350 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26350 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26350 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26350 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26350 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26350 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26350 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26350 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26350 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26350 | 2014 | 1,228,128 | 149,966 | 815,883 | (665,917) | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% | -54.22% |
| 26350 | 2015 | 176,476 | - | 114,623 | (114,623) | -64.95% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% |
| 26350 | 2016 | - | - | - | - | NA | -64.95% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% |
| 26350 | 2017 | - | - | - | - | NA | NA | -64.95% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% |
| 26350 | 2018 | - | - | - | - | NA | NA | NA | -64.95% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% | -55.57% |
| 26350 | 2019 | 16,566 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | -59.38% | -54.92% | -54.92% | -54.92% | -54.92% | -54.92% |
| 26350 | 2020 | 17,559 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -54.43% | -54.25% | -54.25% | -54.25% | -54.25% |
| 26350 | 2021 | 737,169 | - | 184,507 | (184,507) | -25.03% | -24.45% | -23.92% | -23.92% | -23.92% | -23.92% | -31.56% | -44.35% | -44.35% | -44.35% |
| 26350 | 2022 | 266,998 | - | 46,407 | (46,407) | -17.38% | -23.00% | -22.60% | -22.24% | -22.24% | -22.24% | -22.24% | -28.44% | -41.40% | -41.40% |
| 26520 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26520 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26520 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26520 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26520 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26520 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26520 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26520 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26520 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 26520 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2019 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2021 | - | 255,950 | (8,803) | 264,753 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26520 | 2022 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 26610 | 2015 | 4,312,087 | - | 338,925 | (338,925) | -7.86% | | | | | | | | | |
| 26610 | 2016 | - | - | - | - | NA | -7.86% | | | | | | | | |
| 26610 | 2017 | - | - | - | - | NA | NA | -7.86% | | | | | | | |
| 26610 | 2018 | - | - | - | - | NA | NA | NA | -7.86% | | | | | | |
| 26610 | 2019 | - | - | - | - | NA | NA | NA | NA | -7.86% | | | | | |
| 26610 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | -7.86% | | | | |
| 26610 | 2021 | 123,195 | - | 8,856 | (8,856) | -7.19% | -7.19% | -7.19% | -7.19% | -7.19% | -7.19% | -7.84% | | | |
| 26610 | 2022 | 71,939 | - | 1,452 | (1,452) | -2.02% | -5.28% | -5.28% | -5.28% | -5.28% | -5.28% | -5.28% | -7.75% | | |
| 26620 | 2015 | 75,556 | - | 107,452 | (107,452) | -142.22% | | | | | | | | | |
| 26620 | 2016 | 15,005 | - | 118,971 | (118,971) | -792.90% | -250.02% | | | | | | | | |
| 26620 | 2017 | - | - | - | - | NA | -792.90% | -250.02% | | | | | | | |
| 26620 | 2018 | 22,918 | - | 3,131 | (3,131) | -13.66% | -13.66% | -321.98% | -202.29% | | | | | | |
| 26620 | 2019 | - | - | - | - | NA | -13.66% | -13.66% | -321.98% | -202.29% | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26620 | 2020 | - | - | - | - | NA | NA | -13.66% | -13.66% | -321.98% | -202.29% | | | | |
| 26620 | 2021 | 143,864 | - | - | - | 0.00% | 0.00% | 0.00% | -1.88% | -1.88% | -67.17% | -89.20% | | | |
| 26620 | 2022 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | -1.88% | -1.88% | -67.17% | -89.20% | | |
| 26700 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26700 | 2004 | 654,190 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 26700 | 2005 | 67,577 | - | 1,404 | (1,404) | -2.08% | -0.19% | -0.19% | | | | | | | |
| 26700 | 2006 | - | - | - | - | NA | -2.08% | -0.19% | -0.19% | | | | | | |
| 26700 | 2007 | 1,503,738 | - | 16,738 | (16,738) | -1.11% | -1.11% | -1.15% | -0.82% | -0.82% | | | | | |
| 26700 | 2008 | - | - | 16,588 | (16,588) | NA | -2.22% | -2.22% | -2.21% | -1.56% | -1.56% | | | | |
| 26700 | 2009 | 249 | - | - | - | 0.00% | -6659.52% | -2.22% | -2.22% | -2.21% | -1.56% | -1.56% | | | |
| 26700 | 2010 | - | - | - | - | NA | 0.00% | -6659.52% | -2.22% | -2.22% | -2.21% | -1.56% | -1.56% | | |
| 26700 | 2011 | 42,711 | - | - | - | 0.00% | 0.00% | 0.00% | -38.61% | -2.15% | -2.15% | -2.15% | -1.53% | -1.53% | |
| 26700 | 2012 | 197,347 | - | 7,479 | (7,479) | -3.79% | -3.12% | -3.12% | -3.11% | -10.02% | -2.34% | -2.34% | -2.33% | -1.71% | -1.71% |
| 26700 | 2013 | 16,071 | - | 467 | (467) | -2.90% | -3.72% | -3.10% | -3.10% | -3.10% | -9.57% | -2.34% | -2.34% | -2.33% | -1.72% |
| 26700 | 2014 | - | - | 9,195 | (9,195) | NA | -60.12% | -8.03% | -6.69% | -6.69% | -6.69% | -13.16% | -2.87% | -2.87% | -2.84% |
| 26700 | 2015 | 243,613 | 1,000 | 383,008 | (382,008) | -156.81% | -160.58% | -150.83% | -87.34% | -79.87% | -79.87% | -79.83% | -83.15% | -21.58% | -21.58% |
| 26700 | 2016 | 2,833,376 | - | 1,097,316 | (1,097,316) | -38.73% | -48.08% | -48.38% | -48.14% | -45.48% | -44.90% | -44.90% | -44.89% | -45.39% | -31.63% |
| 26700 | 2017 | 108,915 | - | 2,251,764 | (2,251,764) | -2067.45% | -113.83% | -117.11% | -117.40% | -116.83% | -110.26% | -108.90% | -108.90% | -108.89% | -109.37% |
| 26700 | 2018 | 433,173 | - | 272,107 | (272,107) | -62.82% | -465.58% | -107.28% | -110.61% | -110.87% | -110.39% | -104.90% | -103.75% | -103.75% | -103.74% |
| 26700 | 2019 | 407,778 | - | - | - | 0.00% | -32.36% | -265.71% | -95.72% | -99.41% | -99.64% | -99.26% | -94.81% | -93.87% | -93.87% |
| 26700 | 2020 | 12,813,555 | (88,158) | 4,839,658 | (4,927,816) | -38.46% | -37.27% | -38.08% | -54.14% | -51.51% | -53.03% | -53.09% | -53.04% | -52.47% | -52.34% |
| 26700 | 2021 | 7,075,538 | (17,425) | 8,223,653 | (8,241,077) | -116.47% | -66.21% | -64.88% | -64.84% | -75.30% | -70.93% | -71.80% | -71.84% | -71.79% | -71.24% |
| 26700 | 2022 | 9,765,737 | 1,116 | 6,702,385 | (6,701,269) | -68.62% | -88.72% | -67.00% | -66.10% | -66.05% | -73.17% | -70.25% | -70.88% | -70.91% | -70.87% |
| 26800 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26800 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26800 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26800 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 26800 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 26800 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26800 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 26800 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 26800 | 2011 | 2,693,127 | 210,000 | 104,006 | 105,994 | 3.94% | 3.94% | 3.94% | 3.94% | 3.94% | 3.94% | 3.94% | 3.94% | 3.94% | |
| 26800 | 2012 | 255,651 | 205,555 | 626 | 204,929 | 80.16% | 10.54% | 10.54% | 10.54% | 10.54% | 10.54% | 10.54% | 10.54% | 10.54% | 10.54% |
| 26800 | 2013 | - | - | 25,286 | (25,286) | NA | 70.27% | 9.69% | 9.69% | 9.69% | 9.69% | 9.69% | 9.69% | 9.69% | 9.69% |
| 26800 | 2014 | 4,759,179 | 30,000 | 47,413 | (17,413) | -0.37% | -0.90% | 3.24% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% |
| 26800 | 2015 | - | - | - | - | NA | -0.37% | -0.90% | 3.24% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% |
| 26800 | 2016 | - | - | - | - | NA | NA | -0.37% | -0.90% | 3.24% | 3.48% | 3.48% | 3.48% | 3.48% | 3.48% |
| 26800 | 2017 | - | - | - | - | NA | NA | NA | -0.37% | -0.90% | 3.24% | 3.48% | 3.48% | 3.48% | 3.48% |
| 26800 | 2018 | - | - | - | - | NA | NA | NA | NA | -0.37% | -0.90% | 3.24% | 3.48% | 3.48% | 3.48% |
| 26800 | 2019 | 1,052,442 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.30% | -0.73% | 2.67% | 3.06% | 3.06% |
| 26800 | 2020 | 2,194,202 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.22% | -0.53% | 1.96% | 2.45% |
| 26800 | 2021 | 4,040,111 | - | 214,900 | (214,900) | -5.32% | -3.45% | -2.95% | -2.95% | -2.95% | -2.95% | -2.95% | -1.93% | -2.14% | -0.43% |
| 26800 | 2022 | 3,072,624 | (4,140) | 3,327,386 | (3,331,527) | -108.43% | -49.86% | -38.11% | -34.23% | -34.23% | -34.23% | -34.23% | -34.23% | -23.57% | -23.74% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 26900 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 26900 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 26900 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 26900 | 2006 | - | - | 7,948 | (7,948) | NA | NA | NA | NA | | | | | | |
| 26900 | 2007 | - | - | 2,247 | (2,247) | NA | NA | NA | NA | NA | | | | | |
| 26900 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 26900 | 2009 | 14,562 | - | - | - | 0.00% | 0.00% | -15.43% | -70.02% | -70.02% | -70.02% | -70.02% | | | |
| 26900 | 2010 | - | - | - | - | NA | 0.00% | 0.00% | -15.43% | -70.02% | -70.02% | -70.02% | -70.02% | | |
| 26900 | 2011 | - | - | - | - | NA | NA | 0.00% | 0.00% | -15.43% | -70.02% | -70.02% | -70.02% | -70.02% | |
| 26900 | 2012 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | -15.43% | -70.02% | -70.02% | -70.02% | -70.02% |
| 26900 | 2013 | - | - | - | - | NA | NA | NA | NA | 0.00% | 0.00% | -15.43% | -70.02% | -70.02% | -70.02% |
| 26900 | 2014 | 10,689 | - | 742 | (742) | -6.94% | -6.94% | -6.94% | -6.94% | -6.94% | -2.94% | -2.94% | -11.84% | -43.32% | -43.32% |
| 26900 | 2015 | - | - | - | - | NA | -6.94% | -6.94% | -6.94% | -6.94% | -6.94% | -2.94% | -2.94% | -11.84% | -43.32% |
| 26900 | 2016 | - | - | 34,397 | (34,397) | NA | NA | -328.73% | -328.73% | -328.73% | -328.73% | -328.73% | -139.16% | -139.16% | -148.06% |
| 26900 | 2017 | - | - | - | - | NA | NA | NA | -328.73% | -328.73% | -328.73% | -328.73% | -328.73% | -139.16% | -139.16% |
| 26900 | 2018 | 30,212 | - | - | - | 0.00% | 0.00% | -113.85% | -113.85% | -85.91% | -85.91% | -85.91% | -85.91% | -85.91% | -63.35% |
| 26900 | 2019 | 419,788 | - | 407,962 | (407,962) | -97.18% | -90.66% | -90.66% | -98.30% | -98.30% | -96.18% | -96.18% | -96.18% | -96.18% | -96.18% |
| 26900 | 2020 | 2,714,597 | - | 253,533 | (253,533) | -9.34% | -21.10% | -20.90% | -20.90% | -21.99% | -21.99% | -21.94% | -21.94% | -21.94% | -21.94% |
| 26900 | 2021 | 2,446,894 | (106) | 1,257,663 | (1,257,769) | -51.40% | -29.28% | -34.39% | -34.20% | -34.20% | -34.82% | -34.82% | -34.76% | -34.76% | -34.76% |
| 26900 | 2022 | 2,771,785 | (37) | 56,680 | (56,717) | -2.05% | -25.19% | -19.77% | -23.66% | -23.57% | -23.57% | -23.98% | -23.98% | -23.96% | -23.96% |
| 27401 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 27401 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 27401 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 27401 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 27401 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 27401 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 27401 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 27401 | 2010 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 27401 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 27401 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2019 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2021 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27401 | 2022 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27500 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 27500 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 27500 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 27500 | 2006 | 73,813 | 94,479 | 4,426 | 90,053 | 122.00% | 122.00% | 122.00% | 122.00% | | | | | | |
| 27500 | 2007 | - | - | - | - | NA | 122.00% | 122.00% | 122.00% | 122.00% | | | | | |
| 27500 | 2008 | - | - | - | - | NA | NA | 122.00% | 122.00% | 122.00% | 122.00% | | | | |
| 27500 | 2009 | - | - | 8,700 | (8,700) | NA | NA | NA | 110.21% | 110.21% | 110.21% | 110.21% | | | |
| 27500 | 2010 | - | - | 12,572 | (12,572) | NA | NA | NA | NA | 93.18% | 93.18% | 93.18% | 93.18% | | |
| 27500 | 2011 | - | - | - | - | NA | NA | NA | NA | NA | 93.18% | 93.18% | 93.18% | 93.18% | |
| 27500 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | NA | 93.18% | 93.18% | 93.18% | 93.18% |
| 27500 | 2013 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | 93.18% | 93.18% | 93.18% |
| 27500 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | 93.18% | 93.18% |
| 27500 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | 93.18% |
| 27500 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 27500 | 2017 | 177 | - | 50 | (50) | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -7136.47% | -12055.61% | -12055.61% |
| 27500 | 2018 | - | - | - | - | NA | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -28.02% | -7136.47% | -12055.61% |
| 27500 | 2019 | 10,633 | - | - | - | 0.00% | 0.00% | -0.46% | -0.46% | -0.46% | -0.46% | -0.46% | -0.46% | -0.46% | -116.76% |
| 27500 | 2020 | 2,880 | - | - | - | 0.00% | 0.00% | 0.00% | -0.36% | -0.36% | -0.36% | -0.36% | -0.36% | -0.36% | -0.36% |
| 27500 | 2021 | 842 | - | 129,554 | (129,554) | -15381.16% | -3480.21% | -902.45% | -902.45% | -891.80% | -891.80% | -891.80% | -891.80% | -891.80% | -891.80% |
| 27500 | 2022 | - | - | - | - | NA | -15381.16% | -3480.21% | -902.45% | -902.45% | -891.80% | -891.80% | -891.80% | -891.80% | -891.80% |
| 27600 | 2003 | 894,025 | - | 518,368 | (518,368) | -57.98% | | | | | | | | | |
| 27600 | 2004 | 1,083,950 | - | 278,741 | (278,741) | -25.72% | -40.30% | | | | | | | | |
| 27600 | 2005 | 1,062,966 | - | 104,082 | (104,082) | -9.79% | -17.83% | -29.64% | | | | | | | |
| 27600 | 2006 | 1,536,823 | - | 69,423 | (69,423) | -4.52% | -6.67% | -12.28% | -21.20% | | | | | | |
| 27600 | 2007 | 441,327 | - | 62,715 | (62,715) | -14.21% | -6.68% | -7.77% | -12.48% | -20.59% | | | | | |
| 27600 | 2008 | 512,185 | - | 61,739 | (61,739) | -12.05% | -13.05% | -7.79% | -8.39% | -12.44% | -19.80% | | | | |
| 27600 | 2009 | 340,468 | - | 238,212 | (238,212) | -69.97% | -35.18% | -28.03% | -15.26% | -13.77% | -16.37% | -22.71% | | | |
| 27600 | 2010 | 226,439 | - | 49,915 | (49,915) | -22.04% | -50.82% | -32.42% | -27.14% | -15.77% | -14.22% | -16.62% | -22.68% | | |
| 27600 | 2011 | 2,023,298 | - | 42,152 | (42,152) | -2.08% | -4.09% | -12.75% | -12.64% | -12.83% | -10.32% | -10.23% | -12.55% | -17.55% | |
| 27600 | 2012 | 1,080,406 | - | 329,416 | (329,416) | -30.49% | -11.97% | -12.66% | -17.97% | -17.25% | -16.96% | -13.85% | -13.26% | -14.88% | -19.07% |
| 27600 | 2013 | 1,424,219 | - | 261,131 | (261,131) | -18.34% | -23.58% | -13.97% | -14.36% | -18.07% | -17.52% | -17.28% | -14.70% | -14.09% | -15.39% |
| 27600 | 2014 | 636,469 | - | 275,180 | (275,180) | -43.24% | -26.03% | -27.56% | -17.58% | -17.77% | -20.87% | -20.14% | -19.75% | -16.91% | -16.09% |
| 27600 | 2015 | 1,368,992 | - | 513,075 | (513,075) | -37.48% | -39.31% | -30.60% | -30.57% | -21.75% | -21.76% | -24.07% | -23.26% | -22.77% | -19.84% |
| 27600 | 2016 | 1,783,219 | - | 347,582 | (347,582) | -19.49% | -27.30% | -29.98% | -26.80% | -27.43% | -21.27% | -21.29% | -23.15% | -22.55% | -22.17% |
| 27600 | 2017 | 1,218,274 | - | 319,325 | (319,325) | -26.21% | -22.22% | -27.00% | -29.06% | -26.69% | -27.23% | -21.90% | -21.90% | -23.52% | -22.97% |
| 27600 | 2018 | 3,893,761 | (11,962) | 2,339,975 | (2,351,937) | -60.40% | -52.25% | -43.78% | -42.74% | -42.77% | -39.40% | -38.56% | -33.06% | -32.88% | -33.78% |
| 27600 | 2019 | 5,043,579 | (92,124) | 2,088,482 | (2,180,606) | -43.24% | -50.71% | -47.78% | -43.55% | -42.93% | -42.94% | -40.66% | -39.99% | -35.84% | -35.67% |
| 27600 | 2020 | 5,227,005 | (129,831) | 3,584,997 | (3,714,827) | -71.07% | -57.40% | -58.23% | -55.69% | -51.93% | -50.86% | -50.61% | -48.38% | -47.49% | -43.61% |
| 27600 | 2021 | 5,416,554 | (70,032) | 5,584,215 | (5,654,247) | -104.39% | -88.03% | -73.63% | -71.00% | -68.37% | -64.51% | -62.97% | -62.46% | -60.04% | -58.86% |
| 27600 | 2022 | 9,093,386 | (368) | 1,327,556 | (1,327,924) | -14.60% | -48.12% | -54.20% | -51.97% | -53.11% | -52.02% | -50.18% | -49.66% | -49.54% | -48.27% |
| 27800 | 2003 | 4,960 | - | 7,316 | (7,316) | -147.52% | | | | | | | | | |
| 27800 | 2004 | 160,713 | 6,000 | 289 | 5,711 | 3.55% | -0.97% | | | | | | | | |
| 27800 | 2005 | - | - | 1,996 | (1,996) | NA | 2.31% | -2.17% | | | | | | | |
| 27800 | 2006 | 9,710 | - | 3,219 | (3,219) | -33.15% | -53.71% | 0.29% | -3.89% | | | | | | |
| 27800 | 2007 | - | - | 12,547 | (12,547) | NA | -162.37% | -182.93% | -7.07% | -11.04% | | | | | |
| 27800 | 2008 | - | - | 709 | (709) | NA | NA | -169.68% | -190.23% | -7.49% | -11.45% | | | | |
| 27800 | 2009 | 990,495 | 350 | (11,663) | 12,013 | 1.21% | 1.14% | -0.13% | -0.45% | -0.65% | -0.06% | -0.69% | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 27800 | 2010 | - | - | 4,548 | (4,548) | NA | 0.75% | 0.68% | -0.58% | -0.90% | -1.10% | -0.46% | -1.08% | | |
| 27800 | 2011 | - | - | - | - | NA | NA | 0.75% | 0.68% | -0.58% | -0.90% | -1.10% | -0.46% | -1.08% | |
| 27800 | 2012 | - | - | 9,124 | (9,124) | NA | NA | NA | -0.17% | -0.24% | -1.51% | -1.81% | -2.01% | -1.24% | -1.86% |
| 27800 | 2013 | - | - | 3,084 | (3,084) | NA | NA | NA | NA | -0.48% | -0.55% | -1.82% | -2.12% | -2.32% | -1.51% |
| 27800 | 2014 | - | - | 1,581 | (1,581) | NA | NA | NA | NA | NA | -0.64% | -0.71% | -1.98% | -2.28% | -2.48% |
| 27800 | 2015 | 35,992 | - | 150,011 | (150,011) | -416.79% | -421.19% | -429.75% | -455.10% | -455.10% | -467.74% | -15.23% | -15.30% | -16.52% | -16.68% |
| 27800 | 2016 | 181,791 | - | 154,402 | (154,402) | -84.93% | -139.78% | -140.50% | -141.92% | -146.11% | -146.11% | -148.20% | -25.72% | -25.78% | -26.81% |
| 27800 | 2017 | 64,243 | - | 17,582 | (17,582) | -27.37% | -69.90% | -114.17% | -114.73% | -115.83% | -119.06% | -119.06% | -120.67% | -25.80% | -25.86% |
| 27800 | 2018 | 135,555 | - | 13,380 | (13,380) | -9.87% | -15.50% | -48.58% | -80.31% | -80.69% | -81.43% | -83.62% | -83.62% | -84.71% | -24.27% |
| 27800 | 2019 | 202,074 | (170) | 82,721 | (82,892) | -41.02% | -28.51% | -28.33% | -45.96% | -67.50% | -67.76% | -68.25% | -69.73% | -69.73% | -70.46% |
| 27800 | 2020 | 1,098,848 | (227) | 314,701 | (314,928) | -28.66% | -30.58% | -28.63% | -28.57% | -34.66% | -42.66% | -42.76% | -42.94% | -43.47% | -43.47% |
| 27800 | 2021 | 2,714,004 | (454) | 1,046,326 | (1,046,780) | -38.57% | -35.71% | -35.98% | -35.13% | -35.01% | -37.07% | -40.16% | -40.19% | -40.26% | -40.47% |
| 27800 | 2022 | 558,026 | 18,978 | 1,043,565 | (1,024,587) | -183.61% | -63.31% | -54.60% | -54.00% | -52.73% | -52.38% | -53.58% | -56.20% | -56.23% | -56.29% |
| 27900 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 27900 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 27900 | 2005 | 93,103 | - | 900 | (900) | -0.97% | -0.97% | -0.97% | | | | | | | |
| 27900 | 2006 | - | - | 18,153 | (18,153) | NA | -20.46% | -20.46% | -20.46% | | | | | | |
| 27900 | 2007 | - | - | 2,432 | (2,432) | NA | NA | -23.08% | -23.08% | -23.08% | | | | | |
| 27900 | 2008 | - | - | 743 | (743) | NA | NA | NA | -23.88% | -23.88% | -23.88% | | | | |
| 27900 | 2009 | 834,472 | - | 2,130 | (2,130) | -0.26% | -0.34% | -0.64% | -2.81% | -2.63% | -2.63% | -2.63% | | | |
| 27900 | 2010 | - | - | 9,157 | (9,157) | NA | -1.35% | -1.44% | -1.73% | -3.91% | -3.61% | -3.61% | -3.61% | | |
| 27900 | 2011 | - | - | - | - | NA | NA | -1.35% | -1.44% | -1.73% | -3.91% | -3.61% | -3.61% | -3.61% | |
| 27900 | 2012 | 3,095 | - | 18,160 | (18,160) | -586.84% | -586.84% | -882.77% | -3.52% | -3.60% | -3.89% | -6.06% | -5.55% | -5.55% | -5.55% |
| 27900 | 2013 | - | - | 6,973 | (6,973) | NA | -812.19% | -812.19% | -1108.11% | -4.35% | -4.44% | -4.73% | -6.89% | -6.30% | -6.30% |
| 27900 | 2014 | - | - | 631 | (631) | NA | NA | -832.58% | -832.58% | -1128.51% | -4.42% | -4.51% | -4.80% | -6.97% | -6.37% |
| 27900 | 2015 | 685,486 | - | 44,459 | (44,459) | -6.49% | -6.58% | -7.60% | -10.20% | -10.20% | -11.53% | -5.35% | -5.40% | -5.56% | -6.75% |
| 27900 | 2016 | 259,389 | - | 88,946 | (88,946) | -34.29% | -14.12% | -14.19% | -14.92% | -16.79% | -16.79% | -17.76% | -9.56% | -9.60% | -9.74% |
| 27900 | 2017 | 52,598 | - | 9,885 | (9,885) | -18.79% | -31.68% | -14.37% | -14.43% | -15.13% | -16.90% | -16.90% | -17.81% | -9.83% | -9.87% |
| 27900 | 2018 | 192,060 | - | 3,075 | (3,075) | -1.60% | -5.30% | -20.22% | -12.30% | -12.36% | -12.94% | -14.43% | -14.43% | -15.20% | -9.05% |
| 27900 | 2019 | 864,456 | - | 255,540 | (255,540) | -29.56% | -24.48% | -24.21% | -26.12% | -19.57% | -19.60% | -19.94% | -20.79% | -20.79% | -21.24% |
| 27900 | 2020 | 1,187,751 | (13) | 729,352 | (729,364) | -61.41% | -47.99% | -44.02% | -43.44% | -42.52% | -34.90% | -34.92% | -35.13% | -35.66% | -35.66% |
| 27900 | 2021 | 899,951 | (879) | 407,970 | (408,849) | -45.43% | -54.52% | -47.21% | -44.43% | -44.00% | -43.27% | -37.19% | -37.20% | -37.37% | -37.78% |
| 27900 | 2022 | 924,753 | (517) | 1,430,540 | (1,431,056) | -154.75% | -100.83% | -85.29% | -72.86% | -69.50% | -68.85% | -66.81% | -58.64% | -58.66% | -58.79% |
| 28000 | 2003 | 1,281,615 | - | 673,067 | (673,067) | -52.52% | | | | | | | | | |
| 28000 | 2004 | 1,629,893 | - | 1,072,357 | (1,072,357) | -65.79% | -59.95% | | | | | | | | |
| 28000 | 2005 | 2,249,482 | - | 1,078,065 | (1,078,065) | -47.93% | -55.43% | -54.71% | | | | | | | |
| 28000 | 2006 | 2,512,732 | - | 1,167,273 | (1,167,273) | -46.45% | -47.15% | -51.90% | -52.01% | | | | | | |
| 28000 | 2007 | 1,197,358 | - | 1,580,465 | (1,580,465) | -132.00% | -74.06% | -64.20% | -64.54% | -62.80% | | | | | |
| 28000 | 2008 | 1,074,143 | - | 1,279,680 | (1,279,680) | -119.14% | -125.91% | -84.18% | -72.59% | -71.31% | -68.89% | | | | |
| 28000 | 2009 | 958,894 | - | 1,274,652 | (1,274,652) | -132.93% | -125.64% | -128.00% | -92.32% | -79.83% | -77.45% | -74.52% | | | |
| 28000 | 2010 | 704,881 | - | 1,096,028 | (1,096,028) | -155.49% | -142.49% | -133.33% | -132.92% | -99.23% | -85.96% | -82.78% | -79.43% | | |
| 28000 | 2011 | 3,510,674 | - | 1,473,326 | (1,473,326) | -41.97% | -60.95% | -74.29% | -82.00% | -90.04% | -79.04% | -73.31% | -72.42% | -70.74% | |
| 28000 | 2012 | 3,226,930 | 76,763 | 1,642,823 | (1,566,060) | -48.53% | -45.11% | -55.56% | -64.39% | -70.60% | -77.49% | -71.57% | -68.13% | -67.90% | -66.83% |
| 28000 | 2013 | 2,913,691 | - | 2,125,723 | (2,125,723) | -72.96% | -60.12% | -53.52% | -60.46% | -66.60% | -71.15% | -76.52% | -71.82% | -68.89% | -68.64% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28000 | 2014 | 3,604,208 | - | 3,425,826 | (3,425,826) | -95.05% | -85.17% | -73.04% | -64.81% | -69.39% | -73.47% | -76.54% | -80.40% | -76.07% | -73.19% |
| 28000 | 2015 | 4,060,636 | - | 4,892,786 | (4,892,786) | -120.49% | -108.53% | -98.73% | -87.00% | -77.87% | -80.90% | -83.53% | -85.44% | -88.06% | -83.66% |
| 28000 | 2016 | 4,601,145 | - | 4,872,495 | (4,872,495) | -105.90% | -112.74% | -107.54% | -100.90% | -91.72% | -83.75% | -85.99% | -87.90% | -89.26% | -91.24% |
| 28000 | 2017 | 4,024,241 | - | 5,381,812 | (5,381,812) | -133.73% | -118.89% | -119.40% | -114.01% | -107.78% | -99.26% | -91.51% | -93.20% | -94.58% | -95.50% |
| 28000 | 2018 | 4,531,273 | - | - | - | 0.00% | -62.90% | -77.94% | -87.98% | -89.20% | -87.21% | -82.58% | -77.90% | -79.65% | -81.24% |
| 28000 | 2019 | 5,113,129 | - | - | - | 0.00% | 0.00% | -39.37% | -56.13% | -67.83% | -71.61% | -71.75% | -69.41% | -66.71% | -68.43% |
| 28000 | 2020 | 3,236,983 | (155,568) | 11,000,903 | (11,156,471) | -344.66% | -133.61% | -86.61% | -97.83% | -99.55% | -102.88% | -101.91% | -99.28% | -94.64% | -89.88% |
| 28000 | 2021 | 2,201,533 | (154,986) | 16,566,500 | (16,721,487) | -759.54% | -512.60% | -264.20% | -184.83% | -174.07% | -160.84% | -154.94% | -148.06% | -141.68% | -133.66% |
| 28000 | 2022 | 4,313,655 | (4,869) | 336,657 | (341,526) | -7.92% | -261.90% | -289.37% | -189.83% | -145.49% | -143.47% | -137.30% | -135.17% | -131.12% | -126.73% |
| 28100 (Commercial & Industrial and Residential) | | | | | | | | | | | | | | | |
| 28100 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 28100 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 28100 | 2005 | - | 500 | - | 500 | NA | NA | NA | | | | | | | |
| 28100 | 2006 | - | (500) | - | (500) | NA | NA | NA | NA | | | | | | |
| 28100 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 28100 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 28100 | 2009 | 13,498,840 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 28100 | 2010 | 3,437,794 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 28100 | 2011 | 3,463,850 | 40,810 | 13,856 | 26,954 | 0.78% | 0.39% | 0.13% | 0.13% | 0.13% | 0.13% | 0.13% | 0.13% | 0.13% | |
| 28100 | 2012 | 3,084,685 | 71,045 | 79,431 | (8,385) | -0.27% | 0.28% | 0.19% | 0.08% | 0.08% | 0.08% | 0.08% | 0.08% | 0.08% | 0.08% |
| 28100 | 2013 | 3,095,234 | 94,259 | 93,546 | 713 | 0.02% | -0.12% | 0.20% | 0.15% | 0.07% | 0.07% | 0.07% | 0.07% | 0.07% | 0.07% |
| 28100 | 2014 | 2,617,340 | 81,106 | 58,490 | 22,616 | 0.86% | 0.41% | 0.17% | 0.34% | 0.27% | 0.14% | 0.14% | 0.14% | 0.14% | 0.14% |
| 28100 | 2015 | 2,609,942 | 56,820 | 84,117 | (27,297) | -1.05% | -0.09% | -0.05% | -0.11% | 0.10% | 0.08% | 0.05% | 0.05% | 0.05% | 0.04% |
| 28100 | 2016 | 3,088,347 | 68,143 | 86,098 | (17,955) | -0.58% | -0.79% | -0.27% | -0.19% | -0.21% | -0.02% | -0.02% | -0.01% | -0.01% | -0.01% |
| 28100 | 2017 | 2,509,605 | 30,067 | 97,496 | (67,429) | -2.69% | -1.53% | -1.37% | -0.83% | -0.64% | -0.57% | -0.35% | -0.30% | -0.19% | -0.19% |
| 28100 | 2018 | 3,230,336 | - | - | - | 0.00% | -1.17% | -0.97% | -0.99% | -0.64% | -0.52% | -0.48% | -0.30% | -0.26% | -0.17% |
| 28100 | 2019 | 7,138,506 | - | - | - | 0.00% | 0.00% | -0.52% | -0.53% | -0.61% | -0.42% | -0.37% | -0.36% | -0.23% | -0.21% |
| 28100 | 2020 | 4,541,069 | (14) | (12,982) | 12,967 | 0.29% | 0.11% | 0.09% | -0.31% | -0.35% | -0.43% | -0.30% | -0.26% | -0.27% | -0.16% |
| 28100 | 2021 | 3,566,411 | - | 324 | (324) | -0.01% | 0.16% | 0.08% | 0.07% | -0.26% | -0.30% | -0.37% | -0.26% | -0.24% | -0.24% |
| 28100 | 2022 | 1,043 | - | - | - | 0.00% | -0.01% | 0.16% | 0.08% | 0.07% | -0.26% | -0.30% | -0.37% | -0.26% | -0.24% |
| 28104 | 2009 | - | - | - | 0 | NA | | | | | | | | | |
| 28104 | 2010 | 109,783 | - | - | 0 | | 0 | 0 | | | | | | | |
| 28104 | 2011 | 93,556 | - | - | 0 | | 0 | 0 | 0 | | | | | | |
| 28104 | 2012 | 85,110 | - | - | 0 | | 0 | 0 | 0 | 0 | | | | | |
| 28104 | 2013 | 84,053 | - | - | 0 | | 0 | 0 | 0 | 0 | 0 | | | | |
| 28104 | 2014 | 72,404 | - | - | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| 28104 | 2015 | 71,215 | - | - | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 28104 | 2016 | 84,034 | - | - | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 28104 | 2017 | 67,859 | - | - | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28104 | 2018 | - | - | - | 0 | NA | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28104 | 2019 | - | - | - | 0 | NA | NA | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28104 | 2020 | - | - | - | 0 | NA | NA | NA | | 0 | 0 | 0 | 0 | 0 | 0 |
| 28104 | 2021 | - | - | - | 0 | NA | NA | NA | NA | | 0 | 0 | 0 | 0 | 0 |
| 28104 | 2022 | | | | | | | | | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28105 | 2010 | 64,841 | - | - | - | 0.00% | | | | | | | | | |
| 28105 | 2011 | 728 | - | 26,721 | (26,721) | -3670.73% | -40.75% | | | | | | | | |
| 28105 | 2012 | 2,375,404 | 4,724 | 12,853 | (8,129) | -0.34% | -1.47% | -1.43% | | | | | | | |
| 28105 | 2013 | 394,727 | - | 9,426 | (9,426) | -2.39% | -0.63% | -1.60% | -1.56% | | | | | | |
| 28105 | 2014 | 242,101 | - | 4,173 | (4,173) | -1.72% | -2.14% | -0.72% | -1.61% | -1.57% | | | | | |
| 28105 | 2015 | 530,217 | - | 14,086 | (14,086) | -2.66% | -2.36% | -2.37% | -1.01% | -1.76% | -1.73% | | | | |
| 28105 | 2016 | - | - | - | - | NA | -2.66% | -2.36% | -2.37% | -1.01% | -1.76% | -1.73% | | | |
| 28105 | 2017 | 1,016,149 | - | 2,328 | (2,328) | -0.23% | -0.23% | -1.06% | -1.15% | -1.37% | -0.84% | -1.42% | -1.40% | | |
| 28105 | 2018 | 601,606 | - | - | - | 0.00% | -0.14% | -0.14% | -0.76% | -0.86% | -1.08% | -0.74% | -1.26% | -1.24% | |
| 28105 | 2019 | 524,103 | - | - | - | 0.00% | 0.00% | -0.11% | -0.11% | -0.61% | -0.71% | -0.91% | -0.67% | -1.14% | -1.13% |
| 28105 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | -0.11% | -0.11% | -0.61% | -0.71% | -0.91% | -0.67% | -1.14% |
| 28105 | 2021 | - | - | - | - | NA | NA | 0.00% | 0.00% | -0.11% | -0.11% | -0.61% | -0.71% | -0.91% | -0.67% |
| 28105 | 2022 | 76,584 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.10% | -0.10% | -0.60% | -0.69% | -0.89% |
| 28200 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 28200 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 28200 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 28200 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 28200 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 28200 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 28200 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 28200 | 2010 | 5,442,767 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 28200 | 2011 | 1,057,383 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 28200 | 2012 | 947,389 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2013 | 944,654 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2014 | 801,032 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2015 | 788,629 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2016 | 930,592 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2017 | 751,469 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2018 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2019 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28200 | 2020 | 3,039,841 | 394 | 1,986 | (1,592) | -0.05% | -0.05% | -0.05% | -0.04% | -0.03% | -0.03% | -0.03% | -0.02% | -0.02% | -0.02% |
| 28200 | 2021 | - | - | - | - | NA | -0.05% | -0.05% | -0.05% | -0.04% | -0.03% | -0.03% | -0.03% | -0.02% | -0.02% |
| 28200 | 2022 | - | - | - | - | NA | NA | -0.05% | -0.05% | -0.05% | -0.04% | -0.03% | -0.03% | -0.03% | -0.02% |
| 28300 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 28300 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 28300 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 28300 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 28300 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 28300 | 2008 | 5,589 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 28300 | 2009 | (5,589) | - | - | - | 0.00% | NA | NA | NA | NA | NA | NA | | | |
| 28300 | 2010 | 2,812,478 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 28300 | 2011 | 548,883 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28300 | 2012 | 490,930 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2013 | 490,053 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2014 | 414,795 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2015 | 408,417 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2016 | 481,938 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2017 | 389,172 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2018 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2019 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2020 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2021 | 3,842,314 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28300 | 2022 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 28400 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 28400 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 28400 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 28400 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 28400 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 28400 | 2009 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 28400 | 2010 | 644,797 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 28400 | 2011 | 120,493 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 28400 | 2012 | 109,597 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2013 | 108,247 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2014 | 93,228 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2015 | 91,698 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2016 | 108,205 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2017 | 87,377 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2018 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2019 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2020 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2021 | - | - | - | - | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28400 | 2022 | - | - | - | - | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 1988 | - | - | - | - | NA | | | | | | | | | |
| 282-284 C | 1989 | - | - | - | - | NA | NA | | | | | | | | |
| 282-284 C | 1990 | - | - | - | - | NA | NA | NA | | | | | | | |
| 282-284 C | 1991 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 282-284 C | 1992 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 282-284 C | 1993 | 5,589 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 282-284 C | 1994 | (5,589) | - | - | - | 0.00% | NA | NA | NA | NA | NA | NA | | | |
| 282-284 C | 1995 | 8,900,042 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 282-284 C | 1996 | 1,726,759 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 282-284 C | 1997 | 1,547,916 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 1998 | 1,542,953 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 1999 | 1,309,055 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 2000 | 1,288,744 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 282-284 C | 2001 | 1,520,735 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 2002 | 1,228,018 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 2003 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 2019 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 282-284 C | 2020 | 3,039,841 | 394 | 1,986 | (1,592) | -0.05% | -0.05% | -0.05% | -0.04% | -0.03% | -0.02% | -0.02% | -0.02% | -0.01% | -0.01% |
| 282-284 C | 2021 | 3,842,314 | - | - | - | 0.00% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% | -0.01% | -0.01% | -0.01% | -0.01% |
| 282-284 C | 2022 | - | - | - | - | NA | 0.00% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% | -0.01% | -0.01% | -0.01% |
| 28500 | 2003 | 27,055 | - | 1,784 | (1,784) | -6.59% | | | | | | | | | |
| 28500 | 2004 | 218,296 | - | 2,188 | (2,188) | -1.00% | -1.62% | | | | | | | | |
| 28500 | 2005 | 54,706 | - | 2,443 | (2,443) | -4.47% | -1.70% | -2.14% | | | | | | | |
| 28500 | 2006 | 106,533 | - | 11,970 | (11,970) | -11.24% | -8.94% | -4.37% | -4.52% | | | | | | |
| 28500 | 2007 | - | - | 22,376 | (22,376) | NA | -32.24% | -22.82% | -10.27% | -10.03% | | | | | |
| 28500 | 2008 | - | - | 3,814 | (3,814) | NA | NA | -35.82% | -25.18% | -11.27% | -10.96% | | | | |
| 28500 | 2009 | 210,515 | - | 27,779 | (27,779) | -13.20% | -15.01% | -25.64% | -20.80% | -18.39% | -11.96% | -11.72% | | | |
| 28500 | 2010 | 10,688 | - | 2,631 | (2,631) | -24.62% | -13.75% | -15.47% | -25.59% | -20.92% | -18.57% | -12.19% | -11.94% | | |
| 28500 | 2011 | - | - | - | - | NA | -24.62% | -13.75% | -15.47% | -25.59% | -20.92% | -18.57% | -12.19% | -11.94% | |
| 28500 | 2012 | 32,833 | 1,567 | 58,726 | (57,159) | -174.09% | -174.09% | -137.38% | -34.47% | -35.97% | -44.78% | -34.87% | -30.86% | -20.58% | -20.00% |
| 28500 | 2013 | 18,654 | - | 19,017 | (19,017) | -101.94% | -147.95% | -147.95% | -126.75% | -39.09% | -40.49% | -48.69% | -38.17% | -33.92% | -22.90% |
| 28500 | 2014 | - | - | 4,216 | (4,216) | NA | -124.55% | -156.14% | -156.14% | -133.53% | -40.63% | -42.03% | -50.24% | -39.28% | -34.89% |
| 28500 | 2015 | - | - | 302 | (302) | NA | NA | -126.17% | -156.73% | -156.73% | -134.02% | -40.74% | -42.14% | -50.35% | -39.36% |
| 28500 | 2016 | 19,931 | - | 1,803 | (1,803) | -9.05% | -10.57% | -31.72% | -65.67% | -115.51% | -115.51% | -103.68% | -38.59% | -39.89% | -47.54% |
| 28500 | 2017 | 2,023 | - | 1,634 | (1,634) | -80.75% | -15.66% | -17.03% | -36.24% | -66.42% | -114.56% | -114.56% | -103.13% | -38.87% | -40.17% |
| 28500 | 2018 | 42,613 | - | 731 | (731) | -1.72% | -5.30% | -6.46% | -6.92% | -13.45% | -33.29% | -73.12% | -73.12% | -69.03% | -34.18% |
| 28500 | 2019 | 117,616 | (619) | 22,410 | (23,028) | -19.58% | -14.83% | -15.65% | -14.93% | -15.09% | -17.41% | -25.26% | -46.17% | -46.17% | -45.23% |
| 28500 | 2020 | 266,150 | (234) | 81,144 | (81,379) | -30.58% | -27.21% | -24.66% | -24.92% | -24.22% | -24.29% | -25.23% | -28.29% | -37.87% | -37.87% |
| 28500 | 2021 | 322,341 | (254) | 133,257 | (133,511) | -41.42% | -36.52% | -33.69% | -31.87% | -32.01% | -31.41% | -31.45% | -32.00% | -33.65% | -39.26% |
| 28500 | 2022 | 181,201 | - | 4,725 | (4,725) | -2.61% | -27.45% | -28.53% | -27.35% | -26.17% | -26.29% | -25.93% | -25.96% | -26.40% | -27.86% |
| 28700 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 28700 | 2004 | - | - | - | - | NA | NA | | | | | | | | |
| 28700 | 2005 | - | - | - | - | NA | NA | NA | | | | | | | |
| 28700 | 2006 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 28700 | 2007 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 28700 | 2008 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 28700 | 2009 | 161,564 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 28700 | 2010 | 3,933 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 28700 | 2011 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 28700 | 2012 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28700 | 2013 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28700 | 2014 | - | - | - | - | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28700 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28700 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |
| 28700 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% |
| 28700 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |
| 28700 | 2019 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28700 | 2020 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 28700 | 2021 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 28700 | 2022 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 29000 | 2003 | 24,971 | - | 44,764 | (44,764) | -179.26% | | | | | | | | | |
| 29000 | 2004 | 307,445 | 301,276 | - | 301,276 | 97.99% | 77.17% | | | | | | | | |
| 29000 | 2005 | 9,010,375 | 4,246,232 | 131,890 | 4,114,342 | 45.66% | 47.39% | 46.78% | | | | | | | |
| 29000 | 2006 | 156,732 | 323,480 | 23,216 | 300,264 | 191.58% | 48.16% | 49.77% | 49.17% | | | | | | |
| 29000 | 2007 | - | - | (870) | 870 | NA | 192.13% | 48.17% | 49.78% | 49.18% | | | | | |
| 29000 | 2008 | 11,634,910 | 10,683,010 | 594,476 | 10,088,534 | 86.71% | 86.72% | 88.11% | 69.72% | 70.14% | 69.84% | | | | |
| 29000 | 2009 | 432,755 | 220,210 | 1,439 | 218,771 | 50.55% | 85.41% | 85.42% | 86.78% | 69.33% | 69.74% | 69.45% | | | |
| 29000 | 2010 | 1,026,695 | 565,738 | (2,432) | 568,170 | 55.34% | 53.92% | 83.05% | 83.06% | 84.34% | 68.69% | 69.09% | 68.81% | | |
| 29000 | 2011 | - | - | - | - | NA | 55.34% | 53.92% | 83.05% | 83.06% | 84.34% | 68.69% | 69.09% | 68.81% | |
| 29000 | 2012 | 8,394 | - | 500 | (500) | -5.96% | -5.96% | 54.84% | 53.58% | 83.00% | 83.00% | 84.29% | 68.66% | 69.06% | 68.78% |
| 29000 | 2013 | 263,590 | 319,348 | - | 319,348 | 121.15% | 117.23% | 117.23% | 68.30% | 63.87% | 83.75% | 83.76% | 85.01% | 69.27% | 69.66% |
| 29000 | 2014 | 213,062 | 120,000 | 72,624 | 47,376 | 22.24% | 76.94% | 75.50% | 75.50% | 61.81% | 59.30% | 82.78% | 82.79% | 84.03% | 68.83% |
| 29000 | 2015 | - | - | - | - | NA | 22.24% | 76.94% | 75.50% | 75.50% | 61.81% | 59.30% | 82.78% | 82.79% | 84.03% |
| 29000 | 2016 | - | - | - | - | NA | NA | 22.24% | 76.94% | 75.50% | 75.50% | 61.81% | 59.30% | 82.78% | 82.79% |
| 29000 | 2017 | 1,080 | - | 500 | (500) | -46.29% | -46.29% | -46.29% | 21.89% | 76.66% | 75.23% | 75.23% | 61.73% | 59.25% | 82.77% |
| 29000 | 2018 | 59,507 | - | - | - | 0.00% | -0.83% | -0.83% | -0.83% | 17.13% | 68.17% | 67.03% | 67.03% | 59.40% | 57.49% |
| 29000 | 2019 | 360,910 | - | 42,463 | (42,463) | -11.77% | -10.10% | -10.19% | -10.19% | -10.19% | 0.70% | 36.05% | 35.66% | 35.66% | 46.11% |
| 29000 | 2020 | 2,835,445 | - | 355,006 | (355,006) | -12.52% | -12.44% | -12.21% | -12.22% | -12.22% | -12.22% | -10.10% | -0.84% | -0.85% | -0.85% |
| 29000 | 2021 | 4,685,071 | (65) | 1,750,707 | (1,750,772) | -37.37% | -28.00% | -27.26% | -27.05% | -27.06% | -27.06% | -27.06% | -25.77% | -21.17% | -21.15% |
| 29000 | 2022 | 3,558,929 | 1,661,975 | 234,020 | 1,427,955 | 40.12% | -3.92% | -6.12% | -6.30% | -6.26% | -6.27% | -6.27% | -6.27% | -5.75% | -2.96% |
| Now 29001 Leashold Improvements | | | | | | | | | | | | | | | |
| 29010 | 2015 | - | - | - | - | NA | | | | | | | | | |
| 29010 | 2016 | - | - | - | - | NA | NA | | | | | | | | |
| 29010 | 2017 | 519,306 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29010 | 2018 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | | | | | | |
| 29010 | 2019 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | | | | | |
| 29010 | 2020 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | | | | |
| 29010 | 2021 | 32,201 | - | 24,311 | (24,311) | -75.50% | -75.50% | -75.50% | -75.50% | -4.41% | -4.41% | -4.41% | | | |
| 29010 | 2022 | 5,170 | - | 100 | (100) | -1.93% | -65.32% | -65.32% | -65.32% | -65.32% | -4.39% | -4.39% | -4.39% | | |
| 29002 | 2018 | - | - | - | - | NA | | | | | | | | | |
| 29002 | 2019 | - | - | - | - | NA | NA | | | | | | | | |
| 29002 | 2020 | - | - | - | - | NA | NA | NA | | | | | | | |
| 29002 | 2021 | 1,132,541 | - | 48,150 | (48,150) | -4.25% | -4.25% | -4.25% | -4.25% | | | | | | |
| 29002 | 2022 | - | - | - | - | NA | -4.25% | -4.25% | -4.25% | -4.25% | | | | | |
| 29100 | 2003 | 9,400 | - | - | - | 0.00% | | | | | | | | | |
| 29100 | 2004 | 80,314 | 35 | - | 35 | 0.04% | 0.04% | | | | | | | | |
| 29100 | 2005 | 20,084 | - | - | - | 0.00% | 0.03% | 0.03% | | | | | | | |
| 29100 | 2006 | 3,364,494 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29100 | 2007 | 1,040,421 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29100 | 2008 | 379,569 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29100 | 2009 | 291,323 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29100 | 2010 | 374,757 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29100 | 2011 | 618,225 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29100 | 2012 | 719,028 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2013 | 650,793 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2014 | 580,698 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2015 | 96,735 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2016 | 1,050,389 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2017 | 59,039 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2018 | 207,825 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2019 | 135,897 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2020 | 1,967,982 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29100 | 2021 | 607,717 | - | 29,813 | (29,813) | -4.91% | -1.16% | -1.10% | -1.02% | -1.00% | -0.74% | -0.72% | -0.63% | -0.56% | -0.49% |
| 29100 | 2022 | 733,145 | 147,445 | 207 | 147,237 | 20.08% | 8.76% | 3.55% | 3.41% | 3.21% | 3.16% | 2.47% | 2.42% | 2.16% | 1.93% |
| Was 29110 | | | | | | | | | | | | | | | |
| 29101 | 2003 | 187,601 | - | - | - | 0.00% | | | | | | | | | |
| 29101 | 2004 | - | - | - | - | NA | 0.00% | | | | | | | | |
| 29101 | 2005 | - | - | - | - | NA | NA | 0.00% | | | | | | | |
| 29101 | 2006 | - | - | - | - | NA | NA | NA | 0.00% | | | | | | |
| 29101 | 2007 | 408,300 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29101 | 2008 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29101 | 2009 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29101 | 2010 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29101 | 2011 | - | - | - | - | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29101 | 2012 | - | - | - | - | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2013 | 2,056,858 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2014 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2015 | 5,509,236 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2016 | 6,036,176 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2017 | 6,003 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2018 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2019 | 4,800,958 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2021 | 72,961 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29101 | 2022 | 37,839 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Was 29120 | | | | | | | | | | | | | | | |
| 29102 | 2003 | 75,455 | - | - | - | 0.00% | | | | | | | | | |
| 29102 | 2004 | 7,544,818 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29102 | 2005 | 3,060,475 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29102 | 2006 | 65,033 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29102 | 2007 | 37,061,102 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29102 | 2008 | 474,073 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29102 | 2009 | 5,150,338 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29102 | 2010 | 981,493 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29102 | 2011 | 3,767,049 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29102 | 2012 | 1,073,371 | - | 1,050 | (1,050) | -0.10% | -0.02% | -0.02% | -0.01% | -0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29102 | 2013 | 377,059 | - | - | - | 0.00% | -0.07% | -0.02% | -0.02% | -0.01% | -0.01% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29102 | 2014 | - | - | - | - | NA | 0.00% | -0.07% | -0.02% | -0.02% | -0.01% | -0.01% | 0.00% | 0.00% | 0.00% |
| 29102 | 2015 | 478,032 | - | - | - | 0.00% | 0.00% | 0.00% | -0.05% | -0.02% | -0.02% | -0.01% | -0.01% | 0.00% | 0.00% |
| 29102 | 2016 | 2,803,799 | 1,373 | - | 1,373 | 0.05% | 0.04% | 0.04% | 0.04% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29102 | 2017 | 3,532,490 | - | - | - | 0.00% | 0.02% | 0.02% | 0.02% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29102 | 2018 | 930,094 | - | - | - | 0.00% | 0.00% | 0.02% | 0.02% | 0.02% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29102 | 2019 | - | - | - | - | NA | 0.00% | 0.00% | 0.02% | 0.02% | 0.02% | 0.02% | 0.00% | 0.00% | 0.00% |
| 29102 | 2020 | 17,424,766 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% |
| 29102 | 2021 | 6,148,454 | - | 10,221 | (10,221) | -0.17% | -0.04% | -0.04% | -0.04% | -0.04% | -0.03% | -0.03% | -0.03% | -0.03% | -0.03% |
| 29102 | 2022 | 678,012 | - | - | - | 0.00% | -0.15% | -0.04% | -0.04% | -0.04% | -0.04% | -0.03% | -0.03% | -0.03% | -0.03% |
| 29104 | 2019 | 17,233,651 | - | - | - | 0.00% | | | | | | | | | |
| 29104 | 2020 | - | - | - | - | NA | 0.00% | | | | | | | | |
| 29104 | 2021 | 7,409,156 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29104 | 2022 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | | | | | | |
| 29105 | 2018 | 5,604,196 | - | - | - | 0.00% | | | | | | | | | |
| 29200 | 2003 | 1,118,587 | - | - | - | 0.00% | | | | | | | | | |
| 29200 | 2004 | 671,344 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29200 | 2005 | 334,639 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29200 | 2006 | 196,102 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29200 | 2007 | 1,137,893 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29200 | 2008 | 1,349,456 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29200 | 2009 | 236,615 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29200 | 2010 | 1,429,615 | 217,999 | - | 217,999 | 15.25% | 13.08% | 7.23% | 5.25% | 5.01% | 4.65% | 4.07% | 3.37% | | |
| 29200 | 2011 | 4,396,454 | 503,178 | - | 503,178 | 11.45% | 12.38% | 11.90% | 9.73% | 8.43% | 8.25% | 7.94% | 7.40% | 6.63% | |
| 29200 | 2012 | 1,492,053 | 350,400 | - | 350,400 | 23.48% | 14.50% | 14.64% | 14.18% | 12.03% | 10.67% | 10.47% | 10.14% | 9.53% | 8.67% |
| 29200 | 2013 | 2,805,239 | 637,709 | - | 637,709 | 22.73% | 22.99% | 17.15% | 16.88% | 16.50% | 14.60% | 13.30% | 13.10% | 12.78% | 12.17% |
| 29200 | 2014 | 2,105,780 | 614,915 | - | 614,915 | 29.20% | 25.51% | 25.04% | 19.50% | 19.01% | 18.64% | 16.82% | 15.54% | 15.34% | 15.01% |
| 29200 | 2015 | - | - | - | - | NA | 29.20% | 25.51% | 25.04% | 19.50% | 19.01% | 18.64% | 16.82% | 15.54% | 15.34% |
| 29200 | 2016 | 4,087,510 | 1,122,186 | - | 1,122,186 | 27.45% | 27.45% | 28.05% | 26.39% | 25.98% | 21.69% | 21.12% | 20.82% | 19.25% | 18.10% |
| 29200 | 2017 | 1,940,263 | 475,520 | - | 475,520 | 24.51% | 26.51% | 26.51% | 27.20% | 26.06% | 25.75% | 22.01% | 21.48% | 21.21% | 19.76% |
| 29200 | 2018 | 1,245,091 | 124,490 | - | 124,490 | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% | 24.31% | 21.18% | 20.75% | 20.50% |
| 29200 | 2019 | - | - | - | - | NA | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% | 24.31% | 21.18% | 20.75% |
| 29200 | 2020 | - | - | - | - | NA | NA | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% | 24.31% | 21.18% |
| 29200 | 2021 | - | - | - | - | NA | NA | NA | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% | 24.31% |
| 29200 | 2022 | - | - | - | - | NA | NA | NA | NA | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% |
| 29204 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 29204 | 2011 | 137,492 | 138,044 | - | 138,044 | 100.40% | 100.40% | | | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29204 | 2012 | 25,543 | (28,369) | - | (28,369) | -111.06% | 67.27% | 67.27% | | | | | | | |
| 29204 | 2013 | - | - | - | - | NA | -111.06% | 67.27% | 67.27% | | | | | | |
| 29204 | 2014 | - | - | - | - | NA | NA | -111.06% | 67.27% | 67.27% | | | | | |
| 29204 | 2015 | - | - | - | - | NA | NA | NA | -111.06% | 67.27% | 67.27% | | | | |
| 29204 | 2016 | 57,574 | 29,649 | - | 29,649 | 51.50% | 51.50% | 51.50% | 51.50% | 1.54% | 63.15% | 63.15% | | | |
| 29204 | 2017 | - | - | - | - | NA | 51.50% | 51.50% | 51.50% | 51.50% | 1.54% | 63.15% | 63.15% | | |
| 29204 | 2018 | - | - | - | - | NA | NA | 51.50% | 51.50% | 51.50% | 51.50% | 1.54% | 63.15% | 63.15% | |
| 29204 | 2019 | 25,543 | - | - | - | 0.00% | 0.00% | 0.00% | 35.67% | 35.67% | 35.67% | 35.67% | 1.18% | 56.60% | 56.60% |
| 29204 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 35.67% | 35.67% | 35.67% | 35.67% | 1.18% | 56.60% |
| 29204 | 2021 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 35.67% | 35.67% | 35.67% | 35.67% | 1.18% |
| 29204 | 2022 | - | 3,915 | - | 3,915 | NA | NA | NA | 15.33% | 15.33% | 15.33% | 40.38% | 40.38% | 40.38% | 40.38% |
| 29210 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 29210 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 29210 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 29210 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 29210 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 29210 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 29210 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 29210 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 29210 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 29210 | 2019 | 416,352 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29210 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29210 | 2021 | 33,618 | 10,583 | - | 10,583 | 31.48% | 31.48% | 2.35% | 2.35% | 2.35% | 2.35% | 2.35% | 2.35% | 2.35% | 2.35% |
| 29210 | 2022 | - | 19,208 | - | 19,208 | NA | 88.62% | 88.62% | 6.62% | 6.62% | 6.62% | 6.62% | 6.62% | 6.62% | 6.62% |
| Now 29242 1/2-3/4 (to be added to 29242 | | | | | | | | | | | | | | | |
| 29211 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 29211 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 29211 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 29211 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 29211 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |
| 29211 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 29211 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 29211 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 29211 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 29211 | 2019 | 716,170 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29211 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29211 | 2021 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29211 | 2022 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Now 29243 | | | | | | | | | | | | | | | |
| 29213 | 2010 | - | - | - | - | NA | | | | | | | | | |
| 29213 | 2011 | - | - | - | - | NA | NA | | | | | | | | |
| 29213 | 2012 | - | - | - | - | NA | NA | NA | | | | | | | |
| 29213 | 2013 | - | - | - | - | NA | NA | NA | NA | | | | | | |
| 29213 | 2014 | - | - | - | - | NA | NA | NA | NA | NA | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29213 | 2015 | - | - | - | - | NA | NA | NA | NA | NA | NA | | | | |
| 29213 | 2016 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | | | |
| 29213 | 2017 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 29213 | 2018 | - | - | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 29213 | 2019 | 57,856 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29213 | 2020 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29213 | 2021 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29213 | 2022 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29240 | 2009 | - | - | - | - | NA | | | | | | | | | |
| 29240 | 2010 | 22,879 | 6,822 | - | 6,822 | 29.82% | 29.82% | | | | | | | | |
| 29240 | 2011 | 327,389 | 46,113 | - | 46,113 | 14.08% | 15.11% | 15.11% | | | | | | | |
| 29240 | 2012 | 176,553 | 43,796 | - | 43,796 | 24.81% | 17.84% | 18.36% | 18.36% | | | | | | |
| 29240 | 2013 | 63,595 | 8,125 | - | 8,125 | 12.78% | 21.62% | 17.27% | 17.76% | 17.76% | | | | | |
| 29240 | 2014 | - | - | - | - | NA | 12.78% | 21.62% | 17.27% | 17.76% | 17.76% | | | | |
| 29240 | 2015 | - | - | - | - | NA | NA | 12.78% | 21.62% | 17.27% | 17.76% | 17.76% | | | |
| 29240 | 2016 | 25,351 | 6,307 | - | 6,307 | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% | 17.60% | 18.05% | 18.05% | | |
| 29240 | 2017 | - | - | - | - | NA | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% | 17.60% | 18.05% | 18.05% | |
| 29240 | 2018 | - | - | - | - | NA | NA | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% | 17.60% | 18.05% | 18.05% |
| 29240 | 2019 | - | - | - | - | NA | NA | NA | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% | 17.60% | 18.05% |
| 29240 | 2020 | - | - | - | - | NA | NA | NA | NA | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% | 17.60% |
| 29240 | 2021 | - | - | - | - | NA | NA | NA | NA | NA | 24.88% | 24.88% | 24.88% | 16.22% | 21.93% |
| 29240 | 2022 | - | - | - | - | NA | NA | NA | NA | NA | NA | 24.88% | 24.88% | 24.88% | 16.22% |
| 29241 | 2019 | - | - | - | - | NA | | | | | | | | | |
| 29241 | 2020 | - | - | - | - | NA | NA | | | | | | | | |
| 29241 | 2021 | 1,090,823 | 767,059 | (16,476) | 783,536 | 71.83% | 71.83% | 71.83% | | | | | | | |
| 29241 | 2022 | - | 16,380 | - | 16,380 | NA | 73.33% | 73.33% | 73.33% | | | | | | |
| Includes 29211 | | | | | | | | | | | | | | | |
| 29242 | 2019 | 3,859,581 | - | - | - | 0.00% | | | | | | | | | |
| 29242 | 2020 | 115,843 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29242 | 2021 | 3,236,703 | 976,628 | (34,033) | 1,010,660 | 31.22% | 30.15% | 14.01% | | | | | | | |
| 29242 | 2022 | - | 640,562 | - | 640,562 | NA | 51.02% | 49.25% | 22.90% | | | | | | |
| Includes TN 29213 | | | | | | | | | | | | | | | |
| 29243 | 2019 | 405,820 | - | - | - | 0.00% | | | | | | | | | |
| 29243 | 2020 | - | - | - | - | NA | 0.00% | | | | | | | | |
| 29243 | 2021 | 935,258 | 287,633 | (1,815) | 289,448 | 30.95% | 30.95% | 21.58% | | | | | | | |
| 29243 | 2022 | - | 29,289 | - | 29,289 | NA | 34.08% | 34.08% | 23.77% | | | | | | |
| 29244 | 2019 | 9,355 | - | - | - | 0.00% | | | | | | | | | |
| 29244 | 2020 | 26,792 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29244 | 2021 | 17,931 | 95,757 | (40,967) | 136,725 | 762.50% | 305.71% | 252.82% | | | | | | | |
| 29244 | 2022 | - | - | - | - | NA | 762.50% | 305.71% | 252.82% | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Excludes 29204 | | | | | | | | | | | | | | | |
| 292 C | 2003 | 1,118,587 | - | - | - | 0.00% | | | | | | | | | |
| 292 C | 2004 | 671,344 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 292 C | 2005 | 334,639 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 292 C | 2006 | 196,102 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 292 C | 2007 | 1,137,893 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 292 C | 2008 | 1,349,456 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 292 C | 2009 | 236,615 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 292 C | 2010 | 1,429,615 | 217,999 | - | 217,999 | 15.25% | 13.08% | 7.23% | 5.25% | 5.01% | 4.65% | 4.07% | 3.37% | | |
| 292 C | 2011 | 4,396,454 | 503,178 | - | 503,178 | 11.45% | 12.38% | 11.90% | 9.73% | 8.43% | 8.25% | 7.94% | 7.40% | 6.63% | |
| 292 C | 2012 | 1,492,053 | 350,400 | - | 350,400 | 23.48% | 14.50% | 14.64% | 14.18% | 12.03% | 10.67% | 10.47% | 10.14% | 9.53% | 8.67% |
| 292 C | 2013 | 2,805,239 | 637,709 | - | 637,709 | 22.73% | 22.99% | 17.15% | 16.88% | 16.50% | 14.60% | 13.30% | 13.10% | 12.78% | 12.17% |
| 292 C | 2014 | 2,105,780 | 614,915 | - | 614,915 | 29.20% | 25.51% | 25.04% | 19.50% | 19.01% | 18.64% | 16.82% | 15.54% | 15.34% | 15.01% |
| 292 C | 2015 | - | - | - | - | NA | 29.20% | 25.51% | 25.04% | 19.50% | 19.01% | 18.64% | 16.82% | 15.54% | 15.34% |
| 292 C | 2016 | 4,087,510 | 1,122,186 | - | 1,122,186 | 27.45% | 27.45% | 28.05% | 26.39% | 25.98% | 21.69% | 21.12% | 20.82% | 19.25% | 18.10% |
| 292 C | 2017 | 1,940,263 | 475,520 | - | 475,520 | 24.51% | 26.51% | 26.51% | 27.20% | 26.06% | 25.75% | 22.01% | 21.48% | 21.21% | 19.76% |
| 292 C | 2018 | 1,245,091 | 124,490 | - | 124,490 | 10.00% | 18.84% | 23.68% | 23.68% | 24.92% | 24.42% | 24.31% | 21.18% | 20.75% | 20.50% |
| 292 C | 2019 | 4,691,108 | - | - | - | 0.00% | 2.10% | 7.62% | 14.39% | 14.39% | 16.61% | 17.63% | 18.10% | 16.82% | 16.73% |
| 292 C | 2020 | 142,635 | - | - | - | 0.00% | 0.00% | 2.05% | 7.48% | 14.23% | 14.23% | 16.44% | 17.48% | 17.96% | 16.71% |
| 292 C | 2021 | 5,314,333 | 2,137,661 | (93,291) | 2,230,952 | 41.98% | 40.88% | 21.98% | 20.67% | 21.23% | 22.69% | 22.69% | 23.39% | 23.31% | 23.32% |
| 292 C | 2022 | - | 705,440 | - | 705,440 | NA | 55.25% | 53.81% | 28.94% | 26.87% | 26.52% | 26.74% | 26.74% | 27.01% | 26.47% |
| 29300 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 29300 | 2004 | 6,528 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29300 | 2005 | 4,103 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29300 | 2006 | 45,296 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29300 | 2007 | 54,202 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29300 | 2008 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29300 | 2009 | 1,778 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29300 | 2010 | 29,792 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29300 | 2011 | 7,288 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29300 | 2012 | 3,965 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29300 | 2013 | - | 1,867 | - | 1,867 | NA | 47.10% | 16.59% | 4.55% | 4.36% | 4.36% | 1.92% | 1.31% | 1.28% | 1.22% |
| 29300 | 2014 | 4,300 | - | - | - | 0.00% | 43.43% | 22.59% | 12.01% | 4.12% | 3.96% | 3.96% | 1.84% | 1.27% | 1.24% |
| 29300 | 2015 | - | - | - | - | NA | 0.00% | 43.43% | 22.59% | 12.01% | 4.12% | 3.96% | 3.96% | 1.84% | 1.27% |
| 29300 | 2016 | 2,016 | - | - | - | 0.00% | 0.00% | 0.00% | 29.57% | 18.16% | 10.63% | 3.94% | 3.80% | 3.80% | 1.81% |
| 29300 | 2017 | 6,654 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 14.40% | 11.03% | 7.71% | 3.46% | 3.35% | 3.35% |
| 29300 | 2018 | 3,854 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.10% | 8.98% | 6.65% | 3.23% | 3.13% |
| 29300 | 2019 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.10% | 8.98% | 6.65% | 3.23% |
| 29300 | 2020 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.10% | 8.98% | 6.65% |
| 29300 | 2021 | - | - | - | - | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.10% | 8.98% |
| 29300 | 2022 | - | - | - | - | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.10% |
| 29400 | 2003 | 58,673 | 1,500 | - | 1,500 | 2.56% | | | | | | | | | |
| 29400 | 2004 | 1,299,897 | 470,601 | - | 470,601 | 36.20% | 34.75% | | | | | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29400 | 2005 | 89,974 | 274 | - | 274 | 0.30% | 33.88% | 32.61% | | | | | | | |
| 29400 | 2006 | 765,986 | - | - | - | 0.00% | 0.03% | 21.84% | 21.33% | | | | | | |
| 29400 | 2007 | 1,520,465 | 46,623 | - | 46,623 | 3.07% | 2.04% | 1.97% | 14.08% | 13.90% | | | | | |
| 29400 | 2008 | 281,574 | - | - | - | 0.00% | 2.59% | 1.82% | 1.76% | 13.08% | 12.92% | | | | |
| 29400 | 2009 | 357,461 | - | - | - | 0.00% | 0.00% | 2.16% | 1.59% | 1.56% | 11.99% | 11.87% | | | |
| 29400 | 2010 | 842,764 | - | - | - | 0.00% | 0.00% | 0.00% | 1.55% | 1.24% | 1.22% | 10.03% | 9.95% | | |
| 29400 | 2011 | 629,506 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 1.28% | 1.06% | 1.04% | 8.94% | 8.88% | |
| 29400 | 2012 | 898,805 | 247,938 | - | 247,938 | 27.59% | 16.22% | 10.46% | 9.09% | 8.24% | 6.50% | 5.56% | 5.47% | 11.45% | 11.37% |
| 29400 | 2013 | 703,904 | 1,698 | - | 1,698 | 0.24% | 15.58% | 11.18% | 8.12% | 7.27% | 6.72% | 5.66% | 4.94% | 4.87% | 10.38% |
| 29400 | 2014 | 846,035 | - | - | - | 0.00% | 0.11% | 10.19% | 8.11% | 6.37% | 5.83% | 5.47% | 4.87% | 4.33% | 4.27% |
| 29400 | 2015 | 198,076 | - | - | - | 0.00% | 0.00% | 0.10% | 9.43% | 7.62% | 6.06% | 5.58% | 5.25% | 4.72% | 4.21% |
| 29400 | 2016 | 1,203,609 | - | - | - | 0.00% | 0.00% | 0.00% | 0.06% | 6.48% | 5.57% | 4.69% | 4.39% | 4.19% | 3.96% |
| 29400 | 2017 | 905,853 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% | 5.25% | 4.64% | 4.01% | 3.79% | 3.63% |
| 29400 | 2018 | 1,201,050 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 4.19% | 3.79% | 3.36% | 3.21% |
| 29400 | 2019 | 542,153 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 3.84% | 3.50% | 3.13% |
| 29400 | 2020 | 285,162 | (452) | 15,070 | (15,522) | -5.44% | -1.88% | -0.77% | -0.53% | -0.38% | -0.36% | -0.30% | -0.23% | 3.45% | 3.16% |
| 29400 | 2021 | 1,763,947 | (405,723) | (438,665) | 32,942 | 1.87% | 0.85% | 0.67% | 0.46% | 0.37% | 0.30% | 0.29% | 0.25% | 0.25% | 3.12% |
| 29400 | 2022 | 1,277,395 | 6,056 | 1,569 | 4,487 | 0.35% | 1.23% | 0.66% | 0.57% | 0.43% | 0.37% | 0.31% | 0.30% | 0.27% | 0.26% |
| 29500 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 29500 | 2004 | 33,506 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29500 | 2005 | 9,283 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29500 | 2006 | 3,984 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29500 | 2007 | 139,159 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29500 | 2008 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29500 | 2009 | - | - | - | - | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29500 | 2010 | 32,821 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29500 | 2011 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29500 | 2012 | 10,420 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29500 | 2013 | 16,594 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29500 | 2014 | 78,562 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29500 | 2015 | 263,284 | - | 120,789 | (120,789) | -45.88% | -35.33% | -33.70% | -32.75% | -32.75% | -30.07% | -30.07% | -30.07% | -22.33% | -22.17% |
| 29500 | 2016 | 63,930 | - | - | - | 0.00% | -36.91% | -29.77% | -28.60% | -27.91% | -27.91% | -25.94% | -25.94% | -25.94% | -19.97% |
| 29500 | 2017 | 622 | - | - | - | 0.00% | 0.00% | -36.84% | -29.72% | -28.56% | -27.87% | -27.87% | -25.91% | -25.91% | -25.91% |
| 29500 | 2018 | 50,282 | - | - | - | 0.00% | 0.00% | 0.00% | -31.94% | -26.45% | -25.52% | -24.97% | -24.97% | -23.39% | -23.39% |
| 29500 | 2019 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | -31.94% | -26.45% | -25.52% | -24.97% | -24.97% | -23.39% |
| 29500 | 2020 | 65,552 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -27.22% | -23.13% | -22.42% | -21.99% | -21.99% |
| 29500 | 2021 | 12,440 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -26.48% | -22.59% | -21.91% | -21.50% |
| 29500 | 2022 | 10,251 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -25.90% | -22.17% | -21.51% |
| 29600 | 2003 | 22,519 | 1,906 | - | 1,906 | 8.46% | | | | | | | | | |
| 29600 | 2004 | 10,499 | 1,651 | - | 1,651 | 15.72% | 10.77% | | | | | | | | |
| 29600 | 2005 | - | - | - | - | NA | 15.72% | 10.77% | | | | | | | |
| 29600 | 2006 | 33,739 | 2,054 | - | 2,054 | 6.09% | 6.09% | 8.38% | 8.41% | | | | | | |
| 29600 | 2007 | 87,032 | 4,967 | - | 4,967 | 5.71% | 5.81% | 5.81% | 6.61% | 6.88% | | | | | |
| 29600 | 2008 | 246,388 | 50,519 | - | 50,519 | 20.50% | 16.64% | 15.67% | 15.67% | 15.67% | 15.27% | | | | |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29600 | 2009 | 95,436 | 41,199 | - | 41,199 | 43.17% | 26.83% | 22.54% | 21.34% | 21.34% | 21.22% | 20.64% | | | |
| 29600 | 2010 | - | - | - | - | NA | 43.17% | 26.83% | 22.54% | 21.34% | 21.34% | 21.22% | 20.64% | | |
| 29600 | 2011 | 9,937 | 2,099 | - | 2,099 | 21.12% | 21.12% | 41.09% | 26.67% | 22.51% | 21.34% | 21.34% | 21.22% | 20.65% | |
| 29600 | 2012 | - | - | - | - | NA | 21.12% | 21.12% | 41.09% | 26.67% | 22.51% | 21.34% | 21.34% | 21.22% | 20.65% |
| 29600 | 2013 | 580,787 | 104,704 | - | 104,704 | 18.03% | 18.03% | 18.08% | 18.08% | 21.57% | 21.29% | 19.96% | 19.51% | 19.51% | 19.48% |
| 29600 | 2014 | 1,829,395 | 285,722 | - | 285,722 | 15.62% | 16.20% | 16.20% | 16.22% | 16.22% | 17.24% | 17.53% | 17.17% | 17.04% | 17.04% |
| 29600 | 2015 | - | - | - | - | NA | 15.62% | 16.20% | 16.20% | 16.22% | 16.22% | 17.24% | 17.53% | 17.17% | 17.04% |
| 29600 | 2016 | - | - | - | - | NA | NA | 15.62% | 16.20% | 16.20% | 16.22% | 16.22% | 17.24% | 17.53% | 17.17% |
| 29600 | 2017 | 528,233 | 74,850 | - | 74,850 | 14.17% | 14.17% | 14.17% | 15.29% | 15.83% | 15.83% | 15.85% | 15.85% | 16.71% | 16.99% |
| 29600 | 2018 | 49,356 | - | - | - | 0.00% | 12.96% | 12.96% | 12.96% | 14.98% | 15.57% | 15.57% | 15.59% | 15.59% | 16.44% |
| 29600 | 2019 | 475,747 | - | - | - | 0.00% | 0.00% | 7.11% | 7.11% | 7.11% | 12.51% | 13.43% | 13.43% | 13.46% | 13.46% |
| 29600 | 2020 | 210,118 | - | - | - | 0.00% | 0.00% | 0.00% | 5.92% | 5.92% | 5.92% | 11.66% | 12.67% | 12.67% | 12.69% |
| 29600 | 2021 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 5.92% | 5.92% | 5.92% | 11.66% | 12.67% | 12.67% |
| 29600 | 2022 | - | 7,986 | - | 7,986 | NA | NA | 3.80% | 1.16% | 1.09% | 6.56% | 6.56% | 6.56% | 11.92% | 12.88% |
| 29700 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 29700 | 2004 | 374,454 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29700 | 2005 | 77,294 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29700 | 2006 | 313,804 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29700 | 2007 | 715,412 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29700 | 2008 | (73,391) | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29700 | 2009 | 236,761 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29700 | 2010 | 272,323 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29700 | 2011 | 109,262 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29700 | 2012 | 2,476,682 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2013 | 1,569,817 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2014 | 770,843 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2015 | 219,110 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2016 | 2,161,980 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2017 | 615,906 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2018 | 2,513,862 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2019 | 3,392,092 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2020 | 1,351,058 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29700 | 2021 | 527,749 | - | 10,000 | (10,000) | -1.89% | -0.53% | -0.19% | -0.13% | -0.12% | -0.09% | -0.09% | -0.09% | -0.08% | -0.06% |
| 29700 | 2022 | 47,104 | - | - | - | 0.00% | -1.74% | -0.52% | -0.19% | -0.13% | -0.12% | -0.09% | -0.09% | -0.09% | -0.08% |
| 29800 | 2003 | - | - | - | - | NA | | | | | | | | | |
| 29800 | 2004 | 37,390 | - | - | - | 0.00% | 0.00% | | | | | | | | |
| 29800 | 2005 | 30,370 | - | - | - | 0.00% | 0.00% | 0.00% | | | | | | | |
| 29800 | 2006 | 61,916 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 29800 | 2007 | 99,825 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 29800 | 2008 | 20,301 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 29800 | 2009 | 3,584 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 29800 | 2010 | 25,001 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 29800 | 2011 | 46,523 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 29800 | 2012 | 195,114 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**PIEDMONT NATURAL GAS - SYSTEM**
**NET SALVAGE HISTORY**
**DEPRECIATION STUDY AS OF DECEMBER 31, 2022**

| Account | Activity Year | Retirement | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29800 | 2013 | 16,689 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2014 | 24,971 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2015 | - | - | - | - | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2016 | 5,802 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2017 | 23,487 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2018 | 38,157 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29800 | 2019 | 44,282 | - | 1,067 | (1,067) | -2.41% | -1.29% | -1.01% | -0.96% | -0.96% | -0.78% | -0.70% | -0.31% | -0.27% | -0.25% |
| 29800 | 2020 | 36,623 | - | 94,020 | (94,020) | -256.73% | -117.53% | -79.86% | -66.71% | -64.10% | -64.10% | -54.86% | -50.04% | -24.69% | -22.03% |
| 29800 | 2021 | 881,376 | - | 83,198 | (83,198) | -9.44% | -19.30% | -18.53% | -17.82% | -17.41% | -17.31% | -17.31% | -16.90% | -16.64% | -14.08% |
| 29800 | 2022 | 383,786 | 127,474 | 19,642 | 107,832 | 28.10% | 1.95% | -5.33% | -5.23% | -5.09% | -5.00% | -4.98% | -4.98% | -4.90% | -4.84% |