

"Quarterly Review"

Selected Financial and Operational Data: **FILED**

Re:

SEP 28 2006

Electric Companies

Clerk's Office
N.C. Utilities Commission

- ***Carolina Power & Light Company,
d/b/a Progress Energy Carolinas, Inc.***
- ***Dominion North Carolina Power***
- ***Duke Power, a Division of Duke Energy Corporation***
- ***Nantahala Power and Light Company***

Natural Gas Local Distribution Companies

- ***Piedmont Natural Gas Company, Inc.***
- ***Public Service Company of North Carolina, Inc.***

Telecommunications Companies

- ***ALLTEL Carolina, Inc.***
- ***BellSouth Telecommunications, Inc.***
- ***Carolina Telephone and Telegraph Company***
- ***Central Telephone Company***
- ***Citizens Telephone Company***
- ***Concord Telephone Company***
- ***LEXCOM Telephone Company***
- ***MEBTEL Communications***
- ***North State Communications***
- ***Verizon South Inc.***

■ ***Quarter Ending December 31, 2005*** ■

Prepared by:
North Carolina Utilities Commission
Operations Division

430 N. Salisbury Street
Raleigh, NC 27603
(919) 733-3979

www.ncuc.net

Mailing Address:
4325 Mail Service Center
Raleigh, NC 27699-4325



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State of North Carolina

Utilities Commission

4325 Mail Service Center
Raleigh, NC 27699-4325

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September 27, 2006

MEMORANDUM

TO: Chairman Jo Anne Sanford
Commissioner Robert V. Owens, Jr.
Commissioner Sam J. Ervin, IV
Commissioner Lorinzo L. Joyner
Commissioner James Y. Kerr, II
Commissioner Howard N. Lee
Commissioner William T. Culpepper, III

FROM: Donald R. Hoover, Director *DRH*
Operations Division

FILED

SEP 28 2006

Clerk's Office
N.C. Utilities Commission

The Operations Division hereby presents for your consideration the *Quarterly Review* for the calendar quarter ending December 31, 2005. Such report, which has been prepared by the Operations Division, presents an overview of selected financial and operational information and data for 16 major investor-owned public utilities regulated by the Commission.

Among other things, this Report, reflects certain revisions with respect to certain amounts previously reported for Dominion North Carolina Power (Dominion) and MEBTEL Communications (MEBTEL).

On March 20, 2006, Dominion provided the Commission and the Public Staff with revised quarterly ES-1 Reports for the 12-month periods ending December 31, 2004, March 31, 2005, June 30, 2005, and September 30, 2005. Dominion's revisions, which are reflected in Appendix A, concern information, as previously reported for the aforementioned 12-month periods. Such revisions are necessary in order to reflect Dominion's correction of its misclassification of a nonoperating expense item as an operating expense.

MEBTEL's revisions pertain to information as previously reported for the 12-month periods ending December 31, 2003 and December 31, 2004. Hereinafter, on Page 28, Columns (c) and (d), Lines 1 through 15, have been revised to correct the accounting for certain incentive compensation expenses and the related tax effects as provided by MEBTEL on April 27, 2006.

Should you have questions concerning the report, Freda Hilburn or I will be pleased to be of assistance.

Thank you for your consideration.

DRH/FHH/dhh

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Part I

Introduction

- *The purpose, structure, focus, and an abbreviated synopsis of the nature of the contents of this report is presented here.*

The *Quarterly Review* has been designed and is structured so as to provide, in a clear and concise format, relevant and useful financial and operational information pertaining to 16 major investor-owned public utilities regulated by the North Carolina Utilities Commission (Commission): four electric companies, two natural gas local distribution companies, and ten telecommunications companies. The primary focus of this report is one of a jurisdictional financial nature. However, albeit limited, certain jurisdictional operational information is also included.

To a vast extent the information presented herein is organized into individual company overviews. The data presented covers a period of five years, except for the eight price regulated telephone companies for which only three years of data are presented. From a general viewpoint, the individual company overviews, excluding to a certain extent those of the price regulated telephone companies, for which information is strictly limited, provide information that users of this report will find helpful from the standpoint of gaining insight into each company's jurisdictional financial standing and in acquiring a sense of the magnitude of each company's overall jurisdictional economic dimension.

Significant changes have taken place with regard to reporting requirements for the price regulated telephone companies, effective for reporting periods beginning with calendar year 2003, as a result of further relaxed regulation of the telecommunications industry. Due to these changes, the financial and operational data submitted to the Commission by such companies* are significantly less comprehensive than that previously provided. In consideration of the foregoing and to accommodate the new format in which data for the price regulated telephone companies will now be presented, data for years prior to 2003 are not included herein for the price regulated telephone companies.

The aforementioned reporting requirement changes for the price regulated telephone companies were implemented by Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, in response to passage of Senate Bill 814 (An Act to Clarify the Law Regarding Competitive and Deregulated Offerings of Telecommunications Services), and as previously indicated, were effective for reporting periods beginning with calendar year 2003. Specifically, in the present regard, the April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the TS-1 Report previously submitted annually by the price regulated telephone companies. Consequently, beginning with the 4th quarter 2003 *Quarterly Review*, which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided. Further, the information provided by the eight price regulated telephone companies is presented on a total North Carolina combined basis, including both their regulated and nonregulated operations, as that is what is now being provided to the Commission.

This report has been prepared solely for the use of the Commission. The responsibility for developing and preparing the report is that of the Commission's Operations Division (Division). The preponderance of the information and data included in and/or on which the report is based has been provided by the companies. Such data has not been audited or otherwise verified. Therefore, the Division, although it believes the aforesaid data to be true and correct in each and every respect, cannot and does not offer any attestation in that regard.

A Specific Objective

A specific objective of this reporting process is to present to the Commission, on an ongoing basis, meaningful information regarding the financial viability of the subject companies, including the reasonableness of the overall levels of rates and charges currently being charged by jurisdictional utilities, whose rates are cost based, for their sales of services. Cost based regulation is synonymous with rate base, rate of return regulation.

Under rate base, rate of return regulation, the cost of service of a public utility is defined as the sum total of reasonable operating expenses, depreciation, taxes, and a reasonable return on the net valuation of property used and useful in providing public utility services. Therefore, the reasonableness of a public utility's rates is a function of the reasonableness of the level of each individual component of its cost of service.

The reasonable return component of the cost of service equation refers to the overall rate of return related to investment funded by all investors, including debt investors as well as preferred and common equity investors. The costs of debt capital and preferred stock, which are essentially fixed by contract, must be deducted from revenue, like all other components of the cost of service, in determining income available for distribution to common stockholders. Therefore, generally speaking, a very meaningful measure of the profitability of any utility, and consequently the reasonableness of its overall rates and charges, is the return earned on its common shareholders' investment, i.e., its return on common equity, over some specified period of time. Typically, such returns are measured over a period of one year. Thus, annual returns on common equity and certain other key financial ratios, which among other things give significant perspective to the common equity returns, are the focal points of this report.

The Key Financial Ratios

Specifically, the key financial ratios presented herein for use in reviewing the companies' financial viabilities, including their profitability and consequently the reasonableness of their rates and charges are (1) the return on common equity, (2) the common equity capitalization ratio, (3) the pre-tax interest coverage ratio, and (4) the overall rate of return.

The Return on Common Equity

As indicated, the return on common equity is a key financial indicator which measures the profitability of an enterprise from the standpoint of its common stockholders over some specified period of time. That return or earnings rate reflects the ratio of earnings available for common equity to the common-equity investors' capital investment. As previously stated, the ratio is significant because it traditionally represents profitability after all revenues and costs, other than the cost of common equity capital, have been considered. From the standpoint of measuring profitability, return on common equity is indeed "the bottom line".

The Common Equity Capitalization Ratio

The common equity capitalization ratio is the ratio of common equity capital to total investor-supplied capital of the firm. That ratio is significant because it is a major indicator of the financial riskiness of the firm, particularly from the standpoint of the common stockholders. The issuance of debt capital, assuming no offsetting decrease in preferred stock, decreases the common equity capitalization ratio, and its existence creates what has come to be known as financial leverage. The risk borne by shareholders that accompanies that leverage is known as financial risk. As the proportion of debt in the capital structure increases, so does the degree of financial leverage and thus shareholders' risk and consequently the shareholders' requirements regarding expected return, i.e., the expected return on common equity or, in regulatory jargon, the cost of common equity capital.

Alternatively, the financial riskiness of the firm, some might argue, is more appropriately revealed when expressed in terms of debt leverage, particularly when preferred stock is present in the capital structure. Such leverage is the ratio of long-term debt capital to total investor-supplied capital. Both approaches are clearly insightful and useful. In evaluating the superiority of one approach in comparison to the other, one should consider the context within which the information is to be used. Since a major objective of this report is to review the reasonableness of the levels of earnings of the companies' common stockholders, and in consideration of the other key financial benchmarks which are also presented herein, the common equity capitalization ratio appears to be the most appropriate and meaningful measure of the financial riskiness of the companies for use in this regard.

The Pre-tax Interest Coverage Ratio

The pre-tax interest coverage ratio is the number of times earnings, determined before consideration of income taxes and interest charges, cover annual interest charges. That financial indicator is particularly important to debt investors because holders of the company's outstanding debt, including long-term bonds, receive interest payments from the company before any earnings are determined to be available for distribution to preferred or common

equity investors. Pre-tax interest coverage is measured before income taxes because interest expense is deductible in arriving at taxable income. Therefore, generally speaking, debt holders can expect to be paid before the company incurs any liability for the payment of income taxes. From the debt holder's perspective, all other things remaining equal, the higher the pre-tax interest coverage the better.

The Overall Rate of Return

The overall rate of return measures the profitability of a firm from the standpoint of earnings on total investment, including investment funded by both debt and equity investors. Specifically, in the public utility regulatory environment, it is the ratio of operating income to total investment.

The Propriety of the Methodology

The foregoing financial benchmarks, as presented in this report, have been determined on the basis of the companies' actual operating experience. Under rate base, rate of return regulation, North Carolina statutes require that the companies' rates be determined on a normalized, pro forma, end-of-period basis based upon a historical test year. Stated alternatively, the Commission, in setting prospective rates, essentially, must take into account the company's current level of operations adjusted for known and material changes in the levels of revenues and costs that the company can reasonably be expected to experience over a reasonable period of time into the future. Thus, rates, which are established for use prospectively, are set, to a certain extent and within certain constraints, on the basis of revenue and cost expectations, including investor expectations regarding their return requirements, as opposed to simply setting prospective rates solely on the basis of actual operating experience.

The process of setting prospective rates is inherently and exceedingly time consuming, difficult, and otherwise costly to both companies and regulators. It involves the assimilation, investigation, and evaluation of enormous amounts of complex information and data which invariably leads to multifarious issues; many, if not most, of which must be resolved through adjudication.

It is far less difficult and costly to perform an intellectual, financial analysis of the need to undertake the aforesaid process. Such preliminary analysis avoids the unnecessary incursion of the immense costs of setting prospective rates. Those are precisely the reasons why this report is focused on a review of the returns on common equity and other key financial ratios which the companies are currently earning or achieving under their existing rates and charges. Those ratios, when considered in conjunction with statutory rate making requirements, prevailing economic conditions, and certain other financial indicators, including returns on common equity and overall rates of return currently being authorized by other public utility regulatory agencies, are meaningful indicators of the need, if any, for further, more extensive regulatory review.

From the standpoint of giving an added measure of meaning to the aforesaid ratios of the individual companies and in the interest of providing a sense of current financial market conditions, certain financial information has been included herein as notes to the first statement included in Part II of this report. Such notes are an integral part of this report.

Additionally, also from the standpoint of providing perspective, returns on common equity and overall rates of return currently being authorized by a number of other public utility regulatory agencies are provided in the second statement presented in Part II.

A Final Note

It is emphasized that the information contained in this report is not intended and should not be construed to be all inclusive from the standpoint of the criteria to be used in assessing the reasonableness of the companies existing rates. But rather, it is submitted that such information is clearly relevant to such a determination and as such should be considered in conjunction with all other pertinent information and data.

The Operations Division will be pleased to receive and respond to any questions or comments.

Part II

A Review of Key Financial Ratios

- *Summary Statement of Key Financial Ratios For Eight Selected Companies For The Twelve Months Ended December 31, 2005 — Returns on Common Equity, Overall Rates of Return, Common Equity Capitalization Ratios, and Debt Ratios — And Certain Rate Case Data*

- *Statement of Authorized Returns on Common Equity and Overall Rates of Return Granted By Various Public Utility Regulatory Agencies As Reported By Public Utilities Reports, Volume Nos. 240-249 from May 2005 Through July 2006*

**Summary Statement
Of Key Financial Ratios Achieved By
And Authorized For Selected Companies**

"Estimated Returns on Common Equity, Overall Rates of Return,
Common Equity Capitalization Ratios, and Debt Ratios are for Twelve Months Ended December 31, 2005,
Except for Certain Telecommunications Companies - See Note [1]"

"Rate Case Data are from Orders with Various Issue Dates as Indicated in Column (i)"

Line No.	Item (a)	Estimated for 12 Months Ended 12/31/05				Authorized - Last Rate Case			
		Return On Equity (b)	Overall Rate of Return (c)	Equity Ratio (d)	Debt Ratio (e)	Return On Equity (f)	Overall Rate of Return (g)	Equity Ratio (h)	Date of Last Order (i)
Electric Companies									
1.	Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc.	10.55%	8.10%	48.44%	50.65%	12.75%	10.45%	44.00%	08/05/1988
2.	Dominion North Carolina Power	9.67%	7.60%	48.42%	45.27%	N/A	N/A	N/A	03/18/2005
3.	Duke Power, a Division of Duke Energy Corporation	12.71%	9.19%	53.07%	45.43%	12.50%	10.44%	49.82%	11/12/1991
4.	Nantahala Power and Light Company	6.50%	6.94%	53.07%	45.43%	12.10%	10.32%	56.11%	06/18/1993
Natural Gas Local Distribution Companies									
5.	Piedmont Natural Gas Company, Inc.	10.36%	8.56%	53.82%	46.18%	N/A	9.04%	N/A	11/03/2005
6.	Public Service Company of North Carolina, Inc.	8.92%	7.76%	50.97%	49.03%	11.40%	9.82%	51.91%	10/30/1998
Telecommunications Companies									
<u>Rate of Return Regulated Companies</u>									
7.	Citizens Telephone Company	7.37%	7.64%	75.82%	24.18%	12.70%	10.11%	44.95%	02/26/1991
8.	LEXCOM Telephone Company	14.46%	14.32%	97.86%	2.14%	16.25%	12.77%	37.22%	06/14/1982
<u>Price Plan Regulated Companies</u> --- Data is not available. See Note [1] ---									
9.	ALLTEL Carolina, Inc.								
10.	BellSouth Telecommunications, Inc.								
11.	Carolina Telephone and Telegraph Company								
12.	Central Telephone Company								
13.	Concord Telephone Company								
14.	MEBTEL Communications								
15.	North State Communications								
16.	Verizon South Inc.								

NOTES:

- [1] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings and certain other data for the price regulated telephone companies are no longer provided.
- [2] N/A denotes that the data is not available.
- [3] In its March 18, 2005 Order Approving Stipulation, the Commission did not make certain determinations with respect to Dominion North Carolina Power's (Dominion's) capital structure and rates of return. The Commission concluded that the stipulation presented an appropriate resolution of the contested matters in the rate case proceeding and resulted in just and reasonable rates for Dominion, without making specific findings regarding rate base, operating revenues and expenses, the overall rate of return, and the return on common equity.
- [4] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. In said Order, the Commission made specific findings regarding the combined rate bases, operating revenues and expenses, and the overall rate of return; however, specific findings relating to the combined capital structure and return on common equity were not provided therein.
- [5] Effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Natural Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc.

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Of Key Financial Ratios Achieved by
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"Estimated Returns on Common Equity, Overall Rates of Return, Common Equity Capitalization Ratios, and Debt Ratios are for Twelve Months Ended December 31, 2005, Except for Certain Telecommunications Companies - See Note [1]"

NOTES - continued

NOTES: [6] In 2004, Standard & Poor's Rating Services assigned new business profile scores to U.S. utility and power companies including investor-owned electric, natural gas, and water utilities in the U.S. and excluding telecommunications utilities, to better reflect the relative business risk among companies in the U.S. utility and power companies sector. The business profile scores assess the qualitative attributes of a company, with "1" being considered lowest risk and "10" highest risk. As of June 2004 the overall median business profile score is "5". The range was 2 to 7 for the six utilities which are, in part, regulated by the North Carolina Utilities Commission included in the June 2004 article published by Standard & Poor's.

For most companies in this sector, business profile scores are assessed using five categories; specifically, "regulation, markets, operations, competitiveness, and management". The emphasis placed on each category may be influenced by the dominant strategy of the company or other factors. For example, for a regulated transmission and distribution company, regulation may account for 30% to 40% of the business profile score because regulation can be the single-most important credit driver for this type of company. Conversely, competition, which may not exist for a transmission and distribution company, would provide a much lower proportion (e.g., 5% to 15%) of the business profile.

In 2004, Standard & Poor's also revised the key financial guidelines that it uses as an integral part of evaluating the credit quality of U.S. utility and power companies. The financial guidelines for three principal ratios: (1) funds from operations interest coverage, (2) funds from operations to total debt, and (3) total debt to total capital were broadened to be more flexible; and pretax interest coverage as a key credit ratio was eliminated. The rating analysis performed by Standard & Poor's not only takes into account these three financial ratios and other financial ratios that do not have published guidelines for each rating category; but it is also influenced by other factors, including (1) effectiveness of liability and liquidity management, (2) analysis of internal funding sources, (3) return on invested capital, (4) the record of execution of stated business strategies, (5) accuracy of projected performance versus actual results, as well as the trend, (6) assessment of management's financial policies and attitude toward credit, and (7) corporate governance practices.

The published guidelines, as of June 2004, for the three aforementioned financial ratios are, according to Standard & Poor's, only guidelines associated with expectations for various rating levels. Such guidelines, which remain current as of December 2005, for business profiles 1-10 are set forth below:

Funds from operations/interest coverage (x):

Business Profile*	AA		A		BBB		BB	
1	3	2.5	2.5	1.5	1.5	1		
2	4	3	3	2	2	1		
3	4.5	3.5	3.5	2.5	2.5	1.5	1.5	1
4	5	4.2	4.2	3.5	3.5	2.5	2.5	1.5
5	5.5	4.5	4.5	3.8	3.8	2.8	2.8	1.8
6	6	5.2	5.2	4.2	4.2	3	3	2
7	8	6.5	6.5	4.5	4.5	3.2	3.2	2.2
8	10	7.5	7.5	5.5	5.5	3.5	3.5	2.5
9			10	7	7	4	4	2.8
10			11	8	8	5	5	3

*See Standard & Poor's Rating Services' publications for explanation of this score.

Funds from operations/total debt (%):

Business Profile*	AA		A		BBB		BB	
1	20	15	15	10	10	5		
2	25	20	20	12	12	8		
3	30	25	25	15	15	10	10	5
4	35	28	28	20	20	12	12	8
5	40	30	30	22	22	15	15	10
6	45	35	35	28	28	18	18	12
7	55	45	45	30	30	20	20	15
8	70	55	55	40	40	25	25	15
9			65	45	45	30	30	20
10			70	55	55	40	40	25

*See Standard & Poor's Rating Services' publications for explanation of this score.

**Summary Statement
Of Key Financial Ratios Achieved by
And Authorized for Selected Companies**

"Estimated Returns on Common Equity, Overall Rates of Return, Common Equity Capitalization Ratios, and Debt Ratios are for Twelve Months Ended December 31, 2005, Except for Certain Telecommunications Companies - See Note [1]"

NOTES - continued

NOTES: Total debt/total capital (%):

Business Profile*	AA		A		BBB		BB	
1	48	55	55	60	60	70		
2	45	52	52	58	58	68		
3	42	50	50	55	55	65	65	70
4	38	45	45	52	52	62	62	68
5	35	42	42	50	50	60	60	65
6	32	40	40	48	48	58	58	62
7	30	38	38	45	45	55	55	60
8	25	35	35	42	42	52	52	58
9			32	40	40	50	50	55
10			25	35	35	48	48	52

*See Standard & Poor's Ratings Services' publications for explanation of this score.

[7] Selected financial market indicators from "Moody's Credit Perspectives", Volume 99, No. 22, May 29, 2006 follow:

Part I

Line No.	Date (a)	U.S. Treasury Securities			Dealer-Placed 3-Month CP %	Moody's Long-Term Corporate Bond Yield %
		3-Month Bill %	10-Year Note %	30-Year Bond %		
		(b)	(c)	(d)	(e)	(f)
1.	May 19, 2006	4.70	5.05	5.13	5.11	6.30
2.	May 22, 2006	4.69	5.04	5.13	5.12	6.30
3.	May 23, 2006	4.72	5.06	5.15	5.11	6.32
4.	May 24, 2006	4.71	5.03	5.13	5.12	6.32
5.	May 25, 2006	4.70	5.07	5.17	5.13	6.35
6.	Month of April 2006	4.60	4.99	5.06	4.94	6.26
7.	Month of March 2006	4.51	4.85	4.89	4.78	5.96

Part II

Moody's public utility long-term bond yield averages (%):

Line No.	Rating (a)	05/25/2006 (b)	Past 12-Months		Monthly	
			High (c)	Low (d)	Apr. 2006 (e)	Mar. 2006 (f)
1.	Aaa	-	-	-	-	-
2.	Aa	6.17	6.02	5.05	6.02	5.71
3.	A	6.40	6.29	5.40	6.29	5.98
4.	Baa	6.58	6.54	5.70	6.54	6.26

[8] According to "Moody's Credit Perspectives", Volume 99, No. 22 as of 12/10/01 the "Aaa" Utilities Index will be discontinued indefinitely.

Summary Statement
Of Key Financial Ratios Achieved by
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"Estimated Returns on Common Equity, Overall Rates of Return, Common Equity Capitalization Ratios, and Debt Ratios are for
Twelve Months Ended December 31, 2005, Except for Certain Telecommunications Companies - See Note [1]"

NOTES - continued

NOTES: [9] Selected financial market indicators from "Moody's Credit Perspectives", Volume 99, No. 22, May 29, 2006 follow - continued:

Part III

New offerings by public utilities – listing is all inclusive for week of May 29, 2006:

<u>Line No.</u>	<u>Company Name</u> (a)	<u>Amount</u> (b)	<u>Term</u> (c)	<u>Yield</u>		<u>Rating</u> (f)
				<u>Current</u> (d)	<u>Maturity</u> (e)	
1.	Nevada Power Company	\$250 Million	12 Years	6.50%	6.53%	Ba1
2.	Tampa Electric Company	\$250 Million	30 Years	6.55%	6.59%	Baa1
3.	Embarq Corporation	\$1,485 Million	30 Years	7.995%	-	Baa3
4.	Embarq Corporation	\$2,000 Million	10 Years	7.082%	-	Baa3
5.	Embarq Corporation	\$1,000 Million	7 Years	6.738%	-	Baa3
6.	Centerpoint Energy Resources Corp.	\$325 Million	10 Years	6.15%	-	Baa3
7.	PPL Energy Supply, LLC	\$300 Million	10 Years	6.2%	-	Baa2
8.	Detroit Edison Company (The)	\$250 Million	30 Years	6.625%	-	A3
9.	Northern States Power Company (MN)	\$400 Million	30 Years	6.25%	6.26%	A2
10.	Edison Mission Energy	\$500 Million	7 Years	7.5%	7.5%	B1
11.	Edison Mission Energy	\$500 Million	10 Years	7.75%	7.75%	B1
12.	DTE Energy Company	\$300 Million	10 Years	6.35%	6.32%	Baa2

Statement of Authorized Returns
On Common Equity and Overall Rates of Return
Granted By Various Public Utility Regulatory Agencies As Reported In
Public Utilities Reports, Volume Nos. 240-249, from May 2005 through July 2006
(Statement Is All Inclusive With Respect To Returns Published)

Line No.	Company (Jurisdiction) (a)	Authorized Returns		Date Of Order (d)	Volume No. Public Utilities Reports (e)
		Common Equity (b)	Overall (c)		
Electric Companies					
1.	Consolidated Edison Company of New York, Inc. (NY)	10.30%	8.08%	03/24/2005	Volume 240
2.	Central Vermont Public Service Corporation (VT)	10.00%	N/A	03/29/2005	Volume 241
3.	Arizona Public Service Company (AZ)	10.25%	N/A	04/07/2005	Volume 241
4.	Public Service Company of New Hampshire (NH)	9.63%	N/A	06/08/2005	Volume 242
5.	Wisconsin Power and Light Company (WI)	11.50%	9.41%	07/19/2005	Volume 242
6.	Idaho Power Company (ID)	10.00%	7.83%	07/28/2005	Volume 243
7.	Pacific Power and Light Company, d/b/a PacifiCorp (OR)	10.00%	8.06%	09/28/2005	Volume 244
8.	Westar Energy, Inc. (KS)	10.00%	7.89%	12/28/2005	Volume 246
9.	Consumers Energy Company (MI)	11.15%	6.78%	12/22/2005	Volume 246
10.	The United Illuminating Company (CT)	9.75%	N/A	01/27/2006	Volume 246
11.	Madison Gas and Electric Company (WI)	11.00%	8.88%	12/12/2005	Volume 246
12.	Avista Corporation, d/b/a Avista Utilities (WA)	10.40%	9.11%	12/21/2005	Volume 247
13.	Cheyenne Light, Fuel and Power Company (WY)	10.75%	8.13%	12/20/2005	Volume 247
14.	Kentucky Power Company (KY)	10.50%	N/A	03/14/2006	Volume 248
Natural Gas Local Distribution Companies					
15.	Michigan Consolidated Gas Company (MI)	11.00%	7.19%	04/28/2005	Volume 240
16.	Vectren Energy Delivery of Ohio, Inc. (OH)	10.60%	8.94%	04/13/2005	Volume 240
17.	Illinois Gas Company (IL)	11.00%	7.44%	05/04/2005	Volume 241
18.	Northern States Power Company, d/b/a Xcel Energy (ND)	N/A	N/A	06/01/2005	Volume 241
19.	Illinois Power Company (IL)	10.00%	8.18%	05/17/2005	Volume 241
20.	Atlanta Gas Light Company (GA)	10.90%	[1] 8.53%	[1] 06/10/2005	Volume 242
21.	Wisconsin Power and Light Company (WI)	11.50%	9.41%	07/19/2005	Volume 242
22.	National Fuel Gas Distribution Corporation (NY)	N/A	[2] N/A	[2] 07/22/2005	Volume 242
23.	Consumers Gas Company (IL)	10.52%	8.02%	06/02/2005	Volume 243
24.	Interstate Power and Light Company (IA)	10.40%	8.68%	10/14/2005	Volume 245

**Statement of Authorized Returns
On Common Equity and Overall Rates of Return
Granted By Various Public Utility Regulatory Agencies As Reported In
Public Utilities Reports, Volume Nos. 240-249, from May 2005 through July 2006
(Statement Is All Inclusive With Respect To Returns Published)**

<u>Line No.</u>	<u>Company (Jurisdiction)</u> (a)	<u>Authorized Returns</u>		<u>Date Of Order</u> (d)	<u>Volume No. Public Utilities Reports</u> (e)
		<u>Common Equity</u> (b)	<u>Overall</u> (c)		
Natural Gas Local Distribution Companies (continued)					
25.	Northern Illinois Gas Company, d/b/a Nicor Gas Company (IL)	10.51%	8.85%	09/20/2005	Volume 245
26.	CenterPoint Energy Arkla, a Division of CenterPoint Energy Resources Corporation (AR)	9.45%	[3] 5.31%	[3] 09/19/2005	Volume 245
27.	Union Light, Heat and Power Company (KY)	10.20%	8.10%	12/22/2005	Volume 246
28.	Arkansas Oklahoma Gas Corporation (AR)	9.70%	N/A	12/01/2005	Volume 246
29.	Piedmont Natural Gas Company, Inc. (NC)	N/A	9.04%	11/03/2005	Volume 246
30.	Avista Corporation, d/b/a Avista Utilities (WA)	10.40%	9.11%	12/21/2005	Volume 247
31.	Southern Connecticut Gas Company (CT)	10.00%	N/A	12/28/2005	Volume 247
32.	Southwest Gas Corporation (AZ)	9.50%	8.40%	02/23/2006	Volume 247
33.	Aquila, Inc., d/b/a Aquila Networks (IA)	N/A	8.88%	03/01/2006	Volume 247
34.	Sierra Pacific Power Company (NV)	10.60%	N/A	04/27/2006	Volume 248
Water Companies					
35.	New York Water Service Corporation (NY)	N/A	[4] N/A	04/26/2005	Volume 241
36.	United Water Idaho, Inc. (ID)	10.30%	8.36%	08/02/2005	Volume 243
37.	Carolina Water Service, Inc. (SC)	9.10%	8.02%	06/22/2005	Volume 243
38.	Arizona Water Company (AZ)	9.10%	8.90%	11/14/2005	Volume 247

Notes:

- [1] Order on Reconsideration approved the settlement agreement which also provided for a base rate freeze for a five-year period ending April 30, 2010. Prior Order issued on April 27, 2005, approved a return on common equity of 10.38% and an overall return of 8.28%.
- [2] The approved rate plan required 50/50 sharing of earnings in excess of 11.08% return on common equity for the fiscal year ended September 30, 2005. The earnings threshold increases to 11.5% for the fiscal years ending September 30, 2006 and September 30, 2007, with sharing at that level to continue until changed or otherwise addressed in a subsequent proceeding.
- [3] The adopted returns are set below the normally-accepted midpoint of the range found reasonable in consequence of a determination by the Arkansas Public Service Commission that the Company had been deficient in the administration of its tariffs, in its accounting and record keeping practices, and in its supporting documentation for rate applications.
- [4] Earnings exceeding a 10.6% return on common equity would be shared 50/50 between shareholders and customers; and, for earnings exceeding 11.1% , the customer share would increase to 75%.
- [5] N/A denotes that information is not available.

Part III

Overviews of Selected Financial and Operational Data by Utility:

- ***Electric Companies***
 - ***Carolina Power & Light Company, d/b/a
Progress Energy Carolinas, Inc.***
 - ***Dominion North Carolina Power***
 - ***Duke Power, a Division of Duke Energy Corporation***
 - ***Nantahala Power and Light Company***

- ***Natural Gas Local Distribution Companies***
 - ***Piedmont Natural Gas Company, Inc.***
 - ***Public Service Company of North Carolina, Inc.***

- ***Telecommunications Companies***
 - ***ALLTEL Carolina, Inc.***
 - ***BellSouth Telecommunications, Inc.***
 - ***Carolina Telephone and Telegraph Company***
 - ***Central Telephone Company***
 - ***Citizens Telephone Company***
 - ***Concord Telephone Company***
 - ***LEXCOM Telephone Company***
 - ***MEBTEL Communications***
 - ***North State Communications***
 - ***Verizon South Inc.***

**CAROLINA POWER & LIGHT COMPANY, d/b/a
PROGRESS ENERGY CAROLINAS, INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts in Thousands)**

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	December 2002 (e)	December 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$2,816,219	\$2,610,736	\$2,576,620	\$2,517,739	\$2,373,937	4.36%	7.87%
2.	Operating Expenses:							
3.	Fuel	678,354	622,984	616,343	548,355	460,247	10.18%	8.89%
4.	Purchased Power	240,456	218,266	215,094	253,212	258,092	-1.75%	10.17%
5.	Maintenance	169,432	171,719	142,542	171,593	152,237	2.71%	-1.33%
6.	Other Operating Expenses	<u>528,366</u>	<u>461,688</u>	<u>427,265</u>	<u>417,875</u>	<u>375,506</u>	<u>8.91%</u>	<u>14.44%</u>
7.	Total Operating Expenses	1,616,608	1,474,657	1,401,244	1,391,035	1,246,082	6.72%	9.63%
8.	Depreciation & Amortization	<u>446,730</u>	<u>457,072</u>	<u>431,233</u>	<u>398,441</u>	<u>389,099</u>	<u>3.51%</u>	<u>-2.26%</u>
9.	Total Expenses & Depreciation	2,063,338	1,931,729	1,832,477	1,789,476	1,635,181	5.99%	6.81%
10.	Total Operating Taxes	<u>348,157</u>	<u>336,098</u>	<u>351,578</u>	<u>346,652</u>	<u>336,350</u>	<u>0.87%</u>	<u>3.59%</u>
11.	Total Expenses, Depr. & Taxes	<u>2,411,495</u>	<u>2,267,827</u>	<u>2,184,055</u>	<u>2,136,128</u>	<u>1,971,531</u>	<u>5.16%</u>	<u>6.34%</u>
12.	Operating Income	<u>\$404,724</u>	<u>\$342,909</u>	<u>\$392,565</u>	<u>\$381,611</u>	<u>\$402,406</u>	<u>0.14%</u>	<u>18.03%</u>
13.	Net Plant Investment	<u>\$4,740,916</u>	<u>\$4,966,843</u>	<u>\$4,644,069</u>	<u>\$4,681,892</u>	<u>\$4,544,543</u>	<u>1.06%</u>	<u>1.59%</u>
<hr/>								
14.	Oper. Exp. as a % of Total Revenue	57.40%	56.48%	54.38%	55.25%	52.49%	2.26%	1.63%
15.	Net Plt. Investment per \$ of Revenue	\$1.68	\$1.79	\$1.80	\$1.86	\$1.91	-3.16%	-6.15%
<hr/>								
16.	Number of Customers Served (000s included):							
17.	Residential	1,022,873	998,684	978,736	960,217	938,050	2.19%	2.42%
18.	Commercial	182,482	177,468	171,832	168,056	164,570	2.62%	2.83%
19.	Industrial	3,560	3,636	3,730	3,811	4,063	-3.25%	-2.09%
20.	Other	<u>2,066</u>	<u>2,178</u>	<u>2,281</u>	<u>2,317</u>	<u>2,362</u>	<u>-3.29%</u>	<u>-5.14%</u>
21.	Total Number of Customers	<u>1,210,981</u>	<u>1,181,966</u>	<u>1,156,579</u>	<u>1,134,401</u>	<u>1,109,045</u>	<u>2.22%</u>	<u>2.45%</u>
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	14,473	13,837	13,210	13,150	12,368	4.01%	4.60%
24.	Commercial	11,555	11,263	10,863	10,766	10,303	2.91%	2.59%
25.	Industrial	9,469	9,701	9,534	9,896	10,109	-1.62%	-2.39%
26.	Other	<u>2,851</u>	<u>2,400</u>	<u>4,668</u>	<u>4,675</u>	<u>2,938</u>	<u>-0.75%</u>	<u>18.79%</u>
27.	Total Sales	<u>38,348</u>	<u>37,201</u>	<u>38,275</u>	<u>38,487</u>	<u>35,718</u>	<u>1.79%</u>	<u>3.08%</u>
<hr/>								
28.	Estimated Overall Rate of Return	8.10%	7.28%	8.60%	8.72%	9.63%	-4.23%	11.26%
29.	Estimated Return on Common Equity	10.55%	8.62%	11.09%	11.16%	12.63%	-4.40%	22.39%
30.	Common Equity Ratio	48.44%	51.07%	50.75%	49.62%	48.18%	0.13%	-5.15%
31.	Debt Ratio	50.65%	48.02%	48.33%	49.47%	50.91%	-0.13%	5.48%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.09	4.00	4.55	4.33	4.19	-0.60%	2.25%
<hr/>								
33.	LAST RATE CASE	Authorized Returns: Common Equity 12.75%, Overall 10.45%; Equity Ratio: 44.00%; Date of Order: 8-5-88						

Notes: [1] North Carolina retail jurisdictional revenue equates to 70% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.

DOMINION NORTH CAROLINA POWER
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	December 2002 (e)	December 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$290,317	\$283,101	\$256,424	\$234,948	\$246,327	4.19%	2.55%
2.	Operating Expenses:							
3.	Fuel	67,893	57,505	42,044	36,492	37,472	16.02%	18.06%
4.	Purchased Power	76,547	52,523	59,568	47,104	49,322	11.61%	45.74%
5.	Maintenance	0	0	0	0	0	N/A	N/A
6.	Other Operating Expenses	<u>56,485</u>	<u>55,209</u>	<u>46,098</u>	<u>41,753</u>	<u>52,813</u>	<u>1.69%</u>	<u>2.31%</u>
7.	Total Operating Expenses	200,925	165,237	147,710	125,349	139,607	9.53%	21.60%
8.	Depreciation & Amortization	<u>23,952</u>	<u>26,152</u>	<u>24,876</u>	<u>24,858</u>	<u>25,988</u>	<u>-2.02%</u>	<u>-8.41%</u>
9.	Total Expenses & Depreciation	224,877	191,389	172,586	150,207	165,595	7.95%	17.50%
10.	Total Operating Taxes	<u>26,832</u>	<u>39,414</u>	<u>40,704</u>	<u>35,441</u>	<u>38,539</u>	<u>-8.65%</u>	<u>-31.92%</u>
11.	Total Expenses, Depr. & Taxes	<u>251,709</u>	<u>230,803</u>	<u>213,290</u>	<u>185,648</u>	<u>204,134</u>	<u>5.38%</u>	<u>9.06%</u>
12.	Operating Income	<u>\$38,608</u>	<u>\$52,298</u>	<u>\$43,134</u>	<u>\$49,300</u>	<u>\$42,193</u>	<u>-2.20%</u>	<u>-26.18%</u>
13.	Net Plant Investment	<u>\$615,042</u>	<u>\$566,275</u>	<u>\$558,040</u>	<u>\$420,481</u>	<u>\$430,148</u>	<u>9.35%</u>	<u>8.61%</u>
<hr/>								
14.	Oper. Exp. as a % of Total Revenue	69.21%	58.37%	57.60%	53.35%	56.68%	5.12%	18.57%
15.	Net Plt. Investment per \$ of Revenue	\$2.12	\$2.00	\$2.18	\$1.79	\$1.75	4.91%	6.00%
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16.	Number of Customers Served (000s included):							
17.	Residential	98,905	97,527	96,182	95,214	92,680	1.64%	1.41%
18.	Commercial	15,453	15,323	15,236	15,183	14,356	1.86%	0.85%
19.	Industrial	69	77	79	82	89	-6.17%	-10.39%
20.	Other	<u>2,264</u>	<u>2,268</u>	<u>2,279</u>	<u>2,175</u>	<u>2,146</u>	<u>1.35%</u>	<u>-0.18%</u>
21.	Total Number of Customers	<u>116,691</u>	<u>115,195</u>	<u>113,776</u>	<u>112,654</u>	<u>109,271</u>	<u>1.66%</u>	<u>1.30%</u>
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,575	1,487	1,423	1,391	1,327	4.38%	5.92%
24.	Commercial	779	771	738	738	711	2.31%	1.04%
25.	Industrial	1,709	1,792	1,563	1,592	1,455	4.10%	-4.63%
26.	Other	<u>151</u>	<u>154</u>	<u>150</u>	<u>139</u>	<u>136</u>	<u>2.65%</u>	<u>-1.95%</u>
27.	Total Sales	<u>4,214</u>	<u>4,204</u>	<u>3,874</u>	<u>3,860</u>	<u>3,629</u>	<u>3.81%</u>	<u>0.24%</u>
<hr/>								
28.	Estimated Overall Rate of Return	7.60%	11.27%	9.71%	11.89%	10.02%	-6.68%	-32.56%
29.	Estimated Return on Common Equity	9.67%	17.82%	13.32%	18.16%	14.12%	-9.03%	-45.74%
30.	Common Equity Ratio	48.42%	47.21%	48.83%	46.73%	45.04%	1.83%	2.56%
31.	Debt Ratio	45.27%	50.19%	44.90%	47.25%	47.88%	-1.39%	-9.80%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	3.81	6.00	5.36	5.67	4.82	-5.71%	-36.50%
<hr/>								
33.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall - N/A; Equity Ratio: N/A; Date of Order: 03-18-05						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] This schedule reflects certain revised data for 2001 - 2004 (Columns (c) - (f), as provided by Dominion, and as previously reported in the Commission's *Quarterly Review*, for the quarter ending December 31, 2004, issued on August 8, 2005.

DUKE POWER, A DIVISION OF DUKE ENERGY CORPORATION
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	December 2002 (e)	December 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$3,610,073	\$3,471,808	\$3,485,918	\$3,312,828	\$3,221,436	2.89%	3.98%
2.	Operating Expenses:							
3.	Fuel	684,032	631,799	610,721	520,467	499,071	8.20%	8.27%
4.	Purchased Power	58,806	179,674	284,815	297,982	285,029	-32.60%	-67.27%
5.	Maintenance	339,542	311,275	327,110	370,765	312,376	2.11%	9.08%
6.	Other Operating Expenses	665,071	593,122	661,748	652,886	703,259	-1.39%	12.13%
7.	Total Operating Expenses	1,747,451	1,715,870	1,884,394	1,842,100	1,799,735	-0.73%	1.84%
8.	Depreciation & Amortization	755,863	658,828	553,177	424,515	405,527	16.84%	14.73%
9.	Total Expenses & Depreciation	2,503,314	2,374,698	2,437,571	2,266,615	2,205,262	3.22%	5.42%
10.	Total Operating Taxes	485,607	482,945	462,240	455,820	471,658	0.73%	0.55%
11.	Total Expenses, Depr. & Taxes	2,988,921	2,857,643	2,899,811	2,722,435	2,676,920	2.79%	4.59%
12.	Operating Income	\$621,152	\$614,165	\$586,107	\$590,393	\$544,516	3.35%	1.14%
13.	Net Plant Investment	\$8,146,548	\$8,017,329	\$7,426,274	\$6,823,150	\$6,528,367	5.69%	1.61%
14.	Oper. Exp. as a % of Total Revenue	48.40%	49.42%	54.06%	55.61%	55.87%	-3.52%	-2.06%
15.	Net Plt. Investment per \$ of Revenue	\$2.26	\$2.31	\$2.13	\$2.06	\$2.03	2.72%	-2.16%
16.	Number of Customers Served (000s included):							
17.	Residential	1,429,463	1,401,031	1,373,726	1,376,968	1,359,355	1.27%	2.03%
18.	Commercial	232,663	227,619	223,097	219,406	217,775	1.67%	2.22%
19.	Industrial	5,619	5,692	5,767	5,972	6,163	-2.28%	-1.28%
20.	Other	9,938	9,780	8,886	8,683	8,408	4.27%	1.62%
21.	Total Number of Customers	1,677,683	1,644,122	1,611,476	1,611,029	1,591,701	1.32%	2.04%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	19,327	18,601	17,700	18,084	17,201	2.96%	3.90%
24.	Commercial	19,822	19,461	18,856	18,788	18,323	1.99%	1.85%
25.	Industrial	15,052	15,051	14,808	15,696	15,922	-1.39%	0.01%
26.	Other	494	1,022	4,941	224	223	22.00%	-51.66%
27.	Total Sales	54,695	54,135	56,305	52,792	51,669	1.43%	1.03%
28.	Estimated Overall Rate of Return	9.19%	9.66%	9.67%	10.07%	9.51%	-0.85%	-4.87%
29.	Estimated Return on Common Equity	12.71%	13.63%	13.02%	13.23%	11.69%	2.11%	-6.75%
30.	Common Equity Ratio	53.07%	54.15%	55.23%	58.40%	60.49%	-3.22%	-1.99%
31.	Debt Ratio	45.43%	44.35%	43.27%	39.83%	37.24%	5.10%	2.44%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.63	6.41	5.90	6.55	6.21	-2.42%	-12.17%
33.	LAST RATE CASE	Authorized Returns: Common Equity 12.50%, Overall 10.44%; Equity Ratio: 49.82%; Date of Order: 11-12-91						

Notes: [1] North Carolina retail jurisdictional revenue equates to 67% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] This schedule reflects certain revised data for 2001 [Column (f)], as provided by Duke, and as previously reported in the Commission's "Quarterly Review" Revisions issued on June 20, 2003.
[5] The estimated ROE impacts of the BPM net revenues under the sharing arrangement approved in Docket No. E-7, Sub 751 are as follows for the 12-month periods ending December 31st: 2005 - 1.04%; 2004 - 0.42%; 2003 - N/A; 2002 - N/A; and 2001 - N/A; (N/A denotes not applicable). Such impacts are not included in the estimated ROEs presented on Line 29 above.

NANTAHALA POWER AND LIGHT COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	December 2002 (e)	December 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$89,285	\$82,673	\$80,271	\$77,200	\$72,807	5.23%	8.00%
2.	Operating Expenses:							
3.	Purchased Power	44,444	37,063	35,167	33,200	30,628	9.75%	19.91%
4.	Maintenance	7,229	7,586	6,360	6,878	6,104	4.32%	-4.71%
5.	Other Operating Expenses	<u>7,661</u>	<u>6,872</u>	<u>7,458</u>	<u>7,888</u>	<u>10,867</u>	<u>-8.37%</u>	<u>11.48%</u>
6.	Total Operating Expenses	59,334	51,521	48,985	47,966	47,599	5.66%	15.16%
7.	Depreciation & Amortization	<u>10,340</u>	<u>9,095</u>	<u>8,588</u>	<u>7,922</u>	<u>7,092</u>	<u>9.88%</u>	<u>13.69%</u>
8.	Total Expenses & Depreciation	69,674	60,616	57,573	55,888	54,691	6.24%	14.94%
9.	Total Operating Taxes	<u>7,127</u>	<u>8,617</u>	<u>8,887</u>	<u>9,233</u>	<u>7,113</u>	<u>0.05%</u>	<u>-17.29%</u>
10.	Total Expenses, Depr. & Taxes	<u>76,801</u>	<u>69,233</u>	<u>66,460</u>	<u>65,121</u>	<u>61,804</u>	<u>5.58%</u>	<u>10.93%</u>
11.	Operating Income	<u>\$12,484</u>	<u>\$13,440</u>	<u>\$13,811</u>	<u>\$12,079</u>	<u>\$11,003</u>	<u>3.21%</u>	<u>-7.11%</u>
12.	Net Plant Investment	<u>\$207,688</u>	<u>\$198,619</u>	<u>\$194,965</u>	<u>\$178,731</u>	<u>\$170,282</u>	<u>5.09%</u>	<u>4.57%</u>
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13.	Oper. Exp. as a % of Total Revenue	66.45%	62.32%	61.02%	62.13%	65.38%	0.41%	6.63%
14.	Net Plt. Investment per \$ of Revenue	\$2.33	\$2.40	\$2.43	\$2.32	\$2.34	-0.11%	-2.92%
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15.	Number of Customers Served (000s included):							
16.	Residential	61,978	60,564	59,181	57,821	56,613	2.29%	2.33%
17.	Commercial	7,058	6,980	6,953	6,950	6,925	0.48%	1.12%
18.	Industrial	14	13	13	13	14	0.00%	7.69%
19.	Other	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>0.00%</u>	<u>0.00%</u>
20.	Total Number of Customers	<u>69,061</u>	<u>67,588</u>	<u>66,158</u>	<u>64,795</u>	<u>63,563</u>	<u>2.10%</u>	<u>2.21%</u>
21.	Annual Sales Volume: (Millions kWh)							
22.	Residential	646	611	598	578	547	4.25%	5.73%
23.	Commercial	443	430	425	416	381	3.84%	3.02%
24.	Industrial	134	125	119	119	117	3.45%	7.20%
25.	Other	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0.00%</u>	<u>0.00%</u>
26.	Total Sales	<u>1,225</u>	<u>1,168</u>	<u>1,144</u>	<u>1,115</u>	<u>1,047</u>	<u>4.00%</u>	<u>4.88%</u>
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27.	Estimated Overall Rate of Return	6.94%	7.61%	7.85%	7.15%	6.92%	0.07%	-8.80%
28.	Estimated Return on Common Equity	6.50%	7.82%	8.25%	7.04%	6.68%	-0.54%	-16.88%
29.	Common Equity Ratio	53.07%	54.15%	55.23%	63.86%	60.92%	-3.39%	-1.99%
30.	Debt Ratio	45.43%	44.35%	43.27%	36.14%	39.08%	3.84%	2.44%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	2.57	3.17	3.39	3.79	3.21	-5.41%	-18.93%
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32.	LAST RATE CASE	Authorized Returns: Common Equity 12.10%, Overall 10.32%; Equity Ratio: 56.11%; Date of Order: 6-18-93						

Notes: [1] North Carolina retail jurisdictional revenue equates to 97% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.

PIEDMONT NATURAL GAS COMPANY, INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Jurisdiction
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended December 2005 (b)
1.	Operating Revenue:	
2.	Residential	\$551,072
3.	Commercial	322,049
4.	Industrial	126,516
5.	Public Authorities	409
6.	Resale	23,398
7.	Other	<u>80,888</u>
8.	Total Operating Revenue	<u>1,104,332</u>
9.	Cost of Gas	<u>763,710</u>
10.	Margin	340,622
11.	O & M Expenses	145,027
12.	Other Deductions	<u>107,252</u>
13.	Operating Income	<u>\$88,343</u>
14.	Net Plant Investment	<u>\$1,287,132</u>
<hr/>		
15.	Operating Exp. as a % of Margin	42.58%
16.	Net Plt. Investment per \$ of Margin	\$3.78
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17.	Gas Delivered in DTs (000s omitted):	
18.	Residential	36,829
19.	Commercial	24,614
20.	Industrial	11,545
21.	Public Authorities	32
22.	Resale	1,586
23.	Other	<u>77,027</u>
24.	Total DTs	<u>151,633</u>
25.	Number of Customers (000s included):	
26.	Residential	557,850
27.	Commercial	62,415
28.	Industrial	1,748
29.	Public Authorities	571
30.	Resale	-
31.	Other	<u>568</u>
32.	Total Number of Customers	<u>623,152</u>
<hr/>		
33.	Estimated Overall Rate of Return	8.56%
34.	Estimated Return on Common Equity	10.36%
35.	Common Equity Ratio	53.82%
36.	Debt Ratio	46.18%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.10
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38.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall 9.04%; Equity Ratio: N/A; Date of Order: 11-03-05

Notes: [1] North Carolina retail jurisdictional revenue equates to 56% of total company gas utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: Shareholders' reports and the NCUC GS-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] In its November 3, 2005 Order Approving Partial Rate Increase and Requiring Conservation Initiative, the Commission authorized the consolidation of the operations, revenues, rate bases, and expenses of North Carolina Natural Gas, Piedmont Natural Gas Company, Inc., and Eastern North Carolina Natural Gas into a single regulated entity. Consequently, effective with the December 2005 NCUC GS-1 Report, financial and operational information for Piedmont Natural Gas Company, Inc., North Carolina Natural Gas, and Eastern North Carolina Gas are reported as one consolidated entity under the name, Piedmont Natural Gas Company, Inc. and consequently, comparisons to prior years are not meaningful.

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Jurisdiction
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005	December 2004	December 2003	December 2002	December 2001	Four Year	Current Year
		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	Operating Revenue:							
2.	Residential	\$383,028	\$304,475	\$298,028	\$212,407	\$265,481	9.60%	25.80%
3.	Commercial	189,952	147,284	143,262	90,748	130,883	9.76%	28.97%
4.	Industrial	36,126	11,511	9,189	7,818	11,984	31.77%	213.84%
5.	Public Authorities	0	0	0	0	0	N/A	N/A
6.	Resale	7	11	12	6	9	-6.09%	-36.36%
7.	Other	<u>50,680</u>	<u>53,210</u>	<u>58,461</u>	<u>44,700</u>	<u>44,280</u>	<u>3.43%</u>	<u>-4.75%</u>
8.	Total Operating Revenue	<u>659,793</u>	<u>516,491</u>	<u>508,952</u>	<u>355,679</u>	<u>452,637</u>	<u>9.88%</u>	<u>27.75%</u>
9.	Cost of Gas	<u>477,983</u>	<u>341,569</u>	<u>330,461</u>	<u>189,915</u>	<u>286,140</u>	<u>13.69%</u>	<u>39.94%</u>
10.	Margin	181,810	174,922	178,491	165,764	166,497	2.22%	3.94%
11.	O & M Expenses	80,589	79,935	74,681	69,912	68,794	4.04%	0.82%
12.	Other Deductions	<u>58,433</u>	<u>54,118</u>	<u>57,379</u>	<u>54,035</u>	<u>64,776</u>	<u>-2.54%</u>	<u>7.97%</u>
13.	Operating Income	<u>\$42,788</u>	<u>\$40,869</u>	<u>\$46,431</u>	<u>\$41,817</u>	<u>\$32,927</u>	<u>6.77%</u>	<u>4.70%</u>
14.	Net Plant Investment	<u>\$619,333</u>	<u>\$594,719</u>	<u>\$579,621</u>	<u>\$567,352</u>	<u>\$527,976</u>	<u>4.07%</u>	<u>4.14%</u>
15.	Operating Exp. as a % of Margin	44.33%	45.70%	41.84%	42.18%	41.32%	1.77%	-3.00%
16.	Net Plt. Investment per \$ of Margin	\$3.41	\$3.40	\$3.25	\$3.42	\$3.17	1.84%	0.29%
17.	Gas Delivered in DTs (000s omitted):							
18.	Residential	25,054	24,321	25,299	23,427	20,710	4.88%	3.01%
19.	Commercial	14,847	14,534	14,708	13,384	12,846	3.69%	2.15%
20.	Industrial	2,776	1,307	1,182	1,510	1,454	17.55%	112.39%
21.	Public Authorities	0	0	0	0	0	N/A	N/A
22.	Resale	1	1	1	1	1	0.00%	0.00%
23.	Other	<u>28,165</u>	<u>29,653</u>	<u>28,484</u>	<u>31,420</u>	<u>28,974</u>	<u>-0.71%</u>	<u>-5.02%</u>
24.	Total DTs	<u>70,843</u>	<u>69,816</u>	<u>69,674</u>	<u>69,742</u>	<u>63,985</u>	<u>2.58%</u>	<u>1.47%</u>
25.	Number of Customers (000s included):							
26.	Residential	386,235	370,532	357,001	347,021	328,339	4.14%	4.24%
27.	Commercial	38,788	38,101	37,152	36,385	35,034	2.58%	1.80%
28.	Industrial	55	49	49	38	37	10.42%	12.24%
29.	Public Authorities	0	0	0	0	0	N/A	N/A
30.	Resale	3	3	3	4	4	-6.94%	0.00%
31.	Other	<u>382</u>	<u>392</u>	<u>406</u>	<u>414</u>	<u>451</u>	<u>-4.07%</u>	<u>-2.55%</u>
32.	Total Number of Customers	<u>425,463</u>	<u>409,077</u>	<u>394,611</u>	<u>383,862</u>	<u>363,865</u>	<u>3.99%</u>	<u>4.01%</u>
33.	Estimated Overall Rate of Return	7.76%	7.41%	8.79%	8.13%	9.75%	-5.55%	4.72%
34.	Estimated Return on Common Equity	8.92%	8.36%	11.59%	9.50%	12.36%	-7.83%	6.70%
35.	Common Equity Ratio	50.97%	50.00%	47.73%	48.72%	47.92%	1.55%	1.94%
36.	Debt Ratio	49.03%	50.00%	52.27%	51.28%	52.08%	-1.50%	-1.94%
37.	Estimated Pre-tax Interest Coverage Ratio (Times)	3.31	3.11	3.77	3.15	3.52	-1.53%	6.43%
38.	LAST RATE CASE	Authorized Returns: Common Equity 11.40%, Overall 9.82%; Equity Ratio: 51.91%; Date of Order: 10-30-98						

Notes: [1] Rates are set on a total company basis.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: Shareholders' Reports and the NCUC GS-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

ALLTEL CAROLINA, INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$73,646	\$72,927	\$73,988	-0.23%	0.99%
3.	Network Access	64,125	60,130	58,024	5.13%	6.64%
4.	Long Distance Message	4,024	3,894	4,036	-0.15%	3.34%
5.	Miscellaneous	15,993	16,469	17,028	-3.09%	-2.89%
6.	Uncollectibles	<u>(1,135)</u>	<u>(1,242)</u>	<u>(1,364)</u>	<u>-8.78%</u>	<u>-8.62%</u>
7.	Total Operating Revenue	<u>156,653</u>	<u>152,178</u>	<u>151,712</u>	<u>1.62%</u>	<u>2.94%</u>
8.	Operating Expenses	59,350	60,856	61,130	-1.47%	-2.47%
9.	Depreciation & Amortization	32,696	31,743	30,209	4.03%	3.00%
10.	Total Operating Taxes	19,283	17,514	16,905	6.80%	10.10%
11.	Total Expenses, Depr. & Taxes	<u>111,329</u>	<u>110,113</u>	<u>108,244</u>	<u>1.42%</u>	<u>1.10%</u>
12.	Operating Income	<u>\$45,324</u>	<u>\$42,065</u>	<u>\$43,468</u>	<u>2.11%</u>	<u>7.75%</u>
13.	Net Telecommunications Plant	<u>\$251,877</u>	<u>\$255,558</u>	<u>\$260,066</u>	<u>-1.59%</u>	<u>-1.44%</u>
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14.	Oper. Exp. as a % of Total Revenue	37.89%	39.99%	40.29%	-3.02%	-5.25%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.61	\$1.68	\$1.71	-2.97%	-4.17%

Notes: [1] ALLTEL Carolina, Inc. elected price regulation in June 1998.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Report.

[4] Net Telecommunications Plant reflects net plant for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$13,189,584; 2004 - \$9,882,424; and 2003 - 12,273,102.

BELLSOUTH TELECOMMUNICATIONS, INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$789,411	\$846,870	\$929,148	-7.83%	-6.78%
3.	Network Access	510,471	512,073	521,277	-1.04%	-0.31%
4.	Long Distance Message	26,283	22,747	23,603	5.52%	15.54%
5.	Miscellaneous	245,987	221,007	197,878	11.50%	11.30%
6.	Uncollectibles	<u>(17,871)</u>	<u>(26,672)</u>	<u>(30,816)</u>	<u>-23.85%</u>	<u>-33.00%</u>
7.	Total Operating Revenue	<u>1,554,281</u>	<u>1,576,025</u>	<u>1,641,090</u>	<u>-2.68%</u>	<u>-1.38%</u>
8.	Operating Expenses	785,634	763,606	777,313	0.53%	2.88%
9.	Depreciation & Amortization	421,824	436,997	457,424	-3.97%	-3.47%
10.	Total Operating Taxes	<u>130,897</u>	<u>140,534</u>	<u>154,937</u>	<u>-8.08%</u>	<u>-6.86%</u>
11.	Total Expenses, Depr. & Taxes	<u>1,338,355</u>	<u>1,341,137</u>	<u>1,389,674</u>	<u>-1.86%</u>	<u>-0.21%</u>
12.	Operating Income	<u>\$215,926</u>	<u>\$234,888</u>	<u>\$251,416</u>	<u>-7.33%</u>	<u>-8.07%</u>
13.	Net Telecommunications Plant	<u>\$2,216,785</u>	<u>\$2,312,145</u>	<u>\$2,452,004</u>	<u>-4.87%</u>	<u>-4.04%</u>
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14.	Oper. Exp. as a % of Total Revenue	50.55%	48.45%	47.37%	3.30%	4.33%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.43	\$1.47	\$1.49	-2.03%	-2.72%
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- Notes: [1] BellSouth Telecommunications, Inc. elected price regulation in June 1996.
[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.
[3] Source of Data: Annual Report.
[4] Net Telecommunications Plant reflects net plant for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$8,374,000; 2004 - \$7,630,000; and 2003 - \$5,347,000.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$376,281	\$397,964	\$409,309	-4.12%	-5.45%
3.	Network Access	284,709	298,888	279,714	0.89%	-4.74%
4.	Long Distance Message	5,459	6,146	6,959	-11.43%	-11.18%
5.	Miscellaneous	169,894	163,799	176,686	-1.94%	3.72%
6.	Uncollectibles	<u>(11,813)</u>	<u>(12,598)</u>	<u>(6,647)</u>	<u>33.31%</u>	<u>-6.23%</u>
7.	Total Operating Revenue	<u>824,530</u>	<u>854,199</u>	<u>866,021</u>	<u>-2.42%</u>	<u>-3.47%</u>
8.	Operating Expenses	445,657	459,569	489,586	-4.59%	-3.03%
9.	Depreciation & Amortization	116,747	110,084	154,692	-13.13%	6.05%
10.	Total Operating Taxes	<u>105,954</u>	<u>113,408</u>	<u>78,335</u>	<u>16.30%</u>	<u>-6.57%</u>
11.	Total Expenses, Depr. & Taxes	<u>668,358</u>	<u>683,061</u>	<u>722,613</u>	<u>-3.83%</u>	<u>-2.15%</u>
12.	Operating Income	<u>\$156,172</u>	<u>\$171,138</u>	<u>\$143,408</u>	<u>4.36%</u>	<u>-8.74%</u>
13.	Net Telecommunications Plant	<u>\$846,627</u>	<u>\$846,614</u>	<u>\$798,533</u>	<u>2.97%</u>	<u>0.00%</u>
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14.	Oper. Exp. as a % of Total Revenue	54.05%	53.80%	56.53%	-2.22%	0.46%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.03	\$0.99	\$0.92	5.81%	4.04%

Notes: [1] Carolina Telephone and Telegraph Company elected price regulation in June 1996.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Report.

[4] Net Telecommunications Plant reflects net plant for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$33,444,000; 2004 - \$35,942,000; and 2003 - \$49,620,000.

CENTRAL TELEPHONE COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$88,473	\$94,075	\$99,464	-5.69%	-5.95%
3.	Network Access	54,503	56,879	55,305	-0.73%	-4.18%
4.	Long Distance Message	2,020	3,099	3,425	-23.20%	-34.82%
5.	Miscellaneous	31,132	30,091	28,744	4.07%	3.46%
6.	Uncollectibles	<u>(2,186)</u>	<u>(2,218)</u>	<u>(1,790)</u>	<u>10.51%</u>	<u>-1.44%</u>
7.	Total Operating Revenue	<u>173,942</u>	<u>181,926</u>	<u>185,148</u>	<u>-3.07%</u>	<u>-4.39%</u>
8.	Operating Expenses	98,066	99,372	101,946	-1.92%	-1.31%
9.	Depreciation & Amortization	44,695	44,237	39,778	6.00%	1.04%
10.	Total Operating Taxes	<u>11,887</u>	<u>12,587</u>	<u>19,889</u>	<u>-22.69%</u>	<u>-5.56%</u>
11.	Total Expenses, Depr. & Taxes	<u>154,648</u>	<u>156,196</u>	<u>161,611</u>	<u>-2.18%</u>	<u>-0.99%</u>
12.	Operating Income	<u>\$19,294</u>	<u>\$25,730</u>	<u>\$23,537</u>	<u>-9.46%</u>	<u>-25.01%</u>
13.	Net Telecommunications Plant	<u>\$239,649</u>	<u>\$264,452</u>	<u>\$281,727</u>	<u>-7.77%</u>	<u>-9.38%</u>
<hr/>						
14.	Oper. Exp. as a % of Total Revenue	56.38%	54.62%	55.06%	1.19%	3.22%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.38	\$1.45	\$1.52	-4.72%	-4.83%

Notes: [1] Central Telephone Company elected price regulation in June 1996.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Report.

[4] Net Telecommunications Plant reflects net plant for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$5,060,000; 2004 - \$6,910,000; and 2003 - \$11,493,000.

CITIZENS TELEPHONE COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Intrastate Operations
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	December 2002 (e)	December 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue:							
2.	Basic Local Service	\$5,342	\$5,957	\$5,714	\$5,701	\$5,631	-1.31%	-10.32%
3.	Network Access	4,122	3,711	3,803	4,743	3,248	6.14%	11.08%
4.	Long Distance Message	1,175	1,104	1,145	1,236	1,321	-2.89%	6.43%
5.	Miscellaneous	1,134	1,112	1,126	1,070	1,066	1.56%	1.98%
6.	Uncollectibles	(12)	(19)	(21)	(17)	(14)	-3.78%	-36.84%
7.	Total Operating Revenue	<u>11,761</u>	<u>11,865</u>	<u>11,767</u>	<u>12,733</u>	<u>11,252</u>	<u>1.11%</u>	<u>-0.88%</u>
8.	Operating Expenses	5,920	5,221	5,023	4,675	4,379	7.83%	13.39%
9.	Depreciation & Amortization	2,694	2,567	2,452	2,360	2,198	5.22%	4.95%
10.	Total Operating Taxes	<u>1,196</u>	<u>1,311</u>	<u>1,619</u>	<u>1,832</u>	<u>1,658</u>	<u>-7.84%</u>	<u>-8.77%</u>
11.	Total Expenses, Depr. & Taxes	<u>9,810</u>	<u>9,099</u>	<u>9,094</u>	<u>8,867</u>	<u>8,235</u>	<u>4.47%</u>	<u>7.81%</u>
12.	Operating Income	<u>\$1,951</u>	<u>\$2,766</u>	<u>\$2,673</u>	<u>\$3,866</u>	<u>\$3,017</u>	<u>-10.33%</u>	<u>-29.46%</u>
13.	Net Plant Investment	<u>\$28,124</u>	<u>\$27,162</u>	<u>\$25,733</u>	<u>\$24,495</u>	<u>\$23,238</u>	<u>4.89%</u>	<u>3.54%</u>
<hr/>								
14.	Oper. Exp. as a % of Total Revenue	50.34%	44.00%	42.69%	36.72%	38.92%	6.64%	14.41%
15.	Net Plt. Investment per \$ of Revenue	\$2.39	\$2.29	\$2.19	\$1.92	\$2.07	3.66%	4.37%
<hr/>								
16.	Total Access Lines (000s included):							
17.	Residential	16,670	16,865	16,932	17,046	17,075	-0.60%	-1.16%
18.	Business	<u>4,454</u>	<u>4,368</u>	<u>4,331</u>	<u>4,337</u>	<u>4,272</u>	<u>1.05%</u>	<u>1.97%</u>
19.	Total Access Lines	<u>21,124</u>	<u>21,233</u>	<u>21,263</u>	<u>21,383</u>	<u>21,347</u>	<u>-0.26%</u>	<u>-0.51%</u>
<hr/>								
20.	Estimated Overall Rate of Return	7.64%	11.12%	10.86%	16.19%	13.18%	-12.74%	-31.29%
21.	Estimated Return on Common Equity	7.37%	12.07%	11.82%	19.64%	15.63%	-17.13%	-38.94%
22.	Common Equity Ratio	75.82%	73.87%	71.89%	69.19%	66.41%	3.37%	2.64%
23.	Debt Ratio	24.18%	26.13%	28.11%	30.81%	33.59%	-7.89%	-7.46%
24.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.81	7.27	7.12	8.99	6.76	-3.72%	-20.08%
<hr/>								
25.	LAST RATE CASE	Authorized Returns: Common Equity 12.70%, Overall 10.11%; Equity Ratio: 44.95%; Date of Order: 2-26-91						

Notes: [1] North Carolina intrastate revenue, i.e., jurisdictional revenue equates to approximately 70% of total North Carolina revenue, i.e., intrastate and interstate revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC TS-1 Reports.

CONCORD TELEPHONE COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$50,128	\$48,296	\$51,581	-1.42%	3.79%
3.	Network Access	31,924	29,766	30,866	1.70%	7.25%
4.	Long Distance Message	2,255	2,839	3,928	-24.23%	-20.57%
5.	Miscellaneous	11,246	12,313	9,891	6.63%	-8.67%
6.	Uncollectibles	<u>(285)</u>	<u>(222)</u>	<u>(395)</u>	<u>-15.06%</u>	<u>28.38%</u>
7.	Total Operating Revenue	<u>95,268</u>	<u>92,992</u>	<u>95,871</u>	<u>-0.31%</u>	<u>2.45%</u>
8.	Operating Expenses	50,025	46,291	43,956	6.68%	8.07%
9.	Depreciation & Amortization	19,836	22,077	22,928	-6.99%	-10.15%
10.	Total Operating Taxes	<u>7,933</u>	<u>10,193</u>	<u>10,096</u>	<u>-11.36%</u>	<u>-22.17%</u>
11.	Total Expenses, Depr. & Taxes	<u>77,794</u>	<u>78,561</u>	<u>76,980</u>	<u>0.53%</u>	<u>-0.98%</u>
12.	Operating Income	<u>\$17,474</u>	<u>\$14,431</u>	<u>\$18,891</u>	<u>-3.82%</u>	<u>21.09%</u>
13.	Net Telecommunications Plant	<u>\$80,438</u>	<u>\$83,704</u>	<u>\$83,897</u>	<u>-2.08%</u>	<u>-3.90%</u>
<hr/>						
14.	Oper. Exp. as a % of Total Revenue	52.51%	49.78%	45.85%	7.02%	5.48%
15.	Net Telecomm. Plt. per \$ of Revenue	\$0.84	\$0.90	\$0.88	-2.30%	-6.67%

Notes: [1] Concord Telephone Company elected price regulation in June 1997.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Report.

[4] Net Telecommunications Plant reflects net plant in service for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$3,926,131; 2004 - \$3,557,940; and 2003 - \$1,819,772.

LEXCOM TELEPHONE COMPANY
SELECTED FINANCIAL AND OPERATIONAL DATA
Total Company Utility Operations
(Amounts In Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2005	December 2004	December 2003	December 2002	December 2001	Four Year	Current Year
		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	Operating Revenue:							
2.	Basic Local Service	\$12,676	\$12,615	\$12,746	\$13,717	\$13,434	-1.44%	0.48%
3.	Network Access	5,517	5,441	4,973	4,833	3,956	8.67%	1.40%
4.	Long Distance Message	171	166	215	331	330	-15.16%	3.01%
5.	Miscellaneous	2,401	2,304	2,230	2,520	3,043	-5.75%	4.21%
6.	Uncollectibles	(232)	(308)	(162)	(260)	(272)	-3.90%	-24.68%
7.	Total Operating Revenue	<u>20,533</u>	<u>20,218</u>	<u>20,002</u>	<u>21,141</u>	<u>20,491</u>	<u>0.05%</u>	<u>1.56%</u>
8.	Operating Expenses	6,641	7,267	7,461	7,865	7,734	-3.74%	-8.61%
9.	Depreciation & Amortization	4,223	3,420	3,354	3,432	3,599	4.08%	23.48%
10.	Total Operating Taxes	<u>5,293</u>	<u>5,845</u>	<u>5,277</u>	<u>5,537</u>	<u>5,478</u>	<u>-0.86%</u>	<u>-9.44%</u>
11.	Total Expenses, Depr. & Taxes	<u>16,157</u>	<u>16,532</u>	<u>16,092</u>	<u>16,834</u>	<u>16,811</u>	<u>-0.99%</u>	<u>-2.27%</u>
12.	Operating Income	<u>\$4,376</u>	<u>\$3,686</u>	<u>\$3,910</u>	<u>\$4,307</u>	<u>\$3,680</u>	<u>4.43%</u>	<u>18.72%</u>
13.	Net Plant Investment	<u>\$34,514</u>	<u>\$36,036</u>	<u>\$37,633</u>	<u>\$37,932</u>	<u>\$38,784</u>	<u>-2.87%</u>	<u>-4.22%</u>
14.	Oper. Exp. as a % of Total Revenue	32.34%	35.94%	37.30%	37.20%	37.74%	-3.79%	-10.02%
15.	Net Plt. Investment per \$ of Revenue	\$1.68	\$1.78	\$1.88	\$1.79	\$1.89	-2.90%	-5.62%
16.	Total Access Lines (000s included):							
17.	Residential	21,412	22,428	23,222	23,956	24,044	-2.86%	-4.53%
18.	Business	<u>8,500</u>	<u>8,670</u>	<u>8,854</u>	<u>9,057</u>	<u>9,141</u>	<u>-1.80%</u>	<u>-1.96%</u>
19.	Total Access Lines	<u>29,912</u>	<u>31,098</u>	<u>32,076</u>	<u>33,013</u>	<u>33,185</u>	<u>-2.56%</u>	<u>-3.81%</u>
20.	Estimated Overall Rate of Return	14.32%	11.62%	12.28%	13.72%	11.56%	5.50%	23.24%
21.	Estimated Return on Common Equity	14.46%	11.72%	12.37%	13.93%	11.73%	5.37%	23.38%
22.	Common Equity Ratio	97.86%	97.51%	96.98%	96.49%	95.46%	0.62%	0.36%
23.	Debt Ratio	2.14%	2.49%	3.02%	3.51%	4.54%	-17.14%	-14.06%
24.	Estimated Pre-tax Interest Coverage Ratio (Times)	177.42	145.03	95.84	108.95	73.12	24.81%	22.33%
25.	LAST RATE CASE	Authorized Returns: Common Equity 16.25%, Overall 12.77%; Equity Ratio: 37.22%; Date of Order: 6-14-82						

Notes: [1] Rates are set on a total company basis.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC TS-1 Reports.

MEBTEL COMMUNICATIONS
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$4,918	\$4,753	\$4,922	-0.04%	3.47%
3.	Network Access	5,014	3,931	3,652	17.17%	27.55%
4.	Long Distance Message	71	107	133	-26.94%	-33.64%
5.	Miscellaneous	1,611	1,578	1,502	3.56%	2.09%
6.	Uncollectibles	(176)	(24)	(69)	59.71%	633.33%
7.	Total Operating Revenue	<u>11,438</u>	<u>10,345</u>	<u>10,140</u>	<u>6.21%</u>	<u>10.57%</u>
8.	Operating Expenses	5,860	5,120	4,704	11.61%	14.45%
9.	Depreciation & Amortization	2,436	1,142	1,554	25.20%	113.31%
10.	Total Operating Taxes	<u>1,314</u>	<u>2,010</u>	<u>1,555</u>	<u>-8.08%</u>	<u>-34.63%</u>
11.	Total Expenses, Depr. & Taxes	<u>9,610</u>	<u>8,272</u>	<u>7,813</u>	<u>10.91%</u>	<u>16.18%</u>
12.	Operating Income	<u>\$1,828</u>	<u>\$2,073</u>	<u>\$2,327</u>	<u>-11.37%</u>	<u>-11.82%</u>
13.	Net Telecommunications Plant	<u>\$22,393</u>	<u>\$10,646</u>	<u>\$10,931</u>	<u>43.13%</u>	<u>110.34%</u>
<hr/>						
14.	Oper. Exp. as a % of Total Revenue	51.23%	49.49%	46.39%	5.09%	3.52%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.96	\$1.03	\$1.08	34.72%	90.29%

- Notes: [1] MEBTEL Communications elected price regulation in September 1999.
- [2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.
- [3] Source of Data: Annual Report.
- [4] Net Telecommunications Plant reflects net plant for North Carolina regulated operations only, including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$1,052,185; 2004 - \$295,794; and 2003 - \$523,765.
- [5] Schedule reflects revised data for 2004 [Column (c)] and 2003 [Column (d)], as provided by MEBTEL, primarily to correct the accounting for certain incentive compensation expenses and the related tax effects.

NORTH STATE COMMUNICATIONS
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$35,625	\$36,873	\$36,793	-1.60%	-3.38%
3.	Network Access	37,882	37,232	36,373	2.05%	1.75%
4.	Long Distance Message	1,354	1,444	1,828	-13.94%	-6.23%
5.	Miscellaneous	34,236	31,270	28,415	9.77%	9.49%
6.	Uncollectibles	(876)	(798)	(592)	21.64%	9.77%
7.	Total Operating Revenue	<u>108,221</u>	<u>106,021</u>	<u>102,817</u>	<u>2.59%</u>	<u>2.08%</u>
8.	Operating Expenses	62,113	58,444	56,776	4.59%	6.28%
9.	Depreciation & Amortization	21,482	20,376	19,641	4.58%	5.43%
10.	Total Operating Taxes	<u>10,250</u>	<u>11,260</u>	<u>10,942</u>	<u>-3.21%</u>	<u>-8.97%</u>
11.	Total Expenses, Depr. & Taxes	<u>93,845</u>	<u>90,080</u>	<u>87,359</u>	<u>3.65%</u>	<u>4.18%</u>
12.	Operating Income	<u>\$14,376</u>	<u>\$15,941</u>	<u>\$15,458</u>	<u>-3.56%</u>	<u>-9.82%</u>
13.	Net Telecommunications Plant	<u>\$114,675</u>	<u>\$116,270</u>	<u>\$118,507</u>	<u>-1.63%</u>	<u>-1.37%</u>
<hr/>						
14.	Oper. Exp. as a % of Total Revenue	57.39%	55.12%	55.22%	1.95%	4.12%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.06	\$1.10	\$1.15	-3.99%	-3.64%
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Notes: [1] North State Communications elected price regulation in December 2002.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Reports.

[4] Net Telecommunications Plant reflects net plant for total North Carolina operations, including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$2,851,674; 2004 - \$1,916,334; and 2003 - \$146,211.

VERIZON SOUTH INC.
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Operations (Regulated and Nonregulated)
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended			Annual Growth Rate	
		December 2005 (b)	December 2004 (c)	December 2003 (d)	Two Year (e)	Current Year (f)
1.	Operating Revenue:					
2.	Basic Local Service	\$118,145	\$124,167	\$127,365	-3.70%	-4.87%
3.	Network Access	112,867	119,511	123,594	-4.44%	-5.56%
4.	Long Distance Message	2,089	2,193	3,355	-21.09%	-4.74%
5.	Miscellaneous	29,234	37,205	41,743	-16.31%	-21.42%
6.	Uncollectibles	<u>(4,405)</u>	<u>(2,391)</u>	<u>(5,181)</u>	<u>-7.79%</u>	<u>84.23%</u>
7.	Total Operating Revenue	<u>257,930</u>	<u>280,705</u>	<u>290,896</u>	<u>-5.84%</u>	<u>-8.11%</u>
8.	Operating Expenses	149,029	169,316	202,202	-14.15%	-11.98%
9.	Depreciation & Amortization	78,390	74,505	73,813	3.05%	5.21%
10.	Total Operating Taxes	<u>8,689</u>	<u>(2,632)</u>	<u>(414)</u>	<u>N/A</u>	<u>N/A</u>
11.	Total Expenses, Depr. & Taxes	<u>236,108</u>	<u>241,189</u>	<u>275,601</u>	<u>-7.44%</u>	<u>-2.11%</u>
12.	Operating Income	<u>\$21,822</u>	<u>\$39,516</u>	<u>\$15,295</u>	<u>19.45%</u>	<u>-44.78%</u>
13.	Net Telecommunications Plant	<u>\$365,007</u>	<u>\$396,523</u>	<u>\$428,739</u>	<u>-7.73%</u>	<u>-7.95%</u>
<hr/>						
14.	Oper. Exp. as a % of Total Revenue	57.78%	60.32%	69.51%	-8.83%	-4.21%
15.	Net Telecomm. Plt. per \$ of Revenue	\$1.42	\$1.41	\$1.47	-1.72%	0.71%

Notes: [1] Verizon South, Inc. elected price regulation in June 1996.

[2] Reporting requirement changes for the major price regulated telephone companies were implemented, in response to passage of Senate Bill 814, by Commission Orders dated January 2 and April 16, 2004, in Docket No. P-100, Sub 72b, effective for reporting periods beginning with calendar year 2003. The April 16, 2004 Order approved the Annual Report Proposal submitted, on March 4, 2004, by the major price regulated telephone companies, which effectively superseded the annual TS-1 Report previously required. Consequently, beginning with the 4th quarter 2003 "Quarterly Review", which includes information and data for the 12-month period ending December 31, 2003, earnings, access line, and certain other data for the price regulated telephone companies are no longer provided.

[3] Source of Data: Annual Report.

[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.

[5] Net Telecommunications Plant reflects net plant for total North Carolina operations (regulated and nonregulated), including plant under construction as follows for the 12-month periods ending December 31st: 2005 - \$1,426,199; 2004 - \$780,789; and 2003 - \$1,726,474.



State of North Carolina
Utilities Commission

4325 Mail Service Center
Raleigh, NC 27699-4325

COMMISSIONERS
JO ANNE SANFORD, Chair
ROBERT V. OWENS, JR.
SAM J. ERVIN, IV

September 27, 2006

COMMISSIONERS
LORINZO L. JOYNER
JAMES Y. KERR, II
HOWARD N. LEE
WILLIAM T. CULPEPPER, III

MEMORANDUM

TO: Chairman Jo Anne Sanford
Commissioner Robert V. Owens, Jr.
Commissioner Sam J. Ervin, IV
Commissioner Lorinzo L. Joyner
Commissioner James Y. Kerr, II
Commissioner Howard N. Lee
Commissioner William T. Culpepper, III

FROM: Donald R. Hoover, Director *DRH*
Operations Division

SUBJECT: *Quarterly Review Revisions*

On March 20, 2006, Dominion North Carolina Power (Dominion) provided the Commission and the Public Staff with revised quarterly ES-1 Reports for the 12-month periods ending December 31, 2004, March 31, 2005, June 30, 2005, and September 30, 2005. Consequently, revisions to certain information contained in the *Quarterly Reviews* previously issued for the aforementioned 12-month periods are necessary, in order to reflect Dominion's correction of its misclassification of a nonoperating expense item as an operating expense. Those changes have now been made and are reflected in the attached revised pages of the applicable *Quarterly Reviews*. Furthermore, data contained in *Quarterly Reviews* issued subsequent to the 12-month period ended September 30, 2005, will reflect such revisions, where applicable.

Should you have questions concerning this matter, Freda Hilburn or I will be pleased to be of assistance.

Thank you for your consideration.

FHH/dhh

Attachments (4)

DOMINION NORTH CAROLINA POWER
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		December 2004 (b)	December 2003 (c)	December 2002 (d)	December 2001 (e)	December 2000 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$283,101	\$256,424	\$234,948	\$246,327	\$231,992	5.10%	10.40%
2.	Operating Expenses:							
3.	Fuel	57,505	42,044	36,492	37,472	34,641	13.51%	36.77%
4.	Purchased Power	52,523	59,568	47,104	49,322	50,426	1.02%	-11.83%
5.	Maintenance	0	0	0	0	0	N/A	N/A
6.	Other Operating Expenses	55,209	46,098	41,753	52,813	46,602	4.33%	19.76%
7.	Total Operating Expenses	165,237	147,710	125,349	139,607	131,669	5.84%	11.87%
8.	Depreciation & Amortization	26,152	24,876	24,858	25,988	27,593	-1.33%	5.13%
9.	Total Expenses & Depreciation	191,389	172,586	150,207	165,595	159,262	4.70%	10.89%
10.	Total Operating Taxes	39,414	40,704	35,441	38,539	35,072	2.96%	-3.17%
11.	Total Expenses, Depr. & Taxes	230,803	213,290	185,648	204,134	194,334	4.39%	8.21%
12.	Operating Income	\$52,298	\$43,134	\$49,300	\$42,193	\$37,658	8.56%	21.25%
13.	Net Plant Investment	\$566,275	\$558,040	\$420,481	\$430,148	\$400,985	9.01%	1.48%
14.	Oper. Exp. as a % of Total Revenue	58.37%	57.60%	53.35%	56.68%	56.76%	0.70%	1.34%
15.	Net Plt. Investment per \$ of Revenue	\$2.00	\$2.18	\$1.79	\$1.75	\$1.73	3.69%	-8.26%
16.	Number of Customers Served (000s included):							
17.	Residential	97,527	96,182	95,214	92,680	91,530	1.60%	1.40%
18.	Commercial	15,323	15,236	15,183	14,356	13,945	2.38%	0.57%
19.	Industrial	77	79	82	89	91	-4.09%	-2.53%
20.	Other	2,268	2,279	2,175	2,146	2,148	1.37%	-0.48%
21.	Total Number of Customers	115,195	113,776	112,654	109,271	107,714	1.69%	1.25%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,487	1,423	1,391	1,327	1,299	3.44%	4.50%
24.	Commercial	771	738	738	711	681	3.15%	4.47%
25.	Industrial	1,792	1,563	1,592	1,455	1,248	9.47%	14.65%
26.	Other	154	150	139	136	131	4.13%	2.67%
27.	Total Sales	4,204	3,874	3,860	3,629	3,359	5.77%	8.52%
28.	Estimated Overall Rate of Return	11.27%	9.71%	11.89%	10.02%	9.62%	4.04%	16.07%
29.	Estimated Return on Common Equity	17.82%	13.32%	18.16%	14.12%	12.26%	9.80%	33.78%
30.	Common Equity Ratio	47.21%	48.83%	46.73%	45.04%	48.74%	-0.79%	-3.32%
31.	Debt Ratio	50.19%	44.90%	47.25%	47.88%	42.81%	4.06%	11.78%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	6.00	5.36	5.67	4.82	4.75	6.01%	11.94%
33.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall - N/A; Equity Ratio: N/A; Date of Order: 03-18-05						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] This schedule reflects certain revised data for 2001 - 2004 [Columns (b) - (e)], as provided by Dominion, and as previously reported in the Commission's *Quarterly Review*, for the quarter ending December 31, 2004, issued on August 8, 2005.
[6] Column (b) has been further revised to reflect corrected data, as provided by Dominion on March 20, 2006, related to its misclassification of a nonoperating expense item as an operating expense.

Revised 09/27/2006

DOMINION NORTH CAROLINA POWER
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2005 (b)	March 2004 (c)	March 2003 (d)	March 2002 (e)	March 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$286,270	\$260,159	\$267,302	\$243,098	\$239,619	4.55%	10.04%
2.	Operating Expenses:							
3.	Fuel	62,908	46,790	42,382	46,657	35,617	15.28%	34.45%
4.	Purchased Power	53,590	55,066	61,544	44,383	51,990	0.76%	-2.68%
5.	Maintenance	0	0	0	0	0	N/A	N/A
6.	Other Operating Expenses	<u>56,126</u>	<u>51,898</u>	<u>47,974</u>	<u>52,397</u>	<u>46,559</u>	<u>4.78%</u>	<u>8.15%</u>
7.	Total Operating Expenses	172,624	153,754	151,900	143,437	134,166	6.50%	12.27%
8.	Depreciation & Amortization	<u>27,923</u>	<u>24,851</u>	<u>24,553</u>	<u>29,502</u>	<u>27,523</u>	<u>0.36%</u>	<u>12.36%</u>
9.	Total Expenses & Depreciation	200,547	178,605	176,453	172,939	161,689	5.53%	12.29%
10.	Total Operating Taxes	<u>38,180</u>	<u>40,002</u>	<u>40,430</u>	<u>32,938</u>	<u>32,935</u>	<u>3.76%</u>	<u>-4.55%</u>
11.	Total Expenses, Depr. & Taxes	<u>238,727</u>	<u>218,607</u>	<u>216,883</u>	<u>205,877</u>	<u>194,624</u>	<u>5.24%</u>	<u>9.20%</u>
12.	Operating Income	<u>\$47,543</u>	<u>\$41,552</u>	<u>\$50,419</u>	<u>\$37,221</u>	<u>\$44,995</u>	<u>1.39%</u>	<u>14.42%</u>
13.	Net Plant Investment	<u>\$589,516</u>	<u>\$551,159</u>	<u>\$512,589</u>	<u>\$418,033</u>	<u>\$420,024</u>	<u>8.84%</u>	<u>6.96%</u>
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14.	Oper. Exp. as a % of Total Revenue	60.30%	59.10%	56.83%	59.00%	55.99%	1.87%	2.03%
15.	Net Plt. Investment per \$ of Revenue	\$2.06	\$2.12	\$1.92	\$1.72	\$1.75	4.16%	-2.83%
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16.	Number of Customers Served (000s included):							
17.	Residential	97,825	96,468	95,589	94,343	92,680	1.36%	1.41%
18.	Commercial	15,314	15,161	15,142	14,636	14,356	1.63%	1.01%
19.	Industrial	72	79	79	87	89	-5.16%	-8.86%
20.	Other	<u>2,250</u>	<u>2,254</u>	<u>2,274</u>	<u>2,141</u>	<u>2,146</u>	<u>1.19%</u>	<u>-0.18%</u>
21.	Total Number of Customers	<u>115,461</u>	<u>113,962</u>	<u>113,084</u>	<u>111,207</u>	<u>109,271</u>	<u>1.39%</u>	<u>1.32%</u>
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,502	1,430	1,468	1,313	1,316	3.36%	5.03%
24.	Commercial	773	743	756	706	690	2.88%	4.04%
25.	Industrial	1,786	1,613	1,656	1,450	1,292	8.43%	10.73%
26.	Other	<u>152</u>	<u>149</u>	<u>146</u>	<u>134</u>	<u>134</u>	<u>3.20%</u>	<u>2.01%</u>
27.	Total Sales	<u>4,213</u>	<u>3,935</u>	<u>4,026</u>	<u>3,603</u>	<u>3,432</u>	<u>5.26%</u>	<u>7.06%</u>
28.	Estimated Overall Rate of Return	9.81%	9.31%	11.02%	9.09%	11.15%	-3.15%	5.37%
29.	Estimated Return on Common Equity	14.53%	12.95%	16.09%	12.10%	15.54%	-1.67%	12.20%
30.	Common Equity Ratio	47.78%	48.63%	47.41%	46.66%	48.09%	-0.16%	-1.75%
31.	Debt Ratio	45.75%	46.08%	46.30%	47.01%	43.89%	1.04%	-0.72%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.78	5.51	5.43	4.30	4.85	4.48%	4.90%
33.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall - N/A; Equity Ratio: N/A; Date of Order: 03-18-05						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] Column (b) has been revised from that previously reported in the Commission's *Quarterly Review*, for the quarter ending March 31, 2005, issued on August 31, 2005, to reflect corrected data, as provided by Dominion on March 20, 2006, related to its misclassification of a nonoperating expense item as an operating expense.

Revised 09/27/2006

DOMINION NORTH CAROLINA POWER
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		June 2005 (b)	June 2004 (c)	June 2003 (d)	June 2002 (e)	June 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$282,672	\$269,641	\$261,225	\$248,676	\$244,262	3.72%	4.83%
2.	Operating Expenses:							
3.	Fuel	62,679	51,320	41,903	46,210	36,720	14.30%	22.13%
4.	Purchased Power	57,975	54,339	62,807	45,324	49,829	3.86%	6.69%
5.	Maintenance	0	0	0	0	0	N/A	N/A
6.	Other Operating Expenses	55,221	51,870	44,063	52,679	44,688	5.43%	6.46%
7.	Total Operating Expenses	175,875	157,529	148,773	144,213	131,237	7.59%	11.65%
8.	Depreciation & Amortization	28,235	25,133	24,034	29,438	27,000	1.12%	12.34%
9.	Total Expenses & Depreciation	204,110	182,662	172,807	173,651	158,237	6.57%	11.74%
10.	Total Operating Taxes	28,703	42,087	38,072	35,312	40,134	-8.04%	-31.80%
11.	Total Expenses, Depr. & Taxes	232,813	224,749	210,879	208,963	198,371	4.08%	3.59%
12.	Operating Income	\$49,859	\$44,892	\$50,346	\$39,713	\$45,891	2.09%	11.06%
13.	Net Plant Investment	\$605,545	\$553,069	\$518,391	\$409,272	\$425,343	9.23%	9.49%
14.	Oper. Exp. as a % of Total Revenue	62.22%	58.42%	56.95%	57.99%	53.73%	3.74%	6.50%
15.	Net Plt. Investment per \$ of Revenue	\$2.14	\$2.05	\$1.98	\$1.65	\$1.74	5.31%	4.39%
16.	Number of Customers Served (000s included):							
17.	Residential	98,135	96,899	95,876	94,521	92,680	1.44%	1.28%
18.	Commercial	15,398	15,204	15,200	14,745	14,356	1.77%	1.28%
19.	Industrial	70	80	79	83	89	-5.83%	-12.50%
20.	Other	2,254	2,248	2,264	2,140	2,146	1.24%	0.27%
21.	Total Number of Customers	115,857	114,431	113,419	111,489	109,271	1.47%	1.25%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,484	1,482	1,454	1,272	1,375	1.93%	0.13%
24.	Commercial	767	755	749	709	702	2.24%	1.59%
25.	Industrial	1,766	1,656	1,617	1,530	1,339	7.16%	6.64%
26.	Other	150	152	148	132	137	2.29%	-1.32%
27.	Total Sales	4,167	4,045	3,968	3,643	3,553	4.07%	3.02%
28.	Estimated Overall Rate of Return	10.15%	9.96%	11.02%	9.66%	11.11%	-2.23%	1.91%
29.	Estimated Return on Common Equity	15.16%	14.40%	15.91%	13.38%	15.75%	-0.95%	5.28%
30.	Common Equity Ratio	47.88%	48.25%	48.27%	46.52%	47.16%	0.38%	-0.77%
31.	Debt Ratio	45.72%	47.33%	45.23%	47.43%	45.20%	0.29%	-3.40%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	5.13	5.75	5.35	4.65	5.25	-0.58%	-10.78%
33.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall - N/A; Equity Ratio: N/A; Date of Order: 03-18-05						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] Column (b) has been revised from that previously reported in the Commission's *Quarterly Review*, for the quarter ending June 30, 2005, issued on December 5, 2005, to reflect corrected data, as provided by Dominion on March 20, 2006, related to its misclassification of a nonoperating expense item as an operating expense.

Revised 09/27/2006

DOMINION NORTH CAROLINA POWER
SELECTED FINANCIAL AND OPERATIONAL DATA
North Carolina Retail Jurisdiction
(Amounts in Thousands)

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		September 2005 (b)	September 2004 (c)	September 2003 (d)	September 2002 (e)	September 2001 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$288,080	\$277,389	\$260,440	\$251,519	\$249,942	3.61%	3.85%
2.	Operating Expenses:							
3.	Fuel	63,971	54,323	41,648	47,488	39,901	12.53%	17.76%
4.	Purchased Power	68,460	53,227	60,933	46,380	49,867	8.24%	28.62%
5.	Maintenance	0	0	0	0	0	N/A	N/A
6.	Other Operating Expenses	55,462	53,613	47,344	51,697	47,752	3.81%	3.45%
7.	Total Operating Expenses	187,893	161,163	149,925	145,565	137,520	8.12%	16.59%
8.	Depreciation & Amortization	28,725	25,254	23,697	28,877	26,443	2.09%	13.74%
9.	Total Expenses & Depreciation	216,618	186,417	173,622	174,442	163,963	7.21%	16.20%
10.	Total Operating Taxes	30,793	46,343	37,749	37,763	40,887	-6.84%	-33.55%
11.	Total Expenses, Depr. & Taxes	247,411	232,760	211,371	212,205	204,850	4.83%	6.29%
12.	Operating income	\$40,669	\$44,629	\$49,069	\$39,314	\$45,092	-2.55%	-8.87%
13.	Net Plant Investment	\$602,696	\$560,814	\$514,488	\$414,120	\$433,046	8.62%	7.47%
14.	Oper. Exp. as a % of Total Revenue	65.22%	58.10%	57.57%	57.87%	55.02%	4.34%	12.25%
15.	Net Plt. Investment per \$ of Revenue	\$2.09	\$2.02	\$1.98	\$1.65	\$1.73	4.84%	3.47%
16.	Number of Customers Served (000s included):							
17.	Residential	98,555	97,217	96,206	94,873	92,680	1.55%	1.38%
18.	Commercial	15,415	15,246	15,279	15,064	14,356	1.80%	1.11%
19.	Industrial	69	79	79	83	89	-6.17%	-12.66%
20.	Other	2,256	2,246	2,271	2,153	2,146	1.28%	0.45%
21.	Total Number of Customers	116,295	114,788	113,835	112,173	109,271	1.57%	1.31%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	1,545	1,481	1,446	1,329	1,382	2.83%	4.32%
24.	Commercial	778	760	744	727	708	2.39%	2.37%
25.	Industrial	1,745	1,751	1,556	1,552	1,452	4.70%	-0.34%
26.	Other	150	153	149	136	137	2.29%	-1.96%
27.	Total Sales	4,218	4,145	3,895	3,744	3,679	3.48%	1.76%
28.	Estimated Overall Rate of Return	8.32%	9.69%	10.81%	9.64%	10.75%	-6.21%	-14.14%
29.	Estimated Return on Common Equity	11.29%	14.19%	15.33%	13.40%	15.25%	-7.24%	-20.44%
30.	Common Equity Ratio	47.85%	47.60%	49.21%	46.48%	46.26%	0.85%	0.53%
31.	Debt Ratio	45.80%	48.88%	44.40%	47.40%	46.46%	-0.36%	-6.30%
32.	Estimated Pre-tax Interest Coverage Ratio (Times)	4.40	6.02	5.42	4.93	5.17	-3.95%	-26.91%
33.	LAST RATE CASE	Authorized Returns: Common Equity - N/A, Overall - N/A; Equity Ratio: N/A; Date of Order: 03-18-05						

Notes: [1] North Carolina retail jurisdictional revenue equates to 5% of total company electric utility revenue.
[2] Net Plant Investment reflects net plant in service.
[3] Source of Data: NCUC ES-1 Reports.
[4] N/A denotes that the data is not available or not applicable or that information is, essentially, unmeaningful.
[5] Column (b) has been revised from that previously reported in the Commission's *Quarterly Review*, for the quarter ending September 30, 2005, issued on January 11, 2006, to reflect corrected data, as provided by Dominion on March 20, 2006, related to its misclassification of a nonoperating expense item as an operating expense.

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Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233

Linda Cheatham
BellSouth Telecommunications, Inc.
128 W. Hargett Street
Raleigh, North Carolina 27601

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P.O. Box 689
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Duke Power Company, LLC
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526 South Church Street, EC12K
P.O. Box 1006
Charlotte, North Carolina 28201-1006

Don Hathcock
BellSouth Telecommunications, Inc.
P.O. Box 30188
Charlotte, North Carolina 28230

John Hogshire
MEBTEL Communications
P.O. Box 9
Mebane, North Carolina 27302

William McAulay
Public Service Company of NC, Inc.
1312 Annapolis Dr., Ste. 200
Raleigh, North Carolina 27608

Ralph McDonald
Bailey & Dixon, LLP
P.O. Box 1351
Raleigh, North Carolina 27602-1351

Sharon Miller
Carolina Utility Customers Association, Inc
Trawick Professional Center, Ste. 210
1708 Trawick Road
Raleigh, North Carolina 27604

Stan Pace
Public Policy & External Affairs
Verizon South Inc.
P.O. Box 1412
Durham, North Carolina 27702

Steve Parrott
Carolina Telephone and Telegraph Company
14111 Capital Boulevard
Wake Forest, North Carolina 27587

Candace A. Paton, Lead Analyst
Rates & Regulatory Affairs
Public Service Company of NC, Inc.
P.O. Box 1398
Gastonia, North Carolina 28053-1398

Pia Powers
Gas Accounting
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233

Richard Reese, President
LEXCOM Telephone Company
P.O. Box 808
Lexington, North Carolina 27293-0808

C.A. Stadelmeier
Dominion North Carolina Power
P.O. Box 26666
Richmond, Virginia 23261

Ken Stonebraker
Nantahala Power & Light Company
P.O. Box 260
Franklin, North Carolina 28734

Samuel M. Taylor
Womble, Carlyle, Sandridge & Rice, PLLC
P.O. Box 831
Raleigh, North Carolina 27602

Royster M. Tucker, Jr.
North State Communications
P.O. Box 2326
High Point, North Carolina 27261

Jerry Weikle
Concord Telephone Company
P.O. Box 227
Concord, North Carolina 28026-0227

Bob Wells, Executive Director
North Carolina Telephone Alliance
3737 Glenwood Avenue, Ste. 100
Raleigh, North Carolina 27612

James P. West, Esquire
West Law Offices, P.C.
P.O. Box 1568
Raleigh, North Carolina 27602

Veronica Williams, Manager
Regulatory Accounting
Duke Power PB 02-L
422 South Church Street
Charlotte, North Carolina 28202-1904

Todd Yaeger, Controller
Progress Energy Carolinas, Inc.
P.O. Box 1551
Raleigh, North Carolina 27602