

PURCHASED GAS ADJUSTMENT

COMPANY NAME PIEDMONT GAS CO.

**RECEIVED**

OCT 22 2002

GAS COST RECOVERY RATE CALCULATION

**GAS & WATER DIVISION**

PARTICULARS	UNIT	AMOUNTS
EXPECTED GAS COST (EGC)	\$/MCF	4.6462
SUPPLIER REFUND AND RECONCILIATION ADJUST. (RA)	\$/MCF	0.0000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.6039
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0129)
GAS COST RECOVERY RATE (GCR)=EGC+RA+AA+BA	\$/MCF	5.2372

GAS COST RECOVERY RATE EFFECTIVE DEC. 1, 2002 TO FEB. 28, 2003

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
PRIMARY GAS SUPPLIERS EXPECTED GAS COST	\$	974367.5112
UTILITY PRODUCTION EXPECTED GAS COST	\$	0.0000
INCLUDABLE PROPANE EXPECTED GAS COST	\$	0.0000
TOTAL ANNUAL EXPECTED GAS COST	\$	974367.5112
TOTAL ANNUAL SALES	MCF	209712.0960
EXPECTED GAS COST (EGC) RATE	\$/MCF	4.6462

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
CURRENT QUARTERLY SUPPLIER REFUND & RECONCIL. ADJ.	\$/MCF	0.0000
PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
SUPPLIER REFUND AND RECONCILIATION ADJUST.	\$/MCF	0.0000

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.0263
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST.	\$/MCF	0.1703
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST.	\$/MCF	0.1755
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST.	\$/MCF	0.2318
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.6039

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
BALANCE ADJUSTMENT AMOUNT		(871.1395)
JURISDICTIONAL SALES FOR QUARTER		67618.6500
BALANCE ADJUSTMENT (BA)		(0.0129)