



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

September 19, 2017

Ms. M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket No. G-9, Sub 710

Dear Ms. Jarvis:

In connection with the above-captioned docket, I transmit herewith for filing on behalf of the Public Staff revised Page 9 of the Joint Testimony of Poornima Jayasheela, Staff Accountant, Natural Gas Section, Accounting Division; Jan A. Larsen, Director, Natural Gas Division; and Julie G. Perry, Manager, Natural Gas & Transportation Section, Accounting Division. This page was revised to include the footnotes to the chart.

By copy of this letter, I am forwarding a copy of the above to all parties of record.

Sincerely,

Electronically submitted  
/s/ Elizabeth D. Culpepper  
Staff Attorney  
[elizabeth.culpepper@psncuc.nc.gov](mailto:elizabeth.culpepper@psncuc.nc.gov)

EDC/blm

c: Parties of Record

Executive Director  
(919) 733-2435

Communications  
(919) 733-2810

Economic Research  
(919) 733-2902

Legal  
(919) 733-6110

Transportation  
(919) 733-7766

Accounting  
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Consumer Services  
(919) 733-9277

Electric  
(919) 733-2267

Natural Gas  
(919) 733-4326

Water  
(919) 733-5610

1 The **LNG Processing** charges are the electric bills associated with  
 2 the liquefaction expense for Piedmont's two on-system LNG  
 3 facilities. These charges increased due to a higher LNG processing  
 4 rate that resulted from a lower level of LNG injection volumes over  
 5 which to spread the costs.

6 Q. PLEASE EXPLAIN THE CHANGE IN COMMODITY GAS COSTS.

7 A. Commodity gas costs for the current review period and the prior  
 8 twelve-month period are as follows:

	Actual Amounts for the 12 Month Periods Ended			
	April 30, 2017	April 30, 2016 1/	Increase (Decrease)	% Change
Gas Supply Purchases	\$198,124,517	\$161,659,536	\$36,464,981	22.6%
Reservation Charges	2,108,516	6,113,047	(4,004,531)	(65.5%)
Storage Injections	(41,629,300)	(37,366,087)	(4,263,213)	11.4%
Storage Withdrawals	48,397,674	64,133,002	(15,735,328)	(24.5%)
Electric Compressor Costs	812,550	946,377	(133,827)	(14.1%)
Banked Gas Usage	13,304	(4,199)	17,503	(416.8%)
Cash Out Brokers (Long)	1,860,501	2,380,727	(520,226)	(21.9%)
Sales to Transport Customers/Cashout Shorts	(513,518)	(586,099)	72,581	(12.4%)
NC/SC Commodity Costs	\$209,174,244	\$197,276,303	\$11,897,942	6.0%
NC Commodity Costs	\$173,683,773	\$164,021,630	\$9,662,143	5.9%
NC Dekatherms Delivered	61,255,701	64,070,733	(2,815,032)	(4.4%)
NC Cost per Dekatherm	\$2.8354	\$2.5600	\$0.2754	10.8%

1/ Reflects the format changes for the 2017 revised annual review schedules.

Note: Actual amounts lag one-month behind the accounting period. The May 31 review periods reflect actual amounts for the 12-months ended April 30.

9 **Gas Supply Purchases** increased by \$36,464,981 primarily due to  
 10 a greater level of wellhead gas prices in the current review period  
 11 compared with the prior twelve-month review period.