



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

September 29, 2020

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. G-9, Sub 771 – Annual Review of Gas Costs

Dear Ms. Campbell:

In connection with the above-captioned docket, I transmit herewith for filing on behalf of the Public Staff the Revised Panel Testimony of Geoffrey M. Gilbert, Utilities Engineer, Natural Gas Section, Energy Division; and Julie G. Perry, Manager, Natural Gas & Transportation Section, Accounting Division. A revised chart has been replaced on page 9. No other testimony needed to be revised.

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

Sincerely,

Electronically submitted
/s/ Gina C. Holt
Staff Attorney
gina.holt@psncuc.nc.gov

c: Parties of Record

Executive Director (919) 733-2435	Communications (919) 733-5610	Economic Research (919) 733-2267	Legal (919) 733-6110	Transportation (919) 733-7766
Accounting (919) 733-4279	Consumer Services (919) 733-9277	Electric (919) 733-2267	Natural Gas (919) 733-4326	Water (919) 733-5610

1 The decrease in **Property Taxes** for the current review period is
 2 due to a lower property tax billing rate in July 2019, as compared to
 3 July 2018.

4 **Q. PLEASE EXPLAIN THE CHANGE IN COMMODITY GAS COSTS.**

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

	Actual Amounts for the 12 Month Periods Ended			
	April 30, 2020	April 30, 2019	Increase (Decrease)	% Change
Gas Supply Purchases	\$173,924,604	\$277,292,978	(\$103,368,374)	(37.3%)
Reservation Charges	4,128,438	3,482,171	646,267	18.6%
Storage Injections	(43,751,165)	(56,948,230)	13,197,065	(23.2%)
Storage Withdrawals	42,417,719	56,781,052	(14,363,332)	(25.3%)
Electric Compressor Costs	1,901,849	2,084,295	(182,446)	(8.8%)
Banked Gas Usage	5,744	444	5,300	1193.2%
Cash Out Brokers (Long)	1,790,739	1,285,977	504,762	39.3%
NC/SC Commodity Costs	\$180,417,929	\$283,978,687	(\$103,560,758)	(36.5%)
NC Commodity Costs	\$148,405,851	\$233,172,219	(\$84,766,368)	(36.4%)
NC Dekatherms Delivered	65,930,466	72,259,869	(6,329,403)	(8.8%)
NC Cost per Dekatherm	\$2.2509	\$3.2269	(\$0.9759)	(30.2%)

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

7 **Gas Supply Purchases** decreased by \$103,368,374 primarily due
 8 to a lower level of wellhead gas prices in the current review period
 9 when compared to the prior twelve-month review period. In
 10 addition, there was a lower level of purchased volumes during the
 11 current review period.