Piedmont Natural Gas

September 15, 2009

VIA ELECTRONIC FILING

Mr. Charles Terreni
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Mr. Terreni:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2005-125-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending June 30, 2009, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Carey Flynt (5 copies via overnight delivery)
Scott Elliott
James H. Jeffries IV

Post Office Box 33068 Charlotte, North Carolina 28233

Net Operating Income and Rate of Return
For The Twelve Months Ended June 30, 2009
South Carolina

	(1)	(2)	(3)
	Per Filing	Accounting And Pro Forma Adjustments	After Pro Forma Adjustments
Operating Revenues			
Sale of Gas	$ 202,131,076	$ (20,183,469)	$181,947,607
Other Operating Revenues	966,443	-	966,443
Total Operating Revenue	$ 203,097,519	$ (20,183,469)	$ 182,914,050
Operating Expenses			
Cost of Gas	$ 146,337,947	$ (35,335,656)	$111,002,291
Other Operation & Maintenance	27,550,594	($686,436)	26,864,158
Depreciation	11,931,539	670,550	12,602,089
General Taxes	6,677,179	(54,275)	6,622,904
State Income Taxes	555,839	429,939	985,778
Federal Income Taxes	(5,626,518)	12,177,443	6,550,925
Amort. of ITC	(50,140)	-	(50,140)
Total Operating Expenses	$ 187,376,440	$ (22,798,436)	$ 164,578,005
Net Operating Income	$ 15,721,078	$ 2,614,967	$ 18,336,045
Interest on Customer Deposits	(131,657)	-	(131,657)
Amortization of Debt Redemption Premium	(14,094)	256	(13,838)
AFDUC	81,487		81,487
Customer Growth	12,472	2,092	$14,564
Net Operating Income For Return	$ 15,669,285	$ 2,617,315	$ 18,286,600
Original Cost Rate Base			
Plant in Service	$ 385,077,796		$ 385,077,796
Accumulated Depreciation	(153,065,381)		(153,065,381)
Net Plant in Service	$ 232,012,415	$ -	$ 232,012,415
Add:			
Construction Work in Progress	1,777,953		1,777,953
Materials and Supplies	17,930,536		17,930,536
Cash Working Capital	(652,192)	(181,987)	(834,179)
Deduct:			
Customer Advances for Construction	-		-
Customer Deposits	3,812,294		3,812,294
Accumulated Deferred Income Taxes	40,070,571		40,070,571
Unclaimed Funds	351,455		351,455
Total Original Cost Rate Base	$ 206,834,392	$ (181,987)	$ 206,652,405
Return on rate base	7.58%		8.85%

Net Operating Income and Rate of Return
For The Twelve Months Ended June 30, 2009
South Carolina

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			After Accounting and Proforma Adjustments					
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	$ 783,609,424	(26,922,092)	$ 756,687,332	43.75%	$ 90,410,427	6.68%	2.92%	$ 6,043,033
2. Common Equity	945,961,620	26,922,092	$ 972,883,712	56.25%	116,241,978	10.53%	5.92%	12,243,567
3. Total	$ 1,729,571,044	0	$ 1,729,571,044	100.00%	$ 206,652,405		8.85%	$ 18,286,600

CERTIFICATION

I, Thomas E. Skains and David J. Dzuricky, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Thomas E. Skains
President and CEO

9/11/09
Date Signed

David J. Dzuricky
Senior Vice President and CFO

9/11/09
Date Signed

Subscribed and Sworn to before me this 11th day of September, 2009.

Notary Public

OFFICIAL SEAL
Notary Public, North Carolina
County of Mecklenburg
WINIFRED SMITH
My Commission Expires March 2, 2010

My Commission Expires March 2, 2010.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached *Quarterly Monitoring Report for the Twelve-Month Period Ending June 03, 2009* is being served this date via email and UPS Overnight (5 copies) upon:

Jeffrey M. Nelson
C. Lessie Hammonds
Carey Flynt
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jnelson@regstaff.sc.gov
lhammon@regstaff.sc.gov
cflynt@regstaff.sc.gov

And that a copy of the attached *Quarterly Monitoring Report for the Twelve-Month Period Ending June 03, 2009* is being served this date via email and U.S. Mail upon:

Scott Elliott
Elliott and Elliott, PA
721 Olive Street
Columbia, South Carolina 29205
selliott@elliottlaw.us

David Carpenter
Managing Director Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 15th day of September, 2009.

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