

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:)	
)	
PETITION OF PIEDMONT NATURAL)	
GAS COMPANY, INC. FOR APPROVAL)	
OF ITS 2025 ANNUAL REVIEW OF)	Docket No. <u>25-00036</u>
RATES MECHANISM PURSUANT TO)	
TENN. CODE ANN. § 65-5-103(d)(6))	
)	

2025 ANNUAL RATE REVIEW MECHANISM FILING

Pursuant to the requirements of Piedmont Natural Gas Company, Inc.’s (“Piedmont” or the “Company”) Service Schedule No. 318, as approved by the Tennessee Public Utility Commission (“Commission”) in Docket No. 21-00135, Piedmont hereby respectfully submits the following documents as its 2025 Annual Review Mechanism (“ARM”) filing:

Attachment No. 1: ARM Filing Schedules

ARM Filing Schedules required by Tennessee Service Schedule No. 318, with index.

Attachment No. 2: Workpapers Supporting ARM Schedules

Piedmont is providing Workpapers Supporting ARM Filing Schedules as PDFs with the electronic filing, as well as in native format separately to Commission Staff on USB drives.

Attachment No. 3: Supporting Direct Testimony (No Exhibits)

- a) Direct Testimony of Conitsha B. Barnes
- b) Direct Testimony of Misty Lyons
- c) Direct Testimony of Keith Goley

Attachment No. 4: Company Officer Attestation

Attachment No. 5: Proposed Tariff Changes

- a) Proposed Tariff Sheet No. 1

- b) Table reflecting the present Total Billing Rates by Rate Schedule, the proposed changes in Total Billing Rates by Rate Schedule, and proposed Total Billing Rates by Rate Schedule

Attachment No. 6: Joint Proposed Procedural Schedule

WHEREFORE, Piedmont Natural Gas Company, Inc., respectfully requests that the Commission approve Piedmont's Annual ARM Filing and the Company's Proposed Tariff.

Respectfully submitted this 20th day of May, 2025.

Piedmont Natural Gas Company, Inc.

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¹ Pro hac vice application will be filed on behalf of Mr. Franklin upon docketing of this matter.

File Name: ARM Filing Schedule Index
Description of Schedule: List of Schedules Included in May 20, 2025 Filing

				Native File Includes Confidential Information	
ARM Schedule Number	Schedule Description	File	Name of Native Format File	Yes or No	
LEAD SCHEDULES					
Schedule No. 1	Results of Operations	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 2	Rate Base	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 3	Lead Lag Results	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 4A	Working Capital Expense Lag for HBP	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 4B	Working Capital Expense Lag for Annual Base Rate Reset	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 5	O&M Expense Summary	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 6A	Revenue Summary	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 6B	Revenue Detail	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 7	General Tax Summary	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 8	Excise and Income Tax Summary	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 9	Income Statement under Present Rates & Proposed Rates	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 10A	Cost of Capital Summary HBP	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 10B	Cost of Capital Summary Annual Base Rate Reset	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 11	Revenue Conversion Factor & Tax Gross Up Factor	Excel	Schedules 1 - 12_Lead Schedules	No	
Schedule No. 12	Carrying Costs and ARM Reconciliation Deferred Account Balance	Excel	Schedules 1 - 12_Lead Schedules	No	
RATE BASE SCHEDULES					
Schedule No. 13	Utility Plant in Service - End of Month Balances, calculation of 13 month average balance	Excel	Schedule 13_UPIS 13 Month Avg Bal	No	
Schedule No. 14	Depreciation Expense - Calculation of Depreciation and Amortization Expense based on HBP Utility Plant in Service	Excel	Schedule 14_Depreciation Expense	No	
Schedule No. 14.1	Per Book Depreciation and Amortization Expense recorded during the HBP	Excel	Schedule 14_Depreciation Expense	No	
Schedule No. 14.2	Calculation of Annualized Depreciation and Amortization Expense for the Annual Base Rate Reset based on the UPIS Balance at the end of the HBP	Excel	Schedule 14_Depreciation Expense	No	
Schedule No. 14.3	Calculation of Reserve Surplus Amortization	Excel	Schedule 14_Depreciation Expense	No	
Schedule No. 15	Construction Work in Progress - End of Month Balances, calculation of 13 month average balance	Excel	Schedule 15_CWIP 13 Month Avg Bal	No	
Schedule No. 15.1	Calculation of Incentive Compensation and Pension/OPEB Adjustment for CWIP	Excel	Schedule 15_CWIP 13 Month Avg Bal	No	
Schedule No. 15.2	Calculation of AFUDC	Excel	Schedule 15_CWIP 13 Month Avg Bal	No	
Schedule No. 16	Accumulated Depreciation - End of Month Balances, calculation of 13 month average balance	Excel	Schedule 16_Accumulated Depreciation 13 Month Avg Bal	No	
Schedule No. 17	Contributions in Aid of Construction - End of Month Balances, calculation of 13 month average balance	Excel	Schedule 17_CIAC 13 Month Avg Bal	No	
Schedule No. 18	ADIT - End of Month Balances, calculation of 13 month average balance	Excel	Schedule 18_ADIT - 13 End Month Avg Bal	No	
Schedule No. 18.1	Adjustments to ADIT Monthly Balances	Excel	Schedule 18_ADIT - 13 End Month Avg Bal	No	
Schedule No. 19	Cash Working Capital - Summary of 13 month average balance	Excel	Schedule 19_Working Capital 13 Month Avg Bal	No	
Schedule No. 20	Summary ARM Regulatory Assets	Excel	Schedule 20_ARM Regulatory Asset 13 Month Avg Bal	No	
Schedule No. 20.0	ARM Reg Asset Balance by Month - 2024 ARM Regulatory Asset	Excel	Schedule 20_ARM Regulatory Asset 13 Month Avg Bal	No	
Schedule No. 20.1	ARM Reg Asset Balance by Month - 2023 ARM Regulatory Asset	Excel	Schedule 20_ARM Regulatory Asset 13 Month Avg Bal	No	
Schedule No. 20.2	ARM Reg Asset Balance by Month - 2022 ARM Regulatory Asset	Excel	Schedule 20_ARM Regulatory Asset 13 Month Avg Bal	No	
REVENUE SCHEDULES					
Schedule No. 21	Historic Base Period Revenue Components by Rate Schedule & Special Contract	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.1	Component Billing for Rate Schedule 301 - Residential Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.2	Component Billing for Rate Schedule 302 - Small General Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.3	Component Billing for Rate Schedule 352 - Medium General Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.4	Component Billing for Rate Schedule 303 - Large General Firm Sales Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.5	Component Billing for Rate Schedule 304 - Interruptible Sales Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.6	Component Billing for Rate Schedule 313 - Firm Transportation Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.7	Component Billing for Rate Schedule 314 - Interruptible Transportation Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.8	Component Billing for Rate Schedule 310 - Resale Service	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 21.9	Journal Entry Detail for Reclass and True-Up Entries	Excel	Schedule 21_HBP Revenue Components by Rate Schedule & Special Contract	No	
Schedule No. 22A	Annual Base Rate Reset Total Revenues by Rate Schedule and Special Contract	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.1	Residential Service - 301 Regression Analysis and Computation of Normalized Volumes	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.10	Computation of Base Billing Rates	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.2	Small General Service - 302 Regression Analysis and Computation of Normalized Volumes	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.3	Medium General Service - 352 Regression Analysis and Computation of Normalized Volumes	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.4	Motor Vehicle Fuel Service - 343 Billing Determinants	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.5	Large Volume Service Billing Determinants	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.6	Step Usage by Rate Schedule	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.7	Minimum Margin Agreement Revenues	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.8	Summary Heating Degree Days	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22A&B.9	Summary of Normalized Billing Determinants and Annual Base Rate Reset Margin Revenues	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 22B	Annual Base Rate Reset Revenue Components by Rate Schedule and Special Contract	Excel	Schedule 22A&B_Annual Base Rate Reset Revenues	Yes	
Schedule No. 23	Annual Base Rate Reset Other Revenues	Excel	Schedule 23_Annual Base Rate Reset Other Revenues	No	
Schedule No. 23.1	Summary of Home Protection Plan Revenues	Excel	Schedule 23_Annual Base Rate Reset Other Revenues	No	
Schedule No. 23.2	Transaction Level Detail - Other Revenues Accounts 0488000, 0481203	Excel	Schedule 23_Annual Base Rate Reset Other Revenues	No	
Schedule No. 23.3	Income Statement Balances for Other Revenues	Excel	Schedule 23_Annual Base Rate Reset Other Revenues	No	
Schedule No. 24	Summary of Normalized Billing Determinants and Proposed Margin Revenues	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 25	Proof of Revenue at Proposed Rates	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26	Revenue Changes by Rate Schedule	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26.1	Summary of Revenues Change by Rate Schedule for the Annual Base Rate Reset	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26.2	Margin Revenue Rate Design by Rate Schedule for the Annual Base Rate Reset	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26.3	Revenue Rate Design by Rate Schedule for the Annual Base Rate Reset	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26.4	Revenue Rate Design by Rate Schedule for the Annual Base Rate Reset	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26.5	Computation of ARM Rider Rates	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	
Schedule No. 26A	Allocated Cost of Service Study by Rate Schedule	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 26A.1	Allocated Cost of Service by Function	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 26A.2	Class Allocation Factors by Rate Schedule	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 26A.3	Class Allocation Factors by Function	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 26A.4	Labor Class Allocation	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 26A.5	Labor by Function	Excel	Schedule 26A_Allocated Cost of Service Study	No	
Schedule No. 27	Normal Heating Degree Days	Excel	Schedule 27_Normal Heating Degree Days	No	
Schedule No. 28	Factors for Weather Normalization Adjustment (WNA)	Excel	Schedule 24,25,26,28_Billing Determinants, Proposed Revenues & Rates, WNA	No	

File Name: ARM Filing Schedule Index
Description of Schedule: List of Schedules Included in May 20, 2025 Filing

		Format of Native		Native File Includes
ARM Schedule Number	Schedule Description	File	Name of Native Format File	Confidential Information
O&M EXPENSE SCHEDULES				
Schedule No. 29	Customer Accounts & Service Expense, including uncollectible ratio calculation	Excel	Schedule 29_Customer Accounts and Service Expense_CONFIDENTIAL	Yes
Schedule No. 29.1	Income Statement Balances for Customer Accounts and Service Expense	Excel	Schedule 29_Customer Accounts and Service Expense_CONFIDENTIAL	Yes
Schedule No. 29.2	Actual Bad Debt Write-Offs Recorded During the HBP	Excel	Schedule 29_Customer Accounts and Service Expense_CONFIDENTIAL	Yes
Schedule No. 29.3	Calculation of Uncollectibles Rate Used in Conversion Factor	Excel	Schedule 29_Customer Accounts and Service Expense_CONFIDENTIAL	Yes
Schedule No. 30	Employee Salary and Wage Expense	Excel	Schedule 30_Employee Salaries and Wages Expense	No
Schedule No. 31	Employee Short Term Compensation Expense	Excel	Schedule 31_Short Term Incentive Comp Adj	No
Schedule No. 32	Employee Long Term Compensation Expense	Excel	Schedule 32_Long Term Incentive Comp Adj	No
Schedule No. 33	Deferred Environmental Regulatory Amortization and Cost Support	Excel	Schedule 33_Deferred Environmental Amortization_CONFIDENTIAL	Yes
Schedule No. 33.1	Listing of Incremental Deferred Environmental Invoices	Excel	Schedule 33_Deferred Environmental Amortization_CONFIDENTIAL	Yes
Schedule No. 33.2	Calculation of Deferred Environmental Balance for the HBP Reconciliation	Excel	Schedule 33_Deferred Environmental Amortization_CONFIDENTIAL	Yes
Schedule No. 33.3	Transaction Detail of Deferred Environmental Amortization during HBP	Excel	Schedule 33_Deferred Environmental Amortization_CONFIDENTIAL	Yes
Schedule No. 34	Deferred Pension Regulatory Amortization and Pension Plan Contribution Support	Excel	Schedule 34_Pension Amortization	No
Schedule No. 35	Return on Service Company (DEBS) Assets	Excel	Schedule 35_Expense for Allocated Return on DEBS Assets	No
Schedule No. 35.1	Actual Per Books Expense for Allocated Return on DEBS Assets	Excel	Schedule 35_Expense for Allocated Return on DEBS Assets	No
Schedule No. 35.2	Expense for Allocated Return on DEBS Assets as Adjusted	Excel	Schedule 35_Expense for Allocated Return on DEBS Assets	No
Schedule No. 36	Other Pension Expense	Excel	Schedule 36_Other Pension_OPEB Expense	No
Schedule No. 36.1	Calculation of Pension/OPEB Adjustment	Excel	Schedule 36_Other Pension_OPEB Expense	No
Schedule No. 37	Lobbying Expense, Charitable Contribution, Social Club Membership Adjustment	Excel	Schedule 37_Lobbying Expense, Charitable Contribution Expense_CONFIDENTIAL	Yes
Schedule No. 37.1	Transaction Details for HPB Charitable Contribution, Sponsorship Expense Plus Lobbying Expense Calculation	Excel	Schedule 37_Lobbying Expense, Charitable Contribution Expense_CONFIDENTIAL	Yes
Schedule No. 37.2	Computation of Indirect Lobbying Expense	Excel	Schedule 37_Lobbying Expense, Charitable Contribution Expense_CONFIDENTIAL	Yes
Schedule No. 38	Promotional and Advertising Expenses, consistent with Commission Rule 1220-04-05-.47	Excel	Schedule 38_Advertising Expense_CONFIDENTIAL	Yes
Schedule No. 38.1	Transaction Level Detail for Advertising Expenses Removed from HBP	Excel	Schedule 38_Advertising Expense_CONFIDENTIAL	Yes
Schedule No. 38.2	Indirect Advertising Labor Expense Calculation	Excel	Schedule 38_Advertising Expense_CONFIDENTIAL	Yes
FINANCIAL REPORTS				
Schedule No. 39	Tennessee Allocated Income Statement for December 2024, including details of all revenues and expenses for the HomeServe Warranty Program	Excel	Schedule 39_Tennessee Allocated	No
Schedule No. 40A	Total Piedmont Regulatory View Year End Income Statement	Excel	Schedule 40A_Total Piedmont Regulatory View Year End Income Statement	No
Schedule No. 40B	Total Piedmont SEC View Year End Income Statement	Excel	Schedule 40B_Total Piedmont SEC View Year End Income Statement	No
Schedule No. 40C	Duke Energy Corporation Year End Income Statement	Excel	Schedule 40C_Duke Energy Corporation Year End Income Statement	No
Schedule No. 40D	DEBS Year End Income Statement	Excel	Schedule 40D_DEBS Year End Income Statement	No
Schedule No. 40E	Total Piedmont Regulatory View Year End Balance Sheet	Excel	Schedule 40E_Total Piedmont Regulatory View Year End Balance Sheet	No
Schedule No. 40F	Total Piedmont SEC View Year End Balance Sheet	Excel	Schedule 40F_Total Piedmont SEC View Year End Balance Sheet	No
Schedule No. 40G	Duke Energy Corporation Year End Balance Sheet	Excel	Schedule 40G_Duke Energy Corporation Year End Balance Sheet	No
Schedule No. 40H	DEBS Year End Balance Sheet	Excel	Schedule 40H_DEBS Year End Balance Sheet	No
Schedule No. 41A	Total Piedmont Monthly Trial Balance Regulatory View	Excel	Schedule 41A_Total Piedmont Monthly Trial Balance Regulatory View	No
Schedule No. 41B	Total Piedmont Monthly Trial Balance SEC View	Excel	Schedule 41B_Total Piedmont Monthly Trial Balance SEC View	No
Schedule No. 41C	Duke Energy Corporation Monthly Trial Balance Regulatory View	Excel	Schedule 41C_Duke Energy Corporation Monthly Trial Balance Regulatory View	No
Schedule No. 41D	Duke Energy Corporation Monthly Trial Balance SEC View	Excel	Schedule 41D_Duke Energy Corporation Monthly Trial Balance SEC View	No
Schedule No. 41E	DEBS Monthly Trial Balance Regulatory View	Excel	Schedule 41E_DEBS Monthly Trial Balance Regulatory View	No
Schedule No. 41F	DEBS Monthly Trial Balance SEC View	Excel	Schedule 41F_DEBS Monthly Trial Balance SEC View	No
OTHER INFORMATIONAL SCHEDULES				
Schedule No. 42	Piedmont Capital Budget for Tennessee operations for year subsequent to HBP	PDF	Schedule 42_Capital Budget for Tennessee Operations	Yes
Schedule No. 43	Piedmont Operating Budget for the year subsequent to the HBP	Excel	Schedule 43_Operating Budget	No
Schedule No. 44	Piedmont Jurisdictional Allocation Factors: Composite Factors	Excel	Schedule 44_Composite Factor	No
Schedule No. 44.1	Average Customer Count as of 3/31/23	Excel	Schedule 44_Composite Factor	No
Schedule No. 44.2	O&M Labor Charges for the Twelve Months Ended 12/31/23 by Piedmont Business Unit	Excel	Schedule 44_Composite Factor	No
Schedule No. 44.3	UPS and CWIP Balances as of 12/31/23 by Jurisdiction	Excel	Schedule 44_Composite Factor	No
Schedule No. 45	Piedmont Jurisdictional Allocation Factors: Net Plant Factors	Excel	Schedule 45_Net Plant Factor	No
Schedule No. 45.1	UPS, Accumulated Depreciation and CWIP Balances as of 12/31/23 by Jurisdiction	Excel	Schedule 45_Net Plant Factor	No
Schedule No. 46	Cost Allocation Manual for 2024	PDF	Schedule 46_Cost Allocation Manual 2024	No
Schedule No. 46A	Cost Allocation Matrix for 2024	Excel	Schedule 46A_Cost Allocation Matrix 2024	No
Schedule No. 47	Corporate Organizational Structure	PDF	Schedule 47_Corporate Organizational Structure	Yes
Schedule No. 48	List of Company Officers	Excel	Schedule 48_List of Company Officers	No
Schedule No. 49	Pension and OPEB actuarial reports	PDF	Schedule 49_Pension and OPEB Actuarial Reports_CONFIDENTIAL	Yes
Schedule No. 50	Employee Incentive Compensation Plan documents part 1	PDF	Schedule 50A_Incentive Comp Plan Documents Part 1_CONFIDENTIAL	Yes
Schedule No. 50A	Employee Incentive Compensation Plan documents part 2	PDF	Schedule 50B_Incentive Comp Plan Documents Part 2_CONFIDENTIAL	Yes
Schedule No. 50B	Employee Incentive Compensation Plan documents part 3	PDF	Schedule 50C_Incentive Comp Plan Documents Part 3_CONFIDENTIAL	Yes
Schedule No. 50C	Employee Incentive Compensation Plan documents part 4	PDF	Schedule 50D_Incentive Comp Plan Documents Part 4_CONFIDENTIAL	Yes
Schedule No. 51	Impact of any new accounting pronouncements	Word	Schedule 51_Impact of Accounting Pronouncements	No

File Name: ARM Filing Schedule Index
Description of Schedule: List of Schedules Included in May 20, 2025 Filing

ARM Schedule Number		Schedule Description	Format of Native		Native File Includes Confidential Information
			File	Name of Native Format File	Yes or No
ADDITIONAL WORKPAPERS					
Schedule No. 52A		UPIS Monthly Activity by plant account - Tennessee Direct Assets	Excel	Schedule 52A_UPIS Monthly Activity	No
Schedule No. 52A.1		UPIS Monthly Activity by plant account - Joint Property 3-State Assets	Excel	Schedule 52A_UPIS Monthly Activity	No
Schedule No. 52B		CWIP Actual Capital Expenditures by Category and Project Number	Excel	Schedule 52B_CWIP Monthly Activity	No
Schedule No. 52C		Accumulated Depreciation Monthly Activity by plant account - Tennessee Direct Assets	Excel	Schedule 52C_Accumulated Depreciation Monthly Activity	No
Schedule No. 52C.1		Accumulated Depreciation Monthly Activity by plant account - Joint Property 3-State Assets	Excel	Schedule 52C_Accumulated Depreciation Monthly Activity	No
Schedule No. 52D.1		Calculation of 13 month average balance of Working Capital - Materials & Supplies	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.2		Calculation of 13 month average balance of Working - Gas Inventories	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.3		Calculation of 13 month average balance of Working Capital - Deferred Debits	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.4		Calculation of 13 month average balance of Working Capital - Prepaid Insurance	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.5		Calculation of 13 month average balance of Working Capital - Fleet & Overheads	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.6		Calculation of 13 month average balance of Working Capital - Accounts Payable Applicable to CWIP	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.7		Calculation of 13 month average balance of Working Capital - Accounts Payable Applicable to M&S	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.8		Calculation of 13 month average balance of Working Capital - Customer Deposits	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.9		Calculation of 13 month average balance of Working Capital - Interest on Customer Deposits	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52D.10		Calculation of 13 month average balance of Working Capital - Accrued Vacation	Excel	Schedule 52D_Working Capital Calculation	No
Schedule No. 52E		ARM Regulatory Asset for Deferred Depreciation Expense Monthly Activity	Excel	Schedule 52E_ARM Regulatory Asset Deferred Depreciation Expense Monthly Activity	No
Schedule No. 52F		ARM Regulatory Asset for Deferred Interest Expense Monthly Activity	Excel	Schedule 52F_ARM Regulatory Asset Deferred Depreciation Expense Monthly Activity	No
Schedule No. 52G		Refer to Schedule 22A&B.1, 22A&B.2, 22A&B.3	N/A	Refer to Schedule 22A&B.1, 22A&B.2, 22A&B.3	N/A
Schedule No. 52H		Refer to Schedule 27	N/A	Refer to Schedule 27	N/A
Schedule No. 52I		Refer to Schedule 21	N/A	Refer to Schedule 21	N/A
Schedule No. 52J		Refer to Schedule 21	N/A	Refer to Schedule 21	N/A
Schedule No. 52K		Other Purchased Gas Expense Excluding Payroll and Incentive Compensation	Excel	Schedule 52K_Other Purchased Gas Expense	Yes
Schedule No. 52L		Gas Storage Expense Excluding Payroll and Incentive Compensation	Excel	Schedule 52L_Gas Storage Expense	Yes
Schedule No. 52M		Transmission Expense Excluding Payroll and Incentive Compensation	Excel	Schedule 52M_Transmission Expense	Yes
Schedule No. 52N		Distribution Expense Excluding Payroll and Incentive Compensation	Excel	Schedule 52N_Distribution Expense	Yes
Schedule No. 52O		Sales Expense Excluding Payroll and Incentive Compensation	Excel	Schedule 52O_Sales Expense	Yes
Schedule No. 52P		Other Administrative and General Expense	Excel	Schedule 52P_Other Administrative and General Expense	Yes
Schedule No. 52Q		Miscellaneous O&M Adjustments	Excel	Schedule 52Q_Miscellaneous O&M Adjustments	Yes
Schedule No. 52R.1		General Ledger Transaction Level Detail for all O&M Charges Per Books for Q1 2024	Excel	Schedule 52R.1_TN Allocated O&M 2024 Q1	Yes
Schedule No. 52R.2		General Ledger Transaction Level Detail for all O&M Charges Per Books for Q2 2024	Excel	Schedule 52R.2_TN Allocated O&M 2024 Q2	Yes
Schedule No. 52R.3		General Ledger Transaction Level Detail for all O&M Charges Per Books for Q3 2024	Excel	Schedule 52R.3_TN Allocated O&M 2024 Q3	Yes
Schedule No. 52R.4		General Ledger Transaction Level Detail for all O&M Charges Per Books for Q4 2024	Excel	Schedule 52R.4_TN Allocated O&M 2024 Q4	Yes
Schedule No. 52S.1		General Ledger Transaction Level Detail for all O&M Charges Allocated from DEBS Per Books for Q1 2024	Excel	Schedule 52S.1_Service Co Allocation Details 2024 Q1	Yes
Schedule No. 52S.2		General Ledger Transaction Level Detail for all O&M Charges Allocated from DEBS Per Books for Q2 2024	Excel	Schedule 52S.2_Service Co Allocation Details 2024 Q2	Yes
Schedule No. 52S.3		General Ledger Transaction Level Detail for all O&M Charges Allocated from DEBS Per Books for Q3 2024	Excel	Schedule 52S.3_Service Co Allocation Details 2024 Q3	Yes
Schedule No. 52S.4		General Ledger Transaction Level Detail for all O&M Charges Allocated from DEBS Per Books for Q4 2024	Excel	Schedule 52S.4_Service Co Allocation Details 2024 Q4	Yes
Schedule No. 52T		Listing of DEBS Assets and Calculation of Depreciation Expense	Excel	Schedule 52T_Calculation of DEBS Depreciation Expense	No
Schedule No. 52T.1		DEBS Depreciation Expense as Recorded on Piedmont's General Ledger and Allocated to Tennessee	Excel	Schedule 52T_Calculation of DEBS Depreciation Expense	No
Schedule No. 52U		Calculation of O&M Expense for Lead/Lag	Excel	Schedule 52U_Calculation of O&M Lag	Yes
Schedule No. 52V		Calculation of General Taxes	Excel	Schedule 52V_Calculation of General Taxes	No
Schedule No. 52V.1		Income Statement Balances for General Taxes	Excel	Schedule 52V_Calculation of General Taxes	No
Schedule No. 52V.2		Calculation of Payroll Tax Adjustment	Excel	Schedule 52V_Calculation of General Taxes	No
Schedule No. 52W		Calculation of Statutory State Excise Tax Rate	Excel	Schedule 52W_Calculation of Statutory State Excise Tax Rate	No
Schedule No. 52X		Calculation of Annual EDIT Amortization for Protected PPE	Excel	Schedule 52X_Amortization of EDIT	No
Schedule No. 52Y		Capital Structure and Cost Rates	Excel	Schedule 52Y_Capital Structure and Cost Rates	No
Schedule No. 52Z		Calculation of ARM Reg Asset Amortization Expense	Excel	Schedule 52Z_Calculation of ARM Reg Asset Amortization Expense	No
Schedule No. 52Z.1		Calculation of ARM Reg Asset Weighted Average Depreciable Life	Excel	Schedule 52Z_Calculation of ARM Reg Asset Amortization Expense	No
Schedule No. 52AA		Calculation of Permanent Tax Difference	Excel	Schedule 52AA_Permanent Tax Difference	No
Schedule No. 52BB		Calculation of the ARM Reconciliation Deferred Account Balance to Provide Support for ARM Schedule 12 Line 7	Excel	Schedule 52BB_ARM Reconciliation Deferred Account	No
OTHER SCHEDULES					
Schedule No. 53		Explanation of Increases in Actual Per Books Amounts for Certain General Ledger Accounts from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.1		Explanation of Increase in Account 0735000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.2		Explanation of Increase in Account 0844100 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.3		Explanation of Increase in Account 0846201 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.4		Explanation of Increase in Account 0865000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.5		Explanation of Increase in Account 0870000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.6		Explanation of Increase in Account 0874000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.7		Explanation of Increase in Account 0879000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.8		Explanation of Increase in Account 0887000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.9		Explanation of Increase in Account 0892000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.10		Explanation of Increase in Account 0889001 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.11		Explanation of Increase in Account 0903000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.12		Explanation of Increase in Account 0921980 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.13		Explanation of Increase in Account 0923000 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.14		Explanation of Increase in Account 0925051 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.15		Explanation of Increase in Account 0930200 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.16		Explanation of Increase in Account 0930940 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 53.17		Explanation of Increase in Account 0931008 from 2023 to 2024	Excel	Schedule 53_Variance Analysis	No
Schedule No. 54		Monthly Balances of Short-Term Debt, Long-Term Debt and Equity	Excel	Schedule 54_Debt and Equity Balances	No
Schedule No. 55		Amount and Explanation of Accrued Expenses Recorded during the HBP	Excel	Schedule 55_Accrued Expenses	Yes
Schedule No. 56		Description of Code Block Elements Used in General Ledger Transaction detail for all O&M Charges Allocated from DEBS	Excel	Schedule 56_DEBS Code Block Details	No
Schedule No. 57		Refer to Schedule 52.T	Word	Refer to Schedule 52.T	No
Schedule No. 58		Journal Entries Recorded in the HBP for the Return to Provision Transaction	Excel	Schedule 58_Return to Provision Entries	No
Schedule No. 59		Schedule of Operating Metrics	Word	Schedule 59_Operating Metrics	No

**PIEDMONT NATURAL GAS COMPANY, INC.
2025 ANNUAL ARM FILING**

**ATTACHMENT NO. 1
ARM FILING SCHEDULES
LEAD SCHEDULES 1 - 12**

Computation of Revenue Change Percentage

Line No.		2025 ARM Overall Revenue Methodology
1	Total Operating Revenue	\$ 345,534,742
2	ABRR Increase in Revenue	8,679,258
3	Increase in HBP Revenue (incl. carrying costs)	100,852
4	Total Proposed Operating Revenue	\$ 354,314,852
5	Revenue Increase (line 2 + line 3)	\$ 8,780,109
6	Total Operating Revenue	\$ 345,534,742
7	Percentage Change (line 5 / line 6)	2.54%

Piedmont Natural Gas Company, Inc.
Results of Operations

Line No.		Formula, Schedule or Workpaper Reference	[A] HBP Ending 12/31/24	[B] Annual Base Rate Reset
1	Rate Base	Schedule 2	\$ 1,300,611,584	\$ 1,379,895,299
2	Net Operating Income For Return	Schedule 9	91,751,956	89,535,081
3	Earned Rate of Return	L2 / L1	7.05%	6.49%
4	Fair Rate of Return	Schedule 10	7.06%	6.95%
5	Required Net Operating Income	L4 x L1	91,820,915	95,947,929
6	Net Operating Income Deficiency (Sufficiency)	L5 - L2	68,959	6,412,848
7	Gross Revenue Conversion Factor	Schedule 11	1.353417	1.353417
8	Total Revenue Requirement Deficiency (Sufficiency)	L6 x L7	\$ 93,330	\$ 8,679,258

Piedmont Natural Gas Company, Inc. Rate Base							
Line No.	Formula, Schedule or Workpaper Reference	[A] 13 Month Average Actual Balances Ending 12/31/24	[B] Adjustments	[C] 13 Month Average HBP Balances Ending 12/31/24	[D] Adjustments	[E] Annual Base Rate Reset	
Net Utility Plant Investment:							
1	Utility Plant in Service	Schedule 13	\$ 1,994,342,365	\$ -	\$ 1,994,342,365	\$ 63,054,621	\$ 2,057,396,986
2	Construction Work in Progress	Schedule 15 & Settlement Agreement	85,826,411	(2,207,032)	83,619,380	12,992,082	96,611,462
3	Accumulated Depreciation	Schedule 16	(554,119,137)		(554,119,137)	(10,093,435)	(564,212,572)
4	Contributions in Aid of Construction	Schedule 17	(5,828,754)	-	(5,828,754)	-	(5,828,754)
5	Accumulated Deferred Income Taxes	Schedule 18	(236,206,275)	5,488,809	(230,717,466)	(10,928,534)	(241,646,000)
6	Total Net Utility Plant Investment	L1:L5	<u>\$ 1,284,014,610</u>	<u>\$ 3,281,777</u>	<u>\$ 1,287,296,388</u>	<u>\$ 55,024,734</u>	<u>\$ 1,342,321,122</u>
Working Capital:							
7	Gas Inventory	Schedule 19	\$ 10,898,085	\$ -	\$ 10,898,085	\$ -	\$ 10,898,085
8	Customer Deposits	Schedule 19	(3,874,423)	-	(3,874,423)	-	(3,874,423)
9	Accrued Interest on Customer Deposits	Schedule 19	(630,138)	-	(630,138)	-	(630,138)
10	Materials & Supplies	Schedule 19	1,006,933	-	1,006,933	-	1,006,933
11	Deferred Debits - Hedging	Schedule 19	451,671	-	451,671	-	451,671
12	Deferred Debits - Deferred Environmental	Schedule 19	1,057,191	-	1,057,191	-	1,057,191
13	Deferred Debits - Deferred Pension	Schedule 19	5,190,054	-	5,190,054	-	5,190,054
14	Prepaid Insurance	Schedule 19	192,093	-	192,093	-	192,093
15	Fleets & Other Overheads	Schedule 19	1,082,553	-	1,082,553	-	1,082,553
16	Accounts Payable Related to CWIP	Schedule 19	(15,810,638)	-	(15,810,638)	-	(15,810,638)
17	Accounts Payable Related to M&S	Schedule 19	(64,155)	-	(64,155)	-	(64,155)
18	Accrued Vacation	Schedule 19	(667,244)	-	(667,244)	-	(667,244)
19	Lead/Lag Study Requirement	Schedule 3	n/a	n/a	6,864,246	1,713,970	8,578,216
20	Total Working Capital	L7:L19	<u>\$ (1,168,020)</u>	<u>\$ -</u>	<u>\$ 5,696,226</u>	<u>\$ 1,713,970</u>	<u>\$ 7,410,196</u>
ARM Regulatory Assets:							
21	ARM Regulatory Asset	Schedule 20	<u>\$ 23,354,468</u>	<u>\$ (15,735,498)</u>	<u>\$ 7,618,970</u>	<u>\$ 22,545,011</u>	<u>\$ 30,163,981</u>
22	Total Rate Base	L6 + L20 + L21	<u>\$ 1,306,201,059</u>	<u>\$ (12,453,721)</u>	<u>\$ 1,300,611,584</u>	<u>\$ 79,283,715</u>	<u>\$ 1,379,895,299</u>

Notes on Schedule 2

Adjustment in Col [B], Line 2:	Adjustment needed for compliance with the Company's approved ARM Tariff (CWIP, as defined on ARM Tariff Original Page 8 of 18, item 31). Adjustment also incorporates the approved provisions pertaining to CWIP for the cumulative impact of Incentive Compensation capitalized during 2023 from the 2024 Stipulation and Settlement Agreement (Paragraph 13) filed in Docket No. 24-00036. See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (ADIT, as defined on ARM Tariff Original Page 8 of 18, item 33). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 21:	Adjustment needed for compliance with the Company's approved ARM Tariff (ARM Regulatory Asset, as defined on ARM Tariff Original Page 8 of 18, item 32). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 1:	Adjustment needed for compliance with the Company's approved ARM Tariff (Utility Plant in Service, as defined on ARM Tariff Original Page 13 of 18, item 29). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 2:	Adjustment needed for compliance with the Company's approved ARM Tariff (CWIP, as defined on ARM Tariff Original Page 13 of 18, item 31). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 3:	Adjustment needed for compliance with the Company's approved ARM Tariff (Accumulated Depreciation, as defined on ARM Tariff Original Page 13 of 18, item 30). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (ADIT, as defined on ARM Tariff Original Page 13 of 18, item 33). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 19:	Adjustment needed for compliance with the Company's approved ARM Tariff (Lead-Lag, as defined on ARM Tariff Original Page 14 of 18, item 34). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 21:	Adjustment needed for compliance with the Company's approved ARM Tariff (ARM Regulatory Asset, as defined on ARM Tariff Original Page 13 of 18, item 32). See referenced Schedule or Workpaper for further details.

Piedmont Natural Gas Company, Inc.
Lead Lag Results

Line No.		Formula, Schedule or Workpaper Reference	[A]	[B]
			HBP Ending 12/31/24	Annual Base Rate Reset
1	Revenue Lag	Schedules 4A & 4B	\$ 52.09	\$ 52.12
2	Expense Lead	Schedules 4A & 4B	39.03	39.18
3	Net Lag	L1 - L2	13.06	12.94
4	Daily Cost of Service	Schedules 4A & 4B	\$ 525,755	\$ 662,736
5	Net Cash Working Capital Required	L3 x L4	\$ 6,864,246	\$ 8,578,216

Piedmont Natural Gas Company, Inc.
Working Capital Expense Lag for the Historic Base Period

		[A]	[B]	[C]	
Line No.	Formula, Schedule or Workpaper Reference	HBP Ending 12/31/24	Lag Days per from Docket No. 20-00086	Dollar Days	
Revenues:					
1	Sales & Transportation Revenues	Schedule 9	\$ 283,358,436	52.22	\$ 14,796,227,280
2	Forfeited Discounts Revenue	Schedule 9	717,199	42.80	30,698,390
3	Other Operating Revenues	Schedule 9	3,293,016	42.80	140,951,495
4	Total Revenue Lag	L1:L3	\$ 287,368,650	52.09	\$ 14,967,877,165
Purchased Gas and O&M Expense:					
5	Purchased Gas	Schedule 9	\$ 79,440,978	38.57	\$ 3,063,809,845
6	Employee Salaries and Wages (Labor Expense)	Schedule 52U	19,400,447	10.03	194,490,587
7	Incentive Pay - STIP	Schedule 52U	567,464	256.15	145,355,151
8	Incentive Pay - LTIP	Schedule 52U	-	621.50	-
9	Pension & Other Employee Benefits	Schedule 52U	2,286,949	11.55	26,418,881
10	Prepaid Insurance	Schedule 52U	948,687	0.00	-
11	Fleet Expense	Schedule 52U	2,536,094	38.54	97,738,253
12	Credit Card Expense	Schedule 52U	1,805,785	31.63	57,124,955
13	Virtual Card Expense	Schedule 52U	1,532,828	31.55	48,358,724
14	Service Company Charges	Schedule 52U	3,473,721	20.66	71,770,287
15	Outside Services	Schedule 52U	2,770,675	71.95	199,349,758
16	Regulatory Amortizations	Schedule 52U	1,834,709	0.00	-
17	TPUC Fee Expense	Schedule 52U	1,210,698	270.00	326,888,533
18	Uncollectible (Bad Debt) Expense	Schedule 52U	640,124	0.00	-
19	Other O&M Expenses	Schedule 52U	16,410,006	42.25	693,394,337
20	Depreciation Expense ¹	Schedule 9	-	0.00	-
General Taxes:					
21	Gross Receipts Tax	Schedule 7	7,011,584	-158.50	(1,111,335,991)
22	Franchise Tax	Schedule 7	(4,331,817)	45.00	(194,931,743)
23	Property Tax	Schedule 7	3,469,984	228.98	794,546,406
24	Payroll Tax	Schedule 7	1,430,358	28.49	40,752,292
25	Allocated & Other Taxes	Schedule 7	(260,370)	35.21	(9,167,194)
26	Amortization of Investment Tax Credit	Schedule 9	(8,087)	0.00	-
Income Taxes:					
27	State Income Taxes	Schedule 8	5,125,588	45.00	230,651,464
28	Provision for Excess Deferred Income Tax (EDIT)	Schedule 8	785,252	0.00	-
29	Federal Income Taxes	Schedule 8	14,697,967	37.50	551,173,754
30	Interest on Customer Deposits	Schedule 9	175,895	0.00	-
Return:					
31	Interest on Long-Term Debt	Schedule 10	24,288,271	92.94	2,257,439,596
32	Interest on Short-Term Debt	Schedule 10	4,656,658	1.49	6,925,893
33	Income for Return ¹	Schedule 10	-	0.00	-
34	Total Expense Lag	L5:L33	\$ 191,900,446	39.03	\$ 7,490,753,788
35	Daily Cost of Service	L34 / 365	\$ 525,755		

1/ Excludes the impact of Depreciation Expense and Return on Equity as agreed to in the 2023 ARM filing Settlement Agreement (Docket No. 23-00035)

Piedmont Natural Gas Company, Inc.
Working Capital Expense Lag for the Annual Base Rate Reset

		[A]	[B]	[C]	
Line No.	Formula, Schedule or Workpaper Reference	Annual Base Rate Reset	Lag Days from Docket No. 20-00086	Dollar Days	
Revenues:					
1	Sales & Transportation Revenues	Schedule 9	\$ 342,095,149	52.22	\$ 17,863,302,944
2	Forfeited Discounts Revenue	Schedule 9	717,199	42.80	30,698,390
3	Other Operating Revenues	Schedule 9	2,722,394	42.80	116,527,086
4	Total Revenue Lag	L1:L3	\$ 345,534,742	52.12	\$ 18,010,528,420
Cost of Gas and O&M Expense:					
5	Purchased Gas	Schedule 9	\$ 128,796,856	38.57	\$ 4,967,323,965
6	Employee Salaries and Wages (Labor Expense)	Schedule 52U	19,400,447	10.03	194,490,587
7	Incentive Pay - STIP	Schedule 52U	567,464	256.15	145,355,151
8	Incentive Pay - LTIP	Schedule 52U	-	621.50	-
9	Pension & Other Employee Benefits	Schedule 52U	2,286,949	11.55	26,418,881
10	Prepaid Insurance - Other Injuries & Damages	Schedule 52U	948,687	0.00	-
11	Fleet Expense	Schedule 52U	2,536,094	38.54	97,738,253
12	Credit Card Expense	Schedule 52U	1,805,785	31.63	57,124,955
13	Virtual Card Expense	Schedule 52U	1,532,828	31.55	48,358,724
14	Service Company Charges	Schedule 52U	3,473,721	20.66	71,770,287
15	Outside Services	Schedule 52U	2,770,675	71.95	199,349,758
16	Regulatory Amortizations	Schedule 33 and 34	1,987,321	0.00	-
17	TPUC Fee Expense	Schedule 52U	1,210,698	270.00	326,888,533
18	Uncollectible (Bad Debt) Expense	Schedule 52U	640,124	0.00	-
19	Other O&M Expenses	Schedule 52U	16,410,006	42.25	693,394,337
20	Depreciation Expense ¹	Schedule 9	-	0.00	-
General Taxes:					
21	Gross Receipts Tax	Schedule 7	7,011,584	-158.50	(1,111,335,991)
22	Franchise Tax	Schedule 7	(4,331,817)	45.00	(194,931,743)
23	Property Tax	Schedule 7	3,469,984	228.98	794,546,406
24	Payroll Tax	Schedule 7	1,430,358	28.49	40,752,292
25	Allocated & Other Taxes	Schedule 7	(260,370)	35.21	(9,167,194)
26	Amortization of Investment Tax Credit	Schedule 9	(8,087)	0.00	-
Income Taxes:					
27	State Income Taxes	Schedule 8	4,689,942	45.00	211,047,391
28	Provision for Excess Deferred Income Tax (EDIT)	Schedule 8	785,252	0.00	-
29	Federal Income Taxes	Schedule 8	13,381,981	37.50	501,824,270
30	Interest on Customer Deposits	Schedule 9	175,895	0.00	-
Return:					
31	Interest on Long-Term Debt	Schedule 10	25,913,689	92.94	2,408,511,772
32	Interest on Short-Term Debt	Schedule 10	5,272,718	1.49	7,842,166
33	Income for Return ¹	Schedule 10	-	0.00	-
34	Total Expense Lag	L5:L33	\$ 241,898,781	39.18	\$ 9,477,302,799
35	Daily Cost of Service	L34 / 365	\$ 662,736		

1/ Excludes the impact of Depreciation Expense and Return on Equity as agreed to in the 2023 ARM filing Settlement Agreement (Docket No. 23-00035)

Piedmont Natural Gas Company, Inc.
O&M Expense Summary Under Present Rates

Line No.	O&M Expense Category	Formula, Schedule or Workpaper Reference	[A] Per Books for the 12 ME 12/31/24	[B] Adjustments	[C] HBP Ending 12/31/24	[D] Adjustments	[E] Annual Base Rate Reset
1	Other Purchased Gas Expense (excluding payroll)¹	Schedule 52K	\$ 188,869	\$ (281)	\$ 188,588	\$ -	\$ 188,588
2	Gas Storage Expense (excluding payroll)¹	Schedule 52L	406,274	-	406,274	-	406,274
3	Transmission Expense (excluding payroll)¹	Schedule 52M	1,123,669	(9,620)	1,114,049	-	1,114,049
4	Distribution Expense (excluding payroll)¹	Schedule 52N	6,556,414	(42,607)	6,513,807	-	6,513,807
	Customer Accounts & Service Expense:						
5	Uncollectible & Bad Debt Expense (excluding payroll) ¹	Schedule 29	1,210,906	(570,782)	640,124	-	640,124
6	Other Customer Accounts & Service Expense(excluding payroll) ¹	Schedule 29	4,325,962	(5,093)	4,320,869	-	4,320,869
7	Total Customer Accounts & Service Expense	L5 + L6	5,536,868	(575,875)	4,960,992	-	4,960,992
8	Sales Expense (excluding payroll)¹	Schedule 52O	120,581	(16,043)	104,538	-	104,538
	Administrative & General Expense:						
	<u>Payroll Expenses</u>						
9	Employee Salaries and Wages Expense ²	Schedule 30	19,400,447	-	19,400,447	-	19,400,447
10	Employee STIP Compensation Expense ²	Schedule 31	1,134,927	(567,464)	567,464	-	567,464
11	Employee LTIP Compensation Expense ²	Schedule 32	817,123	(817,123)	-	-	-
12	Amortization Expense for Deferred Environmental Costs	Schedule 33	351,836	-	351,836	152,612	504,448
13	Amortization Expense for Deferred Pension Costs	Schedule 34	1,482,873	-	1,482,873	-	1,482,873
14	Expense for Allocated Return on DEBS Assets	Schedule 35	987,502	(351,326)	636,176	-	636,176
15	Other Pension Expense	Schedule 36	(1,682,628)	1,682,628	-	-	-
16	Lobbying Expense, Charitable Contribution, Social Club Membership Adjustment	Schedule 37	103,911	(103,911)	-	-	-
17	Advertising Expense	Schedule 38	45,424	(10,008)	35,416	-	35,416
18	Other A&G Expense	Schedule 52P	17,972,197	1,683,531	19,655,727	-	19,655,727
19	Total A&G Expense	L9:L18	40,613,611	1,516,327	42,129,938	152,612	42,282,551
20	Total O&M Expense	L1:L4 + L7 + L8 + L19	\$ 54,546,285	\$ 871,901	\$ 55,418,186	\$ 152,612	\$ 55,570,798

Piedmont Natural Gas Company, Inc.
O&M Expense Summary Under Present Rates

1/ Excludes employee salaries, wages and incentive compensation (STIP & LTIP) expenses recorded to accounts in these functional groups. Excludes lobbying, charitable contribution, social club membership, as applicable

2/ Includes the employee salaries, wages and incentive compensation (STIP & LTIP) expenses recorded to accounts in the non-A&G functional groups listed in L1:L8.

Notes on Schedule 5

Adjustment in Col [B], Line 1:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 2:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 3:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 4:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (Uncollectible and Bad Debt Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 7). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 6:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 8:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 10 and 11:	Adjustment needed for compliance with the Company's approved ARM Tariff (Incentive Compensation Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 10). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 12:	Adjustment needed for compliance with the Company's approved ARM Tariff (Amortization Expense for Deferred Environmental Expense Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 12). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 13:	Adjustment needed for compliance with the Company's approved ARM Tariff (Amortization Expense for Deferred Pension Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 13). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 14:	Adjustment needed for compliance with the Company's approved ARM Tariff (Expense for Allocated Return on DEBS Assets Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 15). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 15:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Pension and OPEB Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 14). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 16:	Adjustment needed for compliance with the Company's approved ARM Tariff (Lobbying, Charitable Contributions, Social Club Membership Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 8). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 17:	Adjustment needed for compliance with the Company's approved ARM Tariff (Advertising Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 17). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 18:	Adjustment needed for compliance with the Company's approved ARM Tariff (Rate Case Expense Adjustments, Other Expense Adjustments and Home Protection Plan Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 11 and Page 7 of 18, Items 17 and 18). See referenced Schedule or Workpaper for further details.

Piedmont Natural Gas Company, Inc.
Summary of Revenue

		[A]	[B]	[C]	[D]	[E]	
Line No.	Formula, Schedule or Workpaper Reference	Per Books for the 12 ME 12/31/24	Adjustments	HBP Ending 12/31/24	Adjustments	Annual Base Rate Reset	
	Sales & Transportation Margin Revenue:						
1	Sales and Transportation Margin Revenue Excluding Special Contracts	Schedules 21 & 22B	\$ 218,795,055	\$ (14,877,598)	\$ 203,917,457	\$ 9,380,836	\$ 213,298,293
2	Special Contracts Margin Revenue	Schedules 21 & 22B	-	-	-	-	-
3	Total Margin Revenue	L1 + L2	218,795,055	(14,877,598)	203,917,457	9,380,836	213,298,293
4	Purchased Gas Revenue	Schedules 21 & 22B	79,440,978	-	79,440,978	49,355,878	128,796,856
5	Total Sales & Transportation Revenue	L3 +L4	298,236,034	(14,877,598)	283,358,436	58,736,713	342,095,149
	Other Revenue:						
6	Home Protection Plan Operating Revenue	Schedule 23	-	2,515,026	2,515,026	-	2,515,026
7	EDIT Refund Elimination	Schedule 21	-	-	-	-	-
8	Other Revenue - Forfeited Discounts	Schedule 23	717,199	-	717,199	-	717,199
9	Other Revenue - Miscellaneous	Schedule 23	759,826	18,164	777,990	(570,622)	207,368
10	Other Revenue - Off-System Sales, Secondary Marketing, Cash-Outs	Schedule 23	173,122	(173,122)	-	-	-
11	Total Other Revenue	L6:L10	1,650,147	2,360,067	4,010,215	(570,622)	3,439,593
12	Total Revenue	L5 + L11	\$ 299,886,181	\$ (12,517,531)	\$ 287,368,650	\$ 58,166,092	\$ 345,534,742

Notes on Schedule 6A

Adjustment in Col [B], Line 4:	Adjustment needed for compliance with the Company's approved ARM Tariff (Margin Revenues, as defined on ARM Tariff Original Page 6 of 18, Item 4). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 6:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 7:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 9:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 10:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (Margin Revenues, as defined on ARM Tariff Original Page 11 of 18, Item 4). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 9:	Adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 11 of 18, Item 3). See referenced Schedule or Workpaper for further details.

Piedmont Natural Gas Company, Inc.
Detail of Revenue for Annual Base Rate Reset

Line No.		Formula, Schedule or Workpaper Reference	[A] Annual Base Rate Reset
	Sales & Transportation Margin Revenue:		
1	RS 301: Residential Service ¹	Schedule 22B	\$ 127,979,265
2	RS 302: Small General Service ¹	Schedule 22B	54,137,567
3	RS 352: Medium General Service ¹	Schedule 22B	12,887,142
4	RS 303: Large General Sales Service - Firm ¹	Schedule 22B	3,894,939
5	RS 304: Large General Sales Service - Interruptible ¹	Schedule 22B	90,128
6	RS 313: Large General Transportation Service - Firm ¹	Schedule 22B	6,860,893
7	RS 314: Large General Transportation Service - Interruptible ¹	Schedule 22B	7,448,359
8	RS 310: Resale Service ¹	Schedule 22B	-
9	Total Margin Revenue	L1:L8	213,298,293
10	Special Contracts	Schedule 22B	-
11	Total Base Rate Margin Revenue	L9 + L10	213,298,293
12	Purchased Gas Revenue	Schedule 22B	128,796,856
13	Total Sales & Transportation Revenue	L11 + L12	342,095,149
	Other Revenue:		
14	Home Protection Plan Operating Revenue	Schedule 23	2,515,026
15	EDIT Refund Elimination	Schedule 21	-
16	Other Revenue - Forfeited Discounts	Schedule 23	717,199
17	Other Revenue - Miscellaneous	Schedule 23	207,368
18	Other Revenue - Off-System Sales, Secondary Marketing, Cash-Outs	Schedule 23	-
19	Total Other Revenue	L14:L18	3,439,593
20	Total Revenue	L13 + L19	\$ 345,534,742

1/ Includes revenue from RS 343 billed under this corresponding rate schedule.

Piedmont Natural Gas Company, Inc.
Summary of General Taxes

Line No.		Formula, Schedule or Workpaper Reference	[A] Per Books for the 12 ME 12/31/24	[B] Adjustments	[C] HBP Ending 12/31/24	[D] Adjustments	[E] Annual Base Rate Reset
1	Property Taxes	Schedule 52V	\$ 3,469,984	\$ -	\$ 3,469,984	\$ -	\$ 3,469,984
2	Franchise Tax	Schedule 52V	(4,331,817)	-	(4,331,817)	-	(4,331,817)
3	Gross Receipts Tax	Schedule 52V	7,011,584	-	7,011,584	-	7,011,584
4	Payroll Taxes	Schedule 52V	1,529,771	(99,413)	1,430,358	-	1,430,358
5	Allocated & Other Taxes	Schedule 52V	<u>(520,786)</u>	<u>260,416</u>	<u>(260,370)</u>	<u>-</u>	<u>(260,370)</u>
6	Total	L1:L5	\$ <u>7,158,735</u>	\$ <u>161,003</u>	\$ <u>7,319,738</u>	\$ <u>-</u>	\$ <u>7,319,738</u>

Notes on Schedule 7

Adjustment in Col [B], Line 4:

Adjustment needed for compliance with the Company's approved ARM Tariff (Payroll Tax Expense, as defined in ARM Tariff Original Page 7 of 18, item 21). See referenced Schedule or Workpaper for further details.

Adjustment in Col [B], Line 5:

Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments as defined in ARM Tariff Original Page 7 of 18, item 18). See referenced Schedule or Workpaper for further details.

Piedmont Natural Gas Company, Inc.
Excise and Income Taxes

Line No.	Formula, Schedule or Workpaper Reference	[A] HBP Ending 12/31/24	[B] Adjustments	[C] Annual Base Rate Reset
1	Operating Revenues, Excluding AFUDC	Schedule 9	\$ 287,368,650	\$ 345,534,742
	Operating Expenses:			
2	Purchased Gas Expense	Schedule 9	79,440,978	128,796,856
3	O&M Expense	Schedule 9	55,418,186	55,570,798
4	Depreciation Expense	Schedule 9	39,252,058	51,958,622
5	Interest on Customer Deposits	Schedule 9	175,895	175,895
6	Amortization Expense for ARM Regulatory Asset	Schedule 9	97,899	828,413
7	Amortization of Investment Tax Credit	Schedule 9	(8,087)	(8,087)
8	General Taxes	Schedule 9	7,319,738	7,319,738
9	Total Operating Expenses	L2:L7	<u>181,696,667</u>	<u>244,642,236</u>
10	NOI Before Excise and Income Taxes	L1 - L8	105,671,983	100,892,507
11	AFUDC debt	Schedule 9	1,864,712	2,183,419
12	Interest Expense	Schedule 10	(28,944,929)	(31,186,407)
13	Permanent Tax Differences	Schedule 52AA	263,435	263,435
14	Net Income Before Income Taxes	L9:L11	<u>78,855,201</u>	<u>72,152,954</u>
	Tennessee Excise Tax Calculation:			
15	Net Income Before Income Taxes	L12	78,855,201	72,152,954
16	TN Statutory Income Tax Rate ¹	Schedule 11 & Settlement Agreement	6.50%	6.50%
17	Excise Tax Expense	L13 x L14	<u>5,125,588</u>	<u>4,689,942</u>
	Federal Income Tax Calculation:			
18	Net Income Before Income Taxes	L12	78,855,201	72,152,954
19	State Excise Tax Expense	L15	5,125,588	4,689,942
20	Net Income Before Federal Income Tax	L16 - L17	<u>73,729,613</u>	<u>67,463,012</u>
21	Federal Income Tax Rate	Schedule 11	21.00%	21.00%
22	Federal Income Tax Expense, Pre-Adjusted	L18 x L19	<u>15,483,219</u>	<u>14,167,233</u>
23	Annual EDIT Amortization Expense for Protected PPE	Schedule 52X	785,252	785,252
24	Net Federal Income Tax Expense	L20 - L21	<u>\$ 14,697,967</u>	<u>\$ 13,381,981</u>

1/ The Tennessee Statutory Income Tax Rate is utilized for the HBP and the Annual Base Rate Reset in accordance with the 2024 Stipulation and Settlement Agreement (Paragraphs 16 and 17) filed in Docket No. 24-00036.

Piedmont Natural Gas Company, Inc.
Income Statement

Income Statement									
Line No.	Formula, Schedule or Workpaper Reference	[A]	[B]	[A + B] [C]	[D]	[= C + D] [E]	[F]	[= E + F] [G]	
		Per Books for the 12 ME 12/31/24	Adjustments	HBP Ending 12/31/24	At Present Rates		At Proposed Rates		
					Adjustments	Annual Base Rate Reset	Rate Increase	At Proposed Rates	
	Operating Revenues:								
1	Gas Sales & Transportation Revenues	Schedule 6A, L11 - L8	\$ 298,236,034	\$ (14,877,598)	\$ 283,358,436	\$ 58,736,713	\$ 342,095,149	\$ 8,679,258	\$ 350,774,407
2	Forfeited Discount Revenues	Schedule 6A, L8	717,199	-	717,199	-	717,199	21,967	739,166
3	Other Operating Revenues	Schedule 6A, L11 - L8	932,948	2,360,067	3,293,016	(570,622)	2,722,394	-	2,722,394
4	Total Operating Revenue	L1:L3	299,886,181	(12,517,531)	287,368,650	58,166,092	345,534,742	8,701,225	354,235,967
5	Purchased Gas Expense	Schedules 21 & 22B	62,682,623	16,758,355	79,440,978	49,355,878	128,796,856	-	128,796,856
6	Total Margin Operating Revenues	L4 - L5	237,203,558	(29,275,886)	207,927,672	8,810,214	216,737,886	8,701,225	225,439,111
7	Operating & Maintenance Expenses	Schedule 5, L20	54,546,285	871,901	55,418,186	152,612	55,570,798	19,386	55,590,185
	Other Operating Expenses:								
8	Depreciation Expense	Schedule 14	39,252,058	-	39,252,058	12,706,564	51,958,622	-	51,958,622
9	Amortization Expense for ARM Regulatory Asset	Schedule 52Z	97,899	-	97,899	730,514	828,413	-	828,413
10	Amortization Expense for Investment Tax Credit	Schedule 39	(8,087)	-	(8,087)	-	(8,087)	-	(8,087)
11	General Tax Expense	Schedule 7	7,158,735	161,003	7,319,738	-	7,319,738	-	7,319,738
12	State Excise Tax Expense	Schedule 8	4,203,192	922,396	5,125,588	(435,646)	4,689,942	564,319	5,254,262
13	Federal Income Tax Expense	Schedule 8	16,962,190	(2,264,223)	14,697,967	(1,315,986)	13,381,981	1,704,679	15,086,660
14	Total Other Operating Expenses	L8:L13	67,665,987	(1,180,824)	66,485,163	11,685,446	78,170,609	2,268,998	80,439,608
15	Total Operating Expenses	L7+L14	122,212,273	(308,923)	121,903,349	11,838,058	133,741,407	2,288,385	136,029,792
16	Net Operating Income	L6 - L15	114,991,285	(28,966,963)	86,024,323	(3,027,844)	82,996,479	6,412,840	89,409,319
	Adjustments to Net Operating Income:								
17	AFUDC - Debt	Schedules 39 & 15.2	734,512	1,130,200	1,864,712	318,707	2,183,419	-	2,183,419
18	AFUDC - Equity	Schedules 39 & 15.2	1,523,833	2,514,983	4,038,816	492,262	4,531,078	-	4,531,078
19	Interest on Customer Deposits	Schedule 39	(175,895)	-	(175,895)	-	(175,895)	-	(175,895)
20	Total Adjustments to Net Operating Income	L17:L19	2,082,451	3,645,183	5,727,634	810,968	6,538,602	-	6,538,602
21	Net Operating Income For Return	L16 + L20	\$ 117,073,736	\$ (25,321,780)	\$ 91,751,956	\$ (2,216,876)	\$ 89,535,081	\$ 6,412,840	\$ 95,947,921

Notes on Schedule 9 - for all adjustments not explained on other schedules

Adjustment in Col [B], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (Purchased Gas Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 5). See referenced Schedule or Workpaper for further details.
Adjustment in Col [B], Line 17 and 18:	Adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 8 of 18, Item 27). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 5:	Adjustment needed for compliance with the Company's approved ARM Tariff (Purchased Gas Expense Adjustments, as defined on ARM Tariff Original Page 11 of 18, Item 5). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 8:	Adjustment needed for compliance with the Company's approved ARM Tariff (Depreciation Expense Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 19). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 9:	Adjustment needed for compliance with the Company's approved ARM Tariff (Amortization Expense for ARM Regulatory Asset Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 20). See referenced Schedule or Workpaper for further details.
Adjustment in Col [D], Line 17 and 18:	Adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 13 of 18, Item 27). See referenced Schedule or Workpaper for further details.

Piedmont Natural Gas Company, Inc.
Cost of Capital Summary - HBP

Line No.	Formula, Schedule or Workpaper Reference	[A] HBP 13-Month Avg Percent of Total	[B] Applicable Cost Rate	[C] = [A * B] (Fair ROR) Pre-Tax Overall Cost of Capital	[D] Tax Factor	[E] = [C * D] Net of Tax Overall Cost of Capital
Class Cost of Capital:						
1	Short-Term Debt	Schedule 52Y	5.32%	0.36%	0.725000	0.26%
2	Long-Term Debt	Schedule 52Y	4.25%	1.87%	0.725000	1.35%
3	Common Equity	Schedule 52Y	9.80%	4.83%	1.000000	4.83%
4	Total	L1 + L2 + L3	100.00%	7.06%		6.45%
Interest Expense of Debt for HBP Reconciliation:						
5	Rate Base	Schedule 2	\$ 1,300,611,584			
6	Short-Term Debt Interest Expense	L1, Col C x L5	4,656,658			
7	Long-Term Debt Interest Expense	L2, Col C x L5	24,288,271			
8	Total Interest Expense	L6 + L7	\$ 28,944,929			
Return on Equity Calculation for HBP Reconciliation:						
9	Total Rate Base	Schedule 2 L22 Col C	\$ 1,300,611,584			
10	Equity Portion of Rate Base	Line 3	49.33%			
11	Equity Rate Base	L9 * L10	\$ 641,591,694			
12	Net Operating Income for Return	Schedule 9 L21 Col C	\$ 91,751,956			
13	Interest Expense	L6 + L7	28,944,929			
14	Net Equity Income for Return	L12 - L13	\$ 62,807,028			
15	Earned Return on Equity	L14 / L11	9.79%			
16	Earned Rate of Return	L12/L9	7.05%			

Piedmont Natural Gas Company, Inc.
Cost of Capital Summary - Annual Base Rate Reset

Line No.	Formula, Schedule or Workpaper Reference	[A] End of HBP Percent of Total	[B] Cost Rate	[C] = [A * B] (Fair ROR) Pre-Tax Overall Cost of Capital	[D] Tax Factor	[E] = [C * D] Net of Tax Overall Cost of Capital
Class Cost of Capital:						
1	Short-Term Debt	Schedule 52Y	8.13%	4.70%	0.38%	0.28%
2	Long-Term Debt	Schedule 52Y	43.98%	4.27%	1.88%	1.36%
3	Common Equity	Schedule 52Y	47.89%	9.80%	4.69%	4.69%
4	Total	L1 + L2 + L3	100.00%	6.95%	1.000000	6.33%
Interest Expense of Debt for Annual Base Rate Reset:						
5	Rate Base	Schedule 2	\$ 1,379,895,299			
6	Short-Term Debt Interest Expense	L1, Col [C] x L9	5,272,718			
7	Long-Term Debt Interest Expense	L2, Col [C] x L9	25,913,689			
8	Total Interest Expense	L10 + L11	\$ 31,186,407			
Return on Equity Calculation for Annual Base Rate Reset:						
9	Total Rate Base	Schedule 2 L22 Col [E]	\$ 1,379,895,299			
10	Equity Portion of Rate Base	Line 3	47.89%			
11	Equity Rate Base	L9 * L10	\$ 660,831,859			
12	Net Operating Income for Return	Schedule 9 L21 Col [E]	\$ 89,535,081			
13	Interest Expense	L6 + L7	31,186,407			
14	Net Equity Income for Return	L12 - L13	\$ 58,348,674			
15	Earned Return on Equity	L14 / L11	8.83%			
16	Earned Rate of Return	L12/L9	6.49%			

Piedmont Natural Gas Company, Inc.
Revenue Conversion Factor & Tax Gross Up Factor

Line No.		Formula, Schedule or Workpaper Reference	[A] Rate	[B] Balance
1	Revenue Conversion Factor: \$1.00 of Operating Revenues			1.000000
2	Forfeited Discounts Factor	Schedule 9 Line 2 / Schedule 9 Line 1 [1]	0.002531	<u>0.002531</u>
3	Balance	L1 + L2		1.002531
4	Uncollectible Ratio	Schedule 29.3 [2]	0.002228	<u>0.002233639</u>
5	Balance	L3 - L4		1.000297
6	TN Statutory Income Tax Rate	[3]	0.065000	<u>0.065019000</u>
7	Balance	L5 - L6		0.935278
8	Federal Income Tax Rate		0.210000	<u>0.196408</u>
9	Balance	L7 - L8		<u>0.738870361</u>
10	Revenue Conversion Factor	L1 / L9		<u>1.353417</u>
11	Tax Factor: \$1.00 of Operating Revenues			1.000000
12	TN Statutory Income Tax Rate	Line 6 [3]		<u>0.065000</u>
13	Balance	Line 11 - Line 12		0.935000
14	Statutory Federal Income Tax Rate	Line 8		<u>0.210000</u>
15	Tax Factor	Line 13 - Line 14		<u>0.725000</u>

[1] Factor to reflect Forfeited Discount Revenues for the HBP divided by the amount of Gas Sales and Transportation Revenues for the HBP

[2] Factor to Reflect Margin Revenue Portion of Uncollectible Write-Offs for the HBP divided by the amount of Gas Sales and Transportation Revenues + Forfeited Discount Revenues + Other Revenues for the HBP

[3] The Tennessee Statutory Income Tax Rate is utilized for the HBP and the Annual Base Rate Reset in accordance with the 2024 Stipulation and Settlement Agreement (Paragraphs 16 and 17) filed in Docket No. 24-00036.

Piedmont Natural Gas Company, Inc.
Carrying Cost and ARM Reconciliation Deferred Account

Line No.		Formula, Schedule or Workpaper Reference	[A] Amount
	Carrying Cost:		
1	Total HBP Revenue Requirement Deficiency (Sufficiency)	Schedule 1, L8 Column [A]	\$ 93,330
2	Net of Tax Overall Cost of Capital	Schedule 10A, L4 Column [E]	6.45%
3	Annual Carrying Cost	L1 * L2	6,018
4	Monthly Carrying Cost	L 3 / 12	501
5	Carrying Cost from July 1 of the HBP through September 30 of year after HBP (15 months)	L4 * 15	7,522
6	HBP Revenue Requirement Deficiency (Sufficiency) plus Carrying Costs	L1 + L5	100,852
7	ARM Reconciliation Deferred Account Balance ¹	52BB	1,843,024
8	Amount to be Collected from (or Refunded to) Customers through new ARM Rider Rates	L6 + L7	\$ <u><u>1,943,876</u></u>

1/ Amount reflects current projection of the account balance at September 30, 2025. See direct testimony of Misty Lyons for explanation