



Piedmont
Natural Gas

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Clerk's Office
N.C. Utilities Commission

April 9, 2009

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

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

Dear Ms. Vance:

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

For billing cycles for the month of February 2009, the calculation results in an amount to be refunded to residential customers of \$360,651 and an amount to be refunded to commercial customers of \$499,163. The total Margin Decoupling Adjustment for February 2009 is \$859,814.

The average temperature for the February days included in these billing cycles was warmer than normal. Actual usage for this period was 250,890 DT's more than the projected normal.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

(ST)
AG
T. Comm
Bennint
Kirby
Watson
Hawthorn
Kito
Hilburn
Sessions
Gilmore
Gruber
2-ps Ec/Ras
2-ps Legal
2-ps Acctg
2-ps Gas

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

<u>Description</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>	<u>Total</u>
Beginning Balance	Prior Mo Report	\$17,490,190	\$5,239,140	\$1,034,099	\$23,763,429
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	(\$360,651)	(\$666,649)	\$167,486	(859,814)
(Increment) Decrements	Page 3	(5,625,285)	(1,507,201)	(140,269)	(7,272,756)
Ending Balance Before Interest		11,504,254	3,065,290	1,061,315	15,630,860
Accrued Interest	Page 4	88,312	25,294	6,382	119,988
Total Due From (To) Customers		\$11,592,566	\$3,090,584	\$1,067,697	\$15,750,848

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

Line No.	Description	Residential Service	Small General Service	Medium General Service	Total
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152	
1	Normal Degree Days /1 <i>Page 2A</i>	754.7	754.7	754.7	
2	Base Load /1 (th/month)	12.03810	126.34580	5980.43930	
3	Heat Sensitivity Factor /1 (th/HDD)	0.14680	0.58490	9.44510	
4	Usage/HDD/Customer (th)	123	568	13,109	
RATE CASE					
5	No. of Customers (Actual)	603,753	65,740	488	
6	Total Normalized Usage (th)	74,157,810	37,325,189	6,397,024	117,880,023
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$29,518,516	\$11,623,810	\$1,992,161	\$43,134,487
ACTUAL					
9	No. of Customers (Actual)	603,753	65,740	488	
10	Actual Usage (th)	75,063,853	39,465,863	5,859,209	120,388,925
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$29,879,167	\$12,290,459	\$1,824,675	\$43,994,301
13	Margin Decoupling Adj	(\$360,651)	(\$666,649)	\$167,486	(\$859,814)
					Total
					Owed To Company (Customer)

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

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

	Rate Case Normal HDD	Actual HDD 2008-09
Nov	296.7	367.8
Dec	529.1	682.8
Jan	730.2	617.1
Feb	754.7	728.3
Mar	491.3	
Apr	300.0	
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	2,396.0

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

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
Facilities Charge				
	Winter	\$10.00	\$22.00	\$75.00
	Summer	\$10.00	\$22.00	\$75.00
Rates (\$/th)				
1st Block	Winter	\$1.28183	\$1.13912	\$1.10161
2nd Block	Winter			\$1.08311
1st Block	Summer	\$1.21809	\$1.08923	\$1.00455
2nd Block	Summer			\$0.96660
BCGC (\$/th)		\$0.65000	\$0.65000	\$0.65000
LUAF (\$/th)		\$0.01235	\$0.01235	\$0.01235
Commodity Cost Increment (\$/th)				
	Winter	\$0.03844	\$0.03844	\$0.03844
	Summer	\$0.03844	\$0.03844	\$0.03844
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10805	\$0.08872	\$0.06546
2nd Block	Winter			\$0.04696
1st Block	Summer	\$0.04431	\$0.03883	\$0.06496
2nd Block	Summer			\$0.02701
R Factors (\$/th)				
1st Block	Winter	\$0.39805	\$0.31142	\$0.31142
2nd Block	Winter			\$0.31142
1st Block	Summer	\$0.39805	\$0.31142	\$0.21486
2nd Block	Summer			\$0.21486
Margin Decoupling Temporaries		\$0.07494	\$0.03819	\$0.02394

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
February 2009 Report
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Usage by Rate Class - therms2	Page 2	75,063,853	39,465,863	5,859,209
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.07494)</u>	<u>(\$0.03819)</u>	<u>(\$0.02394)</u>
Refunds (Collections)		<u>(\$5,625,285)</u>	<u>(\$1,507,201)</u>	<u>(\$140,269)</u>
Margin Decoupling Temporaries effective November 1, 2008 (per therm)		(\$0.07494)	(\$0.03819)	(\$0.02394)

Piedmont Natural Gas Company, Inc.
Accrued Interest
February 2009 Report
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Beginning Balance	Page 1	\$17,490,190	\$5,239,140	\$1,034,099
Ending Balance Before Interest	Page 1	<u>\$11,504,254</u>	<u>\$3,065,290</u>	<u>\$1,061,315</u>
Average Balance Before Interest		14,497,222	4,152,215	1,047,707
Monthly Interest Accrual Rate	Per NCUC	<u>0.6092%</u>	<u>0.6092%</u>	<u>0.6092%</u>
Current Mo JE to Margin Decoupling Def Acct.		<u>\$88,312</u>	<u>\$25,294</u>	<u>\$6,382</u>