

McGuireWoods LLP  
501 Fayetteville St.  
Suite 500  
PO Box 27507 (27611)  
Raleigh, NC 27601  
Phone: 919.755.6600  
Fax: 919.755.6699  
www.mcguirewoods.com

Mary Lynne Grigg  
Direct: 919.755.6573

McGUIREWOODS

mgrigg@mcguirewoods.com

OFFICIAL COPY

Sep 15 2020

September 15, 2020

**VIA Electronic Filing**

Ms. Kimberley A. Campbell, Chief Clerk  
North Carolina Utilities Commission  
Dobbs Building  
430 North Salisbury Street  
Raleigh, North Carolina 27603

Re: *Petition for Annual Review of Gas Costs*  
*Docket No. G-5, Sub 622*

Dear Ms. Campbell:

Public Service Company of North Carolina, Inc., d/b/a Dominion Energy North Carolina, submits for filing in the above-referenced docket its *Response to Commission Questions*.

Please do not hesitate to contact me should you have any questions. Thank you for your assistance with this matter.

Very truly yours,

*/s/Mary Lynne Grigg*

MLG:kjg

Enclosure

cc: Gina Holt

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

**DOCKET NO. G-5, SUB 622**

In the Matter of: )  
)  
Application of Public Service Company of )  
North Carolina, Inc., for Annual Review of ) **RESPONSE TO COMMISSION**  
Gas Costs Pursuant to G.S. 62-133.4(c) and ) **QUESTIONS**  
Commission Rule R1-17(k)(6) )

Pursuant to the Order Canceling Expert Witness Hearing, Accepting Testimony and Exhibits, and Requiring Responses to Commission Questions issued by the North Carolina Utilities Commission (“Commission”) in the above-captioned docket on August 14, 2020, Public Service Company of North Carolina, Incorporated, doing business as Dominion Energy North Carolina (the “Company”), submits the following answers to the Commission’s questions:

1. Referencing Page 5, lines 8-12 of the Supplemental Direct Testimony of Rose M. Jackson and Revised Jackson Exhibit 1, please explain how the Company plans on meeting short-term peaking service needs from the Annual Review year for 2021-2022 onwards.

**ANSWER**

**Based on the latest available information, the Company anticipates that the Mountain Valley Pipeline (“MVP”) mainline and Southgate projects will be in-service by the winter of 2021-2022, which will add an additional 250,000 dekatherms/day (“dts/day”) of incremental deliverability. As such, the Company will not need additional short-term peaking for the 2021-2022 review period and for at least the next five annual review periods.**

2. The design-day requirements from 2021-2022 forward are increasing by approximately 20,000 dekatherms (dts) every year, and the reserve margin is moving to a negative range during the same time frame.

(a) What are the Company’s plans to eliminate the shortfall? What steps has the Company already taken to implement those plans? Please provide detailed answers with supporting documentation.

(b) Based on a hypothetical scenario that the Mountain Valley Pipeline (MVP) mainline and MVP Southgate projects are stalled and not in service prior to the 2021-2022 winter season, how would the Company plan to eliminate the shortfall?

**ANSWER**

(a) The Company has executed a service agreement for MVP mainline capacity and a precedent agreement for MVP Southgate capacity which, as stated above, will provide incremental volumes in the amount of 250,000 dts/day. These agreements were filed with the Commission under seal as exhibits to the Company's application in Docket No. G-5, Sub 593.

(b) During this unprecedented time in the natural gas industry, the uncertainty in the construction of greenfield interstate pipeline capacity makes it difficult to determine when these projects will be placed into service. If the Company receives information that indicates either of the MVP projects will be delayed, the Company will solicit bids from suppliers for a winter only delivered supply service for the winter of 2021-2022. The Company is confident that a winter peaking service will be available if needed.

Respect fully submitted this 15th day of September, 2020.

*/s/Mary Lynne Grigg*

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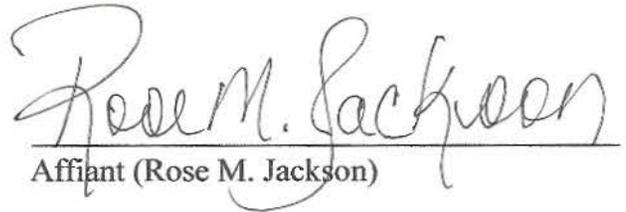
Mary Lynne Grigg  
McGuireWoods LLP  
501 Fayetteville Street, Suite 500  
PO Box 27507  
Raleigh, North Carolina 27601  
Telephone: (919) 755-6573  
mgrigg@mcguirewoods.com

*Attorney for Public Service Company  
of North Carolina, Incorporated, d/b/a  
Dominion Energy North Carolina*

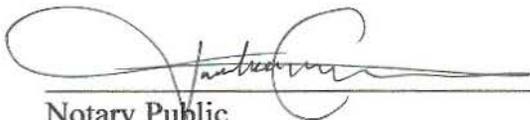
STATE OF SOUTH CAROLINA )  
COUNTY OF KERSHAW )

**VERIFICATION**

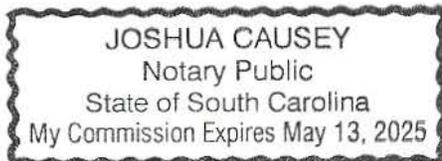
**Rose M. Jackson**, being first duly sworn, says that (i) she is General Manager – Supply & Asset Management for Public Service Company of North Carolina, Incorporated (“PSNC”), and, as such, she is authorized, and has been designated by PSNC, to make this proof on its behalf; (ii) she has read the foregoing Response to Commission Questions and the matters and things stated therein are true of her own knowledge, except as to those matters and things stated therein on information and belief, and as to those, she believes them to be true.

  
Affiant (Rose M. Jackson)

Subscribed and sworn to before me, this 14<sup>TH</sup> day of September, 2020.

  
Notary Public

My Commission Expires: MAY 13, 2025  
[OFFICIAL SEAL]



**CERTIFICATE OF SERVICE**

I hereby certify a copy of the foregoing Response to Commission Questions as filed in Docket No. G-5, Sub 622 was served electronically or via U.S. mail, first-class, postage prepaid, upon the parties of record.

This, the 15<sup>th</sup> day of September, 2020.

/s/Mary Lynne Grigg

Mary Lynne Grigg

McGuireWoods LLP

501 Fayetteville Street, Suite 500

PO Box 27507 (27611)

Raleigh, North Carolina 27601

Telephone: (919) 755-6573

mgrigg@mcguirewoods.com

*Attorney for Public Service Company of  
North Carolina, Inc., d/b/a Dominion  
Energy North Carolina*