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JUN 01 2022

June 1, 2022

VIA Electronic Filing

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

Re: *Direct Testimony and Exhibits of Rose M. Jackson and Glory J. Creel*
Docket No. G-5, Sub 642

Dear Ms. Dunston:

Enclosed for filing in the above referenced proceeding are Public Service Company of North Carolina, Inc.'s, d/b/a Dominion Energy North Carolina's ("PSNC" or the "Company") *Direct Testimony and Exhibits of Rose M. Jackson and Glory J. Creel*.

Jackson Direct Exhibit 2 Attachment contains confidential information. Pursuant to N.C.G.S. 132-1.2, the Company requests that this information be protected from public disclosure. Information designated by the Company as confidential qualifies as "trade secrets" under N.C.G.S. 66-152(3). Public disclosure of this information would allow access by external vendors to competitively sensitive information related to negotiated contracts, terms, and prices, which may provide commercial value to such external vendors and may ultimately result in harm to ratepayers. Pursuant to N.C.G.S. 132-1.2, the Company will file Jackson Direct Exhibit 2 Attachment contemporaneously under seal and separate cover.

Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

/s/Mary Lynne Grigg

MLG:kjg

Enclosures

BEFORE THE

NORTH CAROLINA UTILITIES COMMISSION

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED

DOCKET NO. G-5, SUB 642

DIRECT TESTIMONY

OF

ROSE M. JACKSON

JUNE 1, 2022

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Rose M. Jackson. My business address is 220 Operation Way,
3 Cayce, South Carolina.

4 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

5 A. I am employed by Dominion Energy Services, Inc. (“DES”) as Director – Gas
6 Supply Services.

7 Q. WHAT ARE YOUR RESPONSIBILITIES?

8 A. I am responsible for managing the group that supports the gas supply and
9 capacity management functions for Public Service Company of North Carolina,
10 Incorporated, d/b/a Dominion Energy North Carolina (“PSNC” or the
11 “Company”), and its affiliate Dominion Energy South Carolina, Inc. Our
12 group’s specific responsibilities for PSNC include planning and procurement
13 of gas supply and pipeline capacity, nominations and scheduling related to
14 natural gas transportation and storage services on interstate pipelines and the
15 Company’s system, gas cost accounting, state and federal regulatory issues
16 concerning supply and capacity, asset and risk management, and gas
17 transportation administration.

18 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL
19 BACKGROUND.

20 A. I graduated from the University of South Carolina in 1988 with a Bachelor of
21 Science degree in Accounting. Following graduation, I worked as an
22 accountant for a national security services firm. In 1992, I began my
23 employment with SCANA Corporation (“SCANA”) as an accountant. Over the

1 years, I have held various positions of increasing responsibility related to gas
2 procurement, interstate pipeline and local distribution company scheduling, and
3 preparation of gas accounting information. In May 2002, I became Manager of
4 Operations and Gas Accounting at SCANA and was responsible for gas
5 scheduling on interstate pipelines and gas accounting for all SCANA
6 subsidiaries. In November 2003, I was made Fuels Planning Manager and
7 assisted all SCANA subsidiaries with strategic planning and special projects
8 associated with natural gas. I held this position until promoted to General
9 Manager – Supply and Asset Management in December 2005. Following
10 SCANA’s merger with Dominion Energy, Inc. (“Dominion Energy”) in 2019,
11 I assumed my current position with DES on January 1, 2021.

12 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

13 A. Yes. I have presented testimony on behalf of the Company many times,
14 including its last nine gas cost reviews.

15 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
16 PROCEEDING?

17 A. North Carolina General Statute Section 62-133.4 allows the Company to track
18 and recover from its customers the cost of natural gas supply and transportation
19 and to adjust customer charges to reflect changes in those costs. This is done
20 through Rider D to the Company’s tariff. Under subsection (c) of the statute,
21 the Commission must conduct an annual review of the Company’s gas costs,
22 comparing the Company’s prudently incurred costs with the costs recovered
23 from customers during a 12-month test period. To facilitate this review,

1 Commission Rule R1-17(k)(6) requires the Company to submit to the
2 Commission, on or before June 1 of each year, certain information for the
3 12-month test period ended the previous March 31.

4 The purpose of my testimony is to demonstrate that all gas costs were
5 prudently incurred by the Company during the 12-month review period ended
6 March 31, 2022, and therefore meet the requirement for recovery. My
7 testimony also provides the Commission with information pursuant to the Order
8 Requiring Reporting issued in Docket No. G-100, Sub 91, and describes the
9 Federal Energy Regulatory Commission ("FERC") proceedings in which the
10 Company became a party during the review period, as required by the
11 Commission's Order on Annual Review of Gas Costs issued in Docket No. G-5,
12 Sub 533. Finally, I will describe the status of the Company's discussions with
13 the Public Staff regarding design-day demand methodology, as required by the
14 Commission's Order Requiring Filing of Additional Testimony and Electronic
15 Versions of Excel Exhibits issued in this docket on March 22, 2022.

16 In addition to my testimony, the Company is submitting the direct
17 testimony and schedules of Glory J. Creel for the purpose of providing the
18 Commission with data necessary to true-up the Company's gas costs during the
19 review period.

20 Q. PLEASE BRIEFLY DESCRIBE PSNC AND THE COMPOSITION OF ITS
21 MARKET.

22 A. PSNC is a local distribution company primarily engaged in the purchase,
23 transportation, distribution, and sale of natural gas to more than 625,000

1 customers in North Carolina. About half of the Company's throughput during
2 the review period consisted of deliveries to industrial or large commercial
3 customers, including electric generation, many of whom either purchased or
4 transported gas under interruptible rate schedules. The remainder of the
5 Company's throughput consisted of firm sales service to residential and small
6 and medium-sized commercial customers.

7 Q. PLEASE DESCRIBE PSNC'S GAS SUPPLY PROCUREMENT POLICY.

8 A. PSNC's system and its gas supply procurement policy are designed to serve
9 firm customers reliably on a peak day. In providing sales services, the
10 Company must acquire supplies of natural gas and arrange for their delivery to
11 the Company's system. The most appropriate description of PSNC's gas supply
12 procurement policy is a best-cost supply strategy, which is based on three
13 primary criteria: supply security, operational flexibility, and cost of gas.

14 The first and foremost criterion is security of gas supply, which refers
15 to the assurance that gas will be available when needed for firm sales customers.
16 Supply security is obtained through a diverse portfolio of suppliers, receipt
17 points, purchase quantity commitments, and terms. Potential suppliers are
18 evaluated on a variety of factors, including past performance, creditworthiness,
19 available terms, gas deliverability options, and supply location.

20 The second criterion is maintaining the necessary operational flexibility
21 that will enable the Company to react to the effects of unpredictable weather on
22 firm sales customer usage. The Company's gas supply portfolio must be
23 capable of handling the monthly, daily, and hourly changes in these customers'

1 demand needs. Operational flexibility largely results from gas supply
2 agreements having different purchase commitments and swing capabilities (for
3 example, the ability to adjust purchased gas within the contract volume on either
4 a monthly or daily basis) and from injections into and withdrawals out of
5 storage.

6 The third criterion is the cost of gas. In evaluating costs, it is important
7 to consider not only the actual commodity cost, but also any transportation-
8 related charges such as reservation, usage, and fuel charges. Typically, the
9 greater the flexibility the Company has with a supply contract, the higher the
10 premium assessed. The Company routinely requests gas supply bids from
11 suppliers to help ensure cost-effective proposals. In requests for proposal,
12 suppliers are asked to submit alternative pricing options they believe may be of
13 interest or value to the Company and its customers. In furtherance of its natural
14 gas sustainability initiative, the Company recently began asking that bids
15 include responsibly sourced gas (geologic natural gas that has been certified to
16 meet certain environmental criteria) and renewable natural gas (methane
17 produced from biomass or other renewable sources).

18 Q. PLEASE DISCUSS THE NATURAL GAS SUSTAINABILITY INITIATIVE.

19 A. Dominion Energy recently expanded its “Net Zero” commitment to include
20 Scope 3 emissions by 2050. Scope 3 emissions include upstream natural gas
21 purchases. Dominion Energy plans to reduce Scope 3 emissions by doing the
22 following:

23 (1) Supporting federal methane regulations.

- 1 (2) Encouraging suppliers to adopt net-zero commitments.
- 2 (3) Requesting supplier emissions disclosures on an annual basis.
- 3 (4) Incorporating a sustainability focus into fuel procurement
- 4 practices.

5 Q. WHAT TYPES OF SUPPLY CONTRACTS DOES PSNC HAVE IN ITS

6 PORTFOLIO?

7 A. PSNC has developed a gas supply portfolio made up of long-term agreements

8 and supplemental short-term agreements with a variety of suppliers, including

9 both producers and independent marketers. The portfolio includes:

- 10 • Baseload contracts, which provide fixed volumes of gas each
- 11 day of the contract term.
- 12 • Physical option contracts, which provide flexibility to modify
- 13 the volumes delivered on a monthly or daily basis to address
- 14 changing demands and weather patterns.
- 15 • No-notice contracts, which provide flexibility to increase or
- 16 decrease delivered volumes daily to respond to changing
- 17 operational demands and weather.
- 18 • Spot (daily) market contracts, which are primarily used for price
- 19 mitigation, system balancing, and peak shaving.

20 The Company's gas supply portfolio had approximately 203,000

21 dekatherms per day (dts/day) under term contracts with five different suppliers

22 as of November 1, 2021, the beginning of the winter heating season for the

23 period under review. These contracts all included provisions to ensure the

1 prices paid were market based. The remaining contracts were for purchases in
2 the spot market. Spot purchase contracts do not include reservation fees but
3 reflect only commodity cost, generally by reference to standard indices or
4 negotiated prices.

5 Q. HOW DOES PSNC DETERMINE ITS FIRM CUSTOMERS' DEMAND
6 REQUIREMENTS?

7 A. PSNC estimates firm customer demand on an extremely cold weather day, or
8 design day, using a statistical modeling program that is developed by applying
9 regression analysis to historical firm throughput. Design-day demand is
10 estimated using historical weather and a 50 heating degree-day ("HDD) on a
11 60-degree Fahrenheit base.

12 Q. WHAT DESIGN-DAY REQUIREMENTS DID PSNC USE DURING THE
13 REVIEW PERIOD AND HOW DID THE COMPANY PLAN TO MEET
14 THOSE REQUIREMENTS?

15 A. Column (1) of the table in Jackson Direct Exhibit 1 shows the results of the
16 review period's firm peak-day demand forecast, which was performed prior to
17 the winter heating season, and the assets that were available to meet those firm
18 peak-day requirements going into the winter heating season. The assets
19 included year-round, seasonal, and peaking capabilities and consisted of firm
20 transportation and storage capacity on interstate pipelines as well as the peaking
21 capability of PSNC's on-system liquefied natural gas ("LNG") facility at the
22 Cary Energy Center. They also included short-term peaking services the
23 Company acquired to cover a temporary shortfall of assets.

1 Columns (2) through (6) on Jackson Direct Exhibit 1 show the current
2 forecast for the next five winter seasons and the assets currently available to
3 meet the projected peak-day demand requirements. Later in my testimony I
4 will discuss the Company's plans for obtaining additional assets to meet those
5 growing demands.

6 Q. DID PSNC MAKE ANY CHANGES TO THE METHODOLOGY USED TO
7 DEVELOP ITS PEAK-DAY FORECAST?

8 A. PSNC recently made a minor downward adjustment to the forecast to remove
9 Rate Schedule 150 interruptible sales volumes. These volumes make up a very
10 small percentage of total throughput. The reduction in estimated design-day
11 peak demand was only about 0.5%, or just over 4,000 dekatherms.

12 Q. WERE ANY OTHER CHANGES TO THE METHODOLOGY
13 CONSIDERED?

14 A. In its order of March 22, 2022, the Commission directed the Company to work
15 with the Public Staff in this docket to address whether it should consider making
16 any of the design-day demand methodology refinements that were
17 recommended by the Public Staff in Docket No. G-9, Sub 791, for consideration
18 by Piedmont Natural Gas Company. The proposed refinements were:

19 (1) Firm sales customers should only be assigned their percentage
20 of lost and unaccounted for ("LAUF") gas.

21 (2) Temperature data for system usage, weighted HDDs, and
22 design-day temperature should be on or near the same time
23 interval and weighted by the same methodologies.

1 (3) Historical system usage data should be normalized for each
2 respective year's actual customer growth.

3 (4) Linear versus non-linear regression should be evaluated.

4 (5) Weekend usage should be evaluated to determine whether to
5 include typically low usage days for system planning purposes.

6 Q. DID THE COMPANY WORK WITH THE PUBLIC STAFF TO ADDRESS
7 THESE ITEMS?

8 A. Yes. Company representatives held virtual meetings with members of the
9 Public Staff on April 26 and May 12, 2022.

10 Q. WHAT WAS THE RESULT OF THOSE MEETINGS?

11 A. After the proposed refinements were discussed in detail, it was determined that
12 no additional changes to the Company's design-day demand methodology were
13 necessary.

14 Q. PLEASE PROVIDE THE REASONS FOR NOT ADOPTING THE
15 PROPOSED REFINEMENTS.

16 A. The reasons were as follows:

17 (1) The Company uses measurement data of volumes at the city gate
18 to determine throughput of firm sales customers for the demand
19 forecast. The forecast therefore estimates the necessary
20 volumes, including LAUF, to serve firm sales customers on a
21 design day. While customer metered data is used to remove Rate
22 Schedule 150 interruptible sales volumes from throughput for
23 modeling, the effect of LAUF on these volumes is statistically

1 insignificant (0.002% of 2022-23 design-day demand).

2 Accordingly, the Company's methodology effectively assigns
3 LAUF to only firm customers.

4 (2) The Company's model uses gas-day temperature data and
5 weights it for HDDs by the same methodology.

6 (3) The Company's model normalizes historical system usage data.

7 (4) The Company has developed an adder percentage to reflect the
8 extra amount of throughput used on a historically cold day when
9 all gas heating appliances in a home may be operating at
10 maximum capacity. This provides a non-linear aspect to the
11 Company's forecast methodology.

12 (5) The Company evaluated weekend usage by accounting for it in
13 the model with a qualitative, or "dummy," variable and
14 determined that it was statistically insignificant.

15 Q. WHAT PROCESS DOES PSNC UNDERTAKE TO ACQUIRE CAPACITY
16 TO MEET ITS CUSTOMER DEMAND?

17 A. PSNC's design-day demand forecast projects firm customer load growth and is
18 used to determine total asset needs. This forecast is updated annually, and
19 capacity alternatives are evaluated on an on-going basis. If needed, PSNC
20 secures incremental storage or transportation capacity to meet the growth
21 requirements of its firm sales customers consistent with its best-cost strategy.
22 In assessing the types of resources needed to meet design-day demand, the
23 Company attempts to minimize the per unit delivered gas cost. This analysis

1 incorporates any transportation charges, storage costs, and supplier reservation
2 fees required to deliver gas to the city gate, as well as the reliability and timing
3 of new services.

4 As I have noted on other occasions, to acquire long-term expansion
5 capacity precisely in balance with customer needs is impossible due to many
6 external factors beyond the Company's control. A significant concern
7 continues to be the long lead time and uncertainty involved in acquiring
8 capacity from new interstate pipeline projects to meet growing customer
9 demand.

10 Q. PLEASE DESCRIBE PSNC'S INTERSTATE CAPACITY.

11 A. PSNC subscribes to interstate capacity so that natural gas can be delivered from
12 supply areas or gas storage facilities to PSNC's local distribution system. The
13 interstate transportation and storage providers with whom PSNC has contracted
14 for service include Transcontinental Gas Pipe Line Company, LLC
15 ("Transco"); Columbia Gas Transmission, LLC ("Columbia Gas"); Cove Point
16 LNG, LP ("Cove Point"); Eastern Gas Transmission and Storage, Inc. ("Eastern
17 Gas"); East Tennessee Natural Gas, LLC ("East Tennessee"); Pine Needle LNG
18 Company, LLC ("Pine Needle"); Saltville Gas Storage Company, L.L.C.
19 ("Saltville"); and Texas Gas Transmission, LLC ("Texas Gas").

20 Most of PSNC's firm transportation and storage capacity is obtained
21 from Transco, which currently is the only interstate pipeline having a direct
22 interconnection with the Company's system. Because Transco is the sole direct
23 interstate pipeline interconnection, the Company needs to use the Transco firm

1 transportation capacity, including segmentation of that capacity, to receive
2 natural gas from the other interstate providers.

3 Q. WHAT IS SEGMENTATION?

4 A. Segmentation allows a shipper on an interstate pipeline to double the amount of
5 its contracted-for capacity by scheduling deliveries of natural gas from both
6 directions. Thus, for example, PSNC can use one segment of contracted firm
7 transportation capacity on Transco to schedule deliveries on a primary firm
8 basis from supply points in the Gulf production area northward to the
9 Company's city gate. At the same time, PSNC may be able to use a different,
10 non-overlapping segment of Transco capacity to schedule deliveries on a
11 secondary firm basis from Columbia Gas, Cove Point, Eastern Gas, East
12 Tennessee/Saltville, Pine Needle, and Texas Gas southward to the Company's
13 city gate. In addition, when a segment is not needed to serve customers, PSNC
14 can release it to other shippers, which generates revenue that mitigates the
15 Company's capacity costs.

16 Q. WHAT ASSETS DID PSNC ACQUIRE TO MEET EXPECTED PEAK-DAY
17 REQUIREMENTS DURING THIS REVIEW PERIOD?

18 A. To meet an expected capacity shortfall during the 2021-22 winter season, PSNC
19 contracted for a total of 55,000 dts/day of firm peaking services from two
20 different suppliers for a specified number of days during the winter.

21 Q. WHAT WAS THE REASON FOR THIS SHORTFALL?

22 A. For the past three winter seasons PSNC has needed short-term peaking assets
23 because its plans since 2015 to acquire incremental interstate pipeline capacity,

1 first on Atlantic Coast Pipeline (“ACP”) and later on Mountain Valley Pipeline
2 (“MVP”), have not been realized. ACP originally was expected to be in service
3 by November 2018; after years of delay, the project was cancelled in July 2020.
4 When the Company entered into precedent agreements in December 2017 for
5 the MVP capacity, it expected that the two projects necessary to transport gas
6 to the PSNC system would be in service by sometime in 2020; neither project
7 has been completed.

8 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE MVP PROJECTS
9 AND THE ARRANGEMENTS THE COMPANY MADE TO OBTAIN
10 SERVICE.

11 A. If completed, MVP’s mainline project will consist of approximately 303 miles
12 of transmission pipeline, with compression facilities, extending from
13 northwestern West Virginia to southern Virginia. Its 75-mile Southgate lateral
14 project, also with compression facilities, is to connect the mainline with the
15 Company’s system at delivery points in Rockingham and Alamance Counties,
16 North Carolina.

17 PSNC has entered into precedent agreements for 250,000 dts/day of
18 mainline capacity and 300,000 dts/day of Southgate lateral capacity. This
19 capacity provides the benefits of a second direct interstate pipeline
20 interconnection, with access to natural gas produced in the Marcellus and Utica
21 shale regions of West Virginia, Pennsylvania, and Ohio. In addition, the
22 Southgate lateral is designed to connect directly with East Tennessee’s pipeline,
23 which will enable PSNC to make primary firm deliveries from Saltville storage

1 to the Company's system and replace less reliable secondary firm deliveries
2 using Transco segmented capacity. That is why PSNC contracted for 50,000
3 dts/day more of capacity on Southgate than on the MVP mainline.

4 Q. WHAT IS THE CURRENT STATUS OF THE TWO MVP PIPELINE
5 PROJECTS?

6 A. As of May 2021, the mainline project was more than 92% complete and the
7 estimated in-service date was the summer of 2022. Since then, construction on
8 the project has ceased because of two decisions issued by a three-judge panel
9 of the United States Court of Appeals for the Fourth Circuit earlier this year.
10 On January 25, 2022, the panel issued an opinion invalidating environmental
11 permits granted by the U.S. Forest Service and the Bureau of Land Management
12 for a three-mile segment of the project that crosses the Jefferson Natural Forest.
13 Nine days later, the same panel of judges vacated a determination by the U.S.
14 Fish and Wildlife Service under the Endangered Species Act that the project
15 was unlikely to jeopardize the continued existence of two listed fish species
16 whose habitat the project crosses. Recently, MVP announced that it would
17 pursue new federal permits and that, due to the resulting delay, it had revised
18 the target in-service date for the mainline project to the second half of 2023.

19 In June 2020, FERC issued an order granting MVP a certificate of public
20 convenience and necessity for Southgate in which it conditioned
21 commencement of construction on receipt by MVP of the appropriate federal
22 permits for the mainline. Construction of Southgate was targeted to start in
23 2022 and to be completed in the spring of 2023. This schedule will undoubtedly

1 be pushed back because of the delays MVP has experienced in obtaining federal
2 permits for the mainline project.

3 Q. WHAT DOES THE COMPANY INTEND TO DO AS A RESULT OF THE
4 DELAYS IN ACQUIRING MVP CAPACITY?

5 A. Until both the mainline and Southgate projects are placed into service the
6 Company will continue taking steps in the near term to address the shortfall in
7 available assets. For the upcoming winter season, PSNC has contracted to
8 obtain 61,000 dts/day of short-term peaking supply and intends to pursue
9 obtaining additional amounts of similar supply.

10 Beyond that, the Company is developing plans for constructing a new
11 on-system LNG facility with up to 200,000 dts/day of withdrawal capacity for
12 approximately ten days. The timing for completing such a project would
13 depend upon when the MVP capacity becomes available but would be 2026 at
14 the earliest.

15 Q. PLEASE EXPLAIN.

16 A. Due to the uncertainty associated with interstate pipeline projects because of
17 litigation, the Company began to review its design-day demand needs over a
18 ten-year period and forecasted a need for assets in 2030 even if MVP is placed
19 into service. The Company began to develop a plan for a new LNG facility to
20 meet that incremental need in 2030. With the extended delays in the MVP
21 projects, the Company decided to accelerate its LNG plan with the ability to
22 adjust the construction schedule to accommodate the in-service date of MVP.

1 Q. HAVE YOU PROVIDED THE INFORMATION CONCERNING
2 CAPACITY ACQUISITION AS REQUIRED BY THE COMMISSION'S
3 ORDER IN DOCKET NO. G-100, SUB 91?

4 A. Yes. PSNC's responses to the ten questions set forth in that order are attached
5 as Jackson Direct Exhibit 2.

6 Q. WHAT ADDITIONAL ACTIONS HAS PSNC TAKEN TO ACCOMPLISH
7 ITS BEST-COST POLICY?

8 A. PSNC continues to take the following steps to keep its gas costs as low as
9 possible while accomplishing its stated policy goals of maintaining security of
10 supply and delivery flexibility:

- 11 • Optimize the flexibility available within its supply and capacity
12 contracts to realize their value.
- 13 • Monitor and intervene in matters before the FERC whose actions
14 could impact the rates the Company pays and the services it
15 receives from interstate pipelines and storage facilities.
- 16 • Work with industrial customers to facilitate transportation of
17 customer-acquired natural gas.
- 18 • Communicate directly with customers, suppliers, and other
19 industry participants and actively monitor developments in the
20 industry.
- 21 • Conduct frequent internal discussions concerning gas supply
22 policy and major purchasing decisions.

1 • Utilize deferred gas cost accounting to calculate the Company's
2 benchmark cost of gas to provide a smoothing effect on gas price
3 volatility.

4 • Conduct a hedging program to mitigate price volatility.

5 Q. PLEASE DESCRIBE THE FERC PROCEEDINGS THAT PSNC BECAME
6 A PARTY TO DURING THE REVIEW PERIOD.

7 A. Jackson Exhibit 3 is a complete listing of the new FERC matters that PSNC
8 intervened in during the review period. PSNC may not have stated a position
9 in a proceeding but filed an intervention without protest or comment. Such
10 interventions typically are made in proceedings where the Company has an
11 interest and the issues or dollar impact appears to be relatively minor but might
12 escalate and become significant later or where the Company would like to
13 receive more information from the participants on an issue in order to monitor
14 future developments. Unless specifically indicated in the last column of
15 Jackson Direct Exhibit 3, PSNC did not express a position during its
16 participation in a matter listed.

17 Q. WHAT IS THE PURPOSE OF PSNC'S HEDGING PROGRAM?

18 A. The primary objective of PSNC's hedging program has always been to help
19 mitigate the price volatility of natural gas for firm sales customers at a
20 reasonable cost. The hedging program meets this objective by having financial
21 instruments such as call options or futures in place to mitigate in a cost-effective
22 manner the impact of unexpected or adverse price fluctuations to customers.

1 Q. PLEASE DESCRIBE PSNC'S HEDGING PROGRAM.

2 A. PSNC's hedging program provides protection from higher prices through the
3 purchase of call options for up to 25% of estimated firm sales volume. To help
4 control costs, the call options are purchased at a price no higher than 10% of
5 the underlying commodity price. Hedges also are limited to a 12-month future
6 period, which allows the Company to obtain favorable option pricing terms and
7 better react to changing market conditions. The hedging program continues to
8 utilize two proprietary models developed by Kase and Company that assist in
9 determining the appropriate timing and volume of hedging transactions. The
10 total amount available to hedge is divided equally between the two models.

11 Q. HAS PSNC MADE ANY CHANGES TO ITS HEDGING PROGRAM?

12 A. No changes were made to PSNC's hedging program during the review period.
13 However, the Company continues to analyze and evaluate the program and will
14 implement changes as warranted.

15 Q. WHAT WAS THE NET ECONOMIC RESULT OF THE HEDGING
16 PROGRAM DURING THE REVIEW PERIOD?

17 A. During this period, New York Mercantile Exchange prices at the Henry Hub in
18 Louisiana ranged from a low of \$2.453 per dt for the May 2021 contract set on
19 April 6, 2021, to a high of \$7.346 per dt for the February contract set on
20 January 27, 2022. Overall, the hedging program decreased gas costs by
21 \$9,818,653 during the review period.

1 Q. IN YOUR OPINION, WERE ALL OF THE REVIEW PERIOD GAS COSTS
2 PRUDENTLY INCURRED?

3 A. Yes. All gas costs were incurred under PSNC's best-cost supply strategy,
4 which this Commission has consistently upheld. In my opinion, they are the
5 result of reasonable business judgments considering the conditions under which
6 the gas purchasing decisions were made.

7 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

8 A. Yes.

**DESIGN-DAY DEMAND REQUIREMENTS (IN DTS) AND AVAILABLE ASSETS (IN DTS)
FOR WINTER SEASONS FROM 2021-22 THROUGH 2026-27**

		(1) 2021-22	(2) 2022-23	(3) 2023-24	(4) 2024-25	(5) 2025-26	(6) 2026-27
Contracted Capacity*							
Transco	FT	390,743	390,743	390,743	390,743	390,743	390,743
Eastern Gas**	FT	7,286	7,275	7,275	7,275	7,275	7,275
Subtotal		398,029	398,018	398,018	398,018	398,018	398,018
Seasonal Capacity							
Transco	Storage	33,218	33,218	33,218	33,218	33,218	33,218
Eastern Gas**	Storage	61,066	61,148	61,148	61,148	61,148	61,148
Columbia Gas**	Storage	35,116	35,063	35,063	35,063	35,063	35,063
East Tennessee/Saltville**	Storage	48,778	48,861	48,861	48,861	48,861	48,861
Subtotal		178,178	178,290	178,290	178,290	178,290	178,290
Peaking Capacity							
Transco	LGA	5,175	5,175	5,175	5,175	5,175	5,175
Pine Needle**	LNG	102,858	102,703	102,703	102,703	102,703	102,703
Cary Energy Center	LNG	100,000	100,000	100,000	100,000	100,000	100,000
Cove Point**	LNG	24,845	24,808	24,808	24,808	24,808	24,808
Short-Term Peaking Service	LNG	55,000	61,000	-	-	-	-
Subtotal		287,878	293,686	293,686	293,686	293,686	293,686
Total		864,085	869,993	808,993	808,993	808,993	808,993
Design-Day Requirements		860,815	874,220	891,966	910,073	928,548	947,397
Surplus (Shortage)		3,270	(4,227)	(82,973)	(101,080)	(119,555)	(138,404)
Reserve Margin		0.38%	(0.48%)	(9.30%)	(11.11%)	(12.88%)	(14.61%)

* Does not include MVP capacity contracted for but not in service.

** Adjusted to reflect changes in Transco fuel retainage.

**INFORMATION PURSUANT TO ORDER REQUIRING REPORTING
ISSUED IN DOCKET NO. G-100, SUB 91**

- 1. Please describe any changes in the Company's customer mix or customer market profiles that it forecasts for the next ten (10) years and explain how the changes will impact the Company's gas supply, transportation, and storage requirements.**

No significant changes are expected.

- 2. Please identify the rate schedules and special contracts that the Company uses to determine its peak day demand requirements for planning purposes. Please explain the rationale and basis for each rate schedule or special contract included in the determination of peak day demand requirements.**

The Company's demand forecast methodology utilizes actual daily measured volumes to determine its peak-day demand requirements for planning purposes. The Company initially considers total daily throughput, which includes all rate schedules, and then deducts daily transportation volumes (Rate Schedules 175 and 180) and interruptible sales volumes (Rate Schedule 150).

- 3. Please provide the base load requirements estimated for the review period and forecasted for each of the next five (5) years.**

For the review period, PSNC's estimated winter base load requirements were approximately 83,000 dekatherms per day. PSNC's forecasted winter base load requirement includes an average annual increase of approximately 2% for the next five years.

- 4. Please provide the one-day design peak demand requirements used by the Company for planning purposes for the review period and forecasted for each of the next five (5) winter seasons. The peak demand requirement amounts should set forth the estimated demand for each rate schedule or priority with peak day demand. All assumptions, such as heating degree-days, dekatherms per heating degree-day, customer growth rates, and supporting calculations used to determine the peak day requirement amounts should be provided.**

Design-day requirements are set forth on Jackson Direct Exhibit 1. A statistical modeling program is used to calculate the projected design-day demand of the Company's firm sales customers in the aggregate. The model is developed through ordinary least squares regression analysis of historical throughput data, after subtracting transportation volumes and interruptible sales volumes. Once the model is developed, peak-day demand is estimated using historical weather and a 50 heating degree-day on a 60-degree Fahrenheit base. An adder percentage is then

applied to reflect the extra amount of throughput used on a historically cold day when all gas heating appliances in a home may be operating at maximum capacity.

5. **Please explain how the Company determines which type of resource should be acquired or developed for meeting the Company's deliverability needs, and describe the factors evaluated in deciding whether the Company should acquire pipeline transportation capacity, acquire a storage service, or develop additional on-system storage deliverability.**

Resource acquisition depends on several factors. These primarily include: (1) whether the need is year-round, seasonal, or peaking in nature; (2) availability of the resource; (3) operational flexibility requirements; and (4) the relative costs of service.

6. **Please describe how the Company determines the amount of pipeline capacity that should be acquired for (a) the whole year, (b) the full winter season, and (c) less than the full winter season. Also, please describe the factors evaluated in determining the appropriate amount and mix of service period options.**

The Company maintains a level and mix that ensures its firm system requirements and operational flexibility requirements are satisfied. The Company plans for sufficient capacity to be available on a design day, while seeking to avoid underutilization of capacity. The Company continually monitors historical usage and expected requirements. Before acquiring additional capacity, the Company evaluates whether a year-round or seasonal service period is appropriate and will seek either to increase demand on an existing contract or to secure a new contract. The type of service acquired depends on availability, economics, and satisfaction of operational flexibility requirements.

7. **Please describe each new capacity and storage opportunity that the Company is contemplating entering into during the next five (5) year period.**

The Direct Testimony of Rose M. Jackson at pages 12 through 15 provides an update of the capacity opportunities that the Company contemplated.

8. **Please provide a computation of the reserve or excess capacity estimated for the review period and forecasted for each of the next five (5) years.**

The requested information is set forth on Jackson Direct Exhibit 1.

9. **Please describe any significant storage, transmission, and distribution upgrades required for the Company to fulfill its peak day requirements during the next five (5) years.**

See Jackson Direct Exhibit 2 Attachment which is confidential and therefore being filed under seal.

Jackson Direct Exhibit 2

- 10. In determining which type of resource should be required, what steps, if any, did the Company take during the review period to seek out service agreements from competitive suppliers pursuant to the provisions of G.S. 62-36B?**

See the response to Question 7 above.

**PROCEEDINGS BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION
IN WHICH PSNC INTERVENED FROM APRIL 2021 THROUGH MARCH 2022**

Date	Pipeline	Docket No.	Docket Description	Company Position
4/12/21	Pine Needle LNG Company, LLC	RP21-681-000	On March 31, 2021, Pine Needle made its annual fuel retention percentage and electric power rate filing.	
4/12/21	Transcontinental Gas Pipe Line Company, LLC	RP21-686-000	On March 31, 2021, Transco filed to revise tariff provisions that set forth the reservation charge credits due customers under storage Rate Schedules GSS, S-2, LG-A, and LNG for the interruption or reduction of firm contract storage service.	Intervention.
4/12/21	Columbia Gas Transmission, LLC	RP21-687-000	On March 31, 2021, Columbia Gas made its semiannual filing to adjust the operational transaction rate adjustment surcharge for the upcoming summer season.	Intervention.
4/12/21	East Tennessee Natural Gas, LLC	RP21-697-000	On March 31, 2021, East Tennessee submitted its cashout report for the twelve months ended October 31, 2020.	Intervention.
4/27/21	East Tennessee Natural Gas, LLC	RP21-746-000	On April 22, 2021, East Tennessee requested an extension of time to submit the annual fuel filing required under its tariff.	Intervention.

Date	Pipeline	Docket No.	Docket Description	Company Position
7/29/21	Transcontinental Gas Pipe Line Company, LLC	RP21-974-000	On July 19, 2021, Transco filed to revise the service options available under Rate Schedule FT service agreements to make available additional capacity during the shoulder months of November and March.	Intervention.
8/9/21	Columbia Gas Transmission, LLC	CP21-479-000	On July 27, 2021, Columbia Gas filed an advance notification regarding the replacement of natural gas compressor facilities at its Eagle Compressor Station located in Chester County, Pennsylvania.	Intervention.
8/9/21	Transcontinental Gas Pipe Line Company, LLC	RP21-988-000	On July 29, 2021, Transco filed a report of its flow-through to Rate Schedule GSS and Rate Schedule LSS customers of a refund received from Eastern Gas.	Intervention.
8/9/21	Cove Point LNG, LP	RP21-993-000	On July 30, 2021, Cove Point filed its annual report of operational sales and purchases of gas.	Intervention.
9/10/21	Transcontinental Gas Pipe Line Company, LLC	RP21-1062-000	On August 31, 2021, Transco filed two negotiated rate service agreements under Rate Schedule FT that contain non-conforming language.	Intervention.
9/10/21	Cove Point LNG, LP	RP21-1064-000	On August 31, 2021, Cove Point filed its annual revenue crediting report.	Intervention.

Date	Pipeline	Docket No.	Docket Description	Company Position
9/10/21	Transcontinental Gas Pipe Line Company, LLC	RP21-1078-000	On August 31, 2021, Transco filed revised tariff records to track rate changes resulting from an increase in the Annual Charge Adjustment for storage services purchased from National Fuel, Dominion Transmission, and Texas Eastern.	Intervention.
9/20/21	Cove Point LNG, LP	RP21-1108-000	On September 13, 2021, Cove Point filed to suspend its Pleasant Valley Interconnect pass-through rate.	Intervention.
10/6/21	Transcontinental Gas Pipe Line Company, LLC	RP21-1171-000	On September 29, 2021, Transco filed its annual cash-out report.	Intervention.
10/12/21	Eastern Gas Transmission and Storage, Inc.	RP21-1187-000	On September 30, 2021, Eastern Gas filed a general rate case under Section 4 of the Natural Gas Act.	Intervention and protest on grounds that Eastern Gas had not demonstrated its proposed rate increases were just and reasonable, the magnitude of the proposed rate increases compels a thorough examination of all elements of the filing, and several other specific proposals in the filing require additional examination before they can be found just and reasonable.

Date	Pipeline	Docket No.	Docket Description	Company Position
10/12/21 10/21/21	Transcontinental Gas Pipe Line Company, LLC	RP21-1143-000	On September 21, 2021, Transco filed a petition for issuance of a declaratory order granting authorization to charge market-based rates for natural gas storage services performed at its Washington Storage field.	Intervention. Request for summary rejection and protest on grounds that (1) the petition is inconsistent with shippers' right of first refusal under Transco's tariff and FERC regulations and with the settlement in Transco's most recent rate case, (2) Transco failed to meet its burden to demonstrate that it lacks market power, and (3) customers should be afforded the unilateral option to exercise their base gas repurchase rights and the proposal should be limited to new customers.
11/9/21	Transcontinental Gas Pipe Line Company, LLC	RP22-94-000	On October 28, 2021, Transco filed its annual penalty sharing report.	Intervention.
11/10/21	Columbia Gas Transmission, LLC	RP22-110-000	On October 28, 2021, Columbia Gas made its semiannual filing to adjust the operational transaction rate adjustment surcharge for the upcoming winter season.	Intervention.

Date	Pipeline	Docket No.	Docket Description	Company Position
11/10/21	Transcontinental Gas Pipe Line Company, LLC	RP22-137-000	On October 29, 2021, Transco filed revised tariff records to implement Zones 4 and 5 pooling changes described in the settlement agreement approved by FERC in Docket Nos. RP20-614-000 and RP20-618-000 on July 30, 2021.	Intervention.
11/12/21	Transcontinental Gas Pipe Line Company, LLC	RP22-84-000	On October 26, 2021, Transco filed revised tariff records to track rate changes attributable to storage services purchased from Eastern Gas and from National Fuel.	Intervention.
11/23/21	Transcontinental Gas Pipe Line Company, LLC	RP22-323-000	On November 15, 2021, Transco filed revised tariff records to track the fuel retention percentage attributable to storage service purchased from Eastern Gas.	Intervention.
1/11/22	Transcontinental Gas Pipe Line Company, LLC	RP22-441-000	On December 30, 2021, Transco made its annual true-up surcharge filing for quantities subject to cash-out.	Intervention.
1/11/22	Columbia Gas Transmission, LLC	RP22-449-000	On December 30, 2021, Columbia Gas filed its annual penalty revenue crediting report.	Intervention.
3/11/22	Columbia Gas Transmission, LLC	RP22-630-000	On March 1, 2022, Columbia Gas made its annual electric power cost adjustment filing.	Intervention.

Date	Pipeline	Docket No.	Docket Description	Company Position
3/11/22	Columbia Gas Transmission, LLC	RP22-631-000	On March 1, 2022, Columbia Gas made its annual transportation cost rate adjustment filing.	Intervention.
3/11/22	Columbia Gas Transmission, LLC	RP22-633-000	On March 1, 2022, Columbia Gas made its annual fuel retainage adjustment filing.	Intervention.
3/11/22	Transcontinental Gas Pipe Line Company, LLC	RP22-663-000	On March 1, 2022, Transco made its annual fuel tracker filing to update fuel retention percentages.	Intervention.

BEFORE THE

NORTH CAROLINA UTILITIES COMMISSION

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED

DOCKET NO. G-5, SUB 642

DIRECT TESTIMONY

OF

GLORY J. CREEL

JUNE 1, 2022

1 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, BY WHOM YOU
2 ARE EMPLOYED AND IN WHAT CAPACITY.

3 A. My name is Glory J. Creel. My business address is 800 Gaston Road, Gastonia,
4 North Carolina. I am employed by Dominion Energy Services, Inc. as Rates
5 and Regulatory Affairs Analyst III for Public Service Company of North
6 Carolina, Incorporated, d/b/a Dominion Energy North Carolina ("the
7 Company").

8 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND, WORK
9 EXPERIENCE, AND OTHER QUALIFICATIONS.

10 A. I graduated from Winthrop University in 2003 with a Bachelor of Science
11 degree in Accounting and in 2004 with a Master of Business Administration
12 with emphasis in Accounting. Following graduation, I worked as an accountant
13 with SCANA Corporation in the Cost of Gas department and as an analyst in
14 the Rates and Regulatory group. Over the years, I have held various positions
15 of increasing responsibility including corporate accounting and budgeting and
16 forecasting. In May 2019, I assumed my current position with the Company.

17 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
18 PROCEEDING?

19 A. The purpose of my testimony is to provide the data necessary to true-up the
20 Company's actual gas costs with the gas costs billed to our customers during
21 the 12-month review period ended March 31, 2022. Commission Rule
22 R1-17(k)(6) sets forth the filing requirements for the annual review of gas costs.
23 Subsection (c) requires the Company to file certain data showing actual gas

1 costs, volumes of gas purchased, and such other information as may be directed
2 by the Commission.

3 Q. HAVE YOU CAUSED TO BE PREPARED AND FILED THE DATA
4 REQUIRED BY COMMISSION RULE R1-17(k)(6)(c)?

5 A. Yes. The required information provided in Schedules 1 through 10 of Creel
6 Direct Exhibit 1 attached to my testimony was prepared under my supervision.

7 The following schedules were prepared in the prescribed format:

8 Schedule 1: Summary of Cost of Gas Expense

9 Schedule 2: Summary of Demand and Storage Charges

10 Schedule 3: Summary of Commodity Gas Cost

11 Schedule 4: Summary of Other Cost of Gas Charges (Credits)

12 Schedule 5: Summary of Demand and Storage Rate Changes

13 Schedule 6: Summary of Demand and Storage Capacity Level Changes

14 Schedule 7: Summary of Demand and Storage Costs Incurred Versus
15 Collected

16 Schedule 8: Summary of Deferred Account Activity - Sales Customers Only
17 Account

18 Schedule 9: Summary of Deferred Account Activity - All Customers
19 Account

20 Schedule 10: Summary of Gas Supply

21 In addition, Creel Direct Exhibit 2 sets forth the review period Hedging
22 Deferred Account Activity.

1 Q. DID THE COMPANY FOLLOW THE GAS COST ACCOUNTING
2 PROCEDURES PRESCRIBED BY RULE R1-17(k) FOR THE TWELVE
3 MONTHS ENDED MARCH 31, 2022?

4 A. Yes. The Company followed the gas cost accounting procedures in accordance
5 with Sections (4) and (5) of Rule R1-17(k).

6 Q. HAS THE COMPANY FILED MONTHLY AN ACCOUNTING OF GAS
7 COSTS AND DEFERRED ACCOUNT ACTIVITY WITH THE
8 COMMISSION AND THE PUBLIC STAFF?

9 A. Yes, the required filings were made.

10 Q. HAVE THERE BEEN ANY CHANGES DURING THE REVIEW PERIOD
11 THAT WOULD NECESSITATE ADJUSTMENTS TO THE INTEREST
12 RATE CALCULATION?

13 A. The Company has reviewed its interest rate calculations and does not
14 recommend an adjustment to the interest rate at this time.

15 Q. WHAT ACTIVITY OCCURRED IN THE SALES CUSTOMERS ONLY
16 DEFERRED ACCOUNT DURING THE TWELVE MONTHS ENDED
17 MARCH 31, 2022?

18 A. The activity in the Sales Customers Only deferred account is set forth below:

19	Under-Collection as of March 31, 2021	\$4,501,726
20	Commodity Cost Under-Collections	\$5,790,990
21	Hedging Deferred Account Balance as of March 31, 2021	(\$436,502)
22	Uncollectible Gas Cost	\$491,746
23	Miscellaneous Adjustments	(\$187,155)

22 A. Creel Direct Exhibit 2 reflects the cash transactions associated with the
23 Company's hedging program during the 12-month review period ended

1 March 31, 2022. As of the end of the review period, there was a credit (over-
2 collection) balance of (\$9,818,653) due to the sales customers in the Hedging
3 deferred account. When netted with the \$10,922,343 debit (under-collection)
4 balance in the Sales Customers Only deferred account, the total is \$1,103,690
5 due from sales customers.

6 Q. DOES THE COMPANY CURRENTLY HAVE ANY TEMPORARY RATE
7 INCREMENTS OR DECREMENTS RELATED TO ITS SALES
8 CUSTOMERS ONLY AND ALL CUSTOMERS DEFERRED ACCOUNTS?

9 A. Yes. Temporary increments applicable to the All Customers deferred account
10 took effect December 1, 2021.

11 Q. DOES THE COMPANY PROPOSE NEW TEMPORARY RATE
12 INCREMENTS OR DECREMENTS?

13 A. The Company is not proposing new temporary rate increments or decrements
14 at this time. The Company proposes to leave the current temporary increments
15 applicable to the All Customers deferred account in place and monitor the
16 balance in the account to determine when or if changes are required.

17 Q. IN DOCKET NO. G-5, SUB 442, THE COMMISSION STATED THAT IN
18 FUTURE GAS COST PRUDENCE REVIEWS THE COMPANY SHOULD
19 DISCUSS ANY SIGNIFICANT ACCOUNTING CHANGES THAT
20 OCCURRED DURING THE REVIEW PERIOD. WERE THERE ANY
21 SUCH CHANGES DURING THIS REVIEW PERIOD?

22 A. The Company did not make any significant accounting changes during the
23 review period.

- 1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 2 A. Yes, it does.

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Annual Review of Gas Costs
For the Twelve Months Ended March 31, 2022
Filing Requirements

Creel Direct Exhibit 1

Sch. 1	Summary of Cost of Gas Expense
Sch. 2	Summary of Demand and Storage Costs
Sch. 3	Summary of Commodity Gas Costs
Sch. 4	Summary of Other Cost of Gas Charges (Credits)
Sch. 5	Summary of Demand and Storage Rate Changes
Sch. 6	Summary of Demand and Storage Capacity Level Changes
Sch. 7	Summary of Demand and Storage Costs Incurred Versus Collected
Sch. 8	Summary of Deferred Account Activity-Sales Customers Only Account
Sch. 9	Summary of Deferred Account Activity- All Customers Account
Sch. 10	Summary of Gas Supply

Creel Direct Exhibit 2

Hedging Deferred Account Activity

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Cost of Gas Expense
For the Twelve Months Ended March 31, 2022
Schedule 1

	Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
	Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
	Item													
1	Demand & Storage Costs Expensed (Sch 2)	\$11,348,155	\$9,168,200	\$9,409,770	\$9,171,981	\$9,408,867	\$9,396,944	\$9,161,282	\$9,621,764	\$9,914,969	\$10,088,564	\$10,087,366	\$9,322,041	\$116,099,905
2	Commodity Costs Expensed (Sch 3)	\$15,118,449	\$8,634,369	\$5,924,233	\$4,752,315	\$5,449,719	\$6,208,016	\$7,798,526	\$12,916,722	\$37,040,244	\$29,551,489	\$51,499,391	\$40,440,396	\$225,333,870
3	Other Gas Costs Expensed (Sch 4)	(\$15,224,922)	(\$7,973,992)	(\$15,292,841)	(\$6,910,920)	(\$8,616,900)	(\$9,217,129)	(\$7,968,730)	\$28,264,803	(\$4,200,179)	\$60,921,839	(\$3,461,976)	(\$49,329,803)	(\$39,010,750)
4	Total Cost of Gas Expensed	\$11,241,682	\$9,828,577	\$41,163	\$7,013,376	\$6,241,687	\$6,387,831	\$8,991,079	\$50,803,289	\$42,755,034	\$100,561,892	\$58,124,782	\$432,634	\$302,423,025

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Demand and Storage Charges
For the Twelve Months Ended March 31, 2022
Schedule 2

	Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
	Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
	DEMAND & STORAGE COSTS:													
1	Transco FT Reservation - 1002264	31,681	30,612	31,633	30,612	31,633	31,633	30,612	31,633	30,612	31,633	31,633	28,571	372,498
2	Transco FT Reservation - 1003703	2,297,018	2,219,517	2,293,501	2,219,517	2,293,501	2,293,501	2,219,517	2,293,501	2,219,517	2,293,501	2,293,501	2,071,549	27,007,644
3	Transco FT Reservation - 1004996										110,289	110,289	99,616	320,194
4	Transco FT Reservation - 1006505	23,717	22,915	23,678	22,915	23,678	23,678	22,915	23,678	22,915	23,678	23,678	21,387	278,833
5	Transco Southern Expansion - 1004190	418,908								404,864	464,843	464,843	419,859	2,173,317
6	Transco FT Momentum - 9103562	169,105	163,260	168,702	163,260	168,702	168,702	163,260	168,702	163,260	168,702	168,702	152,376	1,986,733
7	Transco FT Reservation - 9130053	163,074	157,554	162,806	157,554	162,806	162,806	157,554	162,806	157,554	162,806	162,806	147,051	1,917,179
8	Transco FT Reservation - 1012381/1012387	20,544	19,856	20,518	19,856	20,518	20,518	19,856	20,518	19,856	20,518	20,518	18,533	241,612
9	Transco Southeast Expansion - 1012028	528,141	510,435	527,449	510,435	527,449	527,449	510,435	527,449	510,435	527,449	527,449	476,406	6,210,980
10	Transco Southeast Trail Project - 9223476	1,201,151	1,161,234	1,199,942	1,161,234	1,199,942	1,199,942	1,161,234	1,199,942	1,161,234	1,199,942	1,199,942	1,083,818	14,129,556
11	Transco FT Reservation - 9178381	1,720,965	1,663,470	1,718,919	1,663,470	1,718,919	1,718,919	1,663,470	1,718,919	1,663,470	1,718,919	1,718,919	1,552,572	20,240,931
12	Eastern Gas Transmission	323,415	199,573	199,573	199,573	199,573	199,573	199,573	199,573	322,004	322,004	322,004	322,004	3,008,443
13	Texas Eastern FT Reservation	46,944	46,944	46,944	46,944	46,944	46,944	46,944	46,944	46,944	46,944	46,944	46,944	563,328
14	Texas Gas Transmission FT Reservation	46,447	44,949	46,447	44,949	46,447	46,447	44,949	46,447	44,949	46,447	46,447	41,952	546,880
15	East Tennessee Patriot Expansion (Enbridge)	545,150	545,150	545,150	545,150	545,150	417,500	417,500	417,500	417,500	417,500	417,500	417,500	5,648,250
16	Columbia Gas Transmission FT Reservation	445,327	223,735	224,866	224,866	224,866	224,866	224,866	449,744	449,744	334,728	334,728	334,728	3,697,063
17	Cove Point LNG FTS Reservation	14,078	14,078	14,078	14,078	14,078	14,078	14,078	14,078	14,078	14,078	14,078	14,078	168,930
18	Cardinal	473,705	458,560	473,845	458,560	473,845	473,845	458,560	473,845	458,560	473,845	473,845	427,989	5,579,002
19	City of Monroe	2,939	2,882	3,375	2,272	2,473	2,575	3,598	2,516	5,604	2,951	1,753	2,131	35,067
20	Piedmont Redelivery Agreement	760	760	760	760	760	760	760	760	760	760	760	760	9,120
21	Firm Backhaul Capacity on Transco	148,800												148,800
22	GSS Demand and Capacity	144,547	139,814	144,475	139,814	144,475	144,475	139,814	144,475	139,705	144,361	144,361	130,391	1,700,706
23	WSS Demand and Capacity	56,875	55,040	56,875	55,040	56,875	56,875	55,040	56,875	55,040	56,875	56,875	51,371	669,655
24	LGA Demand and Capacity	32,496	31,448	32,496	31,448	32,496	32,496	31,448	32,496	31,448	32,496	32,496	29,351	382,611
25	ESS Demand and Capacity	93,563	90,545	93,563	90,545	93,563	93,563	90,545	93,563	90,545	93,563	93,563	84,508	1,101,625
26	Eminence Demand and Capacity	95,118	92,050	95,118	92,050	95,118	95,118	92,050	95,118	92,050	95,118	95,118	85,913	1,119,937
27	Columbia Demand and Capacity	345,506	345,506	345,506	345,506	345,506	345,506	345,506	345,506	345,506	229,819	229,819	229,819	3,799,007
28	Cove Point LNG FPS Reservation	82,378	82,378	82,378	82,378	82,378	82,378	82,378	82,378	82,378	82,378	82,378	82,378	988,530
29	DTI-GSS Demand and Capacity	173,203	173,203	173,203	173,203	173,203	173,203	173,203	173,203	172,821	172,821	172,821	172,821	2,076,910
30	Pine Needle	243,910	236,042	247,279	239,303	247,279	247,279	239,303	247,279	239,303	247,279	247,279	223,349	2,904,884
31	Saltville Demand and Capacity	286,692	286,692	286,692	286,692	286,692	286,692	286,692	286,692	286,692	286,692	286,692	286,692	3,440,304
32	Tioga LNG FT Reservation	1,172,000	150,000	150,000	150,000	150,000	265,625	265,625	265,625	265,625	265,625	265,625	265,625	3,631,375
33	TOTAL DEMAND & STORAGE COSTS EXPENSED	\$11,348,155	\$9,168,200	\$9,409,770	\$9,171,981	\$9,408,867	\$9,396,944	\$9,161,282	\$9,621,764	\$9,914,969	\$10,088,564	\$10,087,366	\$9,322,041	\$116,099,905

Jun 01 2022

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Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Commodity Gas Cost
For the Twelve Months Ended March 31, 2022
Schedule 3

Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
COMMODITY COSTS INCURRED													
Contract # 64	0	0	143,125	0	0	0	0	0	727,625	186,625	1,676,125	1,250,000	3,983,500
Contract # 114	25,320	0	0	0	0	0	0	0	0	0	0	0	25,320
Contract # 46	2,815,921	815,821	537,319	943,257	1,176,928	1,327,425	1,544,029	2,095,688	4,398,369	4,118,552	2,799,355	4,235,689	26,808,351
Contract # 74	1,007,834	38,588	100,550	0	0	0	0	0	1,741,675	2,647,250	2,878,355	1,944,650	10,358,902
Contract # 1	2,162,518	3,965,600	3,740,902	3,417,816	4,744,582	5,005,260	5,744,132	7,323,891	4,238,428	5,234,792	5,980,566	6,513,417	58,071,904
Contract # 111	1,211,952	2,136,505	2,260,828	2,040,875	2,452,438	3,908,255	655,875	5,785,900	4,300,912	2,150,878	3,719,973	2,657,270	33,281,660
Contract # 130	0	0	0	0	0	0	0	0	696,388	352,713	1,644,413	1,112,740	3,806,253
Contract # 86	890,475	0	0	0	0	0	0	0	0	0	0	0	890,475
Contract # 125	890,475	0	0	0	0	0	0	0	0	0	0	0	890,475
Contract # 129	0	0	0	0	0	0	0	0	6,299,923	3,535,792	4,783,153	4,953,999	19,572,867
Contract # 128	0	0	0	0	0	0	47,200	0	0	0	0	0	47,200
Contract # 34	934,375	1,760,193	590,175	323,063	0	479,485	1,304,000	3,242,568	4,165,621	809,113	3,839,967	3,815,200	21,263,758
Contract # 78	0	0	0	215,900	0	82,441	0	0	0	0	0	0	298,341
Contract # T26	143	64	35	44	60	34	39	137	781	496	635	829	3,298
Contract # 123	147,400	0	867,513	1,523,616	1,364,808	122,813	2,306,306	1,062,729	813,308	639,756	2,038,203	680,153	11,566,604
Contract # 49	1,384,475	0	0	0	0	0	0	0	1,151,363	246,200	3,033,788	640,800	6,456,625
Contract # 9	341,120	1,568,575	271,238	0	0	0	0	0	0	0	500,675	0	2,681,608
Contract # 124	0	0	0	0	0	0	1,492,900	0	0	0	0	0	1,492,900
Contract # 121	0	0	0	0	0	0	0	0	0	0	0	1,333,210	1,333,210
Contract # 54	2,491,150	0	0	0	0	0	0	0	7,367,925	4,171,925	6,780,800	5,484,488	26,296,287
Contract # 127	0	0	0	0	0	0	0	0	0	0	193,658	131,330	324,987
Contract # 126	0	24,505	28,563	28,268	35,323	39,305	40,995	55,160	0	0	0	0	252,119
Contract # 131	0	0	0	0	0	0	0	0	98,300	1,375,225	4,741,360	3,077,551	9,292,436
Transco Cash Out	0	0	0	0	0	0	0	0	(1,620)	0	(2,363)	(2,999)	(6,982)
Monroe Cash Out	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation Pooling Cash Out	78,241	(19,209)	78,082	(28,738)	(14,132)	(184,659)	(213,379)	(156,958)	(261,028)	246,756	301,622	(385,953)	(559,356)
Miscellaneous Charges (a)	0	0	0	0	6,902	0	0	0	0	13,780	12,379	0	33,062
Secondary Market Transactions:													
Contract # 46	0	(378,375)	(172,800)	(767,000)	(902,500)	(565,600)	(1,268,025)	(232,800)	0	0	0	0	(4,287,100)
Contract # 129	0	0	0	0	0	0	0	0	0	0	(858,900)	(58,050)	(916,950)
Contract # 54	0	0	0	0	0	0	0	0	0	0	0	(176,850)	(176,850)
Bundled Sales	0	0	0	0	0	0	0	0	(1,897,609)	0	0	0	(1,897,609)
Facilities Damages	0	(14,291)	(1,835)	(6,287)	(14,538)	(10,000)	(6,639)	11,634	(29,660)	(3,591)	(17,119)	(9,551)	(101,878)
Reservation Fees	206,932	72,561	74,980	72,561	74,980	74,980	72,561	74,980	474,325	490,135	490,135	442,703	2,621,832
Pipeline Transportation Charges	175,866	160,004	101,044	80,923	78,945	85,133	84,443	103,269	169,287	179,255	362,176	230,143	1,810,488
Withdrawal/Injection Fees	52,060	142,180	138,689	44,694	42,200	42,534	38,522	58,099	66,423	52,765	120,018	59,529	857,713
TOTAL COMMODITY COSTS INCURRED	14,816,257	10,272,720	8,758,406	7,888,993	9,045,995	10,407,405	11,842,957	19,424,296	34,520,732	26,448,417	45,018,972	37,930,298	236,375,449

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Commodity Gas Cost
For the Twelve Months Ended March 31, 2022
Schedule 3

Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
STORAGE INJECTIONS													
Columbia Storage	0	(686,326)	(727,242)	(794,848)	(950,956)	(1,047,293)	(1,216,196)	(1,532,556)	0	0	0	0	(6,955,416)
Cove Point LNG	0	(16,764)	(18,356)	(19,415)	(24,002)	(26,434)	(29,709)	(38,275)	0	0	0	0	(172,955)
DTI GSS	0	(689,659)	(730,706)	(798,776)	(955,485)	(1,052,282)	(1,222,294)	(1,540,112)	0	0	0	0	(6,989,314)
Transco Eminence	(311,400)	(89,421)	(100,080)	(99,416)	(65,766)	(38,036)	(126,176)	(251,413)	(426,936)	(455,908)	(328,500)	(173,708)	(2,466,759)
Transco ESS	(233,451)	(67,198)	0	(33,188)	0	(126,749)	(294,935)	(549,227)	(174,108)	(35,088)	(198,938)	(163,326)	(1,876,209)
Transco GSS	(377,209)	(317,420)	(576,195)	(753,839)	(826,297)	(897,138)	(317,352)	(221,285)	(265,543)	(308,631)	(432,988)	(264,952)	(5,558,848)
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	(13,719)	(269,813)	(323,563)	(15,267)	(15,258)	(15,078)	(14,744)	(14,301)	(20,586)	0	(38,000)	(13,081)	(753,408)
Pine Needle	(236,066)	(335,920)	(184,567)	(14,409)	(17,239)	(35,901)	0	(361,157)	(55,740)	(70,976)	(219,736)	(191,101)	(1,722,811)
Saltville	(209,495)	(249,935)	0	0	0	0	0	(1,642,764)	(299,951)	(373,019)	(952,031)	(896,744)	(4,623,939)
Transco WSS	(174,303)	(141,952)	(335,450)	(729,860)	(864,060)	(1,040,187)	(1,037,334)	(778,340)	(445,133)	(318,021)	(277,228)	(138,448)	(6,280,316)
TOTAL STORAGE INJECTIONS	(1,555,643)	(2,864,409)	(2,996,158)	(3,259,018)	(3,719,062)	(4,279,098)	(4,258,740)	(6,929,430)	(1,687,996)	(1,561,642)	(2,447,420)	(1,841,361)	(37,399,976)
STORAGE WITHDRAWALS													
Columbia Storage	592,289	0	0	0	0	0	0	0	729,991	325,464	2,410,750	867,559	4,926,052
Cove Point LNG	0	0	0	0	0	0	0	0	0	0	101,700	0	101,700
DTI GSS	462,819	0	0	0	0	0	0	0	481,134	1,196,051	2,207,869	313,200	4,661,072
Transco Eminence	115,981	315,616	0	21,597	36,719	0	0	163,870	195,370	605,380	619,613	386,216	2,460,361
Transco ESS	164,670	0	0	22,652	0	0	124,897	175,747	13,735	53,411	321,657	160,616	1,037,385
Transco GSS	176,000	306,240	77,282	2	0	0	15,764	360	1,077,470	780,367	771,684	512,642	3,717,813
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	110,337	36,613	32,866	78,089	86,068	79,709	73,648	81,878	80,787	105,507	339,600	89,636	1,194,736
Pine Needle	0	93,783	0	0	0	0	0	0	304,650	20,442	305,627	43,196	767,697
Saltville	0	184,800	0	0	0	0	0	0	651,736	968,300	903,000	862,000	3,569,836
Transco WSS	235,740	289,007	51,838	0	0	0	0	0	672,636	609,792	946,339	1,116,395	3,921,745
TOTAL STORAGE WITHDRAWALS	1,857,835	1,226,058	161,986	122,340	122,787	79,709	214,309	421,856	4,207,508	4,664,714	8,927,839	4,351,458	26,358,398
TOTAL COMMODITY COSTS EXPENSED	\$15,118,449	\$8,634,369	\$5,924,233	\$4,752,315	\$5,449,719	\$6,208,016	\$7,798,526	\$12,916,722	\$37,040,244	\$29,551,489	\$51,499,391	\$40,440,396	\$225,333,870

(a) W Va & Mississippi property taxes

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Other Cost of Gas Charges (Credits)
For the Twelve Months Ended March 31, 2022
Schedule 4

	Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
	Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
	Item													
1	Unbilled Deliveries													
	Deferred Account Activity:													
2	Sales Customers Only	(235,578)	(319,714)	(1,328,481)	(1,813,638)	(1,243,156)	(4,030,324)	(2,541,681)	(9,352,188)	6,538,600	10,843,383	3,266,391	(5,387,449)	(5,603,836)
3	All-Customers	(5,606,440)	(6,854,328)	(9,699,633)	(7,796,603)	(7,701,656)	(6,832,248)	(6,792,812)	721,957	1,635,859	11,283,959	5,524,754	(7,409,873)	(39,527,063)
4	Miscellaneous charges (a)	(577,849)	1,448,857	(2,927,896)	947,854	521,421	223,710	(4,361,755)	12,294,998	(4,425,872)	17,098,539	(1,089,060)	(21,480,296)	(2,327,349)
	Demand and Storage Costs:													
5	Reverse prior month estimate	(11,347,395)	(9,168,082)	(9,409,712)	(9,171,981)	(9,408,775)	(9,396,735)	(9,160,059)	(9,621,764)	(9,912,035)	(10,087,440)	(10,085,613)	(9,319,910)	(116,089,501)
6	Current month estimate	9,168,082	9,409,712	9,171,981	9,408,775	9,396,735	9,160,059	9,621,764	9,912,035	10,087,440	10,085,613	9,319,910	9,928,840	114,670,947
	Commodity Costs:													
7	Reverse prior month estimate	(15,077,923)	(8,452,181)	(5,961,743)	(4,862,644)	(6,377,317)	(6,195,848)	(7,854,257)	(13,120,072)	(37,429,837)	(29,305,665)	(51,003,449)	(40,605,091)	(226,246,028)
8	Current month estimate	8,452,181	5,961,743	4,862,644	6,377,317	6,195,848	7,854,257	13,120,072	37,429,837	29,305,665	51,003,449	40,605,091	24,943,976	236,112,080
9	TOTAL OTHER COST OF GAS	(\$15,224,922)	(\$7,973,992)	(\$15,292,841)	(\$6,910,920)	(\$8,616,900)	(\$9,217,129)	(\$7,968,730)	\$28,264,803	(\$4,200,179)	\$60,921,839	(\$3,461,976)	(\$49,329,803)	(\$39,010,750)

(a) Miscellaneous charges:

IMT Deferral	(223,009)	(216,867)	(917,542)	(393,885)	(460,286)	(474,842)	(843,311)	22,564	69,638	0	0	602,185	(2,835,353)
CUT Deferral	(1,405,709)	862,702	(2,134,767)	826,358	508,051	177,725	(4,107,313)	10,226,692	(6,388,593)	13,279,041	(3,780,861)	(22,856,459)	(14,793,134)
CUT Increment/(Decrement)	1,075,673	814,570	130,926	521,807	480,091	528,942	614,543	2,084,691	1,960,025	3,899,227	2,771,443	836,796	15,718,734
High Efficiency Discount Rate	(24,804)	(11,549)	(6,513)	(6,426)	(6,435)	(8,116)	(25,674)	(38,949)	(66,942)	(79,729)	(79,643)	(62,818)	(417,596)
	(\$577,849)	\$1,448,857	(\$2,927,896)	\$947,854	\$521,421	\$223,710	(\$4,361,755)	\$12,294,998	(\$4,425,872)	\$17,098,539	(\$1,089,060)	(\$21,480,296)	(\$2,327,349)

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Demand and Storage Rate Changes
For the Twelve Months Ended March 31, 2022
Schedule 5

Effective Date of Change	FERC Docket Number(s)	Description of Service	New Rate	Old Rate	Increase / (Decrease)	North Carolina Utilities Commission Effective Date	Docket Number	Order Date
04/01/21	RP21-00565-000	Columbia Gas Transmission SST Demand Chg	\$12.66400	\$12.60300	\$0.06100			
05/01/21	RP21-00687-000	Columbia Gas Transmission SST Demand Chg	\$12.72800	\$12.66400	\$0.06400			
12/01/21	RP22-00339-000	Columbia Gas Transmission SST Demand Chg	\$9.47300	\$12.72800	(\$3.25500)			
12/01/21	RP20-01060-007	Columbia Gas Transmission FSS - Reservation Charge	\$2.48100	\$3.73000	(\$1.24900)			
12/01/21		Columbia Gas Transmission FSS - Capacity Charge	\$0.04470	\$0.06720	(\$0.02250)			
08/01/21	RP20-00980-005	East Tennessee Natural Gas FT-A Patriot	\$8.35000	\$10.90300	(\$2.55300)			
11/01/21	RP21-1160-000	Eastern Gas Transmission FTNN	\$4.15530	\$4.17410	(\$0.01880)			
11/01/21		Eastern Gas Transmission GSS Demand	\$1.86550	\$1.87160	(\$0.00610)			
05/01/21	RP21-00681-000	Pine Needle LNG-1 Demand Charge	\$0.07707	\$0.07602	\$0.00105			
04/01/21	RP21-579-000	Transco FT Reservation Charge - Zone 1 to Zone 5	\$0.48232	\$0.48308	(\$0.00076)			
04/01/21		Transco FT Reservation Charge - Zone 2 to Zone 5	\$0.46885	\$0.46959	(\$0.00074)			
04/01/21		Transco FT Reservation Charge - Zone 3 to Zone 5	\$0.43362	\$0.43427	(\$0.00065)			
04/01/21		Transco FT Reservation Charge - Zone 4 to Zone 5	\$0.38126	\$0.38176	(\$0.00050)			
04/01/21		Transco FT Reservation Charge - Zone 2 to Zone 6	\$0.54595	\$0.54685	(\$0.00090)			
04/01/21		Transco FT Reservation Charge - Zone 3 to Zone 6	\$0.51072	\$0.51153	(\$0.00081)			
04/01/21		Transco FT Reservation Charge - Zone 6 to Zone 6	\$0.12790	\$0.12806	(\$0.00016)			
04/01/21		Transco FT - Zone 1 to Zone 5 Former PS Rate Schedule	\$0.87487	\$0.87626	(\$0.00139)			
04/01/21		Transco FT - Zone 2 to Zone 5 Former PS Rate Schedule	\$0.85082	\$0.85217	(\$0.00135)			
04/01/21		Transco FT - Zone 3 to Zone 5 Former PS Rate Schedule	\$0.78792	\$0.78911	(\$0.00119)			
04/01/21		Transco FT - Zone 3 to Zone 5 Electric Power Unit Rate	\$0.00413	\$0.00478	(\$0.00065)			
04/01/21		Transco FT - Zone 4 to Zone 6 Electric Power Unit Rate	\$0.00449	\$0.00515	(\$0.00066)			
04/01/21		Transco FT - Zone 3 to Zone 5 Momentum Expansion	\$0.27210	\$0.27275	(\$0.00065)			
04/01/21		Transco FT - Zone 5 to Zone 3 Southeastern Trail Project	\$0.00413	\$0.00478	(\$0.00065)			
04/01/21		Transco GSS Demand	\$0.10548	\$0.10555	(\$0.00007)			
11/01/21	RP22-00323-000	Transco GSS Demand	\$0.10537	\$0.10548	(\$0.00011)			
		Cardinal Pipeline Zone 1B Reservation Charge	\$0.03932	\$0.03930	\$0.00002	04/01/21	G-39, Sub 45	03/30/21
		Cardinal Pipeline Zone 2 Reservation Charge	\$0.08102	\$0.08100	\$0.00002			

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Demand and Storage Capacity Level Changes
For the Twelve Months Ended March 31, 2022
Schedule 6

Effective Date of Change	Description of Service	New Daily Demand Level	Previous Daily Demand Level	Increase(Decrease) Daily Demand Level	North Carolina Utilities Commission Effective Date	Docket Number	Action Order Date
11/01/21	Transco Firm Transportation Zone 5 to Zone 5	21,000	0	21,000		N/A	
04/01/21	Transco Firm Transportation Zone 5 to Zone 5	34,000	0	34,000		N/A	
11/01/20	Transco Firm Transportation Zone 5 to Zone 5	0	10,000	(10,000)		N/A	
11/01/20	Transco Firm Transportation Zone 5 to Zone 5	0	10,000	(10,000)		N/A	
04/01/20	Transco Firm Transportation Zone 5 to Zone 5	0	20,000	(20,000)		N/A	
11/01/20	Transco Southeastern Trail FT Zone 5 to Zone 3	55,400	0	55,400		N/A	
1/1/2021	Transco Southeastern Trail FT Zone 5 to Zone 3	4,600	0	4,600		N/A	
11/01/20	Transco Southeastern Trail FT Zone 5 to Zone 3	0	(55,400)	(55,400)		N/A	
1/1/2021	Transco Southeastern Trail FT Zone 5 to Zone 3	0	(4,600)	(4,600)		N/A	

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Demand and Storage Costs
Incurred versus Collected
For the Twelve Months Ended March 31, 2022
Schedule 7

	Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
	Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
	Item													
1	Demand & Storage Costs Expensed	\$11,348,155	\$9,168,200	\$9,409,770	\$9,171,981	\$9,408,867	\$9,396,944	\$9,161,282	\$9,621,764	\$9,914,969	\$10,088,564	\$10,087,366	\$9,322,041	\$116,099,905
2	Prior Month True Up	(2,179,313)	241,631	(237,731)	236,795	(12,041)	(236,676)	461,704	290,271	175,405	(1,827)	(765,703)	608,930	(\$1,418,555)
3	Current Month True Up													
4	Demand & Storage Costs Incurred	9,168,842	9,409,831	9,172,039	9,408,775	9,396,827	9,160,269	9,622,987	9,912,035	10,090,374	10,086,738	9,321,663	9,930,971	114,681,350
5	Demand & Storage Costs Billed	3,569,982	2,551,015	1,000,205	1,899,877	1,795,553	1,912,422	3,414,907	10,471,731	9,848,262	17,975,072	12,737,711	4,705,192	71,881,927
6	Incurred (Over) Under Collected	\$5,598,860	\$6,858,816	\$8,171,834	\$7,508,899	\$7,601,274	\$7,247,847	\$6,208,079	(\$559,696)	\$242,112	(\$7,888,334)	(\$3,416,048)	\$5,225,780	\$42,799,423

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Deferred Account Activity
Sales Customers Only Account
For the Twelve Months Ended March 31, 2022
Schedule 8

Month	Beginning Balance	Commodity Cost (Over) Under Collections	Uncollectible Gas Cost	Hedging Activity	(Increment)/ Decrement	Rounding & Miscellaneous Adjustments	Interest	Ending Balance
Apr-21	\$4,501,726	\$235,578	\$30,461			\$0	\$26,882	\$4,794,646
May-21	\$4,794,646	\$319,714	\$38,870			\$0	\$28,849	\$5,182,079
Jun-21	\$5,182,079	\$1,328,481	\$51,220			\$0	\$34,057	\$6,595,838
Jul-21	\$6,595,838	\$1,817,568	\$34,191			(\$3,930)	\$43,615	\$8,487,281
Aug-21	\$8,487,281	\$1,243,156	\$26,256			\$0	\$52,908	\$9,809,601
Sep-21	\$9,809,601	\$4,030,324	\$28,483			\$0	\$68,666	\$13,937,074
Oct-21	\$13,937,074	\$2,541,681	\$10,919			\$0	\$88,238	\$16,577,912
Nov-21	\$16,577,912	\$9,352,188	\$8,351			\$0	\$123,297	\$26,061,748
Dec-21	\$26,061,748	(\$6,538,600)	\$16,882			\$0	\$132,245	\$19,672,276
Jan-22	\$19,672,276	(\$10,693,889)	\$135,271			(\$149,494)	\$78,464	\$9,042,628
Feb-22	\$9,042,628	(\$3,232,661)	\$66,906	(\$436,502)		(\$33,731)	\$39,591	\$5,446,232
Mar-22	\$5,446,232	\$5,387,449	\$43,935			\$0	\$44,727	\$10,922,343
Total		\$5,790,990	\$491,746	(\$436,502)	\$0	(\$187,155)	\$761,538	

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Deferred Account Activity
All Customers Account
For the Twelve Months Ended March 31, 2022
Schedule 9

Month	Beginning Balance	Commodity Cost (Over) Under Collections	Demand Cost (Over) Under Collections	(Increment)/ Decrement	Miscellaneous Adjustments	Secondary Market Transactions	Supplier Refunds	Interest	Ending Balance
Apr-21	\$8,065,604	7,481	5,598,860	0	100	(1,650,246)	0	58,253	\$12,080,051
May-21	12,080,051	(4,481)	6,858,816	0	(8)	(1,542,870)	0	85,468	\$17,476,977
Jun-21	17,476,977	1,527,799	8,171,834	0	0	(1,688,032)	0	124,600	\$25,613,178
Jul-21	25,613,178	289,893	7,508,899	0	(2,189)	(1,710,574)	0	166,206	\$31,865,413
Aug-21	31,865,413	100,382	7,601,274	0	0	(1,728,525)	0	202,141	\$38,040,686
Sep-21	38,040,686	(415,598)	7,247,847	0	0	(1,740,181)	0	235,403	\$43,368,156
Oct-21	43,368,156	584,733	6,208,079	0	0	(1,730,175)	0	266,217	\$48,697,011
Nov-21	48,697,011	(162,261)	(559,696)	0	0	(1,637,486)	(221,291)	274,959	\$46,391,235
Dec-21	46,391,235	451,701	242,112	(2,329,673)	0	(2,040,407)	(921,801)	255,735	\$42,048,902
Jan-22	42,048,902	494,443	(7,888,334)	(3,502,218)	(387,850)	(2,081,998)	(358)	193,804	\$28,876,392
Feb-22	28,876,392	456,855	(3,416,048)	(2,501,591)	(63,970)	(2,138,732)	(676)	137,243	\$21,349,472
Mar-22	21,349,472	3,105,162	5,225,780	(921,069)	0	(2,123,572)	(43)	131,479	\$26,767,209
Total		\$6,436,109	\$42,799,423	(\$9,254,551)	(\$453,917)	(\$21,812,797)	(\$1,144,170)	\$2,131,508	

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Gas Supply
For the Twelve Months Ended March 31, 2022
Schedule 10

Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
SOURCES OF SUPPLY AT CITY GATE													
Contract # 64	0	0	50,000	0	0	0	0	0	140,000	50,000	370,000	250,000	860,000
Contract # 114	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000
Contract # 46	1,090,611	455,130	470,301	455,130	470,301	470,301	455,130	468,572	765,130	820,301	790,301	704,788	7,415,996
Contract # 74	352,060	15,000	35,000	0	0	0	0	0	350,000	555,000	644,986	440,000	2,392,046
Contract # 1	759,543	1,696,157	1,411,896	1,261,986	1,433,504	1,374,661	1,420,154	1,365,705	718,591	950,119	1,457,748	1,015,735	14,865,799
Contract # 111	485,261	836,000	788,500	672,500	665,000	967,500	150,000	1,010,000	724,088	427,261	920,061	461,868	8,108,039
Contract # 130	0	0	0	0	0	0	0	0	140,000	90,000	370,000	224,600	824,600
Contract # 86	310,000	0	0	0	0	0	0	0	0	0	0	0	310,000
Contract # 125	310,000	0	0	0	0	0	0	0	0	0	0	0	310,000
Contract # 129	0	0	0	0	0	0	0	0	1,165,000	770,000	1,080,000	956,000	3,971,000
Contract # 128	0	0	0	0	0	0	10,000	0	0	0	0	0	10,000
Contract # 34	360,000	688,000	205,000	105,000	0	118,000	250,000	594,000	756,711	207,016	882,939	754,000	4,920,666
Contract # 78	0	0	0	67,500	0	20,632	0	0	0	0	0	0	88,132
Contract # T26	6	(0)	(1)	4	6	2	3	7	79	46	177	129	458
Contract # 123	60,000	0	304,975	481,392	356,650	30,000	493,957	202,851	158,200	164,200	464,000	136,700	2,852,925
Contract # 49	535,000	0	0	0	0	0	0	0	225,000	65,000	683,000	120,000	1,628,000
Contract # 9	129,000	610,000	94,987	0	0	0	0	0	0	0	57,000	0	890,987
Contract # 124	0	0	0	0	0	0	300,000	0	0	0	0	0	300,000
Contract # 121	0	0	0	0	0	0	0	0	0	0	0	240,000	240,000
Contract # 54	970,000	0	0	0	0	0	0	0	1,460,000	1,085,000	1,550,000	1,170,000	6,235,000
Contract # 127	0	0	0	0	0	0	0	0	0	0	84,000	56,000	140,000
Contract # 126	0	7,020	7,254	7,020	7,254	7,254	7,020	7,178	0	0	0	0	50,000
Contract # 131	0	0	0	0	0	0	0	0	20,000	355,000	1,136,700	641,300	2,153,000
Transco Cash Out	0	0	0	0	0	0	0	0	(297)	0	(645)	(392)	(1,334)
Transportation Pooling Cash Out	24,409	(6,729)	29,722	(7,235)	(2,286)	(43,960)	(41,477)	(15,076)	(35,440)	89,056	96,680	(57,568)	30,096
Secondary Market Transactions													0
Contract # 46	0	(150,000)	(60,000)	(260,000)	(250,000)	(140,000)	(290,000)	(40,000)	0	0	0	0	(1,190,000)
Contract # 129	0	0	0	0	0	0	0	0	0	0	(210,000)	(15,000)	(225,000)
Contract # 54	0	0	0	0	0	0	0	0	0	0	0	(45,000)	(45,000)
Bundled Sales	0	0	0	0	0	0	0	0	(304,470)	0	0	0	(304,470)
Facilities Damages	0	(5,716)	(734)	(2,515)	(5,815)	(4,000)	(2,656)	5,220	(4,469)	(756)	(3,604)	(2,011)	(27,056)
Subtotal	5,395,890	4,144,861	3,336,900	2,780,782	2,674,614	2,800,390	2,752,131	3,598,457	6,278,123	5,627,243	10,373,343	7,051,149	56,813,884
Supplier Fuel Use	(95,922)	(84,201)	(66,247)	(57,425)	(52,181)	(55,170)	(52,438)	(71,006)	(101,540)	(100,498)	(193,897)	(126,269)	(1,056,794)
TOTAL SUPPLY TO CITY GATE	5,299,968	4,060,660	3,270,653	2,723,357	2,622,433	2,745,220	2,699,693	3,527,451	6,176,583	5,526,745	10,179,446	6,924,880	55,757,090

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Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Summary of Gas Supply
For the Twelve Months Ended March 31, 2022
Schedule 10

Gas Flow Month	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	
Reporting Month	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
STORAGE INJECTIONS													
Columbia Storage	0	(281,175)	(281,171)	(281,166)	(281,171)	(281,171)	(281,145)	(281,179)	0	0	0	0	(1,968,178)
Cove Point LNG	0	(7,020)	(7,254)	(7,020)	(7,254)	(7,254)	(7,020)	(7,178)	0	0	0	0	(50,000)
DTI GSS	0	(283,170)	(283,140)	(283,183)	(283,140)	(283,140)	(283,183)	(283,195)	0	0	0	0	(1,982,151)
Transco Eminence	(116,835)	(37,446)	(39,551)	(35,946)	(19,876)	(10,438)	(29,814)	(47,149)	(79,275)	(99,724)	(77,365)	(32,928)	(626,347)
Transco ESS	(87,589)	(28,140)	0	(12,000)	0	(34,783)	(69,690)	(103,000)	(32,329)	(7,675)	(46,852)	(30,960)	(453,018)
Transco GSS	(137,456)	(129,273)	(221,453)	(265,072)	(242,849)	(239,416)	(72,923)	(40,356)	(48,108)	(65,868)	(99,493)	(49,003)	(1,611,270)
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	0	(71,541)	(83,835)	(69)	0	0	(34)	0	0	0	0	0	(155,479)
Pine Needle	(87,975)	(139,725)	(72,226)	(5,159)	(5,159)	(9,756)	0	(67,067)	(10,248)	(15,372)	(51,240)	(35,868)	(499,795)
Saltville	(77,157)	(102,744)	0	0	0	0	0	(302,498)	(54,608)	(79,999)	(219,833)	(166,664)	(1,003,503)
Transco WSS	(64,434)	(58,237)	(129,875)	(258,537)	(255,834)	(279,664)	(240,137)	(143,003)	(80,976)	(68,151)	(63,965)	(25,711)	(1,668,524)
TOTAL STORAGE INJECTIONS	(571,446)	(1,138,471)	(1,118,505)	(1,148,152)	(1,095,283)	(1,145,622)	(983,946)	(1,274,625)	(305,544)	(336,789)	(558,748)	(341,134)	(10,018,265)
STORAGE WITHDRAWALS													
Columbia Storage	318,435	0	0	0	0	0	0	0	237,010	105,670	782,711	281,675	1,725,501
Cove Point LNG	0	0	0	0	0	0	0	0	0	0	30,000	0	30,000
DTI GSS	236,132	0	0	0	0	0	0	0	165,338	411,014	758,718	108,000	1,679,202
Transco Eminence	35,577	109,589	0	8,119	13,701	0	0	54,806	55,820	146,937	142,113	90,027	656,689
Transco ESS	50,824	0	0	8,119	0	0	42,627	52,777	3,383	12,717	76,403	38,151	285,001
Transco GSS	80,000	132,000	32,886	1	0	0	5,512	123	360,358	252,546	242,668	155,346	1,261,440
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	17,486	5,784	5,379	13,213	14,514	13,419	12,357	13,692	13,487	17,526	56,412	14,767	198,036
Pine Needle	0	40,250	0	0	0	0	0	0	116,724	7,714	113,616	15,427	293,731
Saltville	0	60,000	0	0	0	0	0	0	160,526	230,000	210,000	200,000	860,526
Transco WSS	105,713	127,879	22,836	0	0	0	0	0	223,467	196,707	300,425	349,967	1,326,994
TOTAL STORAGE WITHDRAWALS	844,167	475,502	61,101	29,452	28,215	13,419	60,496	121,398	1,336,113	1,380,831	2,713,066	1,253,360	8,317,120
COMPANY USE VOLUMES	(14,141)	(10,660)	(4,554)	(9,937)	(7,306)	(6,069)	(6,225)	(6,088)	(18,523)	(19,096)	(46,605)	(21,443)	(170,647)
GAS SUPPLY FOR DELIVERY	5,558,549	3,387,031	2,208,695	1,594,720	1,548,059	1,606,948	1,770,018	2,368,136	7,188,629	6,551,691	12,287,159	7,815,663	53,885,299

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 642
Hedging Deferred Account Activity
For the Twelve Months Ended March 31, 2022
Creel Direct Exhibit 2

	Item	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
1	Beginning balance	(\$436,502)	(\$174,726)	\$1,022,041	\$985,252	\$721,677	\$427,389	(\$1,745,517)	(\$6,009,201)	(\$8,030,697)	(\$8,408,688)	(\$9,296,582)	(\$8,865,335)	(\$436,502)
	Broker Transactions													
2	Premium	297,080	1,233,860	149,580	17,750	88,370	53,850	206,600	0	0	1,240,150	548,240	99,800	3,935,280
3	Settle	(36,160)	(46,370)	(193,550)	(287,563)	(387,710)	(2,226,765)	(4,455,073)	(1,985,300)	(334,903)	(2,086,770)	(508,295)	(1,004,205)	(13,552,663)
4	Fees	2,622	6,828	1,847	1,300	1,729	3,821	7,213	4,401	4,448	7,106	4,428	2,141	47,883
5	Margin Requirement													
	OTC Transactions													
6	Premium													
7	Settle													
8	Fees													
9	Swaps (Proceeds) / Costs													
	Other													
10	Interest			(470)	2	0	0	0	0	0	0	0	0	(468)
11	Move to Sales Customer D/A											436,502		436,502
12	Sub-total	(172,959)	1,019,591	979,448	716,741	424,066	(1,741,705)	(5,986,777)	(7,990,099)	(8,361,152)	(9,248,202)	(8,815,707)	(9,767,599)	(9,569,967)
13	Interest	(1,767)	2,450	5,804	4,936	3,323	(3,812)	(22,424)	(40,598)	(47,536)	(48,380)	(49,628)	(51,054)	(248,686)
14	Ending balance	(\$174,726)	\$1,022,041	\$985,252	\$721,677	\$427,389	(\$1,745,517)	(\$6,009,201)	(\$8,030,697)	(\$8,408,688)	(\$9,296,582)	(\$8,865,335)	(\$9,818,653)	(\$9,818,653)

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Direct Testimony and Exhibits of Rose M. Jackson and Glory J. Creel, as filed in Docket No. G-5, Sub 642, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 1st day of June, 2022.

/s/Mary Lynne Grigg

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Carolina*

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