



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

August 11, 2021

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket No. G-9, Sub 722 – Petition for Consolidated Construction/Redelivery Agreement; G-9, Sub 781 – Application for General Rate Increase; and G-9, Sub 786 – Application of Piedmont Natural Gas Company, Inc., for Modifications to Existing Energy Efficiency Program and Approval of New Energy Efficiency Programs

Dear Ms. Dunston:

Attached for filing in the above-referenced docket is the testimony and exhibit(s) of Neha R. Patel, Manager, Natural Gas Section, Energy Division.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Sincerely,

Electronically submitted  
s/ Elizabeth D. Culpepper  
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s/ Megan Jost  
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Attachment

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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-9, SUB 722  
DOCKET NO. G-9, SUB 781  
DOCKET NO. G-9, SUB 786

DOCKET NO. G-9, SUB 722 )

)  
In the Matter of )  
Consolidated Natural Gas Construction )  
and Redelivery Services Agreement )  
Between Piedmont Natural Gas )  
Company, Inc., and Duke Energy )  
Carolinas, LLC )

)  
DOCKET NO. G-9, SUB 781 )

)  
In the Matter of )  
Application of Piedmont Natural Gas )  
Company, Inc., for an Adjustment of )  
Rates, Charges, and Tariffs Applicable )  
to Service in North Carolina )

)  
DOCKET NO. G-9, SUB 786 )

)  
In the Matter of )  
Application of Piedmont Natural Gas )  
Company, Inc., for Modification to )  
Existing Energy Efficiency Program )  
and Approval of New Energy Efficiency )  
Programs )

TESTIMONY OF  
NEHA PATEL  
PUBLIC STAFF – NORTH  
CAROLINA UTILITIES  
COMMISSION

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

**DOCKET NO. G-9, SUB 722  
DOCKET NO. G-9, SUB 781  
DOCKET NO. G-9, SUB 786**

**TESTIMONY OF NEHA PATEL**

**ON BEHALF OF THE PUBLIC STAFF  
NORTH CAROLINA UTILITIES COMMISSION**

**AUGUST 11, 2021**

1    **Q.    PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND**  
2           **PRESENT POSITION.**

3    A.    My name is Neha Patel. My business address is 430 North Salisbury  
4           Street, Dobbs Building, Raleigh, North Carolina. I am the Manager  
5           of the Natural Gas Section of the Energy Division of the Public Staff  
6           – North Carolina Utilities Commission (Public Staff).

7    **Q.    BRIEFLY STATE YOUR QUALIFICATIONS AND DUTIES.**

8    A.    My qualifications and duties are included in Appendix A.

9    **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10   A.    The purpose of my testimony is to present the results of my  
11           investigation into the application of Piedmont Natural Gas Company,  
12           Inc. (Piedmont or the Company), for a general rate increase in this  
13           proceeding.

1    **Q.    WHAT    WERE    YOUR    AREAS    OF    INVESTIGATIVE**  
2       **RESPONSIBILITY IN THIS CASE?**

3    A.    My areas of investigation in this case were: (1) determining the  
4       appropriate sales and transportation volumes and customer levels,  
5       (2) evaluating the proposed weather normalization adjustment for the  
6       test period, (3) calculating the appropriate end-of-period level of  
7       revenues, (4) updating the current cost of gas, (5) calculating the  
8       proposed updated computational factors used in the Margin  
9       Decoupling Tracker (MDT) mechanism, (6) reviewing proposed  
10      revisions to the Company's tariff, which consists of its various rate  
11      schedules and service regulations, (7) evaluating Piedmont's service  
12      quality, (8) evaluating Piedmont's request to continue its  
13      Commission-approved Integrity Management Rider (IMR)  
14      mechanism, and (9) evaluating Piedmont's programs to defer  
15      operating and maintenance (O&M) expenditures under its  
16      Transmission Integrity Management Program (TIMP) and  
17      Distribution Integrity Management Program (DIMP).

18               **WEATHER NORMALIZATION AND CUSTOMER GROWTH**

19   **Q.    WHAT IS THE PURPOSE OF ADJUSTING FOR WEATHER**  
20       **NORMALIZATION AND CUSTOMER GROWTH?**

21   A.    Weather normalization attempts to analyze and adjust for the  
22       impacts of actual weather conditions over some specified period of

1 time (generally, a test year) on energy consumption relative to  
2 expected “normal” weather conditions (as measured over some  
3 longer historical period of time).

4 The customer growth adjustment adjusts test period revenues by an  
5 amount that represents the growth in sales due to the change in the  
6 number of customers.

7 The Public Staff runs its own weather normalization and customer  
8 growth models and compares the results to those included in the  
9 Company’s general rate case filing.

10 **Q. PLEASE EXPLAIN HOW YOU CALCULATED YOUR WEATHER**  
11 **NORMALIZATION ADJUSTMENT IN THIS CASE.**

12 A. I calculated the weather-normalized usage by taking the test year  
13 customer data (i.e., the number of bills and consumption by month)  
14 for each Rate Schedule (RS) and comparing it with the monthly  
15 actual Heating Degree Days (HDDs) to develop a linear regression  
16 that computes both a base load (minimum usage level) and a Heat-  
17 Sensitive Factor (HSF). These base load and HSF components are  
18 then applied to the normal HDDs for the test year, resulting in a  
19 customer class usage level that would have been expected if the  
20 weather had been normal during the test year.

1   **Q.   PLEASE EXPLAIN HDDS AND HOW THEY ARE UTILIZED IN**  
2       **YOUR LINEAR REGRESSION.**

3   A.   HDD is a measurement used to quantify the demand for energy  
4       needed for space heating. HDDs are calculated by subtracting the  
5       average daily temperature from a base or standard temperature of  
6       65 degrees Fahrenheit.<sup>1</sup> For example, a low of 20 degrees and a  
7       high of 40 degrees would yield an average of 30 degrees and an  
8       HDD of 35 degrees ( $65 - ((20 + 40)/2)$ ). The normal HDDs are  
9       determined based on a 30-year historical average.

10       For ratemaking purposes of determining customer usage under  
11       normal weather conditions, I completed a linear regression to  
12       compare the actual customer usage to the actual HDDs to derive the  
13       baseload and the heat sensitive factors for the test year period. My  
14       completed analysis results in similar regression results to that of the  
15       Company.

16   **Q.   WHAT DATA SOURCES DID YOU USE FOR YOUR HEATING**  
17       **DEGREE DAY CALCULATIONS?**

18   A.   The temperatures used to calculate the HDDs were obtained from  
19       the State Climate Office of North Carolina – North Carolina State  
20       University. The Company has historically used weather data

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<sup>1</sup> The use of 65 degrees Fahrenheit is based on an assumption that heating is not needed when the outside temperature is 65 degrees or more.

1           obtained on an hourly basis, whereas the Public Staff uses a daily  
2           average  $((\text{high temperature} + \text{low temperature})/2)$ . Because  
3           Piedmont's service territory is geographically dispersed, temperature  
4           data from multiple weather stations are used. Annual therm-weighted  
5           percentages<sup>2</sup> for the weather stations provided by the Company in  
6           response to a data request were applied to the normal and actual  
7           degree days. The weighting percentages are determined by the  
8           heat-sensitive customer population, i.e., residential and commercial  
9           customers who need more security of service during peak (cold)  
10          days than do non-heat-sensitive customers. The final numbers for  
11          the normal HDDs and actual HDDs are the combined weighted  
12          normal HDDs and actual HDDs used to perform the linear regression  
13          analysis for the test period of the 12 months ended December 31,  
14          2020.

15   **Q.    DOES THE COMPANY'S WEATHER NORMALIZATION**  
16   **ADJUSTMENT AGREE WITH THAT OF PUBLIC STAFF?**

17   A.    The Public Staff's weather normalization adjustments are  
18          comparable to the Company's although there are some minor  
19          differences. The differences are due to the fact that the Company

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<sup>2</sup> Piedmont calculates HDDs by taking the daily average temperature for each weather station from 10:00 a.m. to 9:59 a.m. (Eastern Standard Time), which corresponds to the industry's gas day nomination cycle for gas transportation. Once each weather station's average temperature is calculated, the weather station percentages are applied to determine the North Carolina daily weighed average temperature. To calculate the HDDs, the weighted average temperature is then subtracted from 65 degrees.

1 uses hourly weather data, whereas the Public Staff uses daily  
2 averages, as explained above. Based on my review of the  
3 Company's weather normalization analysis, I believe it is reasonable  
4 for use in this case.

5 **Q. PLEASE DISCUSS THE PUBLIC STAFF'S GROWTH**  
6 **ADJUSTMENTS TO CUSTOMER BILLS AND CONSUMPTION.**

7 A. Typically, the Public Staff compares actual changes in the number of  
8 customer bills between the test year and the year immediately prior,  
9 by month, to arrive at an average growth rate and then applies this  
10 average growth rate to each rate class. Due to the Commission's  
11 moratorium on disconnections for non-payment in effect during the  
12 test year in response to the COVID-19 pandemic, the Company did  
13 not disconnect service for non-payment of bills for a majority of the  
14 test period. As a result, the test period reflects a higher number of  
15 customer bills as compared to prior years. However, in consideration  
16 of the anticipated expiration of the disconnection moratorium, and  
17 with new customers being added to the system, the Public Staff  
18 applied growth to the Residential, Small General Service, and  
19 Medium General Service customer classes, and the Company used  
20 the same methodology in their June update actual growth factors  
21 from customers billed from 2018 through 2019 (when there was no  
22 disconnection moratorium in place) have been applied to the above  
23 customer classes. In addition, the Public Staff made adjustments for



1 growth to certain large-volume customers with known and available  
2 information.

3 **Q. WHAT TOTAL SALES AND TRANSPORTATION BILLS AND**  
4 **VOLUME DID YOU USE TO CALCULATE END-OF-PERIOD**  
5 **REVENUES?**

6 A. Based on my analysis, I determined that the appropriate level of end-  
7 of-period sales and transportation bills is 9,311,987, and total volume  
8 is 422,497,534 dekatherms (dts), as shown in Patel Exhibit I.

9 **Q. PLEASE PROVIDE AN EXPLANATION FOR YOUR**  
10 **ADJUSTMENTS SHOWN IN PATEL EXHIBIT I.**

11 A. Columns (4) and (5) of Patel Exhibit I show the per books number of  
12 bills and the per books sales and transportation volumes segmented  
13 by rate schedule for the test year ended December 31, 2020 weather  
14 normalization, which is shown in Column (6), adjusts the volumes for  
15 the heat-sensitive customers (Rate Schedules 101, 102, and 152).  
16 The Public Staff and the Company agree on the weather  
17 normalization calculation methodology. My adjustments are  
18 comparable to that of the Company's pro forma bills and usage (dts)  
19 in their June update with some minor differences.

1 **END-OF-PERIOD REVENUE CALCULATIONS**

2 **Q. WHAT RATES DID YOU USE TO CALCULATE THE END-OF-**  
3 **PERIOD PRO FORMA REVENUE LEVEL?**

4 A. To calculate the end-of-period pro forma revenue level, I used the  
5 rates approved by the Commission in Docket No. G-9, Sub 790,  
6 Piedmont's Application for Adjustment of Its Rates and Charges to  
7 Track Changes in its Wholesale Costs of Gas that increased  
8 Piedmont's benchmark cost of gas from \$2.50 to \$3.25, effective July  
9 1, 2021. I have also used the Company's updated IMR rates as  
10 approved by the Commission in Docket No. G-9, Sub 788, effective  
11 June 1, 2021. These rates exclude any temporary increments or  
12 decrements (temporaries) that were included in rates at that point in  
13 time. This calculation produces what is known as "clean rates."

14 **Q. WHY ARE TEMPORARIES REMOVED FROM RATES FOR RATE**  
15 **CASE ANALYSIS?**

16 A. Temporaries are usually associated with deferred account activities  
17 and are not related to revenue generation for the Company. The  
18 margins associated with various rate schedules are not affected by  
19 temporaries, except when temporaries are associated with fixed gas  
20 costs. Temporaries are removed when calculating end-of-period  
21 rates and proposed rates to achieve consistency and for ease of  
22 understanding. After the Commission determines the proper rates in

1           this case, the new billing rates will be adjusted for the then current  
2           temporaries.

3   **Q.   WHAT IS YOUR END-OF-PERIOD REVENUE CALCULATION**  
4   **FOR THE COMPANY?**

5   A.   The Company is proposing total end-of-period revenue of  
6       \$1,047,021,735, which is comprised of sale and transportation of gas  
7       revenues of \$1,045,885,591 and other operating revenues of  
8       \$1,136,144. I have calculated end-of-period revenues of  
9       \$1,113,691,010, which is comprised of sale and transportation of gas  
10      revenues of \$1,110,660,711<sup>3</sup> and other operating revenues as  
11      provided by Public Staff witness Julie G. Perry of \$3,030,299.

12   **Q.   HOW DID YOU CALCULATE THIS END-OF-PERIOD LEVEL OF**  
13   **REVENUE FOR THE COMPANY?**

14   A.   I calculated the end-of-period revenue level by multiplying the  
15      number of customer bills by the facilities charge per bill, to arrive at  
16      the total facilities revenues. Similarly, the demand (for certain rate  
17      schedules) was multiplied by the demand charge per bill, to arrive at  
18      the total demand revenues. Likewise, the volume for each rate  
19      schedule was multiplied by the end-of-period rates to arrive at the

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<sup>3</sup> Sale and Transportation of gas revenues includes the benchmark cost of gas of \$3.25 as approved by the Commission in Docket No. G-9, Sub 790, as well as an updated lost and unaccounted for gas percentage as provided in the Company's response to a Public Staff data request.

1 total energy revenues. The total facilities charge revenue for a  
2 particular rate schedule, plus any demand revenue for that rate  
3 schedule, plus the energy revenue for that rate schedule, plus IMR  
4 revenues for that rate schedule, plus any Minimum Margin  
5 Agreement payment revenues or Compression Charge revenues for  
6 that rate schedule equals the total revenue received from customers  
7 receiving service under that rate schedule. The sum of the revenues  
8 from each rate schedule equals the total end-of-period revenue level  
9 as shown on Patel Exhibit II.

#### 10 GAS COSTS

11 **Q. DO YOU AGREE WITH THE COMPANY'S PROPOSED LEVEL OF**  
12 **COST OF GAS?**

13 A. No. I have updated the commodity cost of gas using the benchmark  
14 cost of gas of \$3.25 as approved by the Commission in Docket No.  
15 G-9, Sub 790, as well as an updated lost and unaccounted for gas  
16 percentage as provided in the Company's response to a Public Staff  
17 data request. My recommended commodity cost of gas is  
18 \$244,251,000 as compared to the Company's level of \$187,342,806.

19 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO FIXED GAS COSTS.**

20 A. The Company reflected annual fixed gas costs of \$116,484,625.  
21 Based on recent changes in interstate pipeline and storage tariffs  
22 and secondary market credits, as provided by the Company in

1 response to a Public Staff data request, and an allocation percentage  
2 of 83.16% as recommended by Public Staff witness Dustin R. Metz,  
3 I arrived at total fixed gas costs of \$122,569,944.

4 I determined that the total commodity and fixed gas cost of  
5 \$366,820,944, as shown on Patel Exhibit III, is appropriate for use in  
6 this proceeding.

7 **MDT MECHANISM**

8 **Q. PLEASE EXPLAIN ANY ADJUSTMENTS REGARDING THE MDT**  
9 **MECHANISM.**

10 A. In this proceeding, the Company filed MDT adjustments to the  
11 Residential, Small General Service, and Medium General Service  
12 rate schedules. I calculated the normalized usage for heat sensitive  
13 customers on a monthly basis and determined that the Public Staff's  
14 MDT revenue adjustments, the Company's adjustments and the "R"  
15 factors using data through May 31, 2021, are similar; thus, I accepted  
16 the Company's results. As stated in Piedmont witness Kally A.  
17 Couzens' testimony, this adjustment results in an increase to  
18 Residential, Small General Service, and Medium General Service  
19 total pro forma revenues.

**CHANGES TO PIEDMONT'S TARIFF**

**Q. WHAT CHANGES IS PIEDMONT PROPOSING TO ITS NORTH CAROLINA TARIFF?**

- Piedmont received approval to eliminate Standby Sales Service in its last general rate case in Docket No. G-9, Sub 743 (Sub 743 rate case) for certain rate schedules. Company witness Pia K. Powers' testimony addresses the proposal to eliminate the reference to Standby Sales Service in certain rate schedules since it no longer exists as part of RS 113.
- Piedmont proposes to add a requirement that service under RS 113 and RS 114 is contingent upon installation of telemetering equipment that reports daily consumption. Piedmont witness Powers stated in her pre-filed direct testimony that the telemetering equipment is required for Piedmont to properly operate its system, render accurate bills to customers and their agents, and enforce other provisions within its existing tariff. She further testified that customers in the affected rate classes already have the appropriate telemetering equipment, and that the tariff change is being proposed for purposes of transparency.
- Another change proposed by Piedmont is the elimination of the RS 12 and RS T-12 rate schedules since no customers

1           were provided or billed for service under either of these two  
2           rate schedules during or after the test period, or for several  
3           years prior to the test period. The Company also proposes to  
4           remove reference to these two rate schedules under RS 143  
5           and Appendix E. Another proposed change under RS 143 is  
6           the elimination of reference to the outdated provision for this  
7           rate schedule to remain in effect for a period of two years after  
8           which continuation of service under this rate schedule  
9           requires Commission action.

10           •     In her testimony, Piedmont witness Powers proposes two  
11           administrative corrections to Appendix B of Piedmont's  
12           Service Regulations: one is to correct typographical errors  
13           related to a defined term and the second is to clarify the  
14           Company's internal procedures. The second change was  
15           proposed in the Sub 743 rate case and no party objected, but  
16           the change was not captured in the settlement agreement  
17           approved by the Commission.

18           •     Witness Powers has proposed changes to update the Special  
19           Contract Credit amounts, margin percentages by rate class,  
20           allocation factors, and the annual billing determinants, etc., for  
21           the IMR mechanism in Appendix E as is necessary with each

1 new general rate case proceeding. These changes are  
2 discussed in Public Staff witness Perry's testimony.

3 **IMR MECHANISM**

4 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF FEDERAL GAS**  
5 **PIPELINE SAFETY REQUIREMENTS.**

6 A. Pipeline operators are required to perform integrity measures on  
7 their transmission and distribution pipelines by following certain  
8 regulatory requirements imposed by the U.S. Department of  
9 Transportation Pipeline and Hazardous Materials Safety  
10 Administration (PHMSA) under its TIMP and DIMP. These PHMSA  
11 regulations are regularly amended and updated to increase the  
12 safety associated with transportation of gas. PHMSA's  
13 implementation of Integrity Management (IM) regulations for natural  
14 gas transmission and distribution pipelines is intended to improve  
15 overall pipeline safety, reliability and integrity. 49 CFR Part 192,  
16 Subpart O specifies how pipeline operators must identify, prioritize,  
17 repair, and validate the integrity of gas transmission pipelines that  
18 could affect High Consequence Areas (HCAs) within their service  
19 territories in the event of a leak or failure. HCAs, which include  
20 certain populated and occupied areas, are required to be inspected  
21 every seven years or less. Pursuant to 49 CFR Part 192, Subpart P,  
22 Piedmont is federally mandated to collect data on and have



1 knowledge of its distribution pipelines, identify and assess existing  
2 and potential threats, evaluate and rank risk to the distribution  
3 system, identify and implement measures designed to address the  
4 risks, measure IM performance, monitor the results and evaluate  
5 effectiveness of those measures, develop and implement a process  
6 for periodic review and improvement of the program, and report  
7 results. Since these distribution lines exist largely in more populated  
8 areas while delivering gas to the end user, DIMP focuses on the  
9 Company's entire distribution system, not just the HCAs.

10 The TIMP and DIMP activities are cyclical, are based on timing and  
11 intervals of prior assessments, and vary from year to year.

12 Effective July 1, 2020, PHMSA required all pipeline operators to  
13 comply with the new Gas Transmission "Mega Rule,"<sup>4</sup> which  
14 provides an expansion of the IM requirements for gas transmission  
15 pipelines and aims to further increase the level of safety associated  
16 with gas transmission pipelines. A significant portion of this rule  
17 outlines documentation and requires operators to (1) Verify pipeline  
18 material properties and attributes: Operators must have information  
19 on the material strength properties for all transmission pipe; (2)

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<sup>4</sup> <https://www.federalregister.gov/documents/2019/10/01/2019-20306/pipeline-safety-safety-of-gas-transmission-pipelines-maop-reconfirmation-expansion-of-assessment>

1 Reconfirm Maximum Allowable Operating Pressure (MAOP): this  
2 applies to those transmission pipelines where pressure test records  
3 are not traceable, verifiable and complete (TVC); and (3) Expand IM  
4 requirements outside HCA: Periodic assessments of pipelines in  
5 populated areas not designated as HCAs to Moderate Consequence  
6 Areas (MCAs).<sup>5</sup>

7 **Q. PLEASE PROVIDE SOME BACKGROUND ON THE COMPANY'S**  
8 **IMR MECHANISM.**

9 A. N.C. Gen. Stat. § 62-133.7A authorizes the Commission to approve  
10 a rate adjustment mechanism to enable a natural gas local  
11 distribution company (LDC) to recover its prudently incurred capital  
12 investments and associated costs of complying with federal gas  
13 pipeline safety requirements. The Commission approved an IMR  
14 mechanism as part of Piedmont's 2013 general rate case (Docket  
15 No. G-9, Sub 631) and it is contained in Appendix E to Piedmont's  
16 Service Regulations. Based on concerns raised by the Public Staff,  
17 in November 2015, the IMR mechanism was revised to provide for  
18 changes to the IMR processes and procedures, including the  
19 exclusion of certain costs from recovery through the IMR mechanism

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<sup>5</sup> Moderate Consequence Areas (MCAs) are defined as areas within a potential impact circle containing either five or more buildings intended for human occupancy or any portion of the paved surface, including shoulders, of a designated interstate, freeway, or expressway, or principal arterial roadway with four or more lanes, as defined by the Federal Highway Administration (as compared to 20 buildings which define an HCA).

1 (Excluded Costs) and the allowance of bi-annual rate adjustments.  
2 The Excluded Costs percentages are intended to reduce the level of  
3 non-pipeline safety costs charged to customers through the IMR  
4 mechanism, but are still eligible for inclusion in recoverable rate base  
5 in Piedmont's next general rate case proceeding. In the Sub 743 rate  
6 case, the Commission authorized the continuation of the IMR  
7 mechanism subject to stipulated clarifications. Piedmont has  
8 included, as part of this proceeding, a proposal to continue operation  
9 of this mechanism for an additional period of four years. Public Staff  
10 witness Perry discusses the IMR mechanism.

11 Piedmont has applied for and received Commission approval to  
12 implement rate increments to recover its Integrity Management  
13 Revenue Requirement (IMRR). Since the Sub 743 rate case, there  
14 have been five of these rate changes.

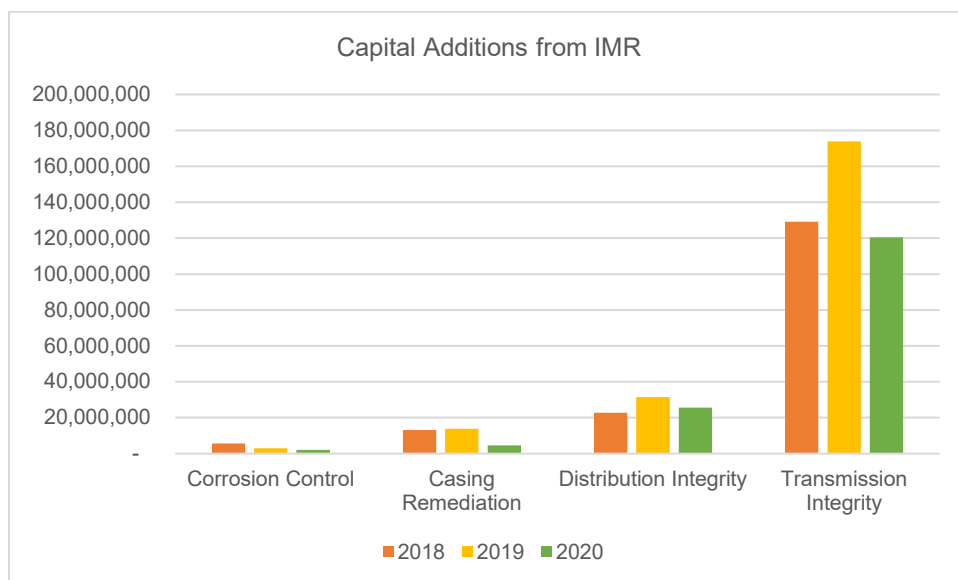
15 The Public Staff reviews and audits Piedmont's monthly IMR reports  
16 filed with the Commission through data requests and follow-up  
17 conference calls with Company personnel regarding project scope,  
18 project need, actual project costs incurred, and the nature of IMR-  
19 associated costs. In addition, the Public Staff files an Annual IMR  
20 Report with the Commission every February 15th in order to discuss  
21 any issues from the monthly audits, or the IMRR, as well as

1 summarize the completed IMR projects and the budgeted IMR  
2 projects for the next three years.

3 **Q. PLEASE EXPLAIN YOUR RECOMMENDATION REGARDING**  
4 **PIEDMONT'S REQUEST TO CONTINUE THE IMR MECHANISM.**

5 A. Patel Figure 1 below shows the Company's capital additions  
6 associated with its IMR mechanism for the period 2018 through 2020  
7 also discussed by Public Staff witness John R. Hinton.

8 **Patel Figure 1**



9  
10 Piedmont estimated in its last general rate case that it would spend  
11 approximately \$173 million each year from 2019 until 2021, not  
12 including any "Mega Rule" compliance commitments. In this case,  
13 Piedmont projects it will spend approximately \$277 million each year  
14 (gross plant investment) from 2021 through 2023 in addition to  
15 expenditures related to anticipated changes in the "Mega Rule."

1 Based on the importance of pipeline safety in complying with federal  
2 safety guidelines to protect Piedmont's customers, employees,  
3 contractors and the general public, I recommend the IMR  
4 mechanism remain in place.

5 **REGULATORY ASSET TREATMENT FOR TIMP-RELATED O&M**  
6 **(PIM-T) COSTS**

7 The Commission has approved regulatory treatment for the  
8 Company's TIMP O&M costs incurred due to the pipeline safety  
9 regulations promulgated by PHMSA. Under PHMSA, pipeline  
10 operators are mandated to identify High Consequence Areas (HCAs)  
11 or covered segments in order to identify threats to their pipelines,  
12 identify and analyze the risk to help prioritize assessments,  
13 remediate conditions found during integrity assessments, maintain  
14 records, and implement preventative and mitigative measures. Per  
15 PHMSA guidelines, operators must perform pipeline reassessments  
16 which drives up the costs added to the rate base while allowing the  
17 Company to mitigate threats and risks identified on these pipelines  
18 and ensure safety on their transmission lines. I recommend that  
19 Piedmont be allowed to continue its deferral mechanism under PIM-  
20 D until the resolution of the Company's next general rate case  
21 proceeding. I further recommend that the Company continue  
22 providing to the Commission program updates, including project  
23 scope and the budgeted and actual costs incurred, when it files its

1 annual IMR report. While my area of investigation focused on the  
2 necessity of this mechanism, Public Staff accounting witness Feasel  
3 discusses how these costs are accounted for.

4 **REGULATORY ASSET TREATMENT FOR DIMP-RELATED O&M**  
5 **(PIM-D) COSTS**

6 **Q. PLEASE DISCUSS YOUR REVIEW OF THE COMPANY'S**  
7 **REGULATORY ASSET TREATMENT FOR DIMP-RELATED O&M**  
8 **COMPLIANCE COSTS.**

9 A. The Commission has approved regulatory asset treatment for  
10 Piedmont's DIMP O&M costs associated with PHMSA regulatory  
11 compliance. The DIMP primarily covers the following areas of  
12 pipeline safety:

- 13 1. Damage prevention programs: (a) legacy cross bore, (b) watch  
14 and protect, and (c) locatability investigations/repair untoneable  
15 assets;  
16 2. Records: mapping services in the GIS; and  
17 3. Corrosion: close interval surveys on high-pressure distribution  
18 lines.

19 In the Sub 743 rate case, the Company projected its five-year (2020-  
20 2024) average cost for these five programs to be approximately \$11  
21 million annually, and noted that all of the work covered by these

1 programs would involve external contractors rather than Piedmont  
2 direct labor. However, the Company incurred lower costs than  
3 anticipated due to delayed implementation of the DIMP programs  
4 approved in the Sub 743 rate case caused by the COVID-19  
5 pandemic.

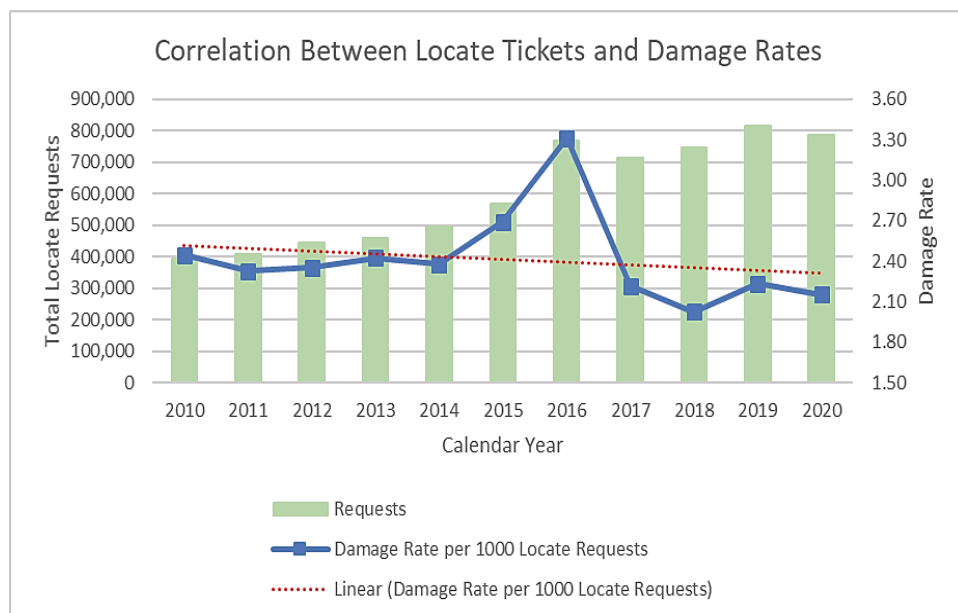
6 As part of my investigation in this proceeding, I reviewed data  
7 request responses received from the Company regarding the DIMP-  
8 related O&M project scope and associated costs. Under damage  
9 prevention, I also reviewed data from 2010 to 2020<sup>6</sup> related to the  
10 Company's annual damage rates and the relationship to the number  
11 of locate requests. Patel Figure 1 below shows the history of locate  
12 requests and the associated damage rates per 1000 locate tickets.

---

6

[https://portal.phmsa.dot.gov/analytics/saw.dll?Portalpages&PortalPath=%2Fshared%2FPDM%20Public%20Website%2F\\_portal%2FExcavation%20Damage&Action=Navigate&col1=%22PHP%20-%20Geo%20Location%22.%22State%20Name%22&val1=%22%22](https://portal.phmsa.dot.gov/analytics/saw.dll?Portalpages&PortalPath=%2Fshared%2FPDM%20Public%20Website%2F_portal%2FExcavation%20Damage&Action=Navigate&col1=%22PHP%20-%20Geo%20Location%22.%22State%20Name%22&val1=%22%22)

1 **Patel Figure 2**



2

3 As reflected in Patel Figure 2, from 2010 to 2014, the Company  
 4 received approximately 400,000 locate requests in any given year,  
 5 and the damage rate averaged 2.39 damage incidents annually.  
 6 After 2014, the damage rate increased, reaching a high of about 3.3,  
 7 before declining substantially over the last four years with an  
 8 increase in locate requests.

9 The Company has implemented measures to reduce third party  
 10 damages such as mailers to registered excavation companies within  
 11 the Company's service territory and newspaper, billboard, and social  
 12 media advertising. Beginning December 1, 2019, the Company  
 13 implemented three public awareness programs to help reduce third  
 14 party damage incidents. They are: (1) Risk Ranking "811" tickets,



1 and Watch & Protect Program; (2) Untoneable Repair Program; and  
2 (3) Geofencing.

3 The Company received approval to defer expenses for certain  
4 programs in the Sub 743 rate case.<sup>7</sup> Even though these programs  
5 are relatively new, the Company states that they have already had a  
6 positive impact on the damage ratio to its infrastructure;  
7 nevertheless, the Public Staff will continue to analyze this data to  
8 assess the impacts of the programs.

9 In addition to the above list, the Company has adopted the Gold  
10 Shovel Standard<sup>8</sup> (GSS) as part of its standard practice. The GSS is  
11 a non-profit organization that promotes safe digging practices using  
12 standardized performance metrics. As a member of GSS, Piedmont  
13 requires all of its contractors to maintain Gold Shovel certification.

14 Regardless of any programs implemented by the Company, it is still  
15 third party contractors that are key drivers behind damage events.<sup>9</sup>

16 As a result, the Company emphasizes its Gas Pipeline Damage  
17 Prevention Plan, which provides for monthly interaction contractors

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<sup>7</sup> <https://starw1.ncuc.net/NCUC/ViewFile.aspx?Id=efc328f2-5820-43c7-8390-c89ebc0df42c>

<sup>8</sup> <https://goldshovelstandard.org/>

<sup>9</sup> [https://portal.phmsa.dot.gov/analytics/saw.dll?Portalpages&PortalPath=%2Fshared%2FDM%20Public%20Website%2F\\_portal%2FExcavation%20Damage&Action=Navigate&coI1=%22PHP%20-%20Geo%20Location%22.%22State%20Name%22&val1=%22%22](https://portal.phmsa.dot.gov/analytics/saw.dll?Portalpages&PortalPath=%2Fshared%2FDM%20Public%20Website%2F_portal%2FExcavation%20Damage&Action=Navigate&coI1=%22PHP%20-%20Geo%20Location%22.%22State%20Name%22&val1=%22%22)

1 who are repeat offenders. These meetings involve the review of the  
2 specific contractor statistics in an attempt to identify and implement  
3 corrective action measures.

4 Under records, mapping services in the GIS program as approved in  
5 the Sub 743 rate case help assist pipeline operators and state and  
6 federal pipeline regulators ensure the safe, reliable, and  
7 environmentally sound operation of the operator's facility. In  
8 accordance with Federal requirements, between program approval  
9 in the Sub 743 rate case and the present, the Company to date has  
10 digitally map about 15% of its distribution mains, services, and  
11 related equipment in its GIS, with an anticipated completion date of  
12 December 2024.

13 The Corrosion program is another program approved under the  
14 DIMP initiative during the last general and involves performing close  
15 internal surveys on high pressure distribution pipe on a five-year  
16 cycle and remediating anomalies found through the surveys.

17 **Q. WHAT IS YOUR RECOMMENDATION REGARDING THE**  
18 **COMPANY'S DEFERRED DIMP O&M EXPENSES?**

19 The issue of pipeline safety, and specifically the testing of LDCs'  
20 systems, along with the implementation of safety programs, has  
21 come to the forefront in the past 10 to 15 years. The focus was  
22 initially on transmission systems and now includes distribution

1 systems as well. Significant expenditures have been made to  
2 address pipeline safety and remain compliant with PHMSA  
3 regulations, which have been amended as recently as 2019 to  
4 expand obligations.<sup>10</sup>

5 Company witness Brian R. Weisker noted that much of the cost of  
6 compliance with PHMSA regulations is due to the thorough  
7 assessments the Company conducts of its transmission facilities  
8 through smart-pig inspections, which identify anomalies requiring  
9 mitigation. Witness Weisker also noted that the Company's control  
10 over the costs of undertaking specific projects is somewhat limited  
11 because much of the PHMSA compliance work is conducted by  
12 outside contractors who bid for the projects, and high demand for  
13 qualified contractors has caused the cost of PHMSA compliance  
14 work to become inflated.

15 The primary cost drivers impacting the Company's forecast include  
16 contracted labor to meet safety compliance and documentation per  
17 federal DIMP regulatory requirements. The Company has stated that  
18 it would be difficult to estimate these costs with much certainty and  
19 that doing so would be speculative. It is difficult to put a cost on

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<sup>10</sup> Direct Testimony of Company witness Weisker at page 7.

1 pipeline safety and the prevention of property damage and personal  
2 injury or death that can occur from a natural gas incident.

3 As stated above, Piedmont got approval for all programs under DIMP  
4 in the last general rate case, but due to COVID there was a delay in  
5 starting all of the approved programs. The Public Staff should have  
6 the opportunity to examine the annual reports and comment on the  
7 expenditures. I recommend that Piedmont be allowed to continue its  
8 deferral mechanism under PIM-D until the resolution of the  
9 Company's next general rate case proceeding, and that the  
10 Company provide to the Commission program updates including  
11 project scope, and the budgeted and actual costs incurred when it  
12 files its annual IMR report. While my area of investigation of focused  
13 on the necessity of this mechanism, Public Staff accounting witness  
14 Feasel discusses how these costs are accounted for.

15 **PIEDMONT'S QUALITY OF SERVICE**

16 **Q. WHAT FACTORS DID YOU CONSIDER IN YOUR EVALUATION**  
17 **OF PIEDMONT'S OVERALL QUALITY OF SERVICE PROVIDED**  
18 **TO ITS CUSTOMERS?**

19 **A.** I reviewed the following information in my evaluation of Piedmont's  
20 quality of service:

- 1           •       Informal complaints and inquiries from Piedmont customers
- 2                   received by the Public Staff's Consumer Services Division;
- 3           •       Consumer statements of position filed in Docket No. G-9, Sub
- 4                   781CS (Sub 781CS docket);
- 5           •       Emergency response times;
- 6           •       Customer Call Center Monthly Reports filed in Docket No. G-
- 7                   100, Sub 96PNG;
- 8           •       Data on pipeline incident and damage rates (see Patel Figure
- 9                   3); and
- 10          •       Recent Company initiatives that impact the level of service
- 11                   being provided to customers.

12   **Q.     WHAT TYPES OF CUSTOMER COMPLAINTS AND INQUIRIES**  
13           **HAVE BEEN RECEIVED BY THE PUBLIC STAFF'S CONSUMER**  
14           **SERVICES DIVISION?**

15   **A.**     For the period January 2016 through April 2021, the Public Staff's  
16           Consumer Services Division received approximately 1,563 contacts  
17           from Piedmont customers. Of those contacts, 84% related to billing  
18           and payment issues including the establishment or modification of  
19           payment arrangements and questions about current bills. The  
20           remaining 16% involved rate, service, and meter-related issues.

1    **Q.    WHAT TYPES OF CONCERNS WERE INCLUDED IN THE**  
2           **CONSUMER STATEMENTS OF POSITION FILED IN THE SUB**  
3           **781CS DOCKET?**

4    A.    As of August 8, 2021, approximately 47 individuals had filed  
5           consumer statements in this docket. These statements can be  
6           divided into two categories: (1) general opposition to the proposed  
7           rate increase and (2) concerns of fixed income customers regarding  
8           their ability to afford the rate increase.

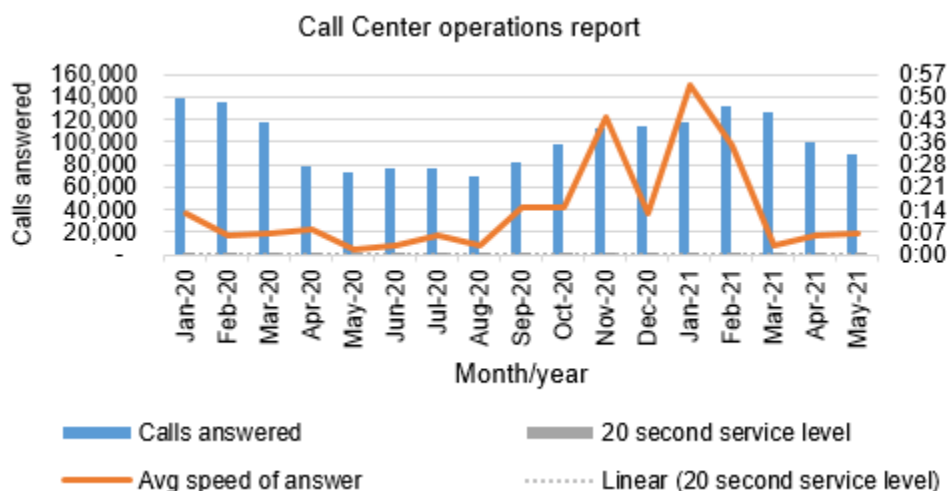
9    **Q.    PLEASE DESCRIBE THE OTHER DATA USED IN YOUR**  
10          **REVIEW.**

11   A.    The other data used in my review were obtained through Piedmont's  
12          Commission-required filings and responses to Public Staff data  
13          requests. I was able to analyze the Company's: (1) call center  
14          response times to customer inquiries, (2) response times to  
15          emergency response calls/events, and (3) the correlation between  
16          damage rates and the number of locate request tickets issued to the  
17          Company.

18          With regard to the Customer Call Center information filed in Docket  
19          No. G-100, Sub 96PNG, from January 2020 to May 2021, the  
20          Company and its third party call centers answered 1,711,719 calls  
21          with an answer rate of 98.6%. In addition to the number of calls  
22          answered by customer service representatives, the Company's

Interactive Voice Response (IVR) answering system handled an additional 1,149,579 calls during this same timeframe. Per G-100, Sub 96PNG Reports, on average, the Company's performance on the "20 second service level" to customer calls has an overall high performance of answering calls within 20 seconds (about 91%) as can be seen from Figure 3 below, while also focusing on improving call response time during the winter months.

**Patel Figure 3**



**Q. HOW WOULD YOU RATE PIEDMONT'S SERVICE QUALITY?**

A. Based on my investigation, I believe the overall quality of service provided by Piedmont to its North Carolina customers is adequate at this time.

1 **COMPANY'S UPDATE FILING**

2 **Q. WHAT ARE YOUR COMMENTS REGARDING THE COMPANY'S**  
3 **UPDATE FILING MADE ON JULY 28, 2021 (JUNE UPDATE)?**

4 A. The Public Staff is aware of the June Update; however, given the  
5 timing of the update filing and the due date of the Public Staff's  
6 testimony, the Public Staff could not reasonably perform its  
7 investigation on the Company's updated information in the short  
8 amount of time before it was due to file testimony. The Public Staff  
9 reserves the right to file supplemental testimony related to the  
10 Company's June Update once its investigation of the updated  
11 information is completed.

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

13 A. Yes, it does.



**APPENDIX A****QUALIFICATIONS AND EXPERIENCE**

NEHA PATEL

I graduated from the University Of Mumbai in 1995 with a Bachelor of Science degree in Electronic Engineering. I began working as a Utilities Engineer with the Natural Gas Division of the Public Staff in the spring of 2014. In 2020, I became Manager of the Natural Gas Section of the Energy Division.

I have worked on purchased gas cost adjustment procedures, tariff filings, customer utilization trackers, special contract review and analysis, weather normalization adjustments, customer complaint resolutions, integrity management riders, franchise exchange filings, compressed natural gas special contracts, peak day demand and capacity calculations, fuel and electric usage trackers, gas resellers, annual review of gas costs proceedings, renewable natural gas filings, cost of service studies, general rate case proceedings, and rate design.



PUBLIC STAFF  
 SUMMARY OF VOLUME AND BILL ADJUSTMENT  
 FOR END OF PERIOD

| RATE<br>SCHEDULE<br>(1)                           | DESCRIPTION<br>(2) |        |     | E<br>A<br>S<br>O<br>N<br>(3) | BILLS/<br>DEMAND<br>UNITS<br>(4) | VOLUMES<br>(DTS)<br>(5) | WEATHER<br>NORMALIZATION   |                                    | CUSTOMER GROWTH              |              | TOTAL                        |                            |
|---|--------------------|--------|-----|------------------------------|----------------------------------|-------------------------|----------------------------|------------------------------------|------------------------------|--------------|------------------------------|----------------------------|
|   |                    |        |     |                              |                                  |                         | ADJUSTMENT<br>(DTS)<br>(6) | TOTAL<br>(DTS)<br>(7)<br>(5) + (6) | ADJUSTMENT<br>(BILLS)<br>(8) | (DTS)<br>(9) | (BILLS)<br>(10)<br>(4) + (8) | (DTS)<br>(11)<br>(7) + (9) |
| 101 Residential Service                           |                    |        |     | W                            | 3,467,266                        | 24,967,801              |                            | 30,164,236                         | 48,085                       | 418,330      | 3,515,351                    | 30,582,566                 |
| 101 Residential Service                           |                    |        |     | S                            | 4,849,056                        | 8,736,958               | (173,837)                  | 8,563,121                          | 67,249                       | 118,757      | 4,916,305                    | 8,681,878                  |
| 143/101 Exp Motor Vehicle Fuel                    |                    |        |     | W                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 143/101 Exp Motor Vehicle Fuel                    |                    |        |     | S                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 102 Small General Service                         |                    |        |     | W                            | 358,613                          | 14,694,162              | 2,371,941                  | 17,066,103                         | 2,816                        | 133,991      | 361,429                      | 17,200,094                 |
| 102 Small General Service                         |                    |        |     | S                            | 499,882                          | 7,668,230               | 30,837                     | 7,699,067                          | 3,925                        | 60,448       | 503,807                      | 7,759,515                  |
| 143/102 Exp Motor Vehicle Fuel                    |                    |        |     | W                            | 45                               | 6,927                   | -                          | 6,927                              | -                            | -            | 45                           | 6,927                      |
| 143/102 Exp Motor Vehicle Fuel                    |                    |        |     | S                            | 63                               | 4,947                   | -                          | 4,947                              | -                            | -            | 63                           | 4,947                      |
| 152 Medium General Service                        | First              | 500    | dts | W                            | 2,504                            | 1,103,883               | 115,210                    | 1,219,093                          | 85                           | 41,340       | 2,589                        | 1,260,433                  |
| 152 Medium General Service                        | Over               | 500    | dts | W                            |                                  | 1,420,122               | 148,215                    | 1,568,337                          |                              | 53,183       |                              | 1,621,520                  |
| 152 Medium General Service                        | First              | 500    | dts | S                            | 3,517                            | 1,220,714               | 4,698                      | 1,225,402                          | 119                          | 41,554       | 3,636                        | 1,266,956                  |
| 152 Medium General Service                        | Over               | 500    | dts | S                            |                                  | 854,792                 | 3,283                      | 858,075                            |                              | 29,098       |                              | 887,172                    |
| 143/152 Exp Motor Vehicle Fuel                    | First              | 500    | dts | W                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 143/152 Exp Motor Vehicle Fuel                    | Over               | 500    | dts | W                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 143/152 Exp Motor Vehicle Fuel                    | First              | 500    | dts | S                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 143/152 Exp Motor Vehicle Fuel                    | Over               | 500    | dts | S                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 142 Natural Gas Vehicle Fuel -<br>Company Premise |                    |        |     | W                            | -                                | 33,028                  | -                          | 33,028                             | -                            | -            | -                            | 33,028                     |
| 142 Natural Gas Vehicle Fuel -<br>Company Premise |                    |        |     | S                            | -                                | 45,052                  | -                          | 45,052                             | -                            | -            | -                            | 45,052                     |
| 144 Med Gen Transportation Service                | First              | 500    | dts | W                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 144 Med Gen Transportation Service                | Over               | 500    | dts | W                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 144 Med Gen Transportation Service                | First              | 500    | dts | S                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 144 Med Gen Transportation Service                | Over               | 500    | dts | S                            | -                                | -                       | -                          | -                                  | -                            | -            | -                            | -                          |
| 103 Large General Service                         | Demand             |        |     | W                            | 175,455                          |                         |                            |                                    | -                            | dts          | 175,455                      | dts                        |
| 103 Large General Service                         | First              | 1,500  | dts | W                            | 387                              | 540,463                 | -                          | 540,463                            | -                            | -            | 387                          | 540,463                    |
| 103 Large General Service                         | Next               | 3,000  | dts | W                            |                                  | 472,780                 | -                          | 472,780                            | -                            | -            |                              | 472,780                    |
| 103 Large General Service                         | Next               | 9,000  | dts | W                            |                                  | 166,002                 | -                          | 166,002                            | -                            | -            |                              | 166,002                    |
| 103 Large General Service                         | Next               | 16,500 | dts | W                            |                                  | 7,041                   | -                          | 7,041                              | -                            | -            |                              | 7,041                      |
| 103 Large General Service                         | Next               | 30,000 | dts | W                            |                                  | 0                       | -                          | 0                                  | -                            | -            |                              | 0                          |
| 103 Large General Service                         | Over               | 60,000 | dts | W                            |                                  | 0                       | -                          | 0                                  | -                            | -            |                              | 0                          |
| 103 Large General Service                         | First              | 1,500  | dts | S                            | 553                              | 657,365                 | -                          | 657,365                            | -                            | -            | 553                          | 657,365                    |
| 103 Large General Service                         | Next               | 3,000  | dts | S                            |                                  | 420,922                 | -                          | 420,922                            | -                            | -            |                              | 420,922                    |
| 103 Large General Service                         | Next               | 9,000  | dts | S                            |                                  | 121,663                 | -                          | 121,663                            | -                            | -            |                              | 121,663                    |
| 103 Large General Service                         | Next               | 16,500 | dts | S                            |                                  | 3,058                   | -                          | 3,058                              | -                            | -            |                              | 3,058                      |
| 103 Large General Service                         | Next               | 30,000 | dts | S                            |                                  | 0                       | -                          | 0                                  | -                            | -            |                              | 0                          |
| 103 Large General Service                         | Over               | 60,000 | dts | S                            |                                  | 0                       | -                          | 0                                  | -                            | -            |                              | 0                          |
| 143/103 Exp Motor Vehicle Fuel                    | Demand             |        |     | W                            | 8,419                            | dts                     |                            |                                    | -                            |              | 8,419                        | dts                        |
| 143/103 Exp Motor Vehicle Fuel                    | First              | 1,500  | dts | W                            | 15                               | 22,500                  | -                          | 22,500                             | -                            | -            | 15                           | 22,500                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 3,000  | dts | W                            |                                  | 29,515                  | -                          | 29,515                             | -                            | -            |                              | 29,515                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 9,000  | dts | W                            |                                  | 24,500                  | -                          | 24,500                             | -                            | -            |                              | 24,500                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 16,500 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 30,000 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 143/103 Exp Motor Vehicle Fuel                    | Over               | 60,000 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 143/103 Exp Motor Vehicle Fuel                    | First              | 1,500  | dts | S                            | 21                               | 31,500                  | -                          | 31,500                             | -                            | -            | 21                           | 31,500                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 3,000  | dts | S                            |                                  | 45,994                  | -                          | 45,994                             | -                            | -            |                              | 45,994                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 9,000  | dts | S                            |                                  | 40,008                  | -                          | 40,008                             | -                            | -            |                              | 40,008                     |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 16,500 | dts | S                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 143/103 Exp Motor Vehicle Fuel                    | Next               | 30,000 | dts | S                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 143/103 Exp Motor Vehicle Fuel                    | Over               | 60,000 | dts | S                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 104 Interruptible Service                         | First              | 1,500  | dts | W                            | 87                               | 126,290                 | -                          | 126,290                            | -                            | -            | 87                           | 126,290                    |
| 104 Interruptible Service                         | Next               | 3,000  | dts | W                            |                                  | 167,195                 | -                          | 167,195                            | -                            | -            |                              | 167,195                    |
| 104 Interruptible Service                         | Next               | 9,000  | dts | W                            |                                  | 86,368                  | -                          | 86,368                             | -                            | -            |                              | 86,368                     |
| 104 Interruptible Service                         | Next               | 16,500 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 104 Interruptible Service                         | Next               | 30,000 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 104 Interruptible Service                         | Over               | 60,000 | dts | W                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 104 Interruptible Service                         | First              | 1,500  | dts | S                            |                                  | 146,785                 | -                          | 146,785                            | -                            | -            |                              | 146,785                    |
| 104 Interruptible Service                         | Next               | 3,000  | dts | S                            | 121                              | 117,722                 | -                          | 117,722                            | -                            | -            | 121                          | 117,722                    |
| 104 Interruptible Service                         | Next               | 9,000  | dts | S                            |                                  | 34,380                  | -                          | 34,380                             | -                            | -            |                              | 34,380                     |
| 104 Interruptible Service                         | Next               | 16,500 | dts | S                            |                                  | 3,243                   | -                          | 3,243                              | -                            | -            |                              | 3,243                      |
| 104 Interruptible Service                         | Next               | 30,000 | dts | S                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| 104 Interruptible Service                         | Over               | 60,000 | dts | S                            |                                  | -                       | -                          | -                                  | -                            | -            |                              | -                          |
| SUBTOTAL  |                    |        |     |                              | 9,182,130                        | 64,021,909              | 7,696,772                  | 71,718,682                         | 122,278                      | 896,700      | 9,304,408                    | 72,615,381                 |

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Aug 11 2021

PUBLIC STAFF  
 SUMMARY OF VOLUME AND BILL ADJUSTMENT  
 FOR END OF PERIOD

| RATE<br>SCHEDULE<br>(1)                  | DESCRIPTION<br>(2) | E<br>A<br>S<br>O<br>N<br>(3) | BILLS/<br>DEMAND<br>UNITS<br>(4) | VOLUMES<br>(DT)<br>(5) | WEATHER<br>NORMALIZATION  |                                   | CUSTOMER GROWTH              |             | TOTAL                        |                           |
|--|--------------------|------------------------------|----------------------------------|------------------------|---------------------------|-----------------------------------|------------------------------|-------------|------------------------------|---------------------------|
|  |                    |                              |                                  |                        | ADJUSTMENT<br>(DT)<br>(6) | TOTAL<br>(DT)<br>(7)<br>(5) + (6) | ADJUSTMENT<br>(BILLS)<br>(8) | (DT)<br>(9) | (BILLS)<br>(10)<br>(4) + (8) | (DT)<br>(11)<br>(7) + (9) |
| 143/104 Exp Motor Vehicle Fuel           | First 1,500 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 3,000 dts     | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 9,000 dts     | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 16,500 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 30,000 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Over 60,000 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | First 1,500 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 3,000 dts     | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 9,000 dts     | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 16,500 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 30,000 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Over 60,000 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
| 113 Large General Transportation Service | Demand             |                              | 1,664,818 dts                    |                        | -                         |                                   | 21,604                       |             | 1,686,422 dts                |                           |
|  | First 1,500 dts    | W                            | 1,463                            | 1,999,261              | -                         | 1,999,261                         | 5                            | 7,500       | 1,468                        | 2,006,761                 |
|  | Next 3,000 dts     | W                            |                                  | 2,707,361              | -                         | 2,707,361                         |                              | 15,000      |                              | 2,722,361                 |
|  | Next 9,000 dts     | W                            |                                  | 2,984,365              | -                         | 2,984,365                         |                              | 45,000      |                              | 3,029,365                 |
|  | Next 30,000 dts    | W                            |                                  | 1,907,877              | -                         | 1,907,877                         |                              | 82,500      |                              | 1,990,377                 |
|  | Next 46,500 dts    | W                            |                                  | 1,654,315              | -                         | 1,654,315                         |                              | 70,125      |                              | 1,724,440                 |
|  | Over 60,000 dts    | W                            |                                  | 3,001,054              | -                         | 3,001,054                         |                              | 0           |                              | 3,001,054                 |
|  | First 1,500 dts    | S                            | 2,041                            | 2,634,064              | -                         | 2,634,064                         | 7                            | 10,500      | 2,048                        | 2,644,564                 |
|  | Next 3,000 dts     | S                            |                                  | 3,185,097              | -                         | 3,185,097                         |                              | 21,000      |                              | 3,206,097                 |
|  | Next 9,000 dts     | S                            |                                  | 3,397,313              | -                         | 3,397,313                         |                              | 63,000      |                              | 3,460,313                 |
|  | Next 16,500 dts    | S                            |                                  | 2,302,383              | -                         | 2,302,383                         |                              | 113,487     |                              | 2,415,870                 |
|  | Next 30,000 dts    | S                            |                                  | 2,100,219              | -                         | 2,100,219                         |                              | 41,580      |                              | 2,141,810                 |
|  | Over 60,000 dts    | S                            |                                  | 3,512,795              | -                         | 3,512,795                         |                              | 0           |                              | 3,512,795                 |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
| 143/113 Exp Motor Vehicle Fuel           | Demand             |                              | 44,823 dts                       |                        | -                         |                                   | 600                          |             | 45,423 dts                   |                           |
|  | First 1,500 dts    | W                            | 40                               | 59,894                 | -                         | 59,894                            | 5                            | 7,500       | 45                           | 67,394                    |
|  | Next 3,000 dts     | W                            |                                  | 90,581                 | -                         | 90,581                            |                              | 3,905       |                              | 94,486                    |
|  | Next 9,000 dts     | W                            |                                  | 58,028                 | -                         | 58,028                            |                              | -           |                              | 58,028                    |
|  | Next 30,000 dts    | W                            |                                  | 82,500                 | -                         | 82,500                            |                              | -           |                              | 82,500                    |
|  | Next 46,500 dts    | W                            |                                  | 47,512                 | -                         | 47,512                            |                              | -           |                              | 47,512                    |
|  | Over 60,000 dts    | W                            |                                  | -                      | -                         | -                                 |                              | -           |                              | -                         |
|  | First 1,500 dts    | S                            | 56                               | 84,000                 | -                         | 84,000                            | 7                            | 10,500      | 63                           | 94,500                    |
|  | Next 3,000 dts     | S                            |                                  | 137,539                | -                         | 137,539                           |                              | 5,467       |                              | 143,006                   |
|  | Next 9,000 dts     | S                            |                                  | 87,207                 | -                         | 87,207                            |                              | -           |                              | 87,207                    |
|  | Next 16,500 dts    | S                            |                                  | 115,500                | -                         | 115,500                           |                              | -           |                              | 115,500                   |
|  | Next 30,000 dts    | S                            |                                  | 79,645                 | -                         | 79,645                            |                              | -           |                              | 79,645                    |
|  | Over 60,000 dts    | S                            |                                  | -                      | -                         | -                                 |                              | -           |                              | -                         |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
| 114 Interruptible Transportation Service | First 1,500 dts    | W                            | 1,208                            | 1,576,331              | -                         | 1,576,331                         | 5                            | 7,500       | 1,213                        | 1,583,831                 |
|  | Next 3,000 dts     | W                            |                                  | 2,387,296              | -                         | 2,387,296                         |                              | 5,675       |                              | 2,392,971                 |
|  | Next 9,000 dts     | W                            |                                  | 3,214,190              | -                         | 3,214,190                         |                              | (15,281)    |                              | 3,198,909                 |
|  | Next 16,500 dts    | W                            |                                  | 2,297,944              | -                         | 2,297,944                         |                              | (49,500)    |                              | 2,248,444                 |
|  | Next 30,000 dts    | W                            |                                  | 2,222,135              | -                         | 2,222,135                         |                              | (80,000)    |                              | 2,132,135                 |
|  | Over 60,000 dts    | W                            |                                  | 1,372,297              | -                         | 1,372,297                         |                              | (10,161)    |                              | 1,362,136                 |
|  | First 1,500 dts    | S                            | 1,676                            | 2,239,062              | -                         | 2,239,062                         | 2                            | 3,000       | 1,678                        | 2,242,062                 |
|  | Next 3,000 dts     | S                            |                                  | 3,169,572              | -                         | 3,169,572                         |                              | (7,055)     |                              | 3,162,517                 |
|  | Next 9,000 dts     | S                            |                                  | 3,838,369              | -                         | 3,838,369                         |                              | (51,955)    |                              | 3,786,414                 |
|  | Next 16,500 dts    | S                            |                                  | 2,789,562              | -                         | 2,789,562                         |                              | (99,000)    |                              | 2,689,562                 |
|  | Next 30,000 dts    | S                            |                                  | 2,651,927              | -                         | 2,651,927                         |                              | (177,208)   |                              | 2,474,718                 |
|  | Over 60,000 dts    | S                            |                                  | 1,532,413              | -                         | 1,532,413                         |                              | (21,443)    |                              | 1,510,970                 |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
| 143/114 Exp Motor Vehicle Fuel           | First 1,500 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 3,000 dts     | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 9,000 dts     | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 16,500 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 30,000 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Over 60,000 dts    | W                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | First 1,500 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 3,000 dts     | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 9,000 dts     | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 16,500 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Next 30,000 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  | Over 60,000 dts    | S                            | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
|  |                    |                              |                                  |                        |                           |                                   |                              |             |                              |                           |
| SUBTOTAL                                 |                    |                              | 6,484                            | 61,518,608             | -                         | 61,518,608                        | 31                           | (8,355)     | 6,515                        | 61,510,254                |

PUBLIC STAFF  
 SUMMARY OF VOLUME AND BILL ADJUSTMENT  
 FOR END OF PERIOD

| RATE<br>SCHEDULE<br>(1)                    | DESCRIPTION<br>(2) | S<br>E<br>A<br>S<br>O<br>N<br>(3) | BILLS/<br>DEMAND<br>UNITS<br>(4) | VOLUMES<br>(DT)<br>(5) | WEATHER<br>NORMALIZATION  |                                   | CUSTOMER GROWTH              |             | TOTAL                        |                           |
|--|--------------------|-----------------------------------|----------------------------------|------------------------|---------------------------|-----------------------------------|------------------------------|-------------|------------------------------|---------------------------|
|  |                    |                                   |                                  |                        | ADJUSTMENT<br>(DT)<br>(6) | TOTAL<br>(DT)<br>(7)<br>(5) + (6) | ADJUSTMENT<br>(BILLS)<br>(8) | (DT)<br>(9) | (BILLS)<br>(10)<br>(4) + (8) | (DT)<br>(11)<br>(7) + (9) |
| 105 Outdoor Gaslight Service               | Fixtures           | W                                 | 5,397                            |                        | -                         | 0                                 | -                            | dt          | 5,397                        | 0                         |
|  |                    | S                                 | 282                              | 3,593                  | -                         | 3,593                             | -                            | -           | 282                          | 3,593                     |
|  |                    |                                   | 393                              | 5,042                  | -                         | 5,042                             | -                            | -           | 393                          | 5,042                     |
|  |                    |                                   | 84,000 dt                        |                        |                           |                                   |                              |             | 84,000 dt                    |                           |
| T-10 Transportation for Rate 10            |                    | W                                 | 5                                | 745,667                | -                         | 745,667                           | -                            | -           | 5                            | 745,667                   |
| T-10 Transportation for Rate 10            |                    | S                                 | 7                                | 514,826                | -                         | 514,826                           | -                            | -           | 7                            | 514,826                   |
| 12 Military Installations In Onslow County |                    | W                                 | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
| 12 Military Installations In Onslow County |                    | S                                 | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
| T-12 Transportation for Rate 12            |                    | W                                 | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
| T-12 Transportation for Rate 12            |                    | S                                 | -                                | -                      | -                         | -                                 | -                            | -           | -                            | -                         |
| Power Generation Contracts                 |                    | W                                 | 76                               | 108,791,607            | -                         | 108,791,607                       | 6                            | 8,678,554   | 82                           | 117,470,161               |
| Power Generation Contracts                 |                    | S                                 | 112                              | 140,453,299            | -                         | 140,453,299                       | -                            | 16,405,242  | 112                          | 156,858,541               |
| Special Contracts-Municipal                |                    | W                                 | 16                               | 4,204,171              | -                         | 4,204,171                         | -                            | -           | 16                           | 4,204,171                 |
| Special Contracts-Municipal                |                    | S                                 | 21                               | 2,847,562              | -                         | 2,847,562                         | -                            | -           | 21                           | 2,847,562                 |
| Special Contracts-Large Volume             |                    | W                                 | 50                               | 2,023,465              | -                         | 2,023,465                         | (4)                          | 88,077      | 46                           | 2,111,542                 |
| Special Contracts-Large Volume             |                    | S                                 | 58                               | 2,123,266              | -                         | 2,123,266                         | 5                            | 453,718     | 63                           | 2,576,984                 |
| Special Contracts-Military                 |                    | W                                 | 15                               | 608,438                | -                         | 608,438                           | -                            | 1,319       | 15                           | 609,756                   |
| Special Contracts-Military                 |                    | S                                 | 21                               | 420,018                | -                         | 420,018                           | -                            | 4,038       | 21                           | 424,056                   |
| Subtotal                                   |                    |                                   | 1,056                            | 262,740,952            | -                         | 262,740,952                       | 7                            | 25,630,847  | 1,063                        | 288,371,899               |
| Subtotal w/o Power Generation              |                    |                                   | 9,189,482                        | 139,036,563            | 7,696,772                 | 146,733,336                       | 122,310                      | 1,435,497   | 9,311,793                    | 148,168,832               |
| Total                                      |                    |                                   | 9,189,670                        | 388,281,469            | 7,696,772                 | 395,978,242                       | 122,316                      | 26,519,293  | 9,311,987                    | 422,497,534               |

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PIEDMONT NATURAL GAS COMPANY, INC.  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
Docket G-9, Sub 781

| RATE<br>SCHEDULE<br>(1) | DESCRIPTION<br>(2)  | SEASON<br>(3)    | NUMBER<br>OF BILLS<br>(4) | MONTHLY<br>FACILITIES<br>CHARGE<br>(5) | MONTHLY<br>DEMAND<br>CHARGE<br>(6) | VOLUMES<br>(7)          | END-OF<br>PERIOD<br>RATES<br>(8/DT)<br>(8) | FACILITIES<br>CHARGE<br>REVENUES<br>(9) | DEMAND<br>CHARGE<br>REVENUES<br>(10) | ENERGY<br>CHARGE<br>REVENUES<br>(11) | MARGIN<br>DECOUPLING<br>ADJUSTMENT<br>(12) | MINIMUM<br>MARGIN<br>AGREEMENT<br>(13) | COMPRESSION<br>CHARGE<br>REVENUES<br>(14) | INTEGRITY<br>MANAGEMENT<br>RIDER REVENUES<br>(15) | TOTAL<br>REVENUES<br>(16)      |                         |                          |
|-------------------------|---|------------------|---------------------------|--|------------------------------------|-------------------------|--|---|--------------------------------------|--------------------------------------|--|--|---|---|--------------------------------|-------------------------|--------------------------|
| 101                     | Residential Service                                       | Winter<br>Summer | 3,515,351<br>4,916,305    | \$10.00<br>10.00                       |                                    | 30,582,566<br>8,681,878 | \$12.1423<br>\$11.6325                     | \$35,153,515<br>\$49,163,047            |                                      | \$371,342,694<br>\$100,991,950       | \$10,568,439<br>(606,065)                  |  |   | \$22,127,731                                      | \$417,064,647<br>\$149,548,931 |                         |                          |
|                         |   |                  | 8,431,656                 |  |                                    | 39,264,445              |  | \$84,316,561                            |                                      | \$472,334,644                        | \$9,962,374                                | 0                                      | 0   | \$22,127,731                                      | \$588,741,309                  |                         |                          |
| 102                     | Small General Service                                     | Winter<br>Summer | 361,429<br>503,807        | \$22.00<br>22.00                       |                                    | 17,200,094<br>7,759,515 | \$9.3880<br>\$8.9902                       | \$7,951,429<br>\$11,083,748             |                                      | \$161,474,487<br>\$69,759,590        | \$5,506,676<br>6,353,982                   |  |   | 9,014,369   | \$174,932,592<br>\$87,197,320  |                         |                          |
|                         |   |                  | 865,235                   |  |                                    | 24,959,609              |  | \$19,035,177                            |                                      | \$231,234,077                        | \$11,860,658                               |  |   |   | \$271,144,281                  |                         |                          |
| 143/102                 | Experimental Motor Vehicle Fuel<br>Small General Service  | Winter<br>Summer | 45<br>63                  | \$22.00<br>22.00                       |                                    | 6,927<br>4,947          | 9.3880<br>8.9902                           | 990<br>1,386                            |                                      | 65,027<br>44,475                     | (23091)<br>(18967)                         |  |   |   | 42,925<br>26,894               |                         |                          |
|                         |   |                  | 108                       |  |                                    | 11,874                  |  | 2,376                                   |                                      | 109,502                              | (42059)                                    |  |   |   | 69,820                         |                         |                          |
| 152                     | Medium General Service                                    | First<br>Over    | 500 dts<br>500 dts        | Winter<br>Winter                       | 2,589                              | \$75.00                 |  | 1,260,433<br>1,621,520                  | \$8.5185<br>\$8.1875                 | \$194,168                            |  |  | \$10,736,999<br>\$13,276,193              | \$203,932<br>\$262,354                            | 65,978                         | 1,253,609               | 10,940,930<br>13,538,546 |
|                         |   |                  |                           |  |                                    |                         |  | 2,881,953                               |                                      |                                      |  |  | \$24,013,191                              | \$466,285   |                                | 24,673,645              |                          |
|                         |   | First<br>Over    | 500 dts<br>500 dts        | Summer<br>Summer                       | 3,636                              | \$75.00                 |  | 1,266,956<br>887,172                    | \$8.4609<br>\$8.1554                 | \$272,720                            |  |  | \$10,719,584<br>\$7,235,244               | \$1,036,938<br>\$726,105                          |                                | 11,766,522<br>7,961,349 |                          |
|                         |   |                  |                           |  |                                    |                         |  | 2,154,128                               |                                      |                                      |  |  | \$17,954,829                              | \$1,763,043                                       |                                | 19,990,592              |                          |
|                         | Total Rate Schedule 152                                   |                  | 6,225                     |  |                                    | 5,036,081               |  | \$466,888                               |                                      | \$41,968,020                         | \$2,225,329                                |  |   |   | 45,983,823                     |                         |                          |
| 143/152                 | Experimental Motor Vehicle Fuel<br>Medium General Service | First<br>Over    | 500 dts<br>500 dts        | Winter<br>Winter                       | 0                                  | \$75.00                 |  | 0<br>0                                  | 8.5185<br>8.1875                     | 0<br>0                               | 0<br>0                                     |  | 0<br>0                                    | 0<br>0  | 0<br>0                         |                         |                          |
|                         |   |                  |                           |  |                                    |                         |  | 0                                       |                                      | 0                                    | 0  |  | 0   | 0   | 0                              |                         |                          |
|                         |   | First<br>Over    | 500 dts<br>500 dts        | Summer<br>Summer                       | 0                                  | \$75.00                 |  | 0<br>0                                  | 8.4609<br>8.1554                     | 0<br>0                               | 0<br>0                                     |  | 0<br>0                                    | 0<br>0  | 0<br>0                         |                         |                          |
|                         |   |                  |                           |  |                                    |                         |  | 0                                       |                                      | 0                                    | 0  |  | 0   | 0   | 0                              |                         |                          |
|                         | Total Rate Schedule 143/152                               |                  | 0                         |  |                                    | 0                       |  | \$0                                     |                                      | \$0                                  | \$0  |  |   |   | \$0                            |                         |                          |
| 144                     | Medium General Transportation Se                          | First<br>Over    | 500 dts<br>500 dts        | Winter<br>Winter                       | 0                                  | \$75.00                 |  | 0<br>0                                  | 5.2685<br>4.9375                     | 0<br>0                               | 0<br>0                                     |  | 0<br>0                                    | 0<br>0  | 0<br>0                         |                         |                          |
|                         |   |                  |                           |  |                                    |                         |  | 0                                       |                                      | 0                                    | 0  |  | 0   | 0   | 0                              |                         |                          |
|                         |   | First<br>Over    | 500 dts<br>500 dts        | Summer<br>Summer                       | 0                                  | \$75.00                 |  | 0<br>0                                  | 5.2109<br>4.9054                     | 0<br>0                               | 0<br>0                                     |  | 0<br>0                                    | 0<br>0  | 0<br>0                         |                         |                          |
|                         |   |                  |                           |  |                                    |                         |  | 0                                       |                                      | 0                                    | 0  |  | 0   | 0   | 0                              |                         |                          |
|                         | Total Rate Schedule 144                                   |                  | 0                         |  |                                    | 0                       |  | \$0                                     |                                      | \$0                                  | \$0  |  |   |   | \$0                            |                         |                          |
| 142                     | Natural Gas Vehiclc Fuel<br>Customer Premises             | Winter<br>Summer | 0<br>0                    | \$22.00<br>22.00                       |                                    | 33,028<br>45,052        | \$9.4934<br>\$9.4934                       | \$0<br>0                                |                                      | \$313,550<br>\$427,699               |  |  | 312,322                                   | 40,990  | \$313,550<br>\$427,699         |                         |                          |
|                         |   |                  | 0                         |  |                                    | 78,080                  |  | \$0                                     |                                      | \$741,248                            |  |  |   |   | \$1,094,560                    |                         |                          |
| SUBTOTAL - PAGE 1       |   |                  | 9,303,225 bills           |  |                                    | 69,350,088 dts          |  | \$103,821,002                           | \$0                                  | \$746,387,491                        | \$24,015,302                               |  |   | 32,436,697.94                                     | \$907,033,780                  |                         |                          |

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PIEDMONT NATURAL GAS COMPANY, INC.  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
Docket G-9, Sub 781

Patel Exhibit II  
Page 2 of 5

| RATE<br>SCHEDULE<br>(1) | DESCRIPTION<br>(2)   |               | SEASON<br>(3) | NUMBER<br>OF BILLS<br>(4) | MONTHLY<br>FACILITIES<br>CHARGE<br>(5) | MONTHLY<br>DEMAND<br>CHARGE<br>(6) | VOLUMES<br>(DT)<br>(7) | END-OF<br>PERIOD<br>RATES<br>(\$/DT)<br>(8) | FACILITIES<br>CHARGE<br>REVENUES<br>(\$)<br>(9) | DEMAND<br>CHARGE<br>REVENUES<br>(\$)<br>(10) | ENERGY<br>CHARGE<br>REVENUES<br>(\$)<br>(11) | MARGIN<br>DECOUPLING<br>ADJUSTMENT<br>(\$)<br>(12) | MINIMUM<br>MARGIN<br>AGREEMENT<br>(\$)<br>(13) | COMPRESSION<br>CHARGE<br>REVENUES<br>(\$)<br>(14) | INTEGRITY<br>MANAGEMENT<br>RIDER REVENUES<br>(\$)<br>(15) | TOTAL<br>REVENUES<br>(\$)<br>(16) |
|-------------------------|--|---------------|---------------|---------------------------|--|------------------------------------|------------------------|---|---|--|--|--|--|---|---|-----------------------------------|
| 103                     | Large General Sales Service                                    | Demand Charge |               |                           |  |                                    |                        |   |   | \$2,823,045                                  |  |  |  | 35,732  | 102,475   |                                   |
|                         |  | First         | 1,500         | dtls                      | Winter                                 | 387                                | \$350.00               | \$14.95                                     | 175,455   |  |  |  |  |   |   |                                   |
|                         |  | Next          | 3,000         | dtls                      | Winter                                 |                                    |                        |   | 540,463   | 5.0392                                       | \$135,450                                    |  |  |   |   |                                   |
|                         |  | Next          | 9,000         | dtls                      | Winter                                 |                                    |                        |   | 472,780   | 4.4065                                       |  |  |  | 2,723,500   |   | 2,723,500                         |
|                         |  | Next          | 16,500        | dtls                      | Winter                                 |                                    |                        |   | 166,002   | 4.0653                                       |  |  |  | 2,083,306   |   | 2,083,306                         |
|                         |  | Next          | 30,000        | dtls                      | Winter                                 |                                    |                        |   | 7,041   | 3.9170                                       |  |  |  | 874,846   |   | 874,846                           |
|                         |  | Over          | 60,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 3.8765                                       |  |  |  | 27,580  |   | 27,580                            |
|                         |  | Over          | 60,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 3.4915                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 1,186,286                                       |  |  |  |  | \$5,506,231                                       |   | \$5,644,681.48                    |
|                         |  | First         | 1,500         | dtls                      | Summer                                 | 553                                | \$350.00               |   | 657,365   | 4.4186                                       | \$193,550                                    |  |  | \$2,904,634                                       |   | \$2,904,634                       |
|                         |  | Next          | 3,000         | dtls                      | Summer                                 |                                    |                        |   | 420,922   | 4.0924                                       |  |  |  | \$1,722,582                                       |   | \$1,722,582                       |
|                         |  | Next          | 9,000         | dtls                      | Summer                                 |                                    |                        |   | 121,663   | 3.9484                                       |  |  |  | \$468,207   |   | \$468,207                         |
|                         |  | Next          | 16,500        | dtls                      | Summer                                 |                                    |                        |   | 3,058   | 3.7344                                       |  |  |  | \$11,421  |   | \$11,421                          |
|                         |  | Next          | 30,000        | dtls                      | Summer                                 |                                    |                        |   | -   | 3.5663                                       |  |  |  | \$0   |   | \$0                               |
|                         |  | Over          | 60,000        | dtls                      | Summer                                 |                                    |                        |   | 0   | 3.3932                                       |  |  |  | \$0   |   | \$0                               |
|                         |  |               |               |                           |  |                                    |                        |   | 1,203,009                                       |  |  |  |  | 5,106,844   |   | 5,300,394                         |
|                         |  |               |               |                           |  |                                    |                        |   | 2,389,294                                       |  |  |  |  | 10,616,076  |   | 13,706,327                        |
|                         | Total Rate Schedule 103  |               |               |                           |  | 940                                |                        |   |   | 329,000                                      |  |  |  |   |   |                                   |
| 143/103                 | Experimental Motor Vehicle Fuel<br>Large General Sales Service | Demand Charge |               |                           |  |                                    |                        | \$14.95                                     | 8,419   |  | \$125,857                                    |  |  |   | 143,569   |                                   |
|                         |  | First         | 1,500         | dtls                      | Winter                                 | 15                                 | \$350.00               |   | 22,500  | 5.0392                                       | \$5,250                                      |  |  | 113,382   |   | 113,382                           |
|                         |  | Next          | 3,000         | dtls                      | Winter                                 |                                    |                        |   | 23,515  | 4.4065                                       |  |  |  | 130,057   |   | 130,057                           |
|                         |  | Next          | 9,000         | dtls                      | Winter                                 |                                    |                        |   | 24,500  | 4.0653                                       |  |  |  | 99,601  |   | 99,601                            |
|                         |  | Next          | 16,500        | dtls                      | Winter                                 |                                    |                        |   | 0   | 3.9170                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 30,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 3.8765                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Over          | 60,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 3.4915                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 76,515  |  |  |  |  | \$343,040   |   | \$348,290                         |
|                         |  | First         | 1,500         | dtls                      | Summer                                 | 21                                 | \$350.00               |   | 31,500  | 4.4186                                       | \$7,350                                      |  |  | 139,186   |   | 139,186                           |
|                         |  | Next          | 3,000         | dtls                      | Summer                                 |                                    |                        |   | 45,094  | 4.0924                                       |  |  |  | 188,225   |   | 188,225                           |
|                         |  | Next          | 9,000         | dtls                      | Summer                                 |                                    |                        |   | 40,008  | 3.8464                                       |  |  |  | 153,966   |   | 153,966                           |
|                         |  | Next          | 16,500        | dtls                      | Summer                                 |                                    |                        |   | 0   | 3.7344                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 30,000        | dtls                      | Summer                                 |                                    |                        |   | 0   | 3.5663                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Over          | 60,000        | dtls                      | Summer                                 |                                    |                        |   | 0   | 3.3932                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 117,502   |  |  |  |  | 481,377   |   | 488,727                           |
|                         |  |               |               |                           |  |                                    |                        |   | 194,017   |  |  |  |  | 824,417   |   | 1,106,442                         |
|                         | Total Rate Schedule 143/103                                    |               |               |                           |  | 36                                 |                        |   |   | 12,600                                       |  |  |  |   |   |                                   |
| 104                     | Interruptible Sales Service                                    | Demand Charge |               |                           |  |                                    |                        |   |   |  |  |  |  |   |   |                                   |
|                         |  | First         | 1,500         | dtls                      | Winter                                 | 87                                 | \$350.00               |   | 126,290   | 5.3158                                       | \$30,450                                     |  |  | 671,330   |   | 671,330                           |
|                         |  | Next          | 3,000         | dtls                      | Winter                                 |                                    |                        |   | 167,195   | 5.0994                                       |  |  |  | 852,592   |   | 852,592                           |
|                         |  | Next          | 9,000         | dtls                      | Winter                                 |                                    |                        |   | 86,368  | 4.7544                                       |  |  |  | 410,629   |   | 410,629                           |
|                         |  | Next          | 16,500        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.4772                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 30,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.2156                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Over          | 60,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.0008                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 379,853   |  |  |  |  | \$1,934,552                                       |   | \$1,965,002                       |
|                         |  | First         | 1,500         | dtls                      | Summer                                 | 121                                | \$350.00               |   | 146,785   | 4.9913                                       | \$42,350                                     |  |  | 732,649   |   | 732,649                           |
|                         |  | Next          | 3,000         | dtls                      | Summer                                 |                                    |                        |   | 117,722   | 4.5274                                       |  |  |  | 532,972   |   | 532,972                           |
|                         |  | Next          | 9,000         | dtls                      | Summer                                 |                                    |                        |   | 34,380  | 4.4656                                       |  |  |  | 153,529   |   | 153,529                           |
|                         |  | Next          | 16,500        | dtls                      | Summer                                 |                                    |                        |   | 3,343   | 4.3104                                       |  |  |  | 13,979  |   | 13,979                            |
|                         |  | Next          | 30,000        | dtls                      | Summer                                 |                                    |                        |   | 0   | 4.1915                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Over          | 60,000        | dtls                      | Summer                                 |                                    |                        |   | 0   | 4.0175                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 302,130   |  |  |  |  | \$1,433,128                                       |   | \$1,475,479                       |
|                         |  |               |               |                           |  |                                    |                        |   | 681,983   |  |  |  |  | \$3,367,680                                       |   | \$3,471,223                       |
|                         | Total Rate Schedule 104  |               |               |                           |  | 208                                |                        |   |   | \$72,800                                     |  |  |  |   |   |                                   |
| 143/104                 | Experimental Motor Vehicle Fuel<br>Interruptible Sales Service | Demand Charge |               |                           |  |                                    |                        |   |   |  |  |  |  |   |   |                                   |
|                         |  | First         | 1,500         | dtls                      | Winter                                 | 0                                  | \$350.00               |   | 0   | 5.3158                                       | \$0  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 3,000         | dtls                      | Winter                                 |                                    |                        |   | 0   | 5.0994                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 9,000         | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.7544                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 16,500        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.4772                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Next          | 30,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.2156                                       |  |  |  | 0   |   | 0                                 |
|                         |  | Over          | 60,000        | dtls                      | Winter                                 |                                    |                        |   | 0   | 4.0008                                       |  |  |  | 0   |   | 0                                 |
|                         |  |               |               |                           |  |                                    |                        |   | 0   |  |  |  |  | 0   |   | 0                                 |
| SUBTOTAL - PAGE 2       |  |               |               | 1,184                     | bills                                  |                                    |                        |   | 3,265,293                                       | dtls   | \$414,450                                    | \$0  | \$14,806,173                                   | \$0   |   | \$18,283,992                      |

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PIEDMONT NATURAL GAS COMPANY, INC.  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
Docket G-9, Sub 781

| RATE<br>SCHEDULE<br>(1) | DESCRIPTION<br>(2)              | SEASON<br>(3) | NUMBER<br>OF BILLS<br>(4) | MONTHLY<br>FACILITIES<br>CHARGE<br>(5) | MONTHLY<br>DEMAND<br>CHARGE<br>(6) | VOLUMES<br>(DT)<br>(7) | END-OF-<br>PERIOD<br>RATES<br>(\$/DT)<br>(8) | FACILITIES<br>CHARGE<br>REVENUES<br>(\$)<br>(9) | DEMAND<br>CHARGE<br>REVENUES<br>(\$)<br>(10) | ENERGY<br>CHARGE<br>REVENUES<br>(\$)<br>(11) | MARGIN<br>DECOUPLING<br>ADJUSTMENT<br>(\$)<br>(12) | MINIMUM<br>MARGIN<br>AGREEMENT<br>(\$)<br>(13) | COMPRESSION<br>CHARGE<br>REVENUES<br>(\$)<br>(14) | INTEGRITY<br>MANAGEMENT<br>RIDER REVENUES<br>(\$)<br>(15) | TOTAL<br>REVENUES<br>(\$)<br>(16) |
|-------------------------|---------------------------------|---------------|---------------------------|--|------------------------------------|------------------------|--|---|--|--|--|--|---|---|-----------------------------------|
| 143/104                 | Experimental Motor Vehicle Fuel | First         | 1,500                     | mts                                    | Summer                             | 0                      | \$350.00                                     | 0   | 4.9913                                       | \$0  | 0  |  |   | 0   | 0                                 |
|                         | Interruptible Sales Service     | Next          | 3,000                     | mts                                    | Summer                             | 0                      |  | 0   | 4.5274                                       | 0  | 0  |  |   | 0   | 0                                 |
|                         |                                 | Next          | 9,000                     | mts                                    | Summer                             | 0                      |  | 0   | 4.4656                                       | 0  | 0  |  |   | 0   | 0                                 |
|                         |                                 | Next          | 16,500                    | mts                                    | Summer                             | 0                      |  | 0   | 4.3104                                       | 0  | 0  |  |   | 0   | 0                                 |
|                         |                                 | Next          | 30,000                    | mts                                    | Summer                             | 0                      |  | 0   | 4.1915                                       | 0  | 0  |  |   | 0   | 0                                 |
|                         |                                 | Over          | 60,000                    | mts                                    | Summer                             | 0                      |  | 0   | 4.0175                                       | 0  | 0  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  | 0  |  |  |   | 0   | 0                                 |
|                         |                                 |               |                           |  |                                    |                        |  | 0   |  |  |  |  |   |   |                                   |

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PIEDMONT NATURAL GAS COMPANY, INC.  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
Docket G-8, Sub 781

Patel Exhibit II  
Page 4 of 5

| RATE<br>SCHEDULE<br>(1)  | DESCRIPTION<br>(2)   | SEASON<br>(3)                           | NUMBER<br>OF BILLS<br>(4) | MONTHLY<br>FACILITIES<br>CHARGE<br>(5) | MONTHLY<br>DEMAND<br>CHARGE<br>(6) | VOLUMES<br>(D7)<br>(7) | END-OF<br>PERIOD<br>RATES<br>(D7)<br>(8) | FACILITIES<br>CHARGE<br>REVENUES<br>(9) | DEMAND<br>CHARGE<br>REVENUES<br>(10) | ENERGY<br>CHARGE<br>REVENUES<br>(11) | MARGIN<br>DECOUPLING<br>ADJUSTMENT<br>(12) | MINIMUM<br>MARGIN<br>AGREEMENT<br>(13) | COMPRESSION<br>CHARGE<br>REVENUES<br>(14) | INTEGRITY<br>MANAGEMENT<br>RIDER REVENUES<br>(15) | TOTAL<br>REVENUES<br>(16) |
|--------------------------|--|---|---------------------------|--|------------------------------------|------------------------|--|---|--------------------------------------|--------------------------------------|--|--|---|---|---------------------------|
| 114                      | Interruptible Transportation Service                                 | First 1,500 dts Summer                  | 1,678                     | \$350.00                               |                                    | 2,242,062              | 1.20310                                  | \$587,300                               |                                      | 2,697,436                            |  |  |   |   | 2,697,436                 |
|                          |  | Next 3,000 dts Summer                   |                           |  |                                    | 3,162,517              | 0.72720                                  |   |                                      | 2,296,707                            |  |  |   |   | 2,296,707                 |
|                          |  | Next 9,000 dts Summer                   |                           |  |                                    | 3,786,414              | 0.61380                                  |   |                                      | 2,324,119                            |  |  |   |   | 2,324,119                 |
|                          |  | Next 16,500 dts Summer                  |                           |  |                                    | 2,689,562              | 0.48210                                  |   |                                      | 1,286,651                            |  |  |   |   | 1,286,651                 |
|                          |  | Next 30,000 dts Summer                  |                           |  |                                    | 2,474,718              | 0.33740                                  |   |                                      | 834,982                              |  |  |   |   | 834,982                   |
|                          |  | Over 60,000 dts Summer                  |                           |  |                                    | 1,510,970              | 0.19260                                  |   |                                      | 291,020                              |  |  |   |   | 291,020                   |
|                          |  |   |                           |  |                                    | 15,866,243             |  |   |                                      | \$9,744,004                          |  |  |   |   | \$10,331,304.27           |
|                          | Minimum Margin Agreement Payments                                    |   |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   |                           |
|                          | <b>Total Rate Schedule 114</b>                                       |   | <b>2,891</b>              |  |                                    | <b>28,784,669</b>      |  | <b>\$1,011,850</b>                      |                                      | <b>\$21,995,360</b>                  |  |  |   |   | <b>\$24,587,933</b>       |
| 143/114                  | Experimental Motor Vehicle Fuel Interruptible Transportation Service | First 1,500 dts Winter                  | 0                         | \$350.00                               |                                    | 0                      | 1.8932                                   | \$0                                     |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 3,000 dts Winter                   |                           |  |                                    | 0                      | 1.3060                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 9,000 dts Winter                   |                           |  |                                    | 0                      | 1.0013                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 16,500 dts Winter                  |                           |  |                                    | 0                      | 0.6624                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 30,000 dts Winter                  |                           |  |                                    | 0                      | 0.4953                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Over 60,000 dts Winter                  |                           |  |                                    | 0                      | 0.2763                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  |   |                           |  |                                    | 0                      |  |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | First 1,500 dts Summer                  | 0                         | \$350.00                               |                                    | 0                      | 1.2031                                   | \$0                                     |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 3,000 dts Summer                   |                           |  |                                    | 0                      | 0.7272                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 9,000 dts Summer                   |                           |  |                                    | 0                      | 0.6138                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 16,500 dts Summer                  |                           |  |                                    | 0                      | 0.4821                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Next 30,000 dts Summer                  |                           |  |                                    | 0                      | 0.3374                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          |  | Over 60,000 dts Summer                  |                           |  |                                    | 0                      | 0.1926                                   |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          | Minimum Margin Agreement Payments                                    |   |                           |  |                                    | 0                      |  |   |                                      | 0                                    |  |  |   |   | 0                         |
|                          | <b>Total Rate Schedule 143/114</b>                                   |   | <b>0</b>                  |  |                                    | <b>0</b>               |  | <b>\$0</b>                              | <b>\$0</b>                           | <b>\$0</b>                           |  |  |   |   | <b>\$0</b>                |
| 105                      | Outdoor Gaslight Service ( 5,397 fixtures )                          | Winter 282 fixtures Summer 393 fixtures |                           | \$18.93                                | 18.93                              | 3,593 5,042            |  |   |                                      | \$102,158                            |  |  |   |   |                           |
|                          |  |   | 675                       |  |                                    | 8,635                  |  | \$0                                     |                                      | \$102,158                            |  |  |   |   | \$102,158                 |
| T-10                     | Transportation For Military Bases                                    | Winter 5 Summer 7                       |                           | \$0.00                                 | \$10.00                            | 84,000 745,667 514,826 | 1.44700 0.53700                          | \$0 0                                   | \$840,000                            | \$1,078,983 \$276,464                |  |  |   | 64,901  | \$1,078,983 276,464       |
|                          |  |   | 12                        |  |                                    | 1,280,492              |  | \$0                                     | \$840,000                            | \$1,355,447                          |  |  |   |   | \$2,260,348               |
| T-12                     | Transportation For Military Bases In Onslow County                   | Winter 0 Summer 0                       |                           | \$0.00                                 |                                    | 0 0                    | 2.9167 2.3768                            | \$0 \$0                                 | \$0 \$0                              | \$0 \$0                              |  |  |   |   | \$0 \$0                   |
|                          |  |   | 0                         |  |                                    | 0                      |  | \$0                                     | \$0                                  | \$0                                  |  |  |   |   | \$0                       |
| 12                       | Sales For Military Bases In Onslow County                            | Winter 0 Summer 0                       |                           | \$0.00                                 |                                    | 0 0                    | 6.1657 5.6268                            | \$0 \$0                                 | \$0 \$0                              | \$0 \$0                              |  |  |   |   | \$0 0                     |
|                          |  |   | 0                         |  |                                    | 0                      |  | \$0                                     | \$0                                  | \$0                                  |  |  |   |   | \$0                       |
| <b>SUBTOTAL - PAGE 3</b> |  |   | <b>2,365 bills</b>        |  |                                    | <b>17,135,370 dts</b>  |  | <b>\$587,300</b>                        | <b>\$0</b>                           | <b>\$11,201,610</b>                  | <b>\$0</b>                                 |  |   |   | <b>\$12,693,811</b>       |

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Aug 11 2021

PIEDMONT NATURAL GAS COMPANY, INC.  
PUBLIC STAFF END-OF-PERIOD REVENUE LEVEL  
Docket G-8, Sub 781

Patel Exhibit II  
Page 5 of 5

| RATE<br>SCHEDULE<br>(1)      | DESCRIPTION<br>(2)                 | SEASON<br>(3) | NUMBER<br>OF BILLS<br>(4) | MONTHLY<br>FACILITIES<br>CHARGE<br>(5) | MONTHLY<br>DEMAND<br>CHARGE<br>(6) | VOLUMES<br>(D7)<br>(7) | END-OF<br>PERIOD<br>RATES<br>(D7)<br>(8) | FACILITIES<br>CHARGE<br>REVENUES<br>(9) | DEMAND<br>CHARGE<br>REVENUES<br>(10) | ENERGY<br>CHARGE<br>REVENUES<br>(11) | MARGIN<br>DECOUPLING<br>ADJUSTMENT<br>(12) | MINIMUM<br>MARGIN<br>AGREEMENT<br>(13) | COMPRESSION<br>CHARGE<br>REVENUES<br>(14) | INTEGRITY<br>MANAGEMENT<br>RIDER REVENUES<br>(15) | TOTAL<br>REVENUES<br>(16) |
|------------------------------|------------------------------------|---------------|---------------------------|--|------------------------------------|------------------------|--|---|--------------------------------------|--------------------------------------|--|--|---|---|---------------------------|
|                              | Special Contracts-Power Generation | Winter        | 82                        | \$0.00                                 |                                    | 117,470,161            |  | \$0                                     | \$0                                  | \$44,300,413                         |  |  |   |   | \$44,300,413              |
|                              |                                    | Summer        | 112                       | \$0.00                                 |                                    | 156,858,541            |  |   |                                      | \$61,998,863                         |  |  |   |   | \$61,998,863              |
|                              |                                    |               | 194                       |  |                                    | 274,328,702            |  |   |                                      | \$106,299,276                        |  |  |   |   | 106,299,276               |
|                              | Special Contracts-Municipal        | Winter        | 16                        | \$0.00                                 |                                    | 4,204,171              |  | \$0                                     | \$0                                  | \$4,213,561                          |  |  |   |   | \$4,213,561               |
|                              |                                    | Summer        | 21                        | \$0.00                                 |                                    | 2,947,562              |  |   |                                      | \$5,484,045                          |  |  |   |   | \$5,484,045               |
|                              |                                    |               | 37                        |  |                                    | 7,051,733              |  |   |                                      | \$9,697,606                          |  |  |   |   | \$9,697,606               |
|                              | Special Contracts-Large Volume     | Winter        | 46                        | \$0.00                                 |                                    | 2,111,542              |  | \$0                                     | \$0                                  | \$1,410,572                          |  |  |   |   | \$1,410,572               |
|                              |                                    | Summer        | 63                        | \$0.00                                 |                                    | 2,576,964              |  |   |                                      | \$1,720,776                          |  |  |   |   | \$1,720,776               |
|                              |                                    |               | 109                       |  |                                    | 4,688,505              |  |   |                                      | \$3,131,348                          |  |  |   |   | \$3,131,348               |
|                              | Special Contracts-Military         | Winter        | 15                        | \$0.00                                 |                                    | 609,706                |  | \$0                                     | \$0                                  | \$3,708,201                          |  |  |   |   | \$3,708,201               |
|                              |                                    | Summer        | 21                        | \$0.00                                 |                                    | 424,056                |  |   |                                      | 3,988,097                            |  |  |   |   | \$3,988,097               |
|                              |                                    |               | 36                        |  |                                    | 1,033,812              |  |   |                                      | \$7,696,598                          |  |  |   |   | \$7,696,598               |
| SUBTOTAL - PAGE 5            |                                    |               | 376 bills                 |  |                                    | 287,192,772 ds         |  | \$0                                     | \$0                                  | \$126,824,828                        |  |  |   |   | \$126,824,828             |
| TOTAL COMPANY                |                                    |               | 9,311,987 bills           |  |                                    | 422,497,534 ds         |  | \$106,515,652                           | \$8,697,845                          | \$934,753,881                        | \$24,010,362                               |  |   | \$4,158,275                                       | \$1,110,660,712           |
| OTHER OPERATING REVENUES     |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$3,030,299               |
| TOTAL OPERATING REVENUES     |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$1,113,691,011           |
| Sales                        |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$930,829,224             |
| Transportation               |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$60,703,298              |
| Total Sales & Transportation |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$991,532,482             |
| Special contracts-Lrg Vol    |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$3,131,348               |
| Electric Gen                 |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$106,299,276             |
| Municipal                    |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$9,697,606               |
| Sub Total                    |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$1,110,660,711           |
| Other Operating Revenue      |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$3,030,299               |
| Total                        |                                    |               |                           |  |                                    |                        |  |   |                                      |                                      |  |  |   |   | \$1,113,691,010           |

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Aug 11 2021



PURCHASED GAS EXPENSE  
Piedmont Natural Gas, Inc.  
Docket G-9, Sub 781

| Line No. | DESCRIPTION  | NUMBER OF DAYS | DAILY DEMAND UNITS (Dts) | ANNUAL QUANTITY (Dts) | DAILY UNIT COST (\$/DT) | MONTHLY AMOUNT (\$) | TOTAL ANNUAL AMOUNT (\$) | NC/SC ALLOCATION (%) | NC ANNUAL AMOUNT (\$) |
|----------|--|----------------|--------------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|-----------------------|
| 1        | <b>I. Commodity Costs:</b>                                     |                |                          |                       |                         |                     |                          |                      |                       |
| 2        | Sales  |                |                          | 72,615,382            | <b>\$3.2500</b>         |                     | \$235,999,990            | 100.00%              | \$235,999,990         |
| 3        | Unaccounted For Gas  |                |                          | 1,958,090             | 3.2500                  |                     | 6,363,791                | 100.00%              | 6,363,791             |
| 4        | Commodity Costs - Power Generation & Special Contracts         |                |                          |                       |                         |                     | 1,887,218                |                      | 1,887,218             |
| 5        | <b>Total Commodity Gas Cost</b>                                |                |                          | <b>74,573,471</b>     |                         |                     | <b>244,251,000</b>       |                      | <b>\$244,251,000</b>  |
| 6        | <b>II. Fixed Costs:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
|          | <b>Transportation Demand Charges:</b>                          |                |                          |                       |                         |                     |                          |                      |                       |
|          | <b>Transco:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
| 7        | FT Zone 1 to Zone 5: Year Round                                | 365            | 51,173                   | 18,678,145            | 0.48232                 | \$750,737           | \$9,008,843              | 83.16%               | \$7,491,754           |
| 8        | FT Zone 2 to Zone 5: Year Round                                | 365            | 75,254                   | 27,467,710            | 0.46885                 | 1,073,186           | 12,878,236               | 83.16%               | 10,709,541            |
| 9        | FT Zone 3 to Zone 5: Year Round                                | 365            | 174,589                  | 63,724,985            | 0.43362                 | 2,302,702           | 27,632,428               | 83.16%               | 22,979,127            |
| 10       | FT (Incremental) Zone 1 to Zone 5: Year Round                  | 365            | 1,095                    | 399,675               | 0.48232                 | 16,064              | 192,771                  | 83.16%               | 160,309               |
| 11       | FT (Incremental) Zone 2 to Zone 5: Year Round                  | 365            | 1,610                    | 587,650               | 0.46885                 | 22,960              | 275,520                  | 83.16%               | 229,122               |
| 12       | FT (Incremental) Zone 3 to Zone 5: Year Round                  | 365            | 3,735                    | 1,363,275             | 0.43362                 | 49,262              | 591,143                  | 83.16%               | 491,595               |
| 13       | FT (Peaking Service) Zone 1 to Zone 5: Dec - Feb               | 90             | 1,073                    | 96,570                | 0.87487                 | 7,041               | 84,486                   | 83.16%               | 70,259                |
| 14       | FT (Peaking Service) Zone 2 to Zone 5: Dec - Feb               | 90             | 1,579                    | 142,110               | 0.85082                 | 10,075              | 120,910                  | 83.16%               | 100,549               |
| 15       | FT (Peaking Service) Zone 3 to Zone 5: Dec - Feb               | 90             | 3,662                    | 329,580               | 0.78792                 | 21,640              | 259,683                  | 83.16%               | 215,952               |
| 16       | FT Southeast Expansion Zone 4 to Zone 5: Year Round            | 365            | 129,485                  | 47,262,025            | 0.38126                 | 1,501,593           | 18,019,120               | 83.16%               | 14,984,700            |
| 17       | FT Southern Expansion Zone 4 to Zone 5: Nov & Mar              | 61             | 65,251                   | 3,980,311             | 0.38126                 | 126,461             | 1,517,533                | 83.16%               | 1,261,981             |
| 18       | FT Southern Expansion Zone 4 to Zone 5: Dec - Feb              | 90             | 72,502                   | 6,525,180             | 0.38126                 | 207,316             | 2,487,790                | 83.16%               | 2,068,846             |
| 19       | FT Sunbelt Expansion - Zone 3 to Zone 5: Year Round            | 365            | 32,199                   | 11,752,635            | 0.23815                 | 233,241             | 2,798,890                | 83.16%               | 2,327,557             |
| 20       | FT Sunbelt Expansion - Zone 4 to Zone 5: Year Round            | 365            | 9,201                    | 3,358,365             | 0.18245                 | 51,061              | 612,734                  | 83.16%               | 509,549               |
| 21       | FT Zone 6 to Zone 6: Year Round                                | 365            | 13,232                   | 4,829,680             | 0.12790                 | 51,476              | 617,716                  | 83.16%               | 513,693               |
| 22       | FT Zone 6 to Zone 4: Year Round (Leidy Southeast Expansion)    | 365            | 100,000                  | 36,500,000            | 0.55449                 | 1,686,574           | 20,238,885               | 83.16%               | 16,830,657            |
| 23       | FT Zone 6 to Zone 5: Year Round (Virginia Southside Expansion) | 365            | 20,000                   | 7,300,000             | 0.46949                 | 285,606             | 3,427,277                | 83.16%               | 2,850,124             |
| 24       | <b>Texas Eastern:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
| 25       | FT-1: Nov - Mar  | 151            | 5,067                    | 3,825,285             | 0.20834                 | 159,395             | 796,976                  | 83.16%               | 662,765               |
| 26       | <b>Dominion:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 27       | FT-GSS: Nov - Mar  | 151            | 2,666                    | 2,012,830             | 0.16285                 | 65,557              | 327,791                  | 83.16%               | 272,591               |
| 28       | <b>Columbia:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 29       | Columbia Gulf: FTS: Year Round                                 | 365            | 32,801                   | 11,972,365            | 0.41849                 | 417,526             | 5,010,287                | 83.16%               | 4,166,555             |
| 30       | Columbia Gulf: NTS: Year Round                                 | 365            | 10,000                   | 3,650,000             | 0.42444                 | 129,100             | 1,549,200                | 83.16%               | 1,288,315             |
| 31       | Columbia Gulf: SST: Oct - Mar: 6 Months                        | 182            | 86,368                   | 15,718,976            | 0.41960                 | 549,646             | 6,595,751                | 83.16%               | 5,485,027             |
| 32       | Columbia Gulf: SST: Apr - Sep: 6 Months                        | 183            | 43,184                   | 7,902,672             | 0.41960                 | 276,333             | 3,297,876                | 83.16%               | 2,742,513             |
| 33       | <b>Hardy/Columbia:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 34       | Hardy/Columbia TPS: Year Round                                 | 365            | 68,835                   | 25,124,775            | 0.41849                 | 876,202             | 10,514,409               | 83.16%               | 8,743,782             |
| 35       | <b>Cardinal:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 36       | FT Zone 1A to Zone 1A: Year Round                              | 365            | 62,100                   | 22,666,500            | 0.02549                 | 48,147              | 577,769                  | 100.00%              | 577,769               |
| 37       | FT Zone 1A to Zone2: Year Round                                | 365            | 41,400                   | 15,111,000            | 0.08102                 | 102,024             | 1,224,293                | 100.00%              | 1,224,293             |
| 38       | FT Zone 1A to Zone2: Year Round - Cardinal Expansion           | 365            | 149,000                  | 54,385,000            | 0.08102                 | 367,189             | 4,406,273                | 100.00%              | 4,406,273             |
| 39       | <b>East Tennessee:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 40       | FT-A: Year Round   | 365            | 45,000                   | 16,425,000            | 0.35846                 | 490,635             | 5,887,620                | 83.16%               | 4,896,145             |
| 41       | <b>Midwestern:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 42       | Midwestern FT-A: Year Round                                    | 365            | 20,000                   | 7,300,000             | 0.06000                 | 36,500              | 438,000                  | 83.16%               | 364,241               |
| 43       | Midwestern FT-B: Year Round                                    | 365            | 20,000                   | 7,300,000             | 0.08650                 | 52,621              | 631,450                  | 83.16%               | 525,114               |
| 44       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 45       | <b>Subtotal - Demand Cost</b>                                  |                |                          |                       |                         | <b>11,967,870</b>   | <b>142,021,660</b>       |                      | <b>119,150,698</b>    |
| 46       | <b>Storage Charges:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
| 47       | <b>Pine Needle:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
| 48       | Pine Needle LNG-1 Capacity                                     | 365            | 263,400                  | 96,141,000            | 0.07707                 | 617,466             | 7,409,587                | 83.16%               | 6,161,812             |
| 49       | <b>Transco:</b>  |                |                          |                       |                         |                     |                          |                      |                       |
| 50       | General Storage Service (GSS) Demand                           | 365            | 77,475                   | 28,278,375            | 0.10548                 | 248,567             | 2,982,803                | 83.16%               | 2,480,499             |
| 51       | General Storage Service (GSS) Capacity                         | 365            | 4,293,463                | 1,567,113,995         | 0.00063                 | 82,273              | 987,282                  | 83.16%               | 821,024               |
| 52       | Washington Storage Service (WSS) Demand                        | 365            | 96,069                   | 35,065,185            | 0.03102                 | 90,644              | 1,087,722                | 83.16%               | 904,550               |
| 53       | Washington Storage Service (WSS) Capacity                      | 365            | 9,126,563                | 3,331,195,495         | 0.00033                 | 91,608              | 1,099,295                | 83.16%               | 914,173               |
| 54       | Liquidified Natural Gas (LNG) Demand                           | 365            | 8,643                    | 3,154,695             | 0.10316                 | 27,120              | 325,438                  | 83.16%               | 270,635               |
| 55       | Liquidified Natural Gas (LNG) Capacity                         | 365            | 44,754                   | 16,335,210            | 0.01988                 | 27,062              | 324,744                  | 83.16%               | 270,057               |
| 56       | Eminence Storage Service (ESS) Demand                          | 365            | 150,430                  | 54,906,950            | 0.02500                 | 114,389             | 1,372,674                | 83.16%               | 1,141,515             |
| 57       | Eminence Storage Service (ESS) Capacity                        | 365            | 1,261,622                | 460,492,030           | 0.00346                 | 132,775             | 1,593,302                | 83.16%               | 1,324,990             |
| 58       | <b>Columbia:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 59       | Columbia Gas FSS Demand  | 365            | 86,368                   | 31,524,320            | 0.12263                 | 322,153             | 3,865,832                | 83.16%               | 3,214,826             |
| 60       | Columbia Gas FSS Capacity                                      | 365            | 5,137,358                | 1,875,135,670         | 0.00221                 | 345,231             | 4,142,765                | 83.16%               | 3,445,124             |
| 61       | <b>Hardy/Columbia:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 62       | Hardy HSS Demand   | 365            | 70,600                   | 25,769,000            | 0.16632                 | 357,166             | 4,285,985                | 83.16%               | 3,564,225             |
| 63       | Hardy HSS Capacity   | 365            | 4,950,965                | 1,807,102,225         | 0.00237                 | 356,617             | 4,279,416                | 83.16%               | 3,558,762             |
| 64       | <b>Dominion:</b>   |                |                          |                       |                         |                     |                          |                      |                       |
| 65       | Dominion GSS NE Storage Demand                                 | 365            | 13,330                   | 4,865,450             | 0.06034                 | 24,463              | 293,559                  | 83.16%               | 244,123               |
| 66       | Dominion GSS NE Storage Capacity                               | 365            | 799,800                  | 291,927,000           | 0.00097                 | 23,514              | 282,169                  | 83.16%               | 234,652               |
| 67       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 68       | <b>Subtotal - Storage Costs</b>                                |                |                          |                       |                         | <b>2,861,048</b>    | <b>34,332,573</b>        |                      | <b>28,550,967</b>     |
| 69       | <b>Piedmont LNG Capitalization</b>                             |                |                          |                       |                         |                     | 796,773                  | 83.16%               | 662,596               |
| 70       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 71       | <b>Subtotal - Storage Cost</b>                                 |                |                          |                       |                         | <b>5,722,096</b>    | <b>35,129,346</b>        |                      | <b>29,213,563</b>     |
| 72       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 73       | Secondary Market Credits                                       |                |                          |                       |                         |                     | (25,794,317)             | 100.00%              | (25,794,317)          |
| 74       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 75       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 76       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 77       | <b>Total Fixed Gas Costs (Demand Charges)</b>                  |                |                          |                       |                         | <b>17,689,966</b>   | <b>185,689,262</b>       |                      | <b>\$122,569,944</b>  |
| 78       |  |                |                          |                       |                         |                     |                          |                      |                       |
| 79       | <b>III. Total Gas Cost</b>                                     |                |                          |                       |                         | <b>\$29,657,836</b> | <b>\$429,940,262</b>     |                      | <b>\$366,820,944</b>  |
| 80       |  |                |                          |                       |                         |                     |                          |                      |                       |