

July 29, 2019

VIA ELECTRONIC FILING

Ms. M. Lynn Jarvis
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street, Dobbs Building
Raleigh, North Carolina 27603

Re: Docket No. G-9, Sub 743

Dear Ms. Jarvis:

When Piedmont made its original filing in this docket, it included projected revenues, plant, depreciation expense, accumulated depreciation, and various other items of expense reflected in its cost of service calculation through June 30, 2019.

In its Application, Piedmont also reserved its right to “offer at hearing such additional relevant, material, and competent evidence as may be permitted by N.C. Gen. Stat. § 62-133(c) or other provision of North Carolina law as to the Company’s costs, revenues, volumes, rate base, return or any other matter relevant to the Commission’s determination of the matters raised herein.”

Pursuant to this reservation, and consistent with N.C. Gen. Stat. § 62-133(c) and Commission Rule R1-17(c), Piedmont hereby submits updated versions of the schedules required by Commission Rule R1-17(b) reflecting updates to its rates, revenues, plant, depreciation expense, accumulated depreciation, and expenses as of June 30, 2019:

- Rule R1-17(b)(1): Piedmont’s present rates and charges now on file with and approved by the Commission are set forth in UPDATED Appendix I.
- Rule R1-17(b)(2): Piedmont’s proposed rates and charges are set forth in UPDATED Appendix I.
- Rule R1-17(b)(3): The original cost of all Piedmont property used or useful in providing service to the public to which the proposed rates relate as of December 31, 2018 as adjusted for actuals changes through June 30, 2019 is set forth in Exhibit_(PKP-1 UPDATED).
- Rule R1-17(b)(5): A statement of Accumulated Depreciation on all property to which the proposed rates relate as of December 31, 2018 as adjusted for actual

changes through June 30, 2019, and of the rates and methods used in computing the amount charged to depreciation are set forth on Exhibit_(PKP-3 UPDATED) and Exhibit_(PKP-6 UPDATED).

Rule R1-17(b)(6): A statement of materials and supplies costs as of December 31, 2018 as adjusted for actual changes through June 30, 2019 is set forth on Exhibit_(PKP-4 UPDATED).

Rule R1-17(b)(7): A statement of Cash Working Capital required by Piedmont for the efficient, economic operation of its business as of December 31, 2018 as adjusted for changes through June 30, 2019 is contained in Exhibit_(PKP-4 UPDATED).

Rule R1-17(b)(8) &(9): A statement of gross revenues received, operating expenses and net operating income for return on investment for the twelve months ended December 31, 2018 as the same appear on Petitioner's books, together with (1) updated accounting and pro forma adjustments, (2) updated rates of return on original cost rate base and (3) updated return on common equity is set forth in Exhibit_(PKP-7 UPDATED).

Rule R1-17(b)(10): A Balance Sheet as of December 31, 2018 and as of June 30, 2019, and Income Statement for the twelve months ended December 31, 2018 and the twelve months ended June 30, 2019 is set forth in Exhibit_(PKP-8 UPDATED).

Also attached is brief Supplemental Testimony and exhibits by Piedmont witness Pia Powers supporting these updated revenues and costs. Brief Supplemental Testimony and exhibits by Piedmont witness Kally Couzens is also attached as support for the updated schedule of present and proposed rates, and further support for the updated revenues.

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

Sincerely,

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

JHJ/sko

cc: Brian Heslin
Bruce Barkley
Pia Powers
Elizabeth Culpepper

**Piedmont Natural Gas Company, Inc.
Comparison of Present and Proposed Rates
Docket G-9 Sub 743**

Rate Schedule	Updated Present Revenue Rates¹	Updated Proposed Revenue Rates
101 - Residential Service		
Monthly Charge	10.00	10.00
Monthly Charge	10.00	10.00
Winter per DT	9.9345	11.4553
Summer per DT	9.4341	10.9455
102- Small General Service		
Monthly Charge	22.00	22.00
Winter per DT	8.0714	8.8642
Summer per DT	7.6818	8.4664
152- Medium General Service		
Monthly Charge	75.00	75.00
Winter - First 500 per DT	7.7168	7.9490
Winter - Over 500 per DT	7.3918	7.6180
Summer - First 500 per DT	7.1418	7.8914
Summer - Over 500 per DT	6.8418	7.5859
142 - Natural Gas Vehicle Fuel		
Winter per DT	7.5768	9.0753
Summer per DT	7.5768	9.0753
Compression Charge per DT (maximum rate)	4.0000	4.0000
143- Experimental Motor Vehicle Fuel		
Monthly Charge	<i>Monthly charge is reflected on corresponding rate schedule</i>	
Winter per DT	<i>Volumetric charge is reflected on corresponding rate schedule</i>	
Summer per DT	<i>Volumetric charge is reflected on corresponding rate schedule</i>	
Compression Charge per DT (maximum rate)	4.0000	4.0000
144- Experimental Medium Gen Motor Fuel - Transportation		
Monthly Charge	75.00	75.00
Winter - First 500 per DT	4.9668	5.1990
Winter - Over 500 per DT	4.6418	4.8680
Summer - First 500 per DT	4.3918	5.1414
Summer - Over 500 per DT	4.0918	4.8359
Compression Charge per DT (maximum rate)	4.0000	4.0000
103 - Large General Sales Service		
Monthly Charge	350.00	350.00
Demand Charge per DT	14.7500	15.2500
Winter - First 1,500 per DT	4.5133	4.9904
Winter - Next 3,000 per DT	3.9333	4.3340
Winter - Next 9,000 per DT	3.6333	3.6378
Winter - Next 16,500 per DT	3.4133	3.3688
Winter - Next 30,000 per DT	3.4133	3.2852
Winter - Over 60,000 per DT	3.0433	2.8494
Summer - First 1,500 per DT	3.9573	4.4764
Summer - Next 3,000 per DT	3.4670	3.5943
Summer - Next 9,000 per DT	3.2573	3.2415
Summer - Next 16,500 per DT	3.1470	3.0763
Summer - Next 30,000 per DT	3.0170	2.9144
Summer - Over 60,000 per DT	2.9573	2.7206
104 - Interruptible Sales Service		
Monthly Charge	350.00	350.00
Winter - First 1,500 per DT	4.7218	5.6233
Winter - Next 3,000 per DT	4.4668	5.1311
Winter - Next 9,000 per DT	4.1668	4.3482
Winter - Next 16,500 per DT	3.8068	3.8982
Winter - Next 30,000 per DT	3.6218	3.6107
Winter - Over 60,000 per DT	3.4884	3.3878
Summer - First 1,500 per DT	4.4368	4.7240
Summer - Next 3,000 per DT	4.1168	4.2856
Summer - Next 9,000 per DT	3.9668	4.0763
Summer - Next 16,500 per DT	3.7418	3.7921
Summer - Next 30,000 per DT	3.5868	3.5601
Summer - Over 60,000 per DT	3.4613	3.3997

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Piedmont Natural Gas Company, Inc.
Comparison of Present and Proposed Rates
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Rate Schedule	Updated Present Revenue Rates ¹	Updated Proposed Revenue Rates
113 - Large General Transportation Service		
Monthly Charge	350.00	350.00
Demand Charge per DT	2.7500	3.2500
Standby Charge per DT	12.0000	<i>eliminated</i>
Winter - First 1,500 per DT	1.7633	2.2404
Winter - Next 3,000 per DT	1.1833	1.5840
Winter - Next 9,000 per DT	0.8833	0.8878
Winter - Next 16,500 per DT	0.6633	0.6188
Winter - Next 30,000 per DT	0.6633	0.5352
Winter - Over 60,000 per DT	0.2933	0.0994
Summer - First 1,500 per DT	1.2073	1.7264
Summer - Next 3,000 per DT	0.7170	0.8443
Summer - Next 9,000 per DT	0.5073	0.4915
Summer - Next 16,500 per DT	0.3970	0.3263
Summer - Next 30,000 per DT	0.2670	0.1644
Summer - Over 60,000 per DT	0.1320	-0.0294
114 - Interruptible Transportation Service		
Monthly Charge	350.00	350.00
Winter - First 1,500 per DT	1.0718	2.7007
Winter - Next 3,000 per DT	1.0013	1.8377
Winter - Next 9,000 per DT	0.8168	1.0951
Winter - Next 16,500 per DT	0.5568	0.5834
Winter - Next 30,000 per DT	0.3718	0.3864
Winter - Over 60,000 per DT	0.2384	0.1653
Summer - First 1,500 per DT	1.1868	1.4358
Summer - Next 3,000 per DT	0.9168	0.9854
Summer - Next 9,000 per DT	0.7668	0.7245
Summer - Next 16,500 per DT	0.5376	0.4638
Summer - Next 30,000 per DT	0.5096	0.2060
Summer - Over 60,000 per DT	0.2118	0.0748
105 - Outdoor Gas Light Service		
Per Fixture Charge	16.50	19.49
T-10 - Military Operations Transportation		
Demand Charge per DT	10.0000	10.0000
Winter per DT	1.3283	1.6062
Summer per DT	0.4183	0.6962
12 - Military Installations in Onslow County - Sales		
Winter per DT	5.7501	5.6710
Summer per DT	5.2112	5.1321
T-12 - Military Installation in Onslow County - Transportation		
Winter per DT	3.0001	2.9210
Summer per DT	2.4612	2.3821
ST-1 - Standby On-Peak Supply Service		
Demand Charge per DT	4.2600	<i>eliminated</i>
Capacity Charge per DT	1.2700	<i>eliminated</i>
106 - Schedule For Limiting and Curtailing		
Emergency Gas per DT	10.0000	10.0000
Unauthorized Gas per DT	25.0000	25.0000
Reconnect Fees		
<u>Residential</u>		
February Through August	55.00	55.00
September Through January	85.00	85.00
<u>All Others</u>		
February Through August	55.00	55.00
September Through January	110.00	110.00
Returned Check Charge		
Returned Check Charge	25.00	25.00

1/ Present Revenue Rates, effective June 2019 in Docket G-9 Sub 748, include IMR base billing rates for the recovery of the current IMR revenue requirement and are exclusive of temporary increments or decrements.

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

2 A. My name is Pia K. Powers. My business address is 4720 Piedmont Row
3 Drive, Charlotte, North Carolina.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am the Director – Gas Rates & Regulatory Affairs for Piedmont Natural Gas
6 Company, Inc. (“Piedmont” or the “Company”).

7 **Q. What is the purpose of your Supplemental Testimony in this proceeding?**

8 A. N.C. Gen. Stat. § 62-133(c) and Commission Rule R1-17(c) permit Piedmont
9 to update its rate case filing through the date of the hearing of this matter. In
10 our Application in this proceeding filed on April 1, 2019, we specifically and
11 expressly reserved our right to make these updates. In that initial filing, we
12 based our revenue request on a number of pro forma adjustments that were
13 developed on the basis of estimated going-levels of expense and utility rate
14 base as of June 30, 2019. We now have available “actuals” rather than
15 “estimates” to support those pro forma expense adjustments and utility rate
16 base as of June 30, 2019. Furthermore, our commission-approved customer
17 billing rates have materially changed since the time of our Application filing¹,
18 which necessitates an update to the pro forma revenue calculation reflected in
19 our Application. For this reason, we are filing, concurrent with my
20 Supplemental Testimony and the Supplemental Testimony of Kally Couzens,

¹ Rate changes were approved by the Commission effective May 1, 2019 per order in Docket No. G-9, Sub 731 and G-9, Sub 737. Additional rate changes were approved by the Commission effective June 1, 2019 per order in Docket No. G-9, Sub 748.

1 updates to the schedules required by Commission Rule R1-17(b) ("Updated
2 Schedules") to reflect our actual cost of service calculation as of June 30,
3 2019 and the components thereof relative to our original filed Application.

4 **Q. Please explain how, if at all, this update filing impacts the Test Period**
5 **amounts shown by Piedmont in its original filed Application.**

6 A. Nothing about this update filing nor the Updated Schedules changes the per
7 books Test Period amounts shown in Piedmont's original Application and in
8 my Direct Testimony. The Test Period for this general rate case proceeding
9 continues to be the 12-months ending December 31, 2018. This update filing
10 simply uses the now known actuals at June 30, 2019 to update: 1) the pro
11 forma utility rate base adjustments in the Company's original filed application
12 that were developed based on then-estimated June 30, 2019 figures and
13 amounts; 2) certain pro forma expense adjustments in the Company's original
14 filed application that were developed based on then-estimated June 30, 2019
15 figures and amounts; and 3) the pro forma adjustment to utility gas sales and
16 transportation revenue in the Company's original filed application that was
17 developed based on the then-present Commission approved customer billing
18 rates which have since been reset by this Commission.

19 **Q. Does this update filing incorporate any of the alternative positions of the**
20 **parties as expressed in the various intervenor direct testimonies and**
21 **exhibits filed in this docket on July 19, 2019?**

1 A. No, it does not. Piedmont intends to address the various intervenor positions
2 and recommendations via its forthcoming Rebuttal Testimony.

3 **Q. Does this update filing incorporate any changes to the methodology used**
4 **by the Company in its computation of the pro forma adjustments**
5 **compared to those used for the original filed Application?**

6 A. No. The approach used to compute each pro forma adjustment for this update
7 filing and for the Updated Schedules is the same as used to compute each pro
8 forma adjustment in the Company's original filed application.

9 **Q. Were the Updated Schedules for this update filing prepared by you**
10 **and/or prepared under your direct supervision?**

11 A. Yes.

12 **Q. Do you have any exhibits supporting your Supplemental Testimony?**

13 A. Yes. Since many of the schedules provided by Piedmont in its original filed
14 Application for fulfillment of Commission Rule R1-17(b) were in fact
15 exhibits to my Direct Testimony, I have updated all eight of the exhibits to
16 my Direct Testimony in support of the Updated Schedules, as follows:

- 17 • Exhibit_(PKP-1 UPDATED) Summary of Rate Base
- 18 • Exhibit_(PKP-2 UPDATED) Original Cost of Used and Useful Property
- 19 • Exhibit_(PKP-3 UPDATED) Accumulated Depreciation of Property
20 Used and Useful
- 21 • Exhibit_(PKP-4 UPDATED) Working Capital
- 22 • Exhibit_(PKP-5 UPDATED) Accumulated Deferred Income Taxes

- 1 • Exhibit_(PKP-6 UPDATED) Depreciation Policy and Rates
- 2 • Exhibit_(PKP-7 UPDATED) Net Operating Income and Rates of Return
- 3 • Exhibit_(PKP-8 UPDATED) Piedmont Balance Sheet and Income
- 4 Statement

5 **Q. Please explain the updates to pro forma utility rate base reflected in your**
6 **exhibits and the Updated Schedules.**

7 A. Exhibit_(PKP-1 UPDATED) summarizes the main components of rate base.
8 The first column in this exhibit shows that Piedmont's end of Test Period rate
9 base is approximately \$3.1 billion. In our original filed Application, we had
10 anticipated that rate base would grow to \$3,299,177,177 by June 30, 2019;
11 this estimated June 30, 2019 rate base amount was used in the revenue request
12 computation shown in my original Exhibit_(PKP-7). Now it is known that
13 Piedmont's rate base as of June 30, 2019 is \$3,364,074,164, which reflects a
14 difference of less than 2% from the estimated June 30, 2019 rate base amount
15 (i.e. the pro forma rate base amount shown in the exhibits to my Direct
16 Testimony). I updated my revenue request computation to this actual June
17 30, 2019 rate base amount accordingly in Exhibit_(PKP-7 UPDATED).

18 **Q. Was each component of pro forma utility rate base updated using actual**
19 **amounts as of June 30, 2019?**

20 A. Yes. The largest component of rate base is utility plant in service.
21 Exhibit_(PKP-2 UPDATED) identifies utility plant in service by asset
22 category at the end of the Test Period and as of June 30, 2019. Exhibit_(PKP-

1 3 UPDATED) identifies accumulated depreciation by asset category at the
2 end of the Test Period and as of June 30, 2019. Exhibit_(PKP-5 UPDATED)
3 identifies accumulated deferred income taxes at the end of the Test Period
4 and as of June 30, 2019. Exhibit_(PKP-4 UPDATED) identifies the
5 components of allowance for working capital, which for the Test Period is the
6 13-months average balance ended December 31, 2018 and on a pro forma
7 basis is the 13-months average balance ended June 30, 2019.

8 **Q. Please explain the updates to pro forma depreciation expense reflected in**
9 **your exhibits and the Updated Schedules.**

10 A. In our original filed Application, I presented a pro forma adjustment to
11 depreciation expense that was aligned with the pro forma amount of utility
12 plant in service as estimated at June 30, 2019. Now that Piedmont's utility
13 plant in service amount by asset account at June 30, 2019 is known, I have
14 updated the computation of pro forma depreciation expense accordingly. As
15 part of this update, I also incorporated the accrual for reallocation of the
16 reserve account based on the actual June 30, 2019 utility plant balances. My
17 revenue request computation shown in in Exhibit_(PKP-7 UPDATED)
18 incorporates this updated pro forma depreciation expense amount
19 accordingly. Exhibit_(PKP-6 UPDATED) identifies the composite
20 depreciation rates by major asset category.

21 **Q. Please explain the updates to pro forma revenues reflected in your**
22 **exhibits and the Updated Schedules.**

1 A. My revenue request computation shown in Exhibit_(PKP-7 UPDATED)
2 incorporates an update to the pro forma gas sales and transportation revenue
3 amount. The computation of updated pro forma gas sales and transportation
4 revenue, as explained in the Supplemental Testimony of Piedmont witness
5 Kally Couzens, incorporates the now current Commission-approved
6 customer billing rates.

7 **Q. Please explain the update to pro forma cost of gas expense reflected in**
8 **your exhibits and the Updated Schedules.**

9 A. An update to the pro forma cost of gas expense was made in alignment with
10 the June 30, 2019 update to the pro forma gas sales and transportation revenue
11 amount. My revenue request computation shown in Exhibit_(PKP-7
12 UPDATED) incorporates this update to the pro forma cost of gas.

13 **Q. Please explain the updates to pro forma operations and maintenance**
14 **(“O&M”) expense reflected in your exhibits and the Updated Schedules.**

15 A. In the Company’s original filed application, and as shown in Exhibit_(PKP-
16 7) to my Direct Testimony, there were twenty discrete pro forma adjustments
17 to the Test Period level of O&M expense.² Now, with June 30, 2019 actuals
18 being known and available, an update to seven of those pro forma O&M
19 expense adjustments was warranted. The seven updated pro forma
20 adjustments are for the following matters: uncollectibles expense, regulatory

² See Pro Forma Adjustments 4A through 4T as shown in Exhibit_(PKP-7) Page 3 of 5 in my direct filed testimony.

1 fee expense, salaries and wages expense, short-term incentive plan expense,
2 regulatory amortization expense for deferred transmission pipeline integrity
3 expenses, regulatory amortization expense for deferred environmental
4 compliance expenses, and regulatory amortization expense for deferred
5 regulatory fee expenses. The update to pro forma uncollectibles expense was
6 necessary for alignment to the updated pro forma gas sales and transportation
7 revenues amount; as a part of this pro forma expense update, I also corrected
8 an error in the Company's original computation of the uncollectibles factor,
9 which is also used in the overall revenue requirement computation. The
10 update to pro forma regulatory fee expense was necessary for alignment to
11 the updated pro forma gas sales and transportation revenues amount and for
12 alignment to the current NCUC Regulatory Fee Rate.³ The update to pro
13 forma salaries and wages expense was necessary to update to actual employee
14 salary and wage rates as of June 30, 2019 in lieu of the estimated employee
15 salary and wage rates used in the pro forma computation included in the
16 Company's filed application. The estimated employee salary and wage rates
17 was a factor used in the computation of pro forma short-term incentive plan
18 expense in the Company's filed application; accordingly, the pro forma
19 adjustment for short-term incentive plan expense was updated in alignment
20 with actual employee salary and wage rates as of June 30, 2019. The update

³Per the Commission's June 18, 2019 Order in Docket No. M-100, Sub 142, the regulatory fee for noncompetitive jurisdictional revenues was reduced from 0.148% to 0.13% effective July 1, 2019.

1 to pro forma regulatory amortization expense for deferred transmission
2 pipeline integrity expenses was necessary to update to expense deferrals
3 through June 30, 2019. In a similar vein, I updated the pro forma regulatory
4 amortization expense for deferred environmental compliance expenses and
5 deferred regulatory fee expenses. I updated my revenue request computation
6 for the overall impact of the updated pro forma O&M expenses accordingly
7 in Exhibit_(PKP-7 UPDATED).

8 **Q. Please explain the updates to pro forma general tax expense reflected in**
9 **your exhibits and the Updated Schedules.**

10 A. Only one update to pro forma general tax expense was warranted, which was
11 to the pro forma payroll tax component of general tax expense. The update
12 to pro forma payroll tax expense was necessary for alignment to the updated
13 pro forma salaries and wages expense adjustment and for alignment to the
14 updated pro forma short-term incentive plan expense adjustment. I updated
15 my revenue request computation for the updated pro forma general tax
16 expense accordingly in Exhibit_(PKP-7 UPDATED).

17 **Q. Are there any updates to the embedded cost of debt reflected in your**
18 **exhibits and the Updated Schedules?**

19 A. Yes, there are two updates. The embedded cost of long term debt was updated
20 to incorporate the actual cost of the \$600 million long term debt issuance that
21 occurred in May 2019 in lieu of the estimated cost of that issuance that was
22 included in the Company's filed application; this update yielded a reduction

1 in the embedded cost of long term debt from 4.55% to 4.40%. The embedded
2 cost of short term debt was updated to incorporate the actual cost rates as of
3 June 30, 2019; this update yielded a reduction in the embedded cost of short
4 term debt from 2.82% to 2.78%. I also updated my revenue request
5 computation shown in Exhibit_(PKP-7 UPDATED) accordingly.

6 **Q. Are there any updates to the EDIT Rider amounts reflected in your**
7 **exhibits and the Updated Schedules?**

8 A. Yes. The EDIT Rider amount was updated for alignment with the updated
9 uncollectibles factor, the updated NCUC regulatory fee factor, and an updated
10 amount of over-collected deferred tax revenue due customers (as a result of
11 the impacts of the Tax Cuts and Jobs Act as ordered by the Commission in
12 Docket No. G-9, Sub 731). I updated my revenue request computation shown
13 in Exhibit_(PKP-7 UPDATED) accordingly.

14 **Q. Please explain the updates to income tax expense reflected in your**
15 **exhibits and the Updated Schedules.**

16 A. The updates to federal and state income tax expense were made in alignment
17 with the overall impact of the updates I have previously described in my
18 Supplemental Testimony. My revenue request computation shown in
19 Exhibit_(PKP-7 UPDATED) was updated accordingly.

20 **Q. In total, how do these updates impact Piedmont's revenue requirement**
21 **and proposed rates in this proceeding?**

1 A. The proposed rates shown in the Updated Schedules (specifically, in Updated
2 Appendix I) are designed to produce annual gas sales and transportation
3 revenues of \$1,004,331,372, which is the level needed to support the
4 Company's cost of service shown in my updated analysis in Exhibit_(PKP-7
5 UPDATED). This difference between this amount and the proposed annual
6 gas sales and transportation revenues shown in the Company's original filed
7 Application and in my original analysis in Exhibit_(PKP-7) is less than 1%.

8 **Q. What are you asking the Commission to do with this information?**

9 A. We request that the Commission accept and consider our Updated Schedules
10 in their consideration of what constitutes a just and reasonable cost of service
11 for Piedmont in this proceeding and in approving new rates for our customers.

12 **Q. Do you have any further testimony regarding Piedmont's Updated**
13 **Schedules?**

14 A. No, not at this time.

Piedmont Natural Gas Company, Inc.
Docket No. G-9 Sub 743
North Carolina Operations

Exhibit_(PKP-1 UPDATED)

Summary of Rate Base

		<i>ESTIMATE PER COMPANY'S ORIGINAL FILED APPLICATION</i>		<i>AS UPDATED TO ACTUALS</i>
		As of December 31, 2018	As of June 30, 2019	As of June 30, 2019
1	Utility Plant in Service	\$ 5,230,006,753	\$ 5,515,089,478	\$ 5,524,939,964
2	Accumulated Depreciation	(1,464,563,084)	(1,528,820,157)	(1,508,506,101)
3	Allowance for Working Capital	170,150,675	188,233,415	197,312,173
4	Accumulated Deferred Income Taxes	(826,960,713)	(875,325,559)	(849,671,872)
5	Total End of Period Net Investment	<u>\$ 3,108,633,631</u>	<u>\$ 3,299,177,177</u>	<u>\$ 3,364,074,164</u>

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Piedmont Natural Gas Company, Inc.
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Exhibit_(PKP-2 UPDATED)

Utility Plant in Service:
Original Cost of Property Used and Useful

*ESTIMATE
PER COMPANY'S ORIGINAL
FILED APPLICATION*

AS UPDATED TO ACTUALS

		As of December 31, 2018*		As of June 30, 2019		As of June 30, 2019		
1	Intangible Plant	\$	3,088,881	0.06%	3,088,881	0.06%	3,088,881	0.06%
2	Storage Plant		111,416,739	2.13%	140,123,679	2.54%	159,098,556	2.88%
3	Transmission Plant		2,558,740,963	48.92%	2,705,040,119	49.05%	2,692,141,198	48.73%
4	Distribution Plant		2,127,736,635	40.68%	2,215,946,424	40.18%	2,227,786,535	40.32%
5	General Plant Depreciated		165,287,758	3.16%	174,126,717	3.16%	184,228,066	3.33%
6	General Plant Amortized		263,735,777	5.04%	276,763,656	5.02%	258,596,728	4.68%
7	Total	\$	5,230,006,753	100.00%	\$ 5,515,089,478	100.00%	5,524,939,964	100.00%

*These amounts delineated by individual utility plant account are shown in G-1, Item 18.

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Piedmont Natural Gas Company, Inc.
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Exhibit_(PKP-3 UPDATED)

Accumulated Depreciation of Property Used and Useful

			ESTIMATE PER COMPANY'S ORIGINAL FILED APPLICATION		AS UPDATED TO ACTUALS		
			As of June 30, 2019		As of June 30, 2019		
			As of December 31, 2018*				
1	Intangible Plant	\$ 3,088,881	0.21%	3,088,881	0.20%	3,088,881	0.20%
2	Storage Plant	34,014,016	2.32%	35,144,592	2.30%	34,240,780	2.27%
3	Transmission Plant	340,827,769	23.27%	363,719,322	23.79%	362,505,890	24.03%
4	Distribution Plant	896,053,559	61.18%	925,046,334	60.51%	922,121,916	61.13%
5	General Plant Depreciated	61,078,553	4.17%	62,388,999	4.08%	64,729,848	4.29%
6	General Plant Amortized	129,500,306	8.84%	139,432,028	9.12%	121,818,785	8.08%
7	Total	<u>\$ 1,464,563,084</u>	<u>100.00%</u>	<u>\$ 1,528,820,157</u>	<u>100.00%</u>	<u>\$ 1,508,506,101</u>	<u>100.00%</u>

*These amounts delineated by individual utility plant account are shown in G-1, Item 22.

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Piedmont Natural Gas Company, Inc.
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Exhibit_(PKP-4 UPDATED)

Allowance for Working Capital

		<i>ESTIMATE PER COMPANY'S ORIGINAL FILED APPLICATION</i>		<i>AS UPDATED TO ACTUALS</i>
		As of 12/31/2018	As of June 30, 2019	As of June 30, 2019
1	Natural Gas Stored	\$ 39,714,182	\$ 39,788,868	39,391,976
2	Cash Working Capital Per Lead-Lag Study	37,151,580	54,375,609	56,088,683
3	Materials and Supplies	1,432,123	1,478,078	1,472,326
4	Fleet and Other Overheads	681,358	447,958	452,126
5	Accrued Vacation Liability	(10,610,719)	(10,752,214)	(10,898,946)
6	Accrued Interest on Customer Deposits	(3,573,419)	(3,573,419)	(3,698,051)
7	Customer Deposits	(9,113,721)	(9,113,721)	(9,764,884)
8	Cash Working Funds	107,078	107,078	(349,349)
9	Prepaid Insurance	947,936	960,577	655,495
10	Deferred Revenue and Other WIP	(21,765,774)	(21,765,774)	(23,116,989)
11	Regulatory Assets for Def Expenses & Spec Supplier Refund	47,976,134	47,542,585	52,657,038
12	Pension Accrual and OPEB	87,203,917	88,737,790	94,422,748
13	Total Allowance for Working Capital	<u>\$ 170,150,675</u>	<u>\$ 188,233,415</u>	<u>\$ 197,312,173</u>

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Piedmont Natural Gas Company, Inc.
Docket No. G-9 Sub 743
North Carolina Operations

Exhibit_(PKP-5 UPDATED)

Accumulated Deferred Income Taxes

		<i>ESTIMATE PER COMPANY'S ORIGINAL FILED APPLICATION</i>		AS UPDATED TO ACTUALS
		As of December 31, 2018	As of June 30, 2019	As of June 30, 2019
1	Accumulated Deferred Income Taxes	\$ (388,502,412)	\$ (436,867,259)	\$ (411,212,918)
2	Regulatory Liabilities Related to Income Taxes	(438,458,301)	(438,458,301)	(438,458,954)
3	Total Accumulated Deferred Income Taxes (ADIT)	<u>\$ (826,960,713)</u>	<u>\$ (875,325,559)</u>	<u>\$ (849,671,872)</u>
4	Portion of Total ADIT that is Protected Excess the 2017 Federal Tax Cuts and Jobs Act	\$ (214,876,299)	\$ (214,876,299)	\$ (214,876,299)
5	Portion of Total ADIT that is Unprotected Excess - PPE created by the 2017 Federal Tax Cuts and Jobs Act	(57,202,133)	(57,202,133)	(57,202,133)
6	Portion of Total ADIT that is Unprotected Excess - Non PPE created by the 2017 Federal Tax Cuts and Jobs Act	(19,018,156)	(19,018,156)	(19,018,156)
7	Portion of Total ADIT that is Excess created by the 2017 Federal Tax Cuts and Jobs Act	<u>(291,096,587)</u>	<u>(291,096,587)</u>	<u>(291,096,587)</u>
8	Portion of Total ADIT that is Unprotected Excess created by the decreases in NC FIT rate since 2015	(43,280,669)	(43,280,669)	(43,280,669)
9	Grand Total Excess ADIT	<u>\$ (334,377,257)</u>	<u>\$ (334,377,257)</u>	<u>\$ (334,377,257)</u>

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Piedmont Natural Gas Company, Inc.
Docket No. G-9 Sub 743
North Carolina Operations

Depreciation Policy & Rates

Depreciation expense is computed monthly using the straight-line method applied to end-of-the-month depreciable costs.

The Commission requires a periodic review of the Company's depreciation rates. The depreciation rates currently in effect are from a study performed in 2010/2011 based on the estimated remaining service lives of depreciable property in service as of October 31, 2009. Piedmont adopted these rates effective January 1, 2014, as approved by the Commission in Docket No. G-9 Sub 631 (order dated December 17, 2013). In 2016 Piedmont filed a depreciation study in Docket No. G-9 Sub 77H, based on the estimated remaining service lives of depreciable property in service as of October 31, 2014. In this current rate case proceeding, Piedmont is filing a new depreciation study based on the estimated remaining service lives of depreciable property in service as of September 30, 2018. Piedmont is requesting approval from the Commission to begin using these new depreciation rates concurrent with the month that new billing rates take effect from this general rate case proceeding.

Depreciation of Piedmont's LNG plant located in North Carolina is allocated between North Carolina and South Carolina on the basis of design day demand. Depreciation on other jointly-used property is allocated between North Carolina, South Carolina and Tennessee, or between North Carolina and South Carolina only, on the basis of net plant, depending on the actual usage of the property.

Listed below are the composite depreciation rates by major asset category based on pro forma plant in service balances presented in Exhibit_(PKP-7) and Exhibit_(PKP-7 UPDATED), respectively. The proposed depreciation rates for each specific utility plant account are shown in the depreciation study presented in this application as an exhibit accompanying the direct filed testimony of witness Dane Watson.

	<i>ESTIMATE PER COMPANY'S ORIGINAL FILED APPLICATION</i>	<i>AS UPDATED TO ACTUALS</i>
	As of June 30, 2019*	As of June 30, 2019*
Intangible Plant	11.47%	11.44%
Storage Plant	2.43%	2.39%
Transmission Plant	1.84%	1.87%
Distribution Plant	2.23%	2.24%
General Plant Depreciated	4.09%	4.19%
General Plant Amortized	8.62%	8.43%
Total Gas Plant	2.48%	2.47%

*Incorporates the realignment of certain plant balances consistent with the plant categorizations in the current depreciation study.

Line No.		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
		Per Books Test Period	Accounting & Pro Forma Adjustments	After Accounting & Pro Forma Adjustments	Proposed Margin Increase	After Adjustments For Proposed Margin Increase	Cost of Gas Adjustment	Subtotal	EDIT Rider	Total Proposed Revenues After All Adjustments
1	<u>Operating Revenues</u>									
1	Sale and Transportation of Gas	883,966,319	11,928,203 (1)	895,894,522	143,635,886 (13)	1,039,530,408	1,668,024 (17)	1,041,198,432	(36,867,060) (20)	1,004,331,372
2	Other Operating Revenues	7,005,460	(2,662,085) (2)	4,343,374	-	4,343,374	-	4,343,374	-	4,343,374
3	Total Operating Revenues	890,971,779	9,266,118	900,237,896	143,635,886	1,043,873,782	1,668,024	1,045,541,806	(36,867,060)	1,008,674,746
4	<u>Operating Expenses</u>									
4	Cost of Gas	345,999,746	(12,997,431) (3)	333,002,315	-	333,002,315	1,651,155 (18)	334,653,470	-	334,653,470
5	Operations and Maintenance	206,849,014	22,435,220 (4)	229,284,234	1,452,575 (14)	230,736,809	16,869 (19)	230,753,678	(372,833) (21)	230,380,845
6	Depreciation	115,752,686	20,924,022 (5)	136,676,708	-	136,676,708	-	136,676,708	-	136,676,708
7	General Taxes	29,415,586	2,010,517 (6)	31,426,103	-	31,426,103	-	31,426,103	-	31,426,103
8	State Income Taxes	7,466,107	(5,004,839) (7)	2,461,268	3,554,583 (15)	6,015,851	-	6,015,851	(10,834,636) (22)	(4,818,785)
9	Federal Income Taxes	28,265,034	(8,107,253) (8)	20,157,781	29,112,033 (16)	49,269,814	-	49,269,814	(13,426,511) (23)	35,843,303
10	Amortization of Investment Tax Credits	(118,395)	38,971 (9)	(79,424)	-	(79,424)	-	(79,424)	-	(79,424)
11	Total Operating Expenses	733,629,778	19,299,207	752,928,985	34,119,191	787,048,176	1,668,024	788,716,200	(24,633,980)	764,082,220
12	Net Operating Income	157,342,000	(10,033,089)	147,308,911	109,516,695	256,825,604	-	256,825,604	(12,233,080)	244,592,523
13	Interest on Customers' Deposits	796,448	-	796,448	-	796,448	-	796,448	-	796,448
14	Amortization of Overcollected FIT Revenues	-	-	-	-	-	-	-	(12,233,080) (24)	(12,233,080)
15	Net Operating Income for Return	156,545,553	(10,033,089)	146,512,463	109,516,693	256,029,156	-	256,029,156	-	256,029,156
16	<u>Original Cost Rate Base</u>									
16	Plant in Service	5,230,006,753	294,933,211 (10)	5,524,939,964						5,524,939,964
17	Accumulated Depreciation	(1,464,563,084)	(43,943,017) (11)	(1,508,506,101)						(1,508,506,101)
18	Net Plant in Service	3,765,443,669	250,990,194	4,016,433,863						4,016,433,863
19	Allowance for Working Capital	170,150,675	27,161,498 (12)	197,312,173						197,312,173
20	Accumulated Deferred Income Taxes	(826,960,713)	(22,711,159) (12a)	(849,671,872)						(849,671,872)
21	Original Cost Rate Base	3,108,633,631	255,440,533	3,364,074,164						3,364,074,164
22	<u>Rate of Return</u>									
22	On Original Cost Rate Base	5.04%		4.36%						7.61%

Piedmont Natural Gas Company, Inc.
Docket No. G-9, Sub 743
North Carolina Operations
Return on Common Equity and Original Cost Net Investment
At December 31, 2018

EXHIBIT_(PKP-7 UPDATED)
Page 2 of 5

Line No.		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
		Test Period			After Accounting and Pro Forma Adjustments				
		Per Books <u>@ 12/31/2018</u>	Per Books <u>Ratio</u>	Cost Net <u>Investment</u>	Pro Forma <u>Ratio</u>	Cost Net <u>Investment</u>	Embedded <u>Cost</u>	Weighted <u>Cost</u>	Net Operating <u>Income</u>
1	Long-Term Debt	1,783,237,924	45.56%	1,416,243,157	47.18%	1,587,110,016	4.40%	2.08%	69,832,841
2	Short-Term Debt Proxy	39,714,182	1.01%	31,540,905	0.82%	27,645,583	2.78%	0.02%	768,547
3	Common Equity	<u>2,091,229,831</u>	<u>53.43%</u>	<u>1,660,849,569</u>	<u>52.00%</u>	<u>1,749,318,565</u>	<u>4.34%</u>	<u>2.26%</u>	<u>75,911,075</u>
4	Total	<u>\$ 3,914,181,937</u>	<u>100.00%</u>	<u>\$ 3,108,633,631</u>	<u>100.00%</u>	<u>\$ 3,364,074,164</u>		<u>4.36%</u>	<u>\$ 146,512,463</u>

After Adjustments for Proposed Rates

		Cost Net <u>Investment</u>	Embedded <u>Cost</u>	Weighted <u>Cost</u>	Net Operating <u>Income</u>
5	Long-Term Debt	1,587,110,016	4.40%	2.08%	69,832,841
6	Short-Term Debt Proxy	27,645,583	2.78%	0.02%	768,547
7	Common Equity	<u>1,749,318,565</u>	<u>10.60%</u>	<u>5.51%</u>	<u>185,427,768</u>
8	Total	<u>\$ 3,364,074,164</u>		<u>7.61%</u>	<u>\$ 256,029,156</u>

After Adjustments for Proposed Rates

		Retention <u>Factor</u>	(Pre-Tax ROR) Gross Rev. <u>Factor</u>	Tax <u>Factor</u>	Net of Tax <u>Weighted Cost</u>
9	Long-Term Debt	0.9898871	2.10%	0.7702500	1.60%
10	Short-Term Debt Proxy	0.9898871	0.02%	0.7702500	0.02%
11	Common Equity	<u>0.7624605</u>	<u>7.23%</u>	<u>1.0000000</u>	<u>5.51%</u>
12	Total		<u>9.35%</u>		<u>7.13%</u>

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Piedmont Natural Gas Company, Inc.
Docket No. G-9, Sub 743
North Carolina Operations
Pro Forma Adjustments
For the 12 Months Ended December 31, 2018

Line No.	PER COMPANY'S ORIGINAL FILED APPLICATION	PER COMPANY'S ORIGINAL FILED APPLICATION	AS UPDATED	CAUSE OF UPDATE
1	<u>Operating Revenues - Sale and Transportation of Gas</u> To increase revenues to the going-level basis per present rates.	32,300,788	11,928,203	no change
2	<u>Operating Revenues - Other Revenues</u> To decrease revenues to the going-level basis.	(2,662,085)	(2,662,085)	no change
3	<u>Cost of Gas</u> To decrease cost of gas to the going-level basis per present rates.	(12,979,307)	(12,997,431)	to align with updated pro forma revenue computation (COG revenues)
4	<u>Operations and Maintenance Expenses</u>			
A	To increase salaries & wages expense to the going-level basis.	2,407,546	2,659,050	to align with actual employee salary and wage rates at June 30, 2019
B	To increase short-term incentive plan expense to the going-level basis.	203,929	223,883	to align with the update to Adjustment 4A
C	To increase long-term incentive plan expense to the going-level basis.	617,434	617,434	no change
D	To decrease pension expense to the going-level basis.	(2,028,528)	(2,028,528)	no change
E	To increase employee benefits expense to the going-level basis.	1,411,576	1,411,576	no change
F	To increase rents expense to the going-level basis.	228,686	228,686	no change
G	To increase GTI program dues expense to the going-level basis.	135,000	135,000	no change
H	To increase energy efficiency program expense to the going-level basis.	1,225,000	1,225,000	no change
I	To increase the provision of uncollectibles expense to the going-level basis.	1,020,327	(276,897)	to align with the updated pro forma revenue computation and the correction of error in computation of uncollectibles factor
J	To decrease expenses for allocations to non-utility activities.	(44,703)	(44,703)	no change
K	To increase expenses to reflect customer growth.	256,028	256,028	no change
L	To increase line locates expense to the going-level basis.	1,691,666	1,691,666	no change
M	To decrease the regulatory amortization expense for deferred environmental cleanup costs.	(1,461,658)	(1,426,128)	to update to actual deferred expenses thru June 30, 2019
N	To increase the regulatory amortization expense for deferred transmission integrity management program costs.	12,202,827	14,691,803	to update to actual deferred expenses thru June 30, 2019
O	To decrease the regulatory amortization expense for deferred NCNG OPEB costs.	(70,735)	(70,735)	no change
P	To increase the regulatory amortization expense for deferred rate case costs.	348,458	348,458	no change
Q	To increase regulatory amortization expense for deferred regulatory fee costs.	124,899	133,566	to update to actual deferred expenses thru June 30, 2019
R	To increase current regulatory fee expense to the going-level.	407,989	291,756	to align with the updated NCUC regulatory fee rate
S	To increase risk insurance expense to the going level.	775,944	775,944	no change
T	To increase expenses for inflation and going-level jurisdictional allocations.	1,592,360	1,592,360	no change
Total		21,044,045	22,435,220	

Piedmont Natural Gas Company, Inc.
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North Carolina Operations
Pro Forma Adjustments
For the 12 Months Ended December 31, 2018

Line No.	PER COMPANY'S ORIGINAL FILED APPLICATION	PER COMPANY'S ORIGINAL FILED APPLICATION	AS UPDATED	CAUSE OF UPDATE
5	<u>Depreciation and Amortization Expense</u> To increase depreciation and amortization expense to the going-level basis, based on new depreciation rates and following adjustment 10.	20,854,632	20,924,022	to align with actual utility plant in service amounts at June 30, 2019 (Updated Adjustment 10) and to incorporate the accrual for the reallocation of the reserve balance at June 30, 2019
6	<u>General Taxes</u> A To increase payroll tax expense to the going-level basis following adjustment 4. B To increase property tax expense to the going-level basis. C To decrease NC franchise tax expense to the going-level basis. Total	278,332 2,276,162 (567,377) 1,987,117	301,732 2,276,162 (567,377) 2,010,517	to align with the updates to Adjustments 4A & 4B no change no change
7	<u>State Income Taxes</u> To decrease state income tax expense (rate of 2.5%) following all adjustments to operating revenues and expenses described previously.	(4,483,469)	(5,004,839)	to align with all the pro forma updates
8	<u>Federal Income Taxes</u> To decrease federal income tax expense (rate of 21%) following all adjustments to operating revenues, expenses and state income tax expense described previously.	(3,837,227)	(8,107,253)	to align with all the pro forma updates
9	<u>Amortization of Investment Tax Credits</u> To increase amortization of investment tax credits to the going-level basis.	38,971	38,971	no change
10	<u>Plant in Service</u> To increase plant in service for projected additions through June 30, 2019.	285,082,725	294,933,211	to update to actual utility plant in service amounts at June 30, 2019
11	<u>Accumulated Depreciation</u> To increase accumulated depreciation following adjustment 10.	(64,257,073)	(43,943,017)	to update to actual accumulated depreciation at June 30, 2019
12	<u>Allowance for Working Capital</u> To increase the allowance for working capital to reflect anticipated changes through June 30, 2019.	18,082,740	27,161,498	to update the allowance for working capital for actuals through June 30, 2019
12a	<u>Accumulated Deferred Income Taxes</u> To increase accumulated deferred income taxes through June 30, 2019, as projected.	(48,364,846)	(22,711,159)	to update to the actual accumulated deferred income tax balance at June 30, 2019
13	<u>Operating Revenues - Sale and Transportation of Gas</u> To increase revenues for the sale and transportation of gas following all accounting and pro forma adjustments previously described.	118,116,597	143,635,886	to align with the updated pro forma & proposed adjustments
14	<u>Operations and Maintenance Expenses</u> A To increase the provision for uncollectible accounts (rate of 1.07405%) following adjustment 13. B To increase regulatory fee expense (rate of .14% after the provision for uncollectible accounts) following adjustment 13. Total	1,268,631 163,591 1,432,222	1,267,501 185,075 1,452,576	to align with the updated pro forma and proposed adjustments, and using the corrected uncollectibles factor to align with the updated pro forma and proposed adjustments, and using the updated regulatory fee rate

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Piedmont Natural Gas Company, Inc.
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North Carolina Operations
Pro Forma Adjustments
For the 12 Months Ended December 31, 2018

Line No.	PER COMPANY'S ORIGINAL FILED APPLICATION	PER COMPANY'S ORIGINAL FILED APPLICATION	AS UPDATED	CAUSE OF UPDATE
15	<u>State Income Taxes</u>			
	To increase state income tax expense (rate of 2.5%) following adjustments 13 and 14.	2,917,109	3,554,583	to align with the updated pro forma and proposed adjustments previously described
16	<u>Federal Income Taxes</u>			
	To increase federal income tax expense (rate of 21%) following adjustments 13, 14 and 15.	23,891,126	29,112,033	to align with the updated pro forma and proposed adjustments previously described
17	<u>Operating Revenues - Sales and Transportation of Gas</u>			
	To increase revenues for the sale and transportation of gas following adjustments 18 and 19.	1,665,536	1,668,024	to align with the update to Adjustments 18 and 19
18	<u>Cost of Gas</u>			
	To increase the demand cost of gas to the going-level basis.	1,645,341	1,651,155	to align with the update to Adjustment 3
19	<u>Operations and Maintenance Expenses</u>			
A	To increase the provision for uncollectible accounts (rate of 1.07405%) following adjustment 17.	17,888	14,719	to align with the update to Adjustment 3, and using the corrected uncollectibles factor
B	To increase regulatory fee expense (rate of .14% after the provision for uncollectible accounts) following adjustment 17.	2,307	2,149	to align with the update to Adjustment 3, and using the updated regulatory fee rate
	Total	20,195	16,868	
20	<u>Operating Revenues - Sale and Transportation of Gas</u>			
	To decrease revenues for the sale and transportation of gas pursuant to the EDIT Rider.	(36,963,249)	(36,867,060)	to align with the update to Adjustments 22, 23 and 24, using
21	<u>Operations and Maintenance Expenses</u>			
A	To decrease the provision for uncollectible accounts (rate of 1.07405%) following adjustment 20	(397,003)	(325,329)	to align with the updated pro forma and proposed adjustments, and using the corrected uncollectibles factor
B	To decrease regulatory fee expense (rate of .14% after the provision for uncollectible accounts) following adjustment 20.	(51,194)	(47,503)	to align with the updated pro forma and proposed adjustments, and using the updated regulatory fee rate
	Total	(448,197)	(372,832)	
22	<u>State Income Taxes</u>			
	To decrease state income tax expense (rate of 2.5%) following the proposed amortized return of excess accumulated deferred income taxes pursuant to the EDIT Rider.	(10,834,636)	(10,834,636)	no change
23	<u>Federal Income Taxes</u>			
	To decrease state income tax expense (rate of 2.5%) following the proposed amortized return of excess accumulated deferred income taxes pursuant to the EDIT Rider.	(13,426,511)	(13,426,511)	no change
24	<u>Amortization of Overcollected FIT Revenues</u>			
	To decrease revenues for the amortized return of certain overcollected federal income tax revenues pursuant to the EDIT Rider.	(12,253,904)	(12,233,080)	to update for the balance of FIT overcollected revenues due customers

Consolidated Income Statement

	For the Twelve Months Ending December 2018	For the Twelve Months Ending June 2019
Revenues		
Regulated Natural Gas	\$ 1,365,257,342	1,384,574,723
Non-Regulated Electric, Natural Gas and Other	9,925,240	10,819,382
Total Operating Revenues	1,375,182,582	1,395,394,105
Cost of Natural Gas and Coal Sold	584,410,907	589,638,787
Operations, Maintenance and Other	356,878,998	353,180,643
Depreciation and Amortization	159,455,243	164,861,273
Property and Other Taxes	48,587,550	49,804,297
Total Operating Expenses	1,149,332,699	1,157,485,000
Other Operating Gains and Losses	(550)	(550)
Operating Income	225,849,334	237,908,555
71XX_OTHER_INCOME - Other Income	13,012,216	15,431,011
7310_INT_DIV - Interest and Dividends	163,397	131,042
7330_INTERCO_INT - Intercompany Interest Income	300,640	159,598
Other Income and Expenses	13,476,253	15,721,651
Interest Expense	81,198,097	83,085,802
Earnings From Continuing Operations Before Income Taxes	158,127,489	170,544,404
Net Income (Loss) attributable to non controlling interests	0	-
Pretax Income Attributable to Duke Energy Corp	158,127,489	170,544,404
Income Tax Expense (Benefit) From Continuing Operations	34,989,774	36,955,896
Income From Continuing Operations Attributable to Duke Energy Corp	123,137,715	133,588,508
Income (Loss) From Continuing Operations	123,137,715	133,588,508
Earnings (Loss) of Subsidiaries	5,396,877	6,097,874
Consolidated Net Income	128,534,592	139,686,382
Less: Net Income (Loss) attributable to non controlling interests	0	
Net Income Attributable to Controlling Interest	\$ 128,534,592	139,686,382

Consolidated Balance Sheet

	@ December 31, 2018	@ June 30, 2019
ASSETS		
Cash and Cash Equivalents	\$ (1,951,648)	\$ (4,499,583)
Receivables	254,902,762	94,657,244
Receivables from affiliated companies	81,270,401	94,055,982
Notes receivable from affiliated companies	0	15,768,000
Inventory	69,501,088	32,651,590
Regulatory Assets	30,117,125	27,168,665
Other	19,671,296	57,556,379
Total Current Assets	453,511,023	317,358,278
Net Property Plant and Equipment	5,911,127,854	6,346,058,994
Goodwill	48,852,311	48,852,311
Regulatory Assets	303,468,674	279,915,396
Operating Lease Right-of-Use assets	0	26,230,111
Investment in Consolidated Subsidiaries	(15,575,584)	(12,817,219)
Other	49,365,349	57,934,272
Total Other Noncurrent Assets	386,110,750	400,114,871
Total Assets	<u>\$ 6,750,749,626</u>	<u>\$ 7,063,532,143</u>
LIABILITIES AND EQUITY		
Accounts Payable	\$ 188,066,366	\$ 143,909,036
Accounts payable to affiliated companies	38,454,986	57,731,861
Notes payable to affiliated companies	197,905,000	-
Taxes Accrued	83,786,481	24,486,066
Interest Accrued	31,188,708	33,077,444
Current Maturities of Long-Term Debt	349,898,423	-
Regulatory Liabilities	11,018,591	43,948,962
Other	57,889,387	59,989,924
Total Current Liabilities	958,207,941	363,143,292
2506_LTD_UNSEC_FLT - Long-Term Debt - Unsec Flt		600,000,000
2507_LTD_UNSEC_FIX - Long-Term Debt - Unsec Fix	1,800,000,000	1,800,000,000
2520_UNAMT_DEBT_DISC - Unamortized Debt Discount	\$ (861,280)	(2,333,555)
1812_UNAMORT_DEBT - Unamortized Debt Expense	11,193,588	(13,630,071)
Long-Term Debt	1,787,945,132	2,384,036,374
Deferred Income Taxes	533,851,260	576,218,921
Asset Retirement Obligations	18,862,522	19,383,090
Regulatory Liabilities	1,182,983,149	1,195,120,889
Operating Lease Liability	0	24,946,893
Accrued Pension and Other Post-Retirement Benefit Costs	4,067,424	6,154,169
Investment Tax Credit	545,118	521,109
Other	173,057,248	140,422,805
Total Other Noncurrent Liabilities	1,913,366,721	1,962,767,876
Common Stock	859,846,537	859,846,537
Additional Paid in Capital	300,000,000	450,000,000
Retained Earnings	931,005,587	1,043,608,411
Accumulated Other Comprehensive Income	377,709	129,653
Equity	<u>2,091,229,833</u>	<u>2,353,584,601</u>
Total Liabilities and Common Stockholders' Equity	<u>\$ 6,750,749,626</u>	<u>\$ 7,063,532,143</u>

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

2 A. My name is Kally Couzens. My business address is 4720 Piedmont Row
3 Drive, Charlotte, North Carolina.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am the Rates & Regulatory Strategy Manager for Piedmont Natural Gas
6 Company, Inc. (“Piedmont” or the “Company”).

7 **Q. What is the purpose of your Supplemental Testimony in this proceeding?**

8 A. N.C. Gen. Stat. § 62-133(c) and Commission Rule R1-17(c) permit Piedmont
9 to update its rate case filing through the date of the hearing of this matter. In
10 our Application in this proceeding filed on April 1, 2019, we specifically and
11 expressly reserved our right to make these updates. As discussed in the
12 Supplemental Testimony of Pia Powers, the Company has now made such
13 updates based on available actual information to reflect our actual cost of
14 service calculation as of June 30, 2019. My Supplemental Testimony
15 supports the updated computation of gas sales and transportation pro forma
16 revenues used in Ms. Powers’ updated cost of service calculation as of June
17 30, 2019. My Supplemental Testimony also supports the derivation of
18 proposed rates as aligned with Ms. Powers’ updated cost of service
19 calculation as of June 30, 2019.

20 **Q. Do you have any exhibits supporting your Supplemental Testimony?**

21 A. Yes. The following updated exhibits are part of my Supplemental Testimony
22 and are attached hereto:

- 1 • Exhibit_(KAC-1 UPDATED) Pro Forma Revenues for the Sale and
- 2 Transportation of Gas
- 3 • Exhibit_(KAC-2 UPDATED) Components of Pro Forma Revenues
- 4 • Exhibit_(KAC-3 UPDATED) Present and Proposed Rates
- 5 • Exhibit_(KAC-4 UPDATED) Proposed Factors for the Margin
- 6 Decoupling Tracker Mechanism

7 The present and proposed rates shown in Updated Appendix I in the
8 Company's update filing is consistent with the present and proposed rates
9 shown in Exhibit_(KAC-3 UPDATED).

10 **Q. Were these four exhibits prepared by you and/or prepared under your**
11 **direct supervision?**

12 A. Yes.

13 **Q. Please explain the rationale for updating the pro forma sales and**
14 **transportation revenues.**

15 A. In my direct filed testimony, I explained my computation of pro forma sales
16 and transportation revenues for the purpose of establishing the Company's
17 going-level revenues absent a rate adjustment in this proceeding. In the
18 period of time since then, the Commission has reset certain components of
19 the Company's customer billing rates. Specifically, per the Commission order
20 in Docket Nos. G-9, Sub 731 and G-9, Sub 737, Piedmont's base margin
21 billing rates were reduced effective May 1, 2019 consistent with recent
22 federal and state corporate income tax rate reductions. Also, per Commission

1 order in Docket No. G-9, Sub 748, Piedmont's IMR margin revenue
2 requirement and billing rates were changed effective June 1, 2019.
3 Incorporating the combined effect of these rate changes yields a level of pro
4 forma sales and transportation revenues that differs from the amounts shown
5 in the Company's original filed application. Therefore, I have updated my
6 computation of pro forma sales and transportation revenues for the purpose
7 of re-establishing the going-level revenues under the now current
8 Commission approved rates. My update is reflected in Exhibit_(KAC-1
9 UPDATED) and Exhibit_(KAC-2 UPDATED).

10 **Q. Were there any other changes incorporated into your update of pro**
11 **forma sales and transportation revenues?**

12 A. In addition to updating that computation using the now current Commission
13 approved rates, I also corrected a formula error in my original computation.
14 The correction of this error resulted in an adjustment to annualized residential
15 volumes of 4,392 dekatherms. It is this singular correction that yielded the
16 update to the pro forma cost of gas expense referenced in Ms. Powers'
17 Supplement Testimony.

18 **Q. What is the overall impact of the updates to the level of pro forma sales**
19 **and transportation revenues?**

20 A. At the time of the Company's original filed application, I computed pro forma
21 sales and transportation revenues to be \$916,267,107. Updated for present

1 rates, I compute pro forma sales and transportation revenues to be
2 \$895,894,522. This amount is shown in Exhibit_(KAC-1 UPDATED).

3 **Q. Please explain the updates to the proposed rates reflected in**
4 **Exhibit_(KAC-3 UPDATED).**

5 A. The proposed rates shown in Exhibit_(KAC-3 UPDATED) are designed to
6 produce annual gas sales and transportation revenues of \$1,004,331,372, as
7 aligned with the updated cost of service shown in Ms. Powers' Exhibit_(PKP-
8 7 UPDATED). Exhibit_(KAC-4 UPDATED) shows the MDT factors
9 associated with the updated cost of service and proposed rates.

10 **Q. Do the updated proposed rates shown in Exhibit_(KAC-3 UPDATED)**
11 **incorporate any change to the rate design methodology used in the**
12 **Company's original filed application?**

13 A. No.

14 **Q. Does this conclude your Supplemental Testimony?**

15 A. Yes.

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Exhibit _(KAC-1 UPDATED)
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Updated Total Pro forma Revenues for the Sale and Transportation of Gas

Line	(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
1	101 - Residential Service										
2	Bills - Winter	3,356,241			47,083		3,403,324	10.00	34,033,237		34,033,237
3	Bills - Summer	4,644,245			65,106		4,709,351	10.00	47,093,510		47,093,510
4	DTs - Winter	31,358,695	(768,577)	30,590,118	429,141	31,019,259		8.3515	259,057,342	(113,994)	258,943,347
5	DTs - Summer	9,210,542	(1,038,575)	8,171,967	114,595	8,286,562		7.8511	65,058,623	2,400,736	67,459,359
6	Integrity Management Rider Revenues								52,247,466	5,537,911	57,785,377
7											
8											
9	Experimental Motor Vehicle Fuel										
10	143 / 101 - Residential Service										
11	Bills - Winter	-			-		-	10.00	-		-
12	Bills - Summer	-			-		-	10.00	-		-
13	DTs - Winter	-	-	-	-	-		8.3515	-	-	-
14	DTs - Summer	-	-	-	-	-		7.8511	-	-	-
15											
16											
17	RESIDENTIAL SERVICE										
18	Bills	8,000,486	-	-	112,189	-	8,112,675				
19	Winter Dts	31,358,695	(768,577)	30,590,118	429,141	31,019,259					
20	Summer Dts	9,210,542	(1,038,575)	8,171,967	114,595	8,286,562					
21	Total Dts	40,569,237	(1,807,152)	38,762,085	543,736	39,305,821					
22											
23	Revenues								457,490,178	7,824,653	465,314,830

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Updated Total Pro forma Revenues for the Sale and Transportation of Gas

Line	(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
24											
25											
26	102- Small General Service										
27	Bills	842,661			11,817		854,478	22.00	18,798,526		18,798,526
28	DTs - Winter	18,078,392	(200,051)	17,878,341	250,725	18,129,066		7.1129	128,950,233	(6,552,545)	122,397,688
29	DTs - Summer	9,446,837	(647,437)	8,799,400	123,402	8,922,803		6.7233	59,990,679	(1,552,725)	58,437,954
30	Integrity Management Rider Revenues								20,721,972	2,196,402	22,918,374
31	Minimum Margin Agreement Revenues								55,648	(55,648)	-
32											
33											
34	Experimental Motor Vehicle Fuel										
35	143 / 102- Small General Service										
36	Bills	102			(6)		96	22.00	2,119		2,119
37	Winter Dts	5,113	-	5,113	(284)	4,829		7.1129	34,345	(9,249)	25,096
38	Summer Dts	8,100	-	8,100	(450)	7,650		6.7233	51,431	(21,685)	29,746
39											
40											
41	152- Medium General Service										
42	Bills	5,662			(177)		5,485	75.00	411,355		411,355
43	Winter - First 500 DTs	1,053,649	(6,618)	1,047,031	(32,781)	1,014,250		6.7583	6,854,603	(213,205)	6,641,398
44	Winter - Over 500 DTs	1,710,375	(10,743)	1,699,633	(53,213)	1,646,419		6.4333	10,591,910	(346,093)	10,245,817
45	Total Winter DTs	2,764,024	(17,360)	2,746,664	(85,995)	2,660,669			17,446,513	(559,298)	16,887,215
46											
47											
48	Summer - First 500 DTs	1,249,687	(32,262)	1,217,425	(38,116)	1,179,309		6.1833	7,292,020	(249,169)	7,042,851
49	Summer - Over 500 DTs	1,137,892	(29,376)	1,108,515	(34,706)	1,073,809		5.8833	6,317,541	(226,879)	6,090,662
50	Total Summer DTs	2,387,579	(61,638)	2,325,940	(72,822)	2,253,118			13,609,561	(476,048)	13,133,513
51											
52	Integrity Management Rider Revenues								3,018,940	319,989	3,338,929
53	Minimum Margin Agreement Revenues								95,987	(49,428)	46,559
54											
55											
56	Experimental Motor Vehicle Fuel										
57	143 / 152- Medium General Service										
58	Bills	-			-		-	75.00	-		-
59	Winter - First 500 DTs	-	-	-	-	-		6.7583	-	-	-
60	Winter - Over 500 DTs	-	-	-	-	-		6.4333	-	-	-
61	Total Winter DTs	-	-	-	-	-			-	-	-
62											
63											
64	Summer - First 500 DTs	-	-	-	-	-		6.1833	-	-	-
65	Summer - Over 500 DTs	-	-	-	-	-		5.8833	-	-	-
66	Total Summer DTs	-	-	-	-	-			-	-	-
67											
68											
69	Experimental Motor Vehicle Fuel										
70	144- Medium General Transportation Service										
71	Bills	-			-		-	75.00	-		-
72	Winter - First 500 DTs	-	-	-	-	-		4.0083	-	-	-
73	Winter - Over 500 DTs	-	-	-	-	-		3.6833	-	-	-
74	Total Winter DTs	-	-	-	-	-			-	-	-
75											
76											
77	Summer - First 500 DTs	-	-	-	-	-		3.4333	-	-	-
78	Summer - Over 500 DTs	-	-	-	-	-		3.1333	-	-	-
79	Total Summer DTs	-	-	-	-	-			-	-	-
80											
81											
82	142 - Natural Gas Vehicle Fuel - Company Stations										
83	DTs - Winter	30,503	-	30,503	-	30,503		6.6183	201,879		201,879
84	DTs - Summer	47,315	-	47,315	-	47,315		6.6183	313,143		313,143
85	Compression Charge Revenues							4.0000	311,272		311,272
86	Integrity Management Rider Revenues								50,114	5,312	55,425
87											
88	SMALL & MEDIUM GENERAL / NGV FUEL SERVICE										
89	Bills	848,425	-	-	11,634	-	860,059				
90	Winter Dts	20,878,032	(217,411)	20,660,621	164,446	20,825,067					
91	Summer Dts	11,889,830	(709,075)	11,180,755	50,130	11,230,885					
92	Total Dts	32,767,862	(926,486)	31,841,375	214,576	32,055,951					
93											
94	Revenues								264,063,716	(6,754,923)	257,308,793

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Updated Total Pro forma Revenues for the Sale and Transportation of Gas

Line	(dekatherms)	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
95	Rate Schedule										
96											
97	103 - Large General Sales Service										
98	Bills	773			46		819	350.00	286,487		286,487
99	Demand	148,524			8,749	157,272		14.7500	2,319,766		2,319,766
100	Winter - First 1,500 DTs	439,773	-	439,773	25,904	465,678		4.4342	2,064,908		2,064,908
101	Winter - Next 3,000 DTs	416,993	-	416,993	24,563	441,556		3.8542	1,701,845		1,701,845
102	Winter - Next 9,000 DTs	179,657	-	179,657	10,583	190,240		3.5542	676,150		676,150
103	Winter - Next 16,500 DTs	36,110	-	36,110	2,127	38,237		3.3342	127,491		127,491
104	Winter - Next 30,000 DTs	-	-	-	-	-		3.3342	-		-
105	Winter - Over 60,000 DTs	-	-	-	-	-		2.9642	-		-
106	Total Winter DTs	1,072,534	-	1,072,534	63,177	1,135,711			4,570,394		4,570,394
107											
108	Summer - First 1,500 DTs	576,369	-	576,369	33,951	610,320		3.8782	2,366,941		2,366,941
109	Summer - Next 3,000 DTs	371,464	-	371,464	21,881	393,345		3.3879	1,332,614		1,332,614
110	Summer - Next 9,000 DTs	114,445	-	114,445	6,741	121,186		3.1782	385,154		385,154
111	Summer - Next 16,500 DTs	78,270	-	78,270	4,610	82,881		3.0679	254,269		254,269
112	Summer - Next 30,000 DTs	-	-	-	-	-		2.9379	-		-
113	Summer - Over 60,000 DTs	-	-	-	-	-		2.8782	-		-
114	Total Summer DTs	1,140,548	-	1,140,548	67,183	1,207,731			4,338,978		4,338,978
115											
116	Integrity Management Rider Revenues								183,480	19,448	202,928
117	Minimum Margin Agreement Revenues								78,618	-	78,618
118											
119											
120	Experimental Motor Vehicle Fuel										
121	143 / 103 - Large General Sales Service										
122	Bills	43			19		62	350.00	21,572		21,572
123	Demand	7,040			3,051	10,090		14.7500	148,831		148,831
124	Winter - First 1,500 DTs	24,073	-	24,073	10,432	34,505		4.4342	153,000		153,000
125	Winter - Next 3,000 DTs	27,014	-	27,014	11,706	38,720		3.8542	149,235		149,235
126	Winter - Next 9,000 DTs	4,883	-	4,883	2,116	6,998		3.5542	24,874		24,874
127	Winter - Next 16,500 DTs	-	-	-	-	-		3.3342	-		-
128	Winter - Next 30,000 DTs	-	-	-	-	-		3.3342	-		-
129	Winter - Over 60,000 DTs	-	-	-	-	-		2.9642	-		-
130	Total Winter DTs	55,970	-	55,970	24,254	80,223			327,110		327,110
131											
132	Summer - First 1,500 DTs	37,372	-	37,372	16,195	53,567		3.8782	207,744		207,744
133	Summer - Next 3,000 DTs	48,935	-	48,935	21,205	70,140		3.3879	237,626		237,626
134	Summer - Next 9,000 DTs	14,538	-	14,538	6,300	20,838		3.1782	66,227		66,227
135	Summer - Next 16,500 DTs	-	-	-	-	-		3.0679	-		-
136	Summer - Next 30,000 DTs	-	-	-	-	-		2.9379	-		-
137	Summer - Over 60,000 DTs	-	-	-	-	-		2.8782	-		-
138	Total Summer DTs	100,845	-	100,845	43,700	144,545			511,598		511,598
139											
140	Integrity Management Rider Revenues								-	-	-
141	Minimum Margin Agreement Revenues								-	-	-
142	Compression Charge Revenues								144,522	-	144,522
143											
144											
145	104 - Interruptible Sales Service										
146	Bills	195			(3)		192	350.00	67,216		67,216
147	Winter - First 1,500 DTs	115,234	-	115,234	(1,746)	113,488		4.6377	526,323		526,323
148	Winter - Next 3,000 DTs	171,323	-	171,323	(2,596)	168,727		4.3827	739,479		739,479
149	Winter - Next 9,000 DTs	139,386	-	139,386	(2,112)	137,274		4.0827	560,450		560,450
150	Winter - Next 16,500 DTs	6,828	-	6,828	(103)	6,724		3.7227	25,032		25,032
151	Winter - Next 30,000 DTs	-	-	-	-	-		3.5377	-		-
152	Winter - Over 60,000 DTs	-	-	-	-	-		3.4043	-		-
153	Total Winter DTs	432,771	-	432,771	(6,557)	426,213			1,851,285	-	1,851,285
154											
155	Summer - First 1,500 DTs	153,542	-	153,542	(2,326)	151,215		4.3527	658,195		658,195
156	Summer - Next 3,000 DTs	163,040	-	163,040	(2,470)	160,569		4.0327	647,528		647,528
157	Summer - Next 9,000 DTs	136,804	-	136,804	(2,073)	134,731		3.8827	523,119		523,119
158	Summer - Next 16,500 DTs	4,370	-	4,370	(66)	4,303		3.6577	15,741		15,741
159	Summer - Next 30,000 DTs	-	-	-	-	-		3.5027	-		-
160	Summer - Over 60,000 DTs	-	-	-	-	-		3.3772	-		-
161	Total Summer DTs	457,755	-	457,755	(6,936)	450,819			1,844,583	-	1,844,583
162											
163	Integrity Management Rider Revenues								84,870	8,996	93,865
164	Minimum Margin Agreement Revenues								-	-	-
165											
166											

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Line	(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
167	Experimental Motor Vehicle Fuel										
168	143 / 104 - Interruptible Sales Service										
169	Bills	-	-	-	-	-	-	350.00	-	-	-
170	Winter - First 1,500 DTs	-	-	-	-	-	-	4.6377	-	-	-
171	Winter - Next 3,000 DTs	-	-	-	-	-	-	4.3827	-	-	-
172	Winter - Next 9,000 DTs	-	-	-	-	-	-	4.0827	-	-	-
173	Winter - Next 16,500 DTs	-	-	-	-	-	-	3.7227	-	-	-
174	Winter - Next 30,000 DTs	-	-	-	-	-	-	3.5377	-	-	-
175	Winter - Over 60,000 DTs	-	-	-	-	-	-	3.4043	-	-	-
176	Total Winter DTs	-	-	-	-	-	-	-	-	-	-
177											
178	Summer - First 1,500 DTs	-	-	-	-	-	-	4.3527	-	-	-
179	Summer - Next 3,000 DTs	-	-	-	-	-	-	4.0327	-	-	-
180	Summer - Next 9,000 DTs	-	-	-	-	-	-	3.8827	-	-	-
181	Summer - Next 16,500 DTs	-	-	-	-	-	-	3.6577	-	-	-
182	Summer - Next 30,000 DTs	-	-	-	-	-	-	3.5027	-	-	-
183	Summer - Over 60,000 DTs	-	-	-	-	-	-	3.3772	-	-	-
184	Total Summer DTs	-	-	-	-	-	-	-	-	-	-
185											
186											
187	113 - Large General Transportation Service										
188	Bills	3,611	-	-	(106)	-	3,505	350.00	1,226,818	-	1,226,818
189	Demand	1,661,230	-	-	(48,676)	1,612,554	-	2,7500	4,434,524	-	4,434,524
190	Standby DTs	-	-	-	-	-	-	12.0000	-	-	-
191	Winter - First 1,500 DTs	2,010,192	-	2,010,192	(58,901)	1,951,291	-	1.6842	3,286,364	-	3,286,364
192	Winter - Next 3,000 DTs	2,840,512	-	2,840,512	(83,230)	2,757,282	-	1.1042	3,044,591	-	3,044,591
193	Winter - Next 9,000 DTs	2,910,877	-	2,910,877	(85,292)	2,825,585	-	0.8042	2,272,336	-	2,272,336
194	Winter - Next 16,500 DTs	1,933,655	-	1,933,655	(56,658)	1,876,997	-	0.5842	1,096,541	-	1,096,541
195	Winter - Next 30,000 DTs	1,701,371	-	1,701,371	(49,852)	1,651,519	-	0.5842	964,817	-	964,817
196	Winter - Over 60,000 DTs	2,782,340	-	2,782,340	(81,526)	2,700,814	-	0.2142	578,514	-	578,514
197	Total Winter DTs	14,178,947	-	14,178,947	(415,458)	13,763,488	-	-	11,243,164	-	11,243,164
198											
199	Summer - First 1,500 DTs	2,712,613	-	2,712,613	(79,482)	2,633,130	-	1.1282	2,970,697	-	2,970,697
200	Summer - Next 3,000 DTs	3,343,969	-	3,343,969	(97,982)	3,245,987	-	0.6379	2,070,615	-	2,070,615
201	Summer - Next 9,000 DTs	3,388,085	-	3,388,085	(99,275)	3,288,811	-	0.4282	1,408,269	-	1,408,269
202	Summer - Next 16,500 DTs	2,360,563	-	2,360,563	(69,167)	2,291,396	-	0.3179	728,435	-	728,435
203	Summer - Next 30,000 DTs	2,129,656	-	2,129,656	(62,401)	2,067,254	-	0.1879	388,437	-	388,437
204	Summer - Over 60,000 DTs	3,196,566	-	3,196,566	(93,663)	3,102,903	-	0.0529	164,144	-	164,144
205	Total Summer DTs	17,131,451	-	17,131,451	(501,970)	16,629,481	-	-	7,730,597	-	7,730,597
206											
207	Integrity Management Rider Revenues								1,795,198	190,280	1,985,478
208	Minimum Margin Agreement Revenues								628,660	(247,500)	381,160
209											
210											
211	Experimental Motor Vehicle Fuel										
212	143 / 113 - Large General Transportation Service										
213	Bills	86	-	-	37	-	123	350.00	43,143	-	43,143
214	Demand	30,916	-	-	7,617	38,533	-	2,7500	105,967	-	105,967
215	Standby DTs	-	-	-	-	-	-	12.0000	-	-	-
216	Winter - First 1,500 DTs	50,571	-	50,571	12,459	63,030	-	1.6842	106,155	-	106,155
217	Winter - Next 3,000 DTs	63,605	-	63,605	15,671	79,275	-	1.1042	87,536	-	87,536
218	Winter - Next 9,000 DTs	52,755	-	52,755	12,998	65,753	-	0.8042	52,879	-	52,879
219	Winter - Next 16,500 DTs	82,500	-	82,500	20,326	102,826	-	0.5842	60,071	-	60,071
220	Winter - Next 30,000 DTs	24,655	-	24,655	6,074	30,729	-	0.5842	17,952	-	17,952
221	Winter - Over 60,000 DTs	-	-	-	-	-	-	0.2142	-	-	-
222	Total Winter DTs	274,085	-	274,085	67,528	341,614	-	-	324,593	-	324,593
223											
224	Summer - First 1,500 DTs	75,802	-	75,802	18,676	94,477	-	1.1282	106,589	-	106,589
225	Summer - Next 3,000 DTs	93,471	-	93,471	23,029	116,501	-	0.6379	74,316	-	74,316
226	Summer - Next 9,000 DTs	72,153	-	72,153	17,777	89,929	-	0.4282	38,508	-	38,508
227	Summer - Next 16,500 DTs	115,500	-	115,500	28,457	143,957	-	0.3179	45,764	-	45,764
228	Summer - Next 30,000 DTs	24,690	-	24,690	6,083	30,773	-	0.1879	5,782	-	5,782
229	Summer - Over 60,000 DTs	-	-	-	-	-	-	0.0529	-	-	-
230	Total Summer DTs	381,615	-	381,615	94,021	475,636	-	-	270,959	-	270,959
231											
232	Integrity Management Rider Revenues								-	-	-
233	Minimum Margin Agreement Revenues								109,249	(45,751)	63,498
234	Compression Charge Revenues								921,025	-	921,025
235											
236											

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Line	(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
237	114 - Interruptible Transportation Service										
238	Bills	2,938			(11)		2,927	350.00	1,024,464		1,024,464
239	Winter - First 1,500 DTs	1,593,934	-	1,593,934	(5,945)	1,587,989		0.9877	1,568,456		1,568,456
240	Winter - Next 3,000 DTs	2,420,506	-	2,420,506	(9,029)	2,411,477		0.9172	2,211,807		2,211,807
241	Winter - Next 9,000 DTs	3,101,909	-	3,101,909	(11,570)	3,090,338		0.7327	2,264,291		2,264,291
242	Winter - Next 16,500 DTs	2,221,916	-	2,221,916	(8,288)	2,213,628		0.4727	1,046,382		1,046,382
243	Winter - Next 30,000 DTs	1,991,676	-	1,991,676	(7,429)	1,984,247		0.2877	570,868		570,868
244	Winter - Over 60,000 DTs	1,678,837	-	1,678,837	(6,262)	1,672,575		0.1543	258,078		258,078
245	Total Winter DTs	13,008,778	-	13,008,778	(48,524)	12,960,254			7,919,882	-	7,919,882
246											
247	Summer - First 1,500 DTs	2,298,148	-	2,298,148	(8,572)	2,289,575		1.1027	2,524,715		2,524,715
248	Summer - Next 3,000 DTs	3,358,393	-	3,358,393	(12,527)	3,345,866		0.8327	2,786,102		2,786,102
249	Summer - Next 9,000 DTs	3,955,977	-	3,955,977	(14,756)	3,941,221		0.6827	2,690,672		2,690,672
250	Summer - Next 16,500 DTs	2,590,797	-	2,590,797	(9,664)	2,581,133		0.4535	1,170,544		1,170,544
251	Summer - Next 30,000 DTs	2,332,451	-	2,332,451	(8,700)	2,323,751		0.4255	988,756		988,756
252	Summer - Over 60,000 DTs	1,610,935	-	1,610,935	(6,009)	1,604,926		0.1277	204,949		204,949
253	Total Summer DTs	16,146,700	-	16,146,700	(60,228)	16,086,472			10,365,738	-	10,365,738
254											
255	Integrity Management Rider Revenues								2,550,135	270,299	2,820,434
256	Minimum Margin Agreement Revenues								1,052,269	(188,719)	863,550
257											
258											
259	Experimental Motor Vehicle Fuel										
260	143 / 114 - Interruptible Transportation Service										
261	Bills	-		-	-	-	-	350.00	-		-
262	Winter - First 1,500 DTs	-	-	-	-	-		0.9877	-		-
263	Winter - Next 3,000 DTs	-	-	-	-	-		0.9172	-		-
264	Winter - Next 9,000 DTs	-	-	-	-	-		0.7327	-		-
265	Winter - Next 16,500 DTs	-	-	-	-	-		0.4727	-		-
266	Winter - Next 30,000 DTs	-	-	-	-	-		0.2877	-		-
267	Winter - Over 60,000 DTs	-	-	-	-	-		0.1543	-		-
268	Total Winter DTs	-	-	-	-	-			-	-	-
269											
270	Summer - First 1,500 DTs	-	-	-	-	-		1.1027	-		-
271	Summer - Next 3,000 DTs	-	-	-	-	-		0.8327	-		-
272	Summer - Next 9,000 DTs	-	-	-	-	-		0.6827	-		-
273	Summer - Next 16,500 DTs	-	-	-	-	-		0.4535	-		-
274	Summer - Next 30,000 DTs	-	-	-	-	-		0.4255	-		-
275	Summer - Over 60,000 DTs	-	-	-	-	-		0.1277	-		-
276	Total Summer DTs	-	-	-	-	-			-	-	-
277											
278											
279	LARGE GENERALSERVICE										
280	Bills	7,646	-	-	(18)	-	7,628				
281	Demand Dts	1,847,710	-	-	(29,260)	1,818,450					
282	Winter Dts	29,023,084	-	29,023,084	(315,581)	28,707,503					
283	Summer Dts	35,358,915	-	35,358,915	(364,230)	34,994,685					
284	Total Dts	64,381,999	-	64,381,999	(679,811)	63,702,188					
285											
286	Revenues								68,525,693	7,052	68,532,745

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Line	(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
287											
288											
289	105 - Outdoor Gas Light Service										
290	Bills	744			(43)		701				
291	Fixtures	5,537			(322)		5,215	16.50	86,041		86,041
292	DTs - Winter	3,694	-	3,694	(215)	3,479					
293	DTs - Summer	5,165	-	5,165	(301)	4,864					
294											
295											
296	T-10 (675) - Military Operations Transportation										
297	Bills	12			-		12		-		
298	Demand	84,000			-	84,000		10.00	840,000		840,000
299	DTs - Winter	835,938	-	835,938	20,932	856,870		1.2492	1,070,402		1,070,402
300	DTs - Summer	479,521	-	479,521	6,932	486,453		0.3392	165,005		165,005
301	Integrity Management Rider Revenues								176,206	18,677	194,883
302											
303	12 (667) Military Installations in Onslow County - Sales										
304	Bills	-			-		-				
305	DTs - Winter	-	-	-	-	-		5.6710	-		-
306	DTs - Summer	-	-	-	-	-		5.1321	-		-
307											
308											
309	T-12 (676) Military Installation in Onslow County - Transportation										
310	Bills	-			-		-				
311	DTs - Winter	-	-	-	-	-		2.9210	-		-
312	DTs - Summer	-	-	-	-	-		2.3821	-		-
313											
314											
315	Power Generation Contracts										
316	Bills	173			(12)		161				
317	DTs - Winter	123,110,706	-	123,110,706	5,037,620	128,148,326			35,744,668	(752,204)	34,992,463
318	DTs - Summer	194,333,184	-	194,333,184	11,464,976	205,798,160			50,130,768	(1,342,357)	48,788,411
319											
320											
321	Municipals Contracts										
322	Bills	37			-		37				
323	DTs - Winter	4,656,388	-	4,656,388	-	4,656,388			4,442,201	(247,120)	4,195,081
324	DTs - Summer	2,685,539	-	2,685,539	-	2,685,539			5,685,737	(345,969)	5,339,768
325											
326											
327	Special Contracts Military										
328	Bills	20			4		24				
329	DTs - Winter	414,340	-	414,340	63,349	477,690			3,042,891	55,610	3,098,501
330	DTs - Summer	336,223	-	336,223	66,297	402,520			3,259,414	51,019	3,310,432
331											
332											
333	Special Contracts										
334	Bills	147			14		161				
335	DTs - Winter	2,066,166	-	2,066,166	-	2,066,166			1,478,168	(250,388)	1,227,780
336	DTs - Summer	2,655,109	-	2,655,109	-	2,655,109			2,009,646	(580,260)	1,429,386
337											
338											
339	SPECIAL TARIFFS & CONTRACTS										
340	Bills	1,133	-	-	(37)	-	1,096				
341	Demand Dts	84,000	-	-	-	84,000					
342	Winter Dts	131,087,232	-	131,087,232	5,121,686	136,208,919					
343	Summer Dts	200,494,740	-	200,494,740	11,537,905	212,032,645					
344	Total Dts	331,581,973	-	331,581,973	16,659,591	348,241,564					
345											
346	Revenues								108,131,146	(3,392,992)	104,738,154

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Line	(dekatherms)	Test Period Actual (1)	Normalized Adjustment (2)	Normalized (3)	Growth Adjustment Thru 6/30/2019 (4)	Proforma Dekatherms (5)	Proforma Bills (6)	Revenue Clean Rates (7)	Calculated Revenues (8)	Revenue Adjustments (9)	Proforma Revenues (10)
347	Rate Schedule										
348											
349	GRAND TOTAL - ALL TARIFFS & CONTRACTS										
350	Bills	8,857,690	-	-	123,768	-	8,981,458				
351	Demand Dts	1,931,710	-	-	(29,260)	1,902,450					
352	Winter Dts	212,347,043	(985,988)	211,361,055	5,399,693	216,760,747					
353	Summer Dts	256,954,028	(1,747,650)	255,206,378	11,338,399	266,544,776					
354	Total Dts	469,301,071	(2,733,638)	466,567,432	16,738,091	483,305,524					
355											
356	Revenues								898,210,733	(2,316,210)	895,894,522
357								ck			-
358											
359	SALES AND TRANSPORTATION										
360	Total Sales								743,674,812	1,109,926	744,784,739
361	Total Transportation								154,535,920	(3,426,137)	151,109,784
362	Total Annual								898,210,733	(2,316,210)	895,894,522

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
1	101 - Residential Service										
2	Bills - Winter		3,403,324	10.00	34,033,237		34,033,237				
3	Bills - Summer		4,709,351	10.00	47,093,510		47,093,510				
4	DTs - Winter	31,019,259		4.2363	131,406,887	(113,994)	131,292,893	1.3129	40,725,185	2.8023	86,925,269
5	DTs - Summer	8,286,562		4.2363	35,104,360	2,400,736	37,505,097	0.8125	6,732,831	2.8023	23,221,431
6	Integrity Management Rider Revenues				52,247,466	5,537,911	57,785,377				
7											
8											
9	Experimental Motor Vehicle Fuel										
10	143 / 101 - Residential Service										
11	Bills - Winter		-	10.00	-		-				
12	Bills - Summer		-	10.00	-		-				
13	DTs - Winter	-		4.2363	-	-	-	1.3129	-	2.8023	-
14	DTs - Summer	-		4.2363	-	-	-	0.8125	-	2.8023	-
15											
16											
17	RESIDENTIAL SERVICE										
18	Bills	-	8,112,675								
19	Winter Dts	31,019,259									
20	Summer Dts	8,286,562									
21	Total Dts	39,305,821									
22											
23	Revenues				299,885,461	7,824,653	307,710,113		47,458,016		110,146,701

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
24											
25											
26	102- Small General Service										
27	Bills		854,478	22.00	18,798,526		18,798,526				
28	DTs - Winter	18,129,066		3.2113	58,217,869	(6,552,545)	51,665,324	1.0993	19,929,282	2.8023	50,803,082
29	DTs - Summer	8,922,803		3.2113	28,653,796	(1,552,725)	27,101,071	0.7097	6,332,513	2.8023	25,004,370
30	Integrity Management Rider Revenues				20,721,972	2,196,402	22,918,374				
31	Minimum Margin Agreement Revenues				55,648	(55,648)	-				
32											
33											
34	Experimental Motor Vehicle Fuel										
35	143 / 102- Small General Service										
36	Bills		96	22.00	2,119		2,119				
37	Winter Dts	4,829		3.2113	15,506	(9,249)	6,257	1.0993	5,308	2.8023	13,531
38	Summer Dts	7,650		3.2113	24,565	(21,685)	2,881	0.7097	5,429	2.8023	21,437
39											
40											
41	152- Medium General Service										
42	Bills		5,485	75.00	411,355		411,355				
43	Winter - First 500 DTs	1,014,250		2.9995	3,042,242	(213,205)	2,829,037	0.9565	970,130	2.8023	2,842,232
44	Winter - Over 500 DTs	1,646,419		2.9995	4,938,435	(346,093)	4,592,342	0.6315	1,039,714	2.8023	4,613,761
45	Total Winter DTs	2,660,669			7,980,676	(559,298)	7,421,379		2,009,844		7,455,993
46											
47											
48	Summer - First 500 DTs	1,179,309		2.4810	2,925,865	(249,169)	2,676,696	0.9000	1,061,378	2.8023	3,304,777
49	Summer - Over 500 DTs	1,073,809		2.4810	2,664,120	(226,879)	2,437,242	0.6000	644,285	2.8023	3,009,135
50	Total Summer DTs	2,253,118			5,589,985	(476,048)	5,113,938		1,705,663		6,313,912
51											
52	Integrity Management Rider Revenues				3,018,940	319,989	3,338,929				
53	Minimum Margin Agreement Revenues				95,987	(49,428)	46,559				
54											
55											
56	Experimental Motor Vehicle Fuel										
57	143 / 152- Medium General Service										
58	Bills		-	75.00	-		-				
59	Winter - First 500 DTs	-		2.9995	-	-	-	0.9565	-	2.8023	-
60	Winter - Over 500 DTs	-		2.9995	-	-	-	0.6315	-	2.8023	-
61	Total Winter DTs	-			-	-	-		-		-
62											
63											
64	Summer - First 500 DTs	-		2.4810	-	-	-	0.9000	-	2.8023	-
65	Summer - Over 500 DTs	-		2.4810	-	-	-	0.6000	-	2.8023	-
66	Total Summer DTs	-			-	-	-		-		-
67											
68											
69	Experimental Motor Vehicle Fuel										
70	144- Medium General Transportation Service										
71	Bills		-	75.00	-		-				
72	Winter - First 500 DTs	-		2.9995	-	-	-	0.9565	-	0.0523	-
73	Winter - Over 500 DTs	-		2.9995	-	-	-	0.6315	-	0.0523	-
74	Total Winter DTs	-			-	-	-		-		-
75											
76											
77	Summer - First 500 DTs	-		2.4810	-	-	-	0.9000	-	0.0523	-
78	Summer - Over 500 DTs	-		2.4810	-	-	-	0.6000	-	0.0523	-
79	Total Summer DTs	-			-	-	-		-		-
80											
81											
82	142 - Natural Gas Vehicle Fuel - Company Stations										
83	DTs - Winter	30,503		2.4711	75,376		75,376	1.3449	41,024	2.8023	85,479
84	DTs - Summer	47,315		2.4711	116,919		116,919	1.3449	63,634	2.8023	132,590
85	Compression Charge Revenues			4.0000	311,272		311,272				
86	Integrity Management Rider Revenues				50,114	5,312	55,425				
87											
88	SMALL & MEDIUM GENERAL / NGV FUEL SERVICE										
89	Bills	-	860,059								
90	Winter Dts	20,825,067									
91	Summer Dts	11,230,885									
92	Total Dts	32,055,951									
93											
94	Revenues				144,140,627	(6,754,923)	137,385,704		30,092,696		89,830,393

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Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
95											
96											
97	103 - Large General Sales Service										
98	Bills		819	350.00	286,487		286,487				
99	Demand	157,272		2.0000	314,545		314,545	12.7500	2,005,221	-	-
100	Winter - First 1,500 DTs	465,678		0.7351	342,320		342,320	0.8968	417,620	2.8023	1,304,968
101	Winter - Next 3,000 DTs	441,556		0.1601	70,693		70,693	0.8918	393,780	2.8023	1,237,372
102	Winter - Next 9,000 DTs	190,240		0.2051	39,018		39,018	0.5468	104,023	2.8023	533,109
103	Winter - Next 16,500 DTs	38,237		0.0881	3,369		3,369	0.4438	16,970	2.8023	107,153
104	Winter - Next 30,000 DTs	-		0.0951	-		-	0.4368	-	2.8023	-
105	Winter - Over 60,000 DTs	-		0.0651	-		-	0.0968	-	2.8023	-
106	Total Winter DTs	1,135,711			455,400		455,400		932,392		3,182,602
107											
108	Summer - First 1,500 DTs	610,320		0.2403	146,660		146,660	0.8356	509,983	2.8023	1,710,298
109	Summer - Next 3,000 DTs	393,345		0.0000	0		0	0.5856	230,343	2.8023	1,102,271
110	Summer - Next 9,000 DTs	121,186		0.0153	1,854		1,854	0.3606	43,700	2.8023	339,600
111	Summer - Next 16,500 DTs	82,881		0.0000	0		0	0.2656	22,013	2.8023	232,256
112	Summer - Next 30,000 DTs	-		0.0000	-		-	0.1356	-	2.8023	-
113	Summer - Over 60,000 DTs	-		0.0753	-		-	0.0006	-	2.8023	-
114	Total Summer DTs	1,207,731			148,514		148,514		806,039		3,384,426
115											
116	Integrity Management Rider Revenues				183,480	19,448	202,928				
117	Minimum Margin Agreement Revenues				78,618	-	78,618				
118											
119											
120	Experimental Motor Vehicle Fuel										
121	143 / 103 - Large General Sales Service										
122	Bills		62	350.00	21,572		21,572				
123	Demand	10,090		2.0000	20,180		20,180	12.7500	128,651	-	-
124	Winter - First 1,500 DTs	34,505		0.7351	25,364		25,364	0.8968	30,944	2.8023	96,692
125	Winter - Next 3,000 DTs	38,720		0.1601	6,199		6,199	0.8918	34,531	2.8023	108,506
126	Winter - Next 9,000 DTs	6,998		0.2051	1,435		1,435	0.5468	3,827	2.8023	19,612
127	Winter - Next 16,500 DTs	-		0.0881	-		-	0.4438	-	2.8023	-
128	Winter - Next 30,000 DTs	-		0.0951	-		-	0.4368	-	2.8023	-
129	Winter - Over 60,000 DTs	-		0.0651	-		-	0.0968	-	2.8023	-
130	Total Winter DTs	80,223			32,999		32,999		69,301		224,810
131											
132	Summer - First 1,500 DTs	53,567		0.2403	12,872		12,872	0.8356	44,761	2.8023	150,111
133	Summer - Next 3,000 DTs	70,140		0.0000	0		0	0.5856	41,074	2.8023	196,553
134	Summer - Next 9,000 DTs	20,838		0.0153	319		319	0.3606	7,514	2.8023	58,394
135	Summer - Next 16,500 DTs	-		0.0000	-		-	0.2656	-	2.8023	-
136	Summer - Next 30,000 DTs	-		0.0000	-		-	0.1356	-	2.8023	-
137	Summer - Over 60,000 DTs	-		0.0753	-		-	0.0006	-	2.8023	-
138	Total Summer DTs	144,545			13,191		13,191		93,349		405,058
139											
140	Integrity Management Rider Revenues				-	-	-				
141	Minimum Margin Agreement Revenues				-	-	-				
142	Compression Charge Revenues				144,522	-	144,522				
143											
144											
145	104 - Interruptible Sales Service										
146	Bills		192	350.00	67,216		67,216				
147	Winter - First 1,500 DTs	113,488		0.7336	83,255		83,255	1.1018	125,041	2.8023	318,027
148	Winter - Next 3,000 DTs	168,727		0.1586	26,760		26,760	1.4218	239,896	2.8023	472,823
149	Winter - Next 9,000 DTs	137,274		0.2036	27,949		27,949	1.0768	147,817	2.8023	384,684
150	Winter - Next 16,500 DTs	6,724		0.0866	582		582	0.8338	5,607	2.8023	18,843
151	Winter - Next 30,000 DTs	-		0.0936	-		-	0.6418	-	2.8023	-
152	Winter - Over 60,000 DTs	-		0.0636	-		-	0.5384	-	2.8023	-
153	Total Winter DTs	426,213			138,546	-	138,546		518,361		1,194,378
154											
155	Summer - First 1,500 DTs	151,215		0.5755	87,024		87,024	0.9749	147,420	2.8023	423,751
156	Summer - Next 3,000 DTs	160,569		0.3755	60,294		60,294	0.8549	137,271	2.8023	449,964
157	Summer - Next 9,000 DTs	134,731		0.2755	37,118		37,118	0.8049	108,445	2.8023	377,556
158	Summer - Next 16,500 DTs	4,303		0.1755	755		755	0.6799	2,926	2.8023	12,060
159	Summer - Next 30,000 DTs	-		0.0455	-		-	0.6549	-	2.8023	-
160	Summer - Over 60,000 DTs	-		-	-		-	0.5749	-	2.8023	-
161	Total Summer DTs	450,819			185,192	-	185,192		396,061		1,263,330
162											
163	Integrity Management Rider Revenues				84,870	8,996	93,865				
164	Minimum Margin Agreement Revenues				-	-	-				

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
165											
166											
167	Experimental Motor Vehicle Fuel										
168	143 / 104 - Interruptible Sales Service										
169	Bills		-	350.00	-		-				
170	Winter - First 1,500 DTs	-		0.7336	-		-	1.1018	-	2.8023	-
171	Winter - Next 3,000 DTs	-		0.1586	-		-	1.4218	-	2.8023	-
172	Winter - Next 9,000 DTs	-		0.2036	-		-	1.0768	-	2.8023	-
173	Winter - Next 16,500 DTs	-		0.0866	-		-	0.8338	-	2.8023	-
174	Winter - Next 30,000 DTs	-		0.0936	-		-	0.6418	-	2.8023	-
175	Winter - Over 60,000 DTs	-		0.0636	-		-	0.5384	-	2.8023	-
176	Total Winter DTs	-			-	-	-		-		-
177											
178	Summer - First 1,500 DTs	-		0.5755	-		-	0.9749	-	2.8023	-
179	Summer - Next 3,000 DTs	-		0.3755	-		-	0.8549	-	2.8023	-
180	Summer - Next 9,000 DTs	-		0.2755	-		-	0.8049	-	2.8023	-
181	Summer - Next 16,500 DTs	-		0.1755	-		-	0.6799	-	2.8023	-
182	Summer - Next 30,000 DTs	-		0.0455	-		-	0.6549	-	2.8023	-
183	Summer - Over 60,000 DTs	-		-	-		-	0.5749	-	2.8023	-
184	Total Summer DTs	-			-	-	-		-		-
185											
186											
187	113 - Large General Transportation Service										
188	Bills		3,505	350.00	1,226,818		1,226,818		-		
189	Demand	1,612,554		2.0000	3,225,109		3,225,109	0.7500	1,209,416	-	-
190	Standby DTs	-		-	-		-	12.0000	-	-	-
191	Winter - First 1,500 DTs	1,951,291		0.7351	1,434,394		1,434,394	0.8968	1,749,918	0.0523	102,053
192	Winter - Next 3,000 DTs	2,757,282		0.1601	441,441		441,441	0.8918	2,458,944	0.0523	144,206
193	Winter - Next 9,000 DTs	2,825,585		0.2051	579,528		579,528	0.5468	1,545,030	0.0523	147,778
194	Winter - Next 16,500 DTs	1,876,997		0.0881	165,363		165,363	0.4438	833,011	0.0523	98,167
195	Winter - Next 30,000 DTs	1,651,519		0.0951	157,059		157,059	0.4368	721,384	0.0523	86,374
196	Winter - Over 60,000 DTs	2,700,814		0.0651	175,823		175,823	0.0968	261,439	0.0523	141,253
197	Total Winter DTs	13,763,488			2,953,608	-	2,953,608		7,569,725		719,830
198											
199	Summer - First 1,500 DTs	2,633,130		0.2403	632,741		632,741	0.8356	2,200,244	0.0523	137,713
200	Summer - Next 3,000 DTs	3,245,987		0.0000	0		0	0.5856	1,900,850	0.0523	169,765
201	Summer - Next 9,000 DTs	3,288,811		0.0153	50,319		50,319	0.3606	1,185,945	0.0523	172,005
202	Summer - Next 16,500 DTs	2,291,396		0.0000	0		0	0.2656	608,595	0.0523	119,840
203	Summer - Next 30,000 DTs	2,067,254		0.0000	0		0	0.1356	280,320	0.0523	108,117
204	Summer - Over 60,000 DTs	3,102,903		-	-		-	0.0006	1,862	0.0523	162,282
205	Total Summer DTs	16,629,481			683,060	-	683,060		6,177,815		869,722
206											
207	Integrity Management Rider Revenues				1,795,198	190,280	1,985,478				
208	Minimum Margin Agreement Revenues				628,660	(247,500)	381,160				
209											
210											
211	Experimental Motor Vehicle Fuel										
212	143 / 113 - Large General Transportation Service										
213	Bills		123	350.00	43,143		43,143				
214	Demand	38,533		2.0000	77,067		77,067	0.7500	28,900	-	-
215	Standby DTs	-		-	-		-	12.0000	-	-	-
216	Winter - First 1,500 DTs	63,030		0.7351	46,333		46,333	0.8968	56,525	0.0523	3,296
217	Winter - Next 3,000 DTs	79,275		0.1601	12,692		12,692	0.8918	70,698	0.0523	4,146
218	Winter - Next 9,000 DTs	65,753		0.2051	13,486		13,486	0.5468	35,954	0.0523	3,439
219	Winter - Next 16,500 DTs	102,826		0.0881	9,059		9,059	0.4438	45,634	0.0523	5,378
220	Winter - Next 30,000 DTs	30,729		0.0951	2,922		2,922	0.4368	13,422	0.0523	1,607
221	Winter - Over 60,000 DTs	-		0.0651	-		-	0.0968	-	0.0523	-
222	Total Winter DTs	341,614			84,493		84,493		222,234		17,866
223											
224	Summer - First 1,500 DTs	94,477		0.2403	22,703		22,703	0.8356	78,945	0.0523	4,941
225	Summer - Next 3,000 DTs	116,501		0.0000	0		0	0.5856	68,223	0.0523	6,093
226	Summer - Next 9,000 DTs	89,929		0.0153	1,376		1,376	0.3606	32,429	0.0523	4,703
227	Summer - Next 16,500 DTs	143,957		0.0000	0		0	0.2656	38,235	0.0523	7,529
228	Summer - Next 30,000 DTs	30,773		0.0000	0		0	0.1356	4,173	0.0523	1,609
229	Summer - Over 60,000 DTs	-		-	-		-	0.0006	-	0.0523	-
230	Total Summer DTs	475,636			24,079		24,079		222,004		24,876
231											
232	Integrity Management Rider Revenues				-	-	-				
233	Minimum Margin Agreement Revenues				109,249	(45,751)	63,498				
234	Compression Charge Revenues				921,025	-	921,025				
235											

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
236											
237	114 - Interruptible Transportation Service										
238	Bills		2,927	350.00	1,024,464		1,024,464				
239	Winter - First 1,500 DTs	1,587,989		0.0205	32,554		32,554	0.9149	1,452,851	0.0523	83,052
240	Winter - Next 3,000 DTs	2,411,477		0.0000	0		0	0.8649	2,085,687	0.0523	126,120
241	Winter - Next 9,000 DTs	3,090,338		0.1155	356,934		356,934	0.5649	1,745,732	0.0523	161,625
242	Winter - Next 16,500 DTs	2,213,628		0.1555	344,219		344,219	0.2649	586,390	0.0523	115,773
243	Winter - Next 30,000 DTs	1,984,247		0.0705	139,889		139,889	0.1649	327,202	0.0523	103,776
244	Winter - Over 60,000 DTs	1,672,575		0.0371	62,053		62,053	0.0649	108,550	0.0523	87,476
245	Total Winter DTs	12,960,254			935,649	-	935,649		6,306,412		677,821
246											
247	Summer - First 1,500 DTs	2,289,575		0.6204	1,420,453		1,420,453	0.4300	984,517	0.0523	119,745
248	Summer - Next 3,000 DTs	3,345,866		0.4804	1,607,354		1,607,354	0.3000	1,003,760	0.0523	174,989
249	Summer - Next 9,000 DTs	3,941,221		0.4304	1,696,302		1,696,302	0.2000	788,244	0.0523	206,126
250	Summer - Next 16,500 DTs	2,581,133		0.3012	777,437		777,437	0.1000	258,113	0.0523	134,993
251	Summer - Next 30,000 DTs	2,323,751		0.3232	751,036		751,036	0.0500	116,188	0.0523	121,532
252	Summer - Over 60,000 DTs	1,604,926		0.0754	121,011		121,011	-	-	0.0523	83,938
253	Total Summer DTs	16,086,472			6,373,593	-	6,373,593		3,150,822		841,322
254											
255	Integrity Management Rider Revenues				2,550,135	270,299	2,820,434				
256	Minimum Margin Agreement Revenues				1,052,269	(188,719)	863,550		-		-
257											
258											
259	Experimental Motor Vehicle Fuel										
260	143 / 114 - Interruptible Transportation Service										
261	Bills		-	350.00	-		-				
262	Winter - First 1,500 DTs	-		0.0205	-		-	0.9149	-	0.0523	-
263	Winter - Next 3,000 DTs	-		0.0000	-		-	0.8649	-	0.0523	-
264	Winter - Next 9,000 DTs	-		0.1155	-		-	0.5649	-	0.0523	-
265	Winter - Next 16,500 DTs	-		0.1555	-		-	0.2649	-	0.0523	-
266	Winter - Next 30,000 DTs	-		0.0705	-		-	0.1649	-	0.0523	-
267	Winter - Over 60,000 DTs	-		0.0371	-		-	0.0649	-	0.0523	-
268	Total Winter DTs	-			-	-	-		-		-
269											
270	Summer - First 1,500 DTs	-		0.6204	-		-	0.4300	-	0.0523	-
271	Summer - Next 3,000 DTs	-		0.4804	-		-	0.3000	-	0.0523	-
272	Summer - Next 9,000 DTs	-		0.4304	-		-	0.2000	-	0.0523	-
273	Summer - Next 16,500 DTs	-		0.3012	-		-	0.1000	-	0.0523	-
274	Summer - Next 30,000 DTs	-		0.3232	-		-	0.0500	-	0.0523	-
275	Summer - Over 60,000 DTs	-		0.0754	-		-	-	-	0.0523	-
276	Total Summer DTs	-			-	-	-		-		-
277											
278											
279	LARGE GENERALSERVICE										
280	Bills	-	7,628								
281	Demand Dts	1,818,450									
282	Winter Dts	28,707,503									
283	Summer Dts	34,994,685									
284	Total Dts	63,702,188									
285											
286	Revenues				25,882,950	7,052	25,890,002		29,836,702		12,806,041

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
287											
288											
289	105 - Outdoor Gas Light Service										
290	Bills		701								
291	Fixtures		5,215	16.50	86,041		86,041				
292	DTs - Winter	3,479									
293	DTs - Summer	4,864									
294											
295											
296	T-10 (675) - Military Operations Transportation										
297	Bills		12								
298	Demand	84,000		-	-		-	10.0000	840,000		
299	DTs - Winter	856,870		0.9453	809,999		809,999	0.2516	215,588	0.0523	44,814
300	DTs - Summer	486,453		0.0353	17,172		17,172	0.2516	122,392	0.0523	25,441
301	Integrity Management Rider Revenues				176,206	18,677	194,883				
302											
303	12 (667) Military Installations in Onslow County - Sales										
304	Bills		-								
305	DTs - Winter	-		2.8687	-		-	-	-	2.8023	-
306	DTs - Summer	-		2.3298	-		-	-	-	2.8023	-
307											
308											
309	T-12 (676) Military Installation in Onslow County - Transportation										
310	Bills		-								
311	DTs - Winter	-		2.8687	-		-	-	-	0.0523	-
312	DTs - Summer	-		2.3298	-		-	-	-	0.0523	-
313											
314											
315	Power Generation Contracts										
316	Bills		161								
317	DTs - Winter	128,148,326			32,014,040		32,014,040		2,252,241		726,183
318	DTs - Summer	205,798,160			44,996,679		44,996,679		3,178,413		613,319
319											
320											
321	Municipals Contracts										
322	Bills		37								
323	DTs - Winter	4,656,388			2,940,235		2,940,235		1,170,000		84,846
324	DTs - Summer	2,685,539			3,701,768		3,701,768		1,638,000		-
325											
326											
327	Special Contracts Military										
328	Bills		24								
329	DTs - Winter	477,690			2,050,125		2,050,125		328,497		719,880
330	DTs - Summer	402,520			2,793,175		2,793,175		159,276		357,982
331											
332											
333	Special Contracts										
334	Bills		161								
335	DTs - Winter	2,066,166			1,016,331		1,016,331		192,734		18,716
336	DTs - Summer	2,655,109			1,285,940		1,285,940		124,930		18,517
337											
338											
339	SPECIAL TARIFFS & CONTRACTS										
340	Bills	-	1,096								
341	Demand Dts	84,000									
342	Winter Dts	136,208,919									
343	Summer Dts	212,032,645									
344	Total Dts	348,241,564									
345											
346	Revenues				91,887,711	18,677	91,906,388		10,222,069		2,609,697

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Updated Components of Pro forma Revenues

Line	(dekatherms) Rate Schedule	Proforma Dekatherms (1)	Proforma Bills (2)	Margin Clean Rates (3)	Calculated Margin Revenues (4)	Revenue Adjustments (5)	Proforma Margin Revenues (6)	COG Demand "Clean" Rates (7)	Proforma COG Demand Revenues (8)	COG Commodity "Clean" Rates (9)	Proforma COG Commodity Revenues (10)
347											
348											
349	<u>GRAND TOTAL - ALL TARIFFS & CONTRACTS</u>										
350	Bills	-	8,981,458								
351	Demand Dts	1,902,450									
352	Winter Dts	216,760,747									
353	Summer Dts	266,544,776									
354	Total Dts	483,305,524									
355											
356	Revenues				561,796,748	1,095,458	562,892,207		117,609,484		215,392,832
357											
358											
359	<u>SALES AND TRANSPORTATION</u>										
360	Total Sales				450,015,560	1,098,173	451,113,733		82,987,860		210,683,146
361	Total Transportation				111,781,189	(2,715)	111,778,474		34,621,624		4,709,685
362	Total Annual				561,796,748	1,095,458	562,892,207		117,609,484		215,392,832

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PIEDMONT NATURAL GAS COMPANY, INC.
PRESENT RATES
DOCKET G-9 SUB 743

Rates Effective June 2019, Docket G-9 Sub 748	Updated Present Revenue Rates	Updated Present Margin Revenue Rates	Updated Present IMR Base Revenue Rates ¹	Updated Present COG Demand Revenue Rates	Updated Present COG Commodity Revenue Rates
101 - Residential Service					
Monthly Charge	10.00	10.00			
Monthly Charge	10.00	10.00			
Winter per DT	9.9345	4.2363	1.583	1.3129	2.8023
Summer per DT	9.4341	4.2363	1.583	0.8125	2.8023
102- Small General Service					
Monthly Charge	22.00	22.00			
Winter per DT	8.0714	3.2113	0.9585	1.0993	2.8023
Summer per DT	7.6818	3.2113	0.9585	0.7097	2.8023
152- Medium General Service					
Monthly Charge	75.00	75.00			
Winter - First 500 per DT	7.7168	2.9995	0.9585	0.9565	2.8023
Winter - Over 500 per DT	7.3918	2.9995	0.9585	0.6315	2.8023
Summer - First 500 per DT	7.1418	2.481	0.9585	0.9000	2.8023
Summer - Over 500 per DT	6.8418	2.481	0.9585	0.6000	2.8023
142 - Natural Gas Vehicle Fuel					
Winter per DT	7.5768	2.4711	0.9585	1.3449	2.8023
Summer per DT	7.5768	2.4711	0.9585	1.3449	2.8023
Compression Charge per DT (maximum rate)	4.0000	4.0000			
143- Experimental Motor Vehicle Fuel					
Monthly Charge	Monthly charge is reflected on corresponding rate schedule				
Winter per DT	Volumetric charge is reflected on corresponding rate schedule				
Summer per DT	Volumetric charge is reflected on corresponding rate schedule				
Compression Charge per DT (maximum rate)	4.0000	4.0000			
144- Experimental Medium Gen Motor Fuel - Transportation					
Monthly Charge	75.00	75.00			
Winter - First 500 per DT	4.9668	2.9995	0.9585	0.9565	0.0523
Winter - Over 500 per DT	4.6418	2.9995	0.9585	0.6315	0.0523
Summer - First 500 per DT	4.3918	2.481	0.9585	0.9000	0.0523
Summer - Over 500 per DT	4.0918	2.481	0.9585	0.6000	0.0523
Compression Charge per DT (maximum rate)	4.0000	4.0000			
103 - Large General Sales Service					
Monthly Charge	350.00	350.00			
Demand Charge per DT	14.7500	2.0000	0.0000	12.7500	0.0000
Winter - First 1,500 per DT	4.5133	0.7351	0.0791	0.8968	2.8023
Winter - Next 3,000 per DT	3.9333	0.1601	0.0791	0.8918	2.8023
Winter - Next 9,000 per DT	3.6333	0.2051	0.0791	0.5468	2.8023
Winter - Next 16,500 per DT	3.4133	0.0881	0.0791	0.4438	2.8023
Winter - Next 30,000 per DT	3.4133	0.0951	0.0791	0.4368	2.8023
Winter - Over 60,000 per DT	3.0433	0.0651	0.0791	0.0968	2.8023
Summer - First 1,500 per DT	3.9573	0.2403	0.0791	0.8356	2.8023
Summer - Next 3,000 per DT	3.4670	0.0000	0.0791	0.5856	2.8023
Summer - Next 9,000 per DT	3.2573	0.0153	0.0791	0.3606	2.8023
Summer - Next 16,500 per DT	3.1470	0.0000	0.0791	0.2656	2.8023
Summer - Next 30,000 per DT	3.0170	0.0000	0.0791	0.1356	2.8023
Summer - Over 60,000 per DT	2.9573	0.0753	0.0791	0.0006	2.8023
104 - Interruptible Sales Service					
Monthly Charge	350.00	350.00			
Winter - First 1,500 per DT	4.7218	0.7336	0.0841	1.1018	2.8023
Winter - Next 3,000 per DT	4.4668	0.1586	0.0841	1.4218	2.8023
Winter - Next 9,000 per DT	4.1668	0.2036	0.0841	1.0768	2.8023
Winter - Next 16,500 per DT	3.8068	0.0866	0.0841	0.8338	2.8023
Winter - Next 30,000 per DT	3.6218	0.0936	0.0841	0.6418	2.8023
Winter - Over 60,000 per DT	3.4884	0.0636	0.0841	0.5384	2.8023
Summer - First 1,500 per DT	4.4368	0.5755	0.0841	0.9749	2.8023
Summer - Next 3,000 per DT	4.1168	0.3755	0.0841	0.8549	2.8023
Summer - Next 9,000 per DT	3.9668	0.2755	0.0841	0.8049	2.8023
Summer - Next 16,500 per DT	3.7418	0.1755	0.0841	0.6799	2.8023
Summer - Next 30,000 per DT	3.5868	0.0455	0.0841	0.6549	2.8023
Summer - Over 60,000 per DT	3.4613	0.0000	0.0841	0.5749	2.8023

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PIEDMONT NATURAL GAS COMPANY, INC.
PRESENT RATES
DOCKET G-9 SUB 743

Rates Effective June 2019, Docket G-9 Sub 748

Rate Schedule	Updated Present Revenue Rates	Updated Present Margin Revenue Rates	Updated Present IMR Base Revenue Rates ¹	Updated Present COG Demand Revenue Rates	Updated Present COG Commodity Revenue Rates
113 - Large General Transportation Service					
Monthly Charge	350.00	350.00			
Demand Charge per DT	2.7500	2.0000	0.0000	0.7500	0.0000
Standby Charge per DT	12.0000	0.0000	0.0000	12.0000	0.0000
Winter - First 1,500 per DT	1.7633	0.7351	0.0791	0.8968	0.0523
Winter - Next 3,000 per DT	1.1833	0.1601	0.0791	0.8918	0.0523
Winter - Next 9,000 per DT	0.8833	0.2051	0.0791	0.5468	0.0523
Winter - Next 16,500 per DT	0.6633	0.0881	0.0791	0.4438	0.0523
Winter - Next 30,000 per DT	0.6633	0.0951	0.0791	0.4368	0.0523
Winter - Over 60,000 per DT	0.2933	0.0651	0.0791	0.0968	0.0523
Summer - First 1,500 per DT	1.2073	0.2403	0.0791	0.8356	0.0523
Summer - Next 3,000 per DT	0.7170	0.0000	0.0791	0.5856	0.0523
Summer - Next 9,000 per DT	0.5073	0.0153	0.0791	0.3606	0.0523
Summer - Next 16,500 per DT	0.3970	0.0000	0.0791	0.2656	0.0523
Summer - Next 30,000 per DT	0.2670	0.0000	0.0791	0.1356	0.0523
Summer - Over 60,000 per DT	0.1320	0.0000	0.0791	0.0006	0.0523
114 - Interruptible Transportation Service					
Monthly Charge	350.00	350.00			
Winter - First 1,500 per DT	1.0718	0.0205	0.0841	0.9149	0.0523
Winter - Next 3,000 per DT	1.0013	0.0000	0.0841	0.8649	0.0523
Winter - Next 9,000 per DT	0.8168	0.1155	0.0841	0.5649	0.0523
Winter - Next 16,500 per DT	0.5568	0.1555	0.0841	0.2649	0.0523
Winter - Next 30,000 per DT	0.3718	0.0705	0.0841	0.1649	0.0523
Winter - Over 60,000 per DT	0.2384	0.0371	0.0841	0.0649	0.0523
Summer - First 1,500 per DT	1.1868	0.6204	0.0841	0.4300	0.0523
Summer - Next 3,000 per DT	0.9168	0.4804	0.0841	0.3000	0.0523
Summer - Next 9,000 per DT	0.7668	0.4304	0.0841	0.2000	0.0523
Summer - Next 16,500 per DT	0.5376	0.3012	0.0841	0.1000	0.0523
Summer - Next 30,000 per DT	0.5096	0.3232	0.0841	0.0500	0.0523
Summer - Over 60,000 per DT	0.2118	0.0754	0.0841	0.0000	0.0523
105 - Outdoor Gas Light Service					
Per Fixture Charge	16.50	16.50	0.00	0.00	0.00
T-10 - Military Operations Transportation					
Demand Charge per DT	10.0000	0.0000	0.0000	10.0000	0.0000
Winter per DT	1.3283	0.9453	0.0791	0.2516	0.0523
Summer per DT	0.4183	0.0353	0.0791	0.2516	0.0523
12 - Military Installations in Onslow County - Sales					
Winter per DT	5.7501	2.8687	0.0791	0.0000	2.8023
Summer per DT	5.2112	2.3298	0.0791	0.0000	2.8023
T-12 - Military Installation in Onslow County - Transportation					
Winter per DT	3.0001	2.8687	0.0791	0.0000	0.0523
Summer per DT	2.4612	2.3298	0.0791	0.0000	0.0523
ST-1 - Standby On-Peak Supply Service					
Demand Charge per DT	4.2600	4.2600	0.0000	0.0000	0.0000
Capacity Charge per DT	1.2700	1.2700	0.0000	0.0000	0.0000
106 - Schedule For Limiting and Curtailing					
Emergency Gas per DT	10.0000	0.0000	0.0000	10.0000	0.0000
Unauthorized Gas per DT	25.0000	0.0000	0.0000	25.0000	0.0000
Reconnect Fees					
<u>Residential</u>					
February Through August	55.00				
September Through January	85.00				
<u>All Others</u>					
February Through August	55.00				
September Through January	110.00				
Returned Check Charge					
Returned Check Charge	25.00				

1/ The IMR rates shown above are only for the recovery of the current approved IMR revenue requirement of \$89,395,694, as approved by the NCUC in Docket No. G-9, Sub 748. Therefore, the IMR rates shown above exclude the portion of the current IMR billing rate designed to recover the IMR Deferred Account balance of \$(15,906,884) approved by the NCUC in Docket No. G-9, Sub 748 .

PIEDMONT NATURAL GAS COMPANY, INC.
PROPOSED RATES
DOCKET G-9 SUB 743

Rate Schedule	Updated Proposed Revenue Rates	Updated Proposed Margin Revenue Rates	Updated Proposed IMR Base Revenue Rates	Updated Proposed COG Demand Revenue Rates	Updated Proposed COG Commodity Revenue Rates	Updated Proposed Tax Rider Decrement Rates
101 - Residential Service						
Monthly Charge	10.00	10.00				
Monthly Charge	10.00	10.00				
Winter per DT	11.4553	7.9104	0.0000	1.3377	2.8023	(0.5951)
Summer per DT	10.9455	7.9104	0.0000	0.8279	2.8023	(0.5951)
102- Small General Service						
Monthly Charge	22.00	22.00				
Winter per DT	8.8642	5.2484	0.0000	1.1225	2.8023	(0.3090)
Summer per DT	8.4664	5.2484	0.0000	0.7247	2.8023	(0.3090)
152- Medium General Service						
Monthly Charge	75.00	75.00				
Winter - First 500 per DT	7.9490	4.4816	0.0000	0.9741	2.8023	(0.3090)
Winter - Over 500 per DT	7.6180	4.4816	0.0000	0.6431	2.8023	(0.3090)
Summer - First 500 per DT	7.8914	4.4816	0.0000	0.9165	2.8023	(0.3090)
Summer - Over 500 per DT	7.5859	4.4816	0.0000	0.6110	2.8023	(0.3090)
142 - Natural Gas Vehicle Fuel						
Winter per DT	9.0753	5.2371	0.0000	1.3449	2.8023	(0.3090)
Summer per DT	9.0753	5.2371	0.0000	1.3449	2.8023	(0.3090)
Compression Charge per DT (maximum rate)	4.0000	4.0000				
143- Experimental Motor Vehicle Fuel						
Monthly Charge	Monthly charge is reflected on corresponding rate schedule					
Winter per DT	Volumetric charge is reflected on corresponding rate schedule					
Summer per DT	Volumetric charge is reflected on corresponding rate schedule					
Compression Charge per DT (maximum rate)	4.0000	4.0000				
144- Experimental Medium Gen Motor Fuel - Transportation						
Monthly Charge	75.00	75.00				
Winter - First 500 per DT	5.1990	4.4816	0.0000	0.9741	0.0523	(0.3090)
Winter - Over 500 per DT	4.8680	4.4816	0.0000	0.6431	0.0523	(0.3090)
Summer - First 500 per DT	5.1414	4.4816	0.0000	0.9165	0.0523	(0.3090)
Summer - Over 500 per DT	4.8359	4.4816	0.0000	0.6110	0.0523	(0.3090)
Compression Charge per DT (maximum rate)	4.0000	4.0000				
103 - Large General Sales Service						
Monthly Charge	350.00	350.00				
Demand Charge per DT	15.2500	2.5000	0.0000	12.7500	0.0000	0.0000
Winter - First 1,500 per DT	4.9904	1.3857	0.0000	0.8968	2.8023	(0.0944)
Winter - Next 3,000 per DT	4.3340	0.7343	0.0000	0.8918	2.8023	(0.0944)
Winter - Next 9,000 per DT	3.6378	0.3831	0.0000	0.5468	2.8023	(0.0944)
Winter - Next 16,500 per DT	3.3688	0.2171	0.0000	0.4438	2.8023	(0.0944)
Winter - Next 30,000 per DT	3.2852	0.1405	0.0000	0.4368	2.8023	(0.0944)
Winter - Over 60,000 per DT	2.8494	0.0447	0.0000	0.0968	2.8023	(0.0944)
Summer - First 1,500 per DT	4.4764	0.9329	0.0000	0.8356	2.8023	(0.0944)
Summer - Next 3,000 per DT	3.5943	0.3008	0.0000	0.5856	2.8023	(0.0944)
Summer - Next 9,000 per DT	3.2415	0.1730	0.0000	0.3606	2.8023	(0.0944)
Summer - Next 16,500 per DT	3.0763	0.1028	0.0000	0.2656	2.8023	(0.0944)
Summer - Next 30,000 per DT	2.9144	0.0709	0.0000	0.1356	2.8023	(0.0944)
Summer - Over 60,000 per DT	2.7206	0.0121	0.0000	0.0006	2.8023	(0.0944)
104 - Interruptible Sales Service						
Monthly Charge	350.00	350.00				
Winter - First 1,500 per DT	5.6233	1.7278	0.0000	1.1018	2.8023	(0.0086)
Winter - Next 3,000 per DT	5.1311	0.9156	0.0000	1.4218	2.8023	(0.0086)
Winter - Next 9,000 per DT	4.3482	0.4777	0.0000	1.0768	2.8023	(0.0086)
Winter - Next 16,500 per DT	3.8982	0.2707	0.0000	0.8338	2.8023	(0.0086)
Winter - Next 30,000 per DT	3.6107	0.1752	0.0000	0.6418	2.8023	(0.0086)
Winter - Over 60,000 per DT	3.3878	0.0557	0.0000	0.5384	2.8023	(0.0086)
Summer - First 1,500 per DT	4.7240	0.9554	0.0000	0.9749	2.8023	(0.0086)
Summer - Next 3,000 per DT	4.2856	0.6370	0.0000	0.8549	2.8023	(0.0086)
Summer - Next 9,000 per DT	4.0763	0.4777	0.0000	0.8049	2.8023	(0.0086)
Summer - Next 16,500 per DT	3.7921	0.3185	0.0000	0.6799	2.8023	(0.0086)
Summer - Next 30,000 per DT	3.5601	0.1115	0.0000	0.6549	2.8023	(0.0086)
Summer - Over 60,000 per DT	3.3997	0.0311	0.0000	0.5749	2.8023	(0.0086)

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PIEDMONT NATURAL GAS COMPANY, INC.
PROPOSED RATES
DOCKET G-9 SUB 743

Rate Schedule	Updated Proposed Revenue Rates	Updated Proposed Margin Revenue Rates	Updated Proposed IMR Base Revenue Rates	Updated Proposed COG Demand Revenue Rates	Updated Proposed COG Commodity Revenue Rates	Updated Proposed Tax Rider Decrement Rates
113 - Large General Transportation Service						
Monthly Charge	350.00	350.00				
Demand Charge per DT	3.2500	2.5000	0.0000	0.7500	0.0000	0.0000
Winter - First 1,500 per DT	2.2404	1.3857	0.0000	0.8968	0.0523	(0.0944)
Winter - Next 3,000 per DT	1.5840	0.7343	0.0000	0.8918	0.0523	(0.0944)
Winter - Next 9,000 per DT	0.8878	0.3831	0.0000	0.5468	0.0523	(0.0944)
Winter - Next 16,500 per DT	0.6188	0.2171	0.0000	0.4438	0.0523	(0.0944)
Winter - Next 30,000 per DT	0.5352	0.1405	0.0000	0.4368	0.0523	(0.0944)
Winter - Over 60,000 per DT	0.0994	0.0447	0.0000	0.0968	0.0523	(0.0944)
Summer - First 1,500 per DT	1.7264	0.9329	0.0000	0.8356	0.0523	(0.0944)
Summer - Next 3,000 per DT	0.8443	0.3008	0.0000	0.5856	0.0523	(0.0944)
Summer - Next 9,000 per DT	0.4915	0.1730	0.0000	0.3606	0.0523	(0.0944)
Summer - Next 16,500 per DT	0.3263	0.1028	0.0000	0.2656	0.0523	(0.0944)
Summer - Next 30,000 per DT	0.1644	0.0709	0.0000	0.1356	0.0523	(0.0944)
Summer - Over 60,000 per DT	(0.0294)	0.0121	0.0000	0.0006	0.0523	(0.0944)
114 - Interruptible Transportation Service						
Monthly Charge	350.00	350.00				
Winter - First 1,500 per DT	2.7007	1.7278	0.0000	0.9292	0.0523	(0.0086)
Winter - Next 3,000 per DT	1.8377	0.9156	0.0000	0.8784	0.0523	(0.0086)
Winter - Next 9,000 per DT	1.0951	0.4777	0.0000	0.5737	0.0523	(0.0086)
Winter - Next 16,500 per DT	0.5834	0.2707	0.0000	0.2690	0.0523	(0.0086)
Winter - Next 30,000 per DT	0.3864	0.1752	0.0000	0.1675	0.0523	(0.0086)
Winter - Over 60,000 per DT	0.1653	0.0557	0.0000	0.0659	0.0523	(0.0086)
Summer - First 1,500 per DT	1.4358	0.9554	0.0000	0.4367	0.0523	(0.0086)
Summer - Next 3,000 per DT	0.9854	0.6370	0.0000	0.3047	0.0523	(0.0086)
Summer - Next 9,000 per DT	0.7245	0.4777	0.0000	0.2031	0.0523	(0.0086)
Summer - Next 16,500 per DT	0.4638	0.3185	0.0000	0.1016	0.0523	(0.0086)
Summer - Next 30,000 per DT	0.2060	0.1115	0.0000	0.0508	0.0523	(0.0086)
Summer - Over 60,000 per DT	0.0748	0.0311	0.0000	0.0000	0.0523	(0.0086)
105 - Outdoor Gas Light Service						
Per Fixture Charge	19.49	19.49				
T-10 - Military Operations Transportation						
Demand Charge per DT	10.0000	0.0000	0.0000	10.0000	0.0000	0.0000
Winter per DT	1.6062	1.3967	0.0000	0.2516	0.0523	(0.0944)
Summer per DT	0.6962	0.4867	0.0000	0.2516	0.0523	(0.0944)
12 - Military Installations in Onslow County - Sales						
Winter per DT	5.6710	2.8687	0.0000	0.0000	2.8023	0.0000
Summer per DT	5.1321	2.3298	0.0000	0.0000	2.8023	0.0000
T-12 - Military Installation in Onslow County - Transportation						
Winter per DT	2.9210	2.8687	0.0000	0.0000	0.0523	0.0000
Summer per DT	2.3821	2.3298	0.0000	0.0000	0.0523	0.0000
106 - Schedule For Limiting and Curtailing						
Emergency Gas per DT	10.0000	0.0000	0.0000	10.0000	0.0000	0.0000
Unauthorized Gas per DT	25.0000	0.0000	0.0000	25.0000	0.0000	0.0000
Reconnect Fees						
<u>Residential</u>						
February Through August	55.00					
September Through January	85.00					
<u>All Others</u>						
February Through August	55.00					
September Through January	110.00					
Returned Check Charge						
Returned Check Charge	25.00					

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Jul 29 2019

Piedmont Natural Gas Company, Inc
Updated Proposed Factors for the Margin Decoupling Tracker Mechanism
Docket No. G-9 Sub 743

	Updated Winter (\$/therm)	Updated Summer (\$/therm)	Heat Factor (therms/HDD)	Base Factor (therms/HDD)
101 - Residential Service	0.79104	0.79104	0.15203	7.80576
102- Small General Service	0.52484	0.52484	0.67579	136.17303
152- Medium General Service				
First 5,000 therms	0.44816	0.44816	9.27590	6475.30726
Over 5,000 therms	0.44816	0.44816	9.27590	6475.30726

<u>Normal Degree Days¹</u>	<u>15 - 15</u>	<u>1 - 31</u>
January	708.4	727.6
February	701.7	571.5
March	470.4	402.1
April	279.3	157.7
May	84.5	37.9
June	12.0	1.2
July	0.2	0.1
August	-	-
September	1.5	17.9
October	69.2	176.8
November	317.3	432.8
December	541.8	660.7
Winter	2,739.6	2,794.7
Summer	446.7	391.6
Annual	<u>3,186.3</u>	<u>3,186.3</u>

1/ Degree days are computed using 30 year average actual degree days through December 15, 2018.