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JUN 01 2020

June 1, 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 Direct Testimony of Rose M. Jackson and Byron W. Hinson. Attachment to Jackson Exhibit 2 to the Testimony of Rose M. Jackson contains confidential and proprietary trade secret information, and as such is being filed contemporaneously under seal and separate cover.

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

Enclosures

cc: Gina Holt

BEFORE THE

NORTH CAROLINA UTILITIES COMMISSION

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED

DOCKET NO. G-5, SUB 622

DIRECT TESTIMONY

OF

ROSE M. JACKSON

JUNE 1, 2020

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

3 A. My name is Rose M. Jackson and my business address is 220 Operation Way,
4 Cayce, South Carolina. I am employed by Dominion Energy Southeast
5 Services, Inc. (“DES Services”), formerly SCANA Services, Inc. (“SCANA
6 Services”), as General Manager – Supply & Asset Management.

7 Q. WHAT ARE YOUR RESPONSIBILITIES?

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

1 held various positions of increasing responsibility related to gas procurement,
2 interstate pipeline and local distribution company scheduling, and preparation
3 of gas accounting information. In May 2002, I became Manager of Operations
4 and Gas Accounting with SCANA Services and was responsible for gas
5 scheduling on interstate pipelines and gas accounting for all SCANA Services
6 affiliates. In November 2003, I became Fuels Planning Manager and assisted
7 all SCANA Services affiliates with strategic planning and special projects
8 associated with natural gas. I held this position until promoted to my current
9 position in December 2005.

10 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

11 A. Yes. I have presented testimony on behalf of the Company many times,
12 including its last seven annual gas cost reviews.

13 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
14 PROCEEDING?

15 A. North Carolina General Statute Section 62-133.4 allows the Company to track
16 and recover from its customers the cost of natural gas supply and transportation
17 and to adjust customer charges to reflect changes in those costs. Under
18 subsection (c) of the statute, the Commission must conduct an annual review of
19 the Company's gas costs, comparing the Company's prudently incurred costs
20 with the costs recovered from customers during a 12-month test period. To
21 facilitate this review, Commission Rule R1-17(k)(6) requires the Company to
22 submit to the Commission, on or before June 1 of each year, certain information
23 for the 12-month test period ended March 31.

1 The purpose of my testimony is to demonstrate that all the Company's
2 gas costs were prudently incurred during the 12-month review period ended
3 March 31, 2020, and therefore meet the requirement for recovery. My
4 testimony also provides the Commission with information pursuant to the Order
5 Requiring Reporting issued in Docket No. G-100, Sub 91, and describes the
6 Federal Energy Regulatory Commission ("FERC") proceedings in which the
7 Company participated, as required by the Commission's Order on Annual
8 Review of Gas Costs issued in Docket No. G-5, Sub 533. In addition to my
9 testimony, the Company is submitting the direct testimony and schedules of
10 Byron Hinson for the purpose of providing the Commission with data necessary
11 to true-up the Company's gas costs during the review period.

12 Q. PLEASE BRIEFLY DESCRIBE THE COMPANY AND THE
13 COMPOSITION OF ITS MARKET.

14 A. The Company is a local distribution company primarily engaged in the
15 purchase, transportation, distribution, and sale of natural gas to almost 600,000
16 customers in North Carolina. Approximately half of the Company's throughput
17 during the review period consisted of deliveries to industrial or large
18 commercial customers, including electric generation, many of whom either
19 purchased or transported gas under interruptible rate schedules. The remainder
20 of the Company's throughput consisted of firm sales service to residential and
21 small and medium-sized commercial customers.

22

1 Q. PLEASE DESCRIBE THE COMPANY'S GAS SUPPLY PROCUREMENT
2 POLICY.

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

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

15 The second criterion is maintaining the necessary operational flexibility
16 that will enable the Company to react to the effects of unpredictable weather on
17 firm sales customer usage. The Company's gas supply portfolio must be
18 capable of handling the monthly, daily, and hourly changes in these customers'
19 demand needs. Operational flexibility largely results from gas supply
20 agreements having different purchase commitments and swing capabilities (for
21 example, the ability to adjust purchased gas within the contract volume on either
22 a monthly or daily basis) and from injections into and withdrawals out of
23 storage.

1 The third criterion is the cost of gas. In evaluating costs, it is important
2 to consider not only the actual commodity cost, but also any transportation-
3 related charges such as reservation, usage, and fuel charges. The Company
4 routinely requests gas supply bids from suppliers to help ensure cost-effective
5 proposals. In requests for proposal, suppliers are asked to submit alternative
6 pricing options they believe may be of interest or value to the Company and its
7 customers. Typically, the greater the flexibility the Company has with a supply
8 contract, the higher the premium assessed. In securing natural gas supply for
9 its customers, the Company remains committed to acquiring the most cost-
10 effective supplies of gas available while maintaining the necessary supply
11 security and operational flexibility.

12 Q. WHAT TYPES OF SUPPLY CONTRACTS DOES THE COMPANY HAVE
13 IN ITS PORTFOLIO?

14 A. The Company has developed a gas supply portfolio made up of long-term
15 agreements and supplemental short-term agreements with a variety of suppliers,
16 including both producers and independent marketers. The portfolio includes:

- 17 • Baseload contracts, which provide fixed volumes of gas each
18 day of the contract term.
- 19 • Physical option contracts, which provide flexibility to modify
20 the volumes delivered on a monthly or daily basis to address
21 changing demands and weather patterns.
- 22 • No-notice contracts, which provide flexibility to increase or
23 decrease delivered volumes daily to respond to changing

1 operational demands and weather.

- 2 • Spot (daily) market contracts, which are primarily used for price
3 mitigation, system balancing, and peak shaving.

4 The Company's gas supply portfolio had approximately 207,000
5 dekatherms per day under term contracts with seven different suppliers as of
6 November 1, 2019, the beginning of the winter heating season for the period
7 under review. These contracts all included provisions to ensure the prices paid
8 were market based. The remaining contracts were for purchases in the spot
9 market. Spot purchase contracts do not include reservation fees but reflect only
10 commodity cost, generally by reference to standard indices or negotiated prices.

11 Q. HOW DOES THE COMPANY CALCULATE ITS FIRM CUSTOMERS'
12 DEMAND REQUIREMENTS?

13 A. Projected design-day demand of the Company's firm customers is calculated
14 using a statistical modeling program prepared by DES Services Resource
15 Planning personnel. The model assumes a 50 heating degree-day on a 60-
16 degree Fahrenheit base and uses historical weather to estimate peak-day
17 demand.

18 Q. WHAT DESIGN-DAY REQUIREMENTS DID THE COMPANY USE
19 DURING THE REVIEW PERIOD AND HOW DID THE COMPANY PLAN
20 TO MEET THOSE REQUIREMENTS?

21 A. Jackson Exhibit 1 is a table showing the forecasted firm peak-day demand
22 requirements for the review period and the current forecast for the next five
23 winter seasons. It also lists the assets available to meet those firm peak-day

1 requirements. These assets include year-round, seasonal, and peaking
2 capabilities and consist of firm transportation and storage capacity on interstate
3 pipelines as well as the peaking capability of the Company's on-system
4 liquefied natural gas ("LNG") facility at the Cary Energy Center.

5 Q. WHAT PROCESS DOES THE COMPANY UNDERTAKE TO ACQUIRE
6 CAPACITY TO MEET ITS CUSTOMER DEMAND?

7 A. The Company's design-day demand forecast projects firm customer load
8 growth and is used to determine total asset needs. This forecast is updated
9 annually, and capacity alternatives are evaluated on an on-going basis. If
10 needed, the Company secures incremental storage or transportation capacity to
11 meet the growth requirements of its firm sales customers consistent with its
12 best-cost strategy. In assessing the type of resources needed to meet its design-
13 day demand, the Company attempts to minimize the per unit delivered gas cost.
14 This analysis incorporates any transportation charges, storage costs, and
15 supplier reservation fees required to deliver gas to the city gate, as well as the
16 reliability and timing of new services.

17 As I have noted on other occasions, to acquire long-term expansion
18 capacity precisely in balance with customer needs is impossible due to many
19 external factors beyond the Company's control. A real concern these days is
20 the long lead time necessary for new interstate pipeline projects to get
21 certificated, constructed, and placed into service.

22 Q. PLEASE DESCRIBE THE COMPANY'S INTERSTATE CAPACITY.

23 A. The Company subscribes to interstate capacity so that gas can be delivered from

1 supply areas or gas storage facilities to the Company’s local distribution system.
2 The interstate transportation and storage providers with whom the Company
3 has transportation or storage service contracts include Transcontinental Gas
4 Pipeline Company, LLC (“Transco”); Columbia Gas Transmission, LLC
5 (“Columbia Gas”); Dominion Energy Cove Point LNG, LP (“Cove Point”);
6 Dominion Energy Transmission, Inc. (“DETI”); East Tennessee Natural Gas,
7 LLC (“East Tennessee”); Pine Needle LNG Company, LLC (“Pine Needle”);
8 Saltville Gas Storage Company, L.L.C. (“Saltville”); and Texas Gas
9 Transmission, LLC (“Texas Gas”). Most of the Company’s firm transportation
10 and storage capacity is obtained from Transco, the only interstate pipeline to
11 which the Company’s system currently is directly connected.

12 Segmentation allows a shipper on an interstate pipeline to double the
13 amount of its contracted-for capacity by scheduling deliveries of natural gas
14 from both directions. The Company has used segmentation of the Transco firm
15 transportation capacity to schedule backhaul deliveries of gas, on a secondary
16 firm basis, from Columbia Gas, Cove Point, DETI, East Tennessee/Saltville,
17 Pine Needle, and Texas Gas – natural gas storage facilities and connecting
18 pipelines located downstream of the Company’s system. As I have testified in
19 previous gas cost reviews, the Company increasingly has been unable to use
20 segmentation of its Transco capacity due to bidirectional gas flows on the
21 Transco system. In July 2019, Transco implemented tariff changes that further
22 restricts the Company’s use of segmentation.

23

1 Q. WHAT STEPS HAS THE COMPANY TAKEN TO ADDRESS THE
2 LIMITATIONS ON ITS USE OF SEGMENTATION?

3 A. In 2017, the Company entered into a precedent agreement with Transco for
4 60,000 dekatherms per day of firm transportation capacity on Transco's
5 Southeastern Trail Expansion project, which will provide the Company
6 additional firm transportation service with a receipt point at the existing
7 Pleasant Valley Transco-Cove Point interconnection in Fairfax County,
8 Virginia, and a delivery point at the existing Transco Station 65 pooling point
9 in St. Helena Parish, Louisiana. When the project is placed into service, this
10 capacity will allow the Company to schedule deliveries from downstream
11 storage facilities and pipelines on a primary firm, forward-haul basis.

12 Q. WHEN IS THE SOUTHEASTERN TRAIL PROJECT CAPACITY
13 EXPECTED TO BE AVAILABLE?

14 A. The project is expected to commence operations in the fourth quarter of 2020
15 and to be fully in service by the first quarter of 2021.

16 Q. HOW WILL THE COMPANY ADDRESS THE SEGMENTATION
17 LIMITATIONS IN THE MEANTIME?

18 A. For the review period, the Company entered into an agreement to have firm
19 delivery of 60,000 dekatherms per day of gas during the months of November
20 2019 through March 2020, notwithstanding any restrictions imposed by
21 Transco on secondary backhaul transportation. For this service the Company
22 agreed to pay reservation fees during those months. The Company may need
23 to enter into a similar arrangement for the upcoming winter period depending

1 upon the level of service available from the Southeastern Trail project at that
2 time. The Company will closely monitor the status of the project and decide on
3 a course of action closer to the commencement of the winter period.

4 Q. WHAT OTHER ASSETS DID THE COMPANY ACQUIRE DURING THE
5 REVIEW PERIOD TO MEET EXPECTED PEAK-DAY REQUIREMENTS?

6 A. During the review period the Company needed to acquire additional assets to
7 meet projected peak-day requirements until it obtains long-term capacity
8 entitlements on Mountain Valley Pipeline (“MVP”) and Atlantic Coast Pipeline
9 (“ACP”), two new interstate pipeline projects under construction. To meet
10 these interim needs, the Company entered into a contract for up to 20,000
11 dekatherms per day of firm delivered supply from a downstream LNG facility
12 for ten days during the 2019-20 review period winter season. The Company
13 recently extended this peaking service for nine days of the upcoming 2020-21
14 winter season and is in the process of acquiring an additional 20,000 dekatherms
15 per day of firm peaking service for the 2020-21 winter season. The Company
16 has issued a request for proposals to obtain this additional peaking service,
17 which will cover the remaining projected shortfall during the 2020-21 winter
18 season.

19 Q. WHEN ARE THE MVP AND ACP PROJECTS EXPECTED TO BE IN
20 SERVICE?

21 A. The most recent estimated in-service dates are late 2021 or early 2022. Both
22 projects are waiting on the resolution of common legal issues currently pending
23 in the courts. As a result of these and other events, MVP recently gave notice

1 of force majeure on its project. This is not expected to adversely affect the
2 targeted in-service date of the project.

3 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE TWO PROJECTS.

4 A. In prior gas cost reviews, I provided the Commission with details concerning
5 the Company's plans for acquiring new capacity on MVP and ACP. Briefly,
6 MVP's 75-mile Southgate lateral project, with delivery points in Rockingham
7 and Alamance Counties, North Carolina, will connect with a 300-mile mainline
8 pipeline running from northwestern West Virginia. The MVP capacity will
9 provide the Company a new interstate pipeline interconnection with access to
10 natural gas produced in the Marcellus and Utica shale regions of West Virginia,
11 Pennsylvania, and Ohio. In addition, MVP Southgate will connect directly with
12 East Tennessee's pipeline, which will enable the Company to make firm
13 forward-haul deliveries from Saltville storage to the Company's system and
14 replace less reliable secondary backhaul deliveries using Transco segmented
15 capacity.

16 ACP is a 550-mile pipeline project that will run from Harrison County,
17 West Virginia, to Robeson County, North Carolina. The ACP capacity will
18 provide the Company with another new interstate pipeline interconnection and
19 will allow the Company to transport natural gas from supply areas located in
20 the Marcellus and Utica shale basins and take deliveries off the pipeline at
21 points on the eastern side of the Company's system.

22

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. The Company's responses to the ten questions set forth in that order are
5 attached as Jackson Exhibit 2.

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

8 A. The Company continues to take the following steps to keep its gas costs as low
9 as possible while accomplishing its stated policy goals of maintaining security
10 of 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. For
16 example, during the review period the Company actively
17 participated in Transco's rate case settlement process, which
18 resulted in substantial reductions in Transco's proposed rates.
- 19 • Work with industrial customers to facilitate transportation of
20 customer-acquired natural gas.
- 21 • Communicate directly with customers, suppliers, and other
22 industry participants and actively monitor developments in the
23 industry.

- 1 • Conduct frequent internal discussions concerning gas supply
- 2 policy and major purchasing decisions.
- 3 • Utilize deferred gas cost accounting to calculate the Company's
- 4 benchmark cost of gas to provide a smoothing effect on gas price
- 5 volatility.
- 6 • Conduct a hedging program to mitigate price volatility.

7 Q. PLEASE DESCRIBE THE FERC PROCEEDINGS THAT THE COMPANY
8 PARTICIPATED IN DURING THE REVIEW PERIOD.

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

19 Q. WHAT IS THE PURPOSE OF THE COMPANY'S HEDGING PROGRAM?

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

1 manner the impact of unexpected or adverse price fluctuations to customers.

2 Q. PLEASE DESCRIBE THE COMPANY'S HEDGING PROGRAM.

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

13 Q. HAS THE COMPANY MADE ANY CHANGES TO ITS HEDGING PLAN?

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

17 Q. WHAT WAS THE NET ECONOMIC RESULT OF THE HEDGING
18 PROGRAM DURING THE REVIEW PERIOD?

19 A. During this period, New York Mercantile Exchange prices at the Henry Hub in
20 Louisiana ranged from a low of \$1.519 per dekatherm for the April 2020
21 contract set on March 23, 2020, to a high of \$2.905 per dekatherm for the
22 December 2019 contract set on November 5, 2019. Overall, the hedging
23 program increased gas costs by \$2,959,771 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 the Company's best-cost supply
4 strategy, which this Commission has consistently upheld. In my opinion, they
5 are the result of reasonable business judgments in light of the conditions under
6 which 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 2019-20 THROUGH 2024-25**

| | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|--------------------------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|
| Contracted Capacity* | | | | | | | |
| Transco | FT | 390,743 | 390,743 | 390,743 | 390,743 | 390,743 | 390,743 |
| DETI** | FT | 7,270 | 7,283 | 7,283 | 7,283 | 7,283 | 7,283 |
| Subtotal | | 398,013 | 398,026 | 398,026 | 398,026 | 398,026 | 398,026 |
| Seasonal Capacity | | | | | | | |
| Transco | Storage | 33,218 | 33,218 | 33,218 | 33,218 | 33,218 | 33,218 |
| DETI** | Storage | 60,937 | 61,041 | 61,041 | 61,041 | 61,041 | 61,041 |
| Columbia Gas** | Storage | 35,042 | 35,102 | 35,102 | 35,102 | 35,102 | 35,102 |
| East Tennessee/Saltville** | Storage | 48,539 | 48,622 | 48,622 | 48,622 | 48,622 | 48,622 |
| Subtotal | | 177,736 | 177,983 | 177,983 | 177,983 | 177,983 | 177,983 |
| Peaking Capacity | | | | | | | |
| Transco | LGA | 5,175 | 5,175 | 5,175 | 5,175 | 5,175 | 5,175 |
| Pine Needle** | LNG | 102,641 | 102,817 | 102,817 | 102,817 | 102,817 | 102,817 |
| Cary Energy Center | LNG | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Cove Point** | LNG | 24,793 | 24,835 | 24,835 | 24,835 | 24,835 | 24,835 |
| Short-Term Peaking Service | LNG | 20,000 | 20,000 | - | - | - | - |
| Subtotal | | 252,609 | 252,827 | 232,827 | 232,827 | 232,827 | 232,827 |
| Total | | 828,358 | 828,836 | 808,836 | 808,836 | 808,836 | 808,836 |
| Design-Day Requirements | | 821,779 | 840,638 | 860,393 | 880,612 | 901,307 | 922,488 |
| Surplus (Shortage) | | 6,579 | (11,802) | (51,557) | (71,776) | (92,471) | (113,652) |
| Reserve Margin | | 0.80% | (1.40%) | (5.99%) | (8.15%) | (10.26%) | (12.32%) |

* Does not include MVP or ACP capacity expected to be in service by late 2021 or early 2022.

** 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). Because volumes for interruptible sales (Rate Schedule 150) customers are within the statistical margin of error, this rate schedule is not deducted.

- 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, the Company's estimated winter base load requirements were approximately 82,000 dekatherms per day. The Company's forecasted winter base load requirement for each of the next five years is approximately 82,000 dekatherms per day.

- 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 Exhibit 1. The Company's demand forecast methodology utilizes actual daily measured volumes for the entire system and then deducts daily transportation volumes based on actual daily measurement data. Therefore, the demand for each rate schedule is not used to determine design-day demand requirements. The Company performs a regression analysis using 50 heating degree-days (HDDs) on a 60-degree Fahrenheit base to project design-day usage.

- 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 8 through 11 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 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 Exhibit 2 Attachment which is confidential and therefore being filed under seal.

- 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.

Public Service Company of North Carolina, Inc.
Docket G-5, Sub 622
Jackson Exhibit 2
Attachment
System Upgrade Project

Attachment is confidential and filed under seal

**PROCEEDINGS BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION
IN WHICH PSNC PARTICIPATED AS A PARTY FROM APRIL 2019 THROUGH MARCH 2020**

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|---|-------------------------|
| 4/5/19 | Pine Needle LNG Company, LLC | RP19-945-000 | On March 28, 2019, Pine Needle made its annual fuel retention percentage and electric power rate filing. | Intervention. |
| 4/5/19 | East Tennessee Natural Gas, LLC | RP19-987-000 | On March 28, 2019, East Tennessee filed its annual cash-out report. | Intervention. |
| 4/5/19 | Columbia Gas Transmission, LLC | RP19-1043-000 | On April 1, 2019, Columbia Gas made its semiannual filing to adjust the operational transaction rate adjustment surcharge for the upcoming summer season. | Intervention. |
| 5/8/19 | Columbia Gas Transmission, LLC | RP19-1191-000 | On May 1, 2019, Columbia Gas filed to adjust its transportation cost rate adjustment rates. | Intervention. |
| 5/24/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1225-000 | On May 16, 2019, Transco made a compliance filing to reflect the pro forma tariff records approved in Docket No. RP18-314-000. | Intervention. |
| 7/1/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1331-000 | On June 25, 2019, Transco filed to modify Rate Schedule FT by clarifying the service rights of certain conversion buyers and the calculation of reservation charges applicable to their service agreements. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|--|-------------------------|
| 7/10/19 | Dominion Energy Cove Point LNG, LP | RP19-1372-000 | On July 2, 2019, Cove Point filed its annual penalty revenue distribution report. | Intervention. |
| 7/11/19 | Dominion Energy Transmission, Inc. | RP19-1373-000 | On July 2, 2019, DETI filed its annual unauthorized overrun and penalty revenue distribution report. | Intervention. |
| 7/26/19 | Texas Gas Transmission, LLC | RP19-1387-000 | On July 17, 2019, Texas Gas filed a proposal to establish a new enhanced parking service. | Intervention. |
| 8/6/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1421-000 | On July 31, 2019, Transco filed a report of its flow-through to Rate Schedule GSS and Rate Schedule LSS customers of a refund received from Dominion Transmission. | Intervention. |
| 9/5/19 | Dominion Energy Cove Point LNG, LP | RP19-1515-000 | On August 30, 2019, Cove Point filed its annual revenue crediting report. | Intervention. |
| 9/11/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1547-000 | On September 6, 2019, Transco filed revised tariff records to provide customers under three firm storage rate schedules with reservation charge credits under certain circumstances. | Intervention. |
| 9/23/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1556-000 | On September 13, 2019, Transco filed its annual cash-out report. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|--|-------------------------|
| 10/1/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1599-000 | On September 26, 2019, Transco filed to revise notice provisions in its forms of service agreement to provide for notice by electronic mail. | Intervention. |
| 10/1/19 | Dominion Energy Transmission, Inc. | RP19-1610-000 | On September 27, 2019, DETI filed revise tariff provisions to address payment and credit requirements for construction of taps. | Intervention. |
| 10/10/19 | Dominion Energy Transmission, Inc. | RP19-1637-000 | On September 30, 2019, DETI made its annual electric power cost adjustment filing. | Intervention. |
| 10/10/19 | Dominion Energy Transmission, Inc. | RP19-1638-000 | On September 30, 2019, DETI made its annual transportation cost rate adjustment filing. | Intervention. |
| 10/10/19 | Transcontinental Gas Pipe Line Company, LLC | RP19-1639-000 | On September 30, 2019, Transco filed revisions to its Rate Schedule LNG to increase the flexibility of service. | Intervention. |
| 10/10/19 | Transcontinental Gas Pipe Line Company, LLC | RP20-1-000 | On October 1, 2019, Transco made its annual filing to re-determine the fuel retention percentage applicable to Rate Schedules LG-A, LNG, and LG-S. | Intervention. |
| 10/10/19 | Texas Gas Transmission, LLC | RP20-11-000 | On October 1, 2019, Texas Gas made its annual fuel retention percentage filing. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|---|-------------------------|
| 10/16/19 | Dominion Energy Transmission, Inc. | RP20-59-000 | On October 10, 2019, DETI filed to add use of the Intercontinental Exchange platform as a method of making operational sales of gas. | Intervention. |
| 10/31/19 | Transcontinental Gas Pipe Line Company, LLC | RP20-88-000 | On October 24, 2019, Transco filed its annual penalty sharing report. | Intervention. |
| 11/15/19 | Transcontinental Gas Pipe Line Company, LLC | RP20-211-000 | On November 6, 2019, Transco filed a new Zone 5 to Zone 5 reservation recourse rate for its Momentum Expansion project. | Intervention. |
| 12/31/19 | Columbia Gas Transmission, LLC | RP20-370-000 | On December 27, 2019, Columbia Gas filed its annual penalty revenue crediting report. | Intervention. |
| 1/13/20 | Columbia Gas Transmission, LLC | RP20-376-000 | On December 30, 2019, Columbia Gas filed to revise the maximum monthly injection quantity percentages of a shipper's storage contract quantity under Rate Schedules FSS and FSS-M that may be injected during the months of August and October. | Intervention. |
| 1/13/20 | Columbia Gas Transmission, LLC | RP20-382-000 | On December 31, 2019, Columbia Gas filed its annual capital cost recovery mechanism rates. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|--------------------|---|-------------------|--|---|
| 1/28/20 2/20/20 | Saltville Gas Storage Company, LLC | CP20-45-000 | On January 24, 2020, Saltville filed an application for authorization to reduce the certificated storage working capacity at its natural gas storage facilities. | Intervention. Comments stating that further investigation should be conducted before Saltville's request is granted because the application did not adequately explain how Saltville could reduce the size of working gas capacity for storage facilities that are fully subscribed. |
| 2/10/20 | Transcontinental Gas Pipe Line Company, LLC | RP20-455-000 | On January 29, 2020, Transco filed to update and clarify certain tariff provisions. | Intervention. |
| 2/11/20 | Dominion Energy Cove Point LNG, LP | RP20-467-000 | On January 30, 2020, Cove Point filed a general rate case under Section 4 of the Natural Gas Act to fulfill a requirement from the settlement of its last rate case. | Intervention and comments requesting that the proposed rates be suspended for the full five-month statutory period and a thorough investigation of the filing allowed, with full rights of discovery and hearing. |
| 3/5/20 | Transcontinental Gas Pipe Line Company, LLC | RP20-572-000 | On February 27, 2020, Transco made its annual fuel tracker filing to update fuel retention percentages. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|--|-------------------------|
| 3/5/20 | Transcontinental Gas Pipe Line Company, LLC | RP20-575-000 | On February 27, 2020, Transco made its annual filing to update transmission electric power rates. | Intervention. |
| 3/5/20 | Dominion Energy Cove Point LNG, LP | RP20-604-000 | On February 28, 2020, Cove Point made its annual electric power cost adjustment filing. | Intervention. |
| 3/5/20 | Dominion Energy Cove Point LNG, LP | RP20-605-000 | On February 28, 2020, Cove Point made its annual fuel retainage filing. | Intervention. |
| 3/5/20 | Columbia Gas Transmission, LLC | RP20-615-000 | On February 28, 2020, Columbia Gas made its annual fuel retainage adjustment filing. | Intervention. |
| 3/5/20 | Columbia Gas Transmission, LLC | RP20-620-000 | On February 28, 2020, Columbia Gas made its annual electric power cost adjustment filing. | Intervention. |
| 3/5/20 | Columbia Gas Transmission, LLC | RP20-622-000 | On February 28, 2020, Columbia Gas made its annual transportation cost rate adjustment filing. | Intervention. |
| 3/11/20 | Transcontinental Gas Pipe Line Company, LLC | RP20-614-000 | On February 28, 2020, Transco filed to change how it establishes the prices used for cashing out monthly imbalances. | Intervention. |

| Date | Pipeline | Docket No. | Docket Description | Company Position |
|-------------|---|-------------------|---|---|
| 3/11/20 | Transcontinental Gas Pipe Line Company, LLC | RP20-618-000 | On February 28, 2020, Transco filed to revise the procedures used to address annual over- or under-recoveries resulting from differences between revenues received and costs incurred by Transco in managing its cash-out reconciliation mechanism. | Intervention and protest that the filing is unjust and unreasonable and should be rejected because it violates the filed rate doctrine and rule against retroactive ratemaking; seeks to recover in a single year an outstanding balance that accrued over a multi-year period; applies to deliveries under bundled storage rate schedules, resulting in an inequitable allocation of transmission costs; and should be deferred as an issue for consideration by a technical working group to be convened as part of the settlement in Transco's last rate case. |

**BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION**

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED

DOCKET NO. G-5, SUB 622

DIRECT TESTIMONY

OF

BYRON W. HINSON

June 1, 2020

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

3 A. My name is Byron W. Hinson. My business address is 400 Otarre Parkway, Cayce,
4 South Carolina. I am employed by Dominion Energy Southeast Services, Inc.,
5 formerly SCANA Services, Inc., as Director of Rates and Regulatory Affairs for
6 Public Service Company of North Carolina, Incorporated d/b/a Dominion Energy
7 North Carolina (“the Company”).

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

10 A. I graduated from the University of South Carolina in 1991 with a Bachelor of
11 Science degree in Finance. Following graduation, I worked as an analyst with
12 SCANA Corporation. Over the years, I have held various positions of increasing
13 responsibility, including corporate planning, corporate finance, financial services,
14 investor relations, and rates and regulatory. In April 2010, I became Director of
15 Financial Planning and Investor Relations. In 2014, I assumed the role of Director
16 of Rates and Regulatory in South Carolina. In 2019, I assumed my current position
17 with the Company in North Carolina.

18 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS 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 the
21 12-month review period ended March 31, 2020. Commission Rule R1-17(k)(6)
22 sets forth the filing requirements for the annual review of gas costs. Subsection (c)

1 requires the Company to file certain data showing actual gas costs, volumes of gas
2 purchased, and such other information as may be directed 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 Hinson
6 Exhibit 1 attached to my testimony was prepared under my supervision. The
7 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, Hinson Exhibit 2 sets forth the review period Hedging Deferred
22 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, 2020?

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 COSTS
7 AND DEFERRED ACCOUNT ACTIVITY WITH THE COMMISSION AND
8 THE PUBLIC STAFF?

9 A. Yes, the required filings were made.

10 Q. IN THE COMPANY'S LAST ANNUAL REVIEW OF GAS COSTS, IN
11 DOCKET NO. G-5, SUB 608, THE COMMISSION ORDERED THE COMPANY
12 TO APPLY A 6.96% INTEREST RATE TO ITS SALES CUSTOMERS ONLY
13 ACCOUNT, ALL CUSTOMERS ACCOUNT, HEDGING DEFERRED GAS
14 COST ACCOUNT, CUSTOMER USAGE TRACKER (RIDER C), INTEGRITY
15 MANAGEMENT TRACKER (RIDER E), AND DEFERRED REVENUE
16 ACCOUNT UNTIL FURTHER ORDERED BY THE COMMISSION. HAS THE
17 COMPANY COMPLIED WITH THIS DIRECTIVE?

18 A. Yes, the 6.96% interest rate was applied per the Commission's order.

19

1 Q. THE COMMISSION FURTHER ORDERED THAT THE COMPANY SHOULD
2 CONTINUE TO REVIEW ITS INTEREST RATE CALCULATION AND FILE
3 FOR APPROVAL OF ANY NECESSARY ADJUSTMENTS. HAVE THERE
4 BEEN ANY CHANGES DURING THE REVIEW PERIOD THAT WOULD
5 NECESSITATE ADJUSTMENTS TO THE INTEREST RATE
6 CALCULATION?

7 A. No, the Company has reviewed its interest rate calculations and there have been no
8 changes that would necessitate an adjustment to the interest rate.

9 Q. WHAT ACTIVITY OCCURRED IN THE SALES CUSTOMERS ONLY
10 DEFERRED ACCOUNT DURING THE TWELVE MONTHS ENDED MARCH
11 31, 2020?

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

| | | |
|----|---|----------------------|
| 13 | Over-Collection as of March 31, 2019 | (\$699,747) |
| 14 | Commodity Cost Over-Collections | (\$3,132,645) |
| 15 | Hedging Deferred Account Balance as of March 31, 2019 | (\$832,249) |
| 16 | Uncollectible Gas Cost | \$383,454 |
| 17 | Miscellaneous Adjustments | (\$222,489) |
| 18 | Accrued Interest | (\$277,081) |
| 19 | Interest Rate Adjustment pursuant to Order G-5, Sub 608 | <u>(\$5,047)</u> |
| 20 | Over-Collection as of March 31, 2020 | <u>(\$4,785,803)</u> |

21 Q. WHAT ACTIVITY OCCURRED IN THE ALL CUSTOMERS DEFERRED
22 ACCOUNT DURING THE TWELVE MONTHS ENDED MARCH 31, 2020?

23 A. The activity in the All Customers deferred account is set forth below:

| | | |
|----|---|--------------------|
| 1 | Over-Collection as of March 31, 2019 | (\$3,040,186) |
| 2 | Demand Cost Under-Collections | \$44,333,115 |
| 3 | Commodity Cost Under-Collections | \$201,205 |
| 4 | All Customers Increment | (\$13,718,429) |
| 5 | Miscellaneous Adjustments | (\$6,854) |
| 6 | Secondary Market Transaction Credits | (\$20,356,592) |
| 7 | Supplier Refunds | (\$237,455) |
| 8 | Accrued Interest | \$916,269 |
| 9 | Interest Rate Adjustment pursuant to Order G-5, Sub 608 | <u>\$10,574</u> |
| 10 | Under-Collection as of March 31, 2020 | <u>\$8,101,647</u> |

11 Q. DID THE COMPANY ACCOUNT FOR CAPACITY RELEASE AND OTHER
12 SECONDARY MARKET TRANSACTIONS DURING THE REVIEW PERIOD
13 IN ACCORDANCE WITH THE COMMISSION'S ORDER IN DOCKET NO. G-
14 100, Sub 67?

15 A. Yes, seventy-five percent of the net compensation received from secondary market
16 transactions was recorded in the All Customers deferred account.

17 Q. PLEASE DISCUSS HINSON EXHIBIT 2.

18 A. Hinson Exhibit 2 reflects the cash transactions associated with the Company's
19 hedging program during the 12-month review period ended March 31, 2020. As of
20 the end of the review period, there was a debit (under-collection) balance of
21 \$2,959,771 due from the sales customers in the Hedging deferred account. When
22 netted with the (\$4,785,803) credit (over-collection) balance in the Sales Customers
23 Only deferred account, the total is (\$1,826,032) due to sales customers.

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

4 A. Yes, temporary increments applicable to the All Customers deferred account took
5 effect May 1, 2019.

6 Q. DOES THE COMPANY PROPOSE NEW TEMPORARY RATE INCREMENTS
7 OR DECREMENTS?

8 A. The Company is not proposing new temporary rate increments or decrements at
9 this time. The Company proposes to leave the current temporary increments
10 applicable to the All Customers deferred account in place and monitor the balance
11 in the account to determine when or if changes are required. The Company
12 proposes to continue its practice of taking into consideration the balance in the Sales
13 Customers Only deferred account when evaluating whether to file for a change in
14 the benchmark cost of gas. The Company believes that making periodic, and
15 smaller, adjustments in the benchmark cost of gas is preferable to making one
16 adjustment annually based on the over- or under-collection in commodity cost of
17 gas that may exist as of the end of the review period.

1 Q. IN DOCKET NO. G-5, SUB 442, THE COMMISSION STATED THAT IN
2 FUTURE GAS COST PRUDENCE REVIEWS THE COMPANY SHOULD
3 DISCUSS ANY SIGNIFICANT ACCOUNTING CHANGES THAT
4 OCCURRED DURING THE REVIEW PERIOD. WERE THERE ANY SUCH
5 CHANGES DURING THE REVIEW PERIOD?

6 A. The Company did not make any significant accounting changes during the review
7 period.

8 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

9 A. Yes, it does.

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Annual Review of Gas Costs
For the Twelve Months Ended March 31, 2020
Filing Requirements

Hinson 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

Hinson Exhibit 2

Hedging Deferred Account Activity

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Cost of Gas Expense
For the Twelve Months Ended March 31, 2020
Schedule 1

| Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|---|----------------|----------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|---------------|----------------|----------------|
| Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| Item | | | | | | | | | | | | | |
| 1 Demand & Storage Costs Expensed (Sch 2) | \$9,577,222 | \$8,290,717 | \$8,495,977 | \$8,270,324 | \$8,531,949 | \$8,787,901 | \$8,561,478 | \$8,892,064 | \$9,619,282 | \$10,067,367 | \$10,065,660 | \$9,559,353 | \$108,719,294 |
| 2 Commodity Costs Expensed (Sch 3) | \$19,066,156 | \$7,640,302 | \$4,026,909 | \$3,696,204 | \$3,116,825 | \$3,179,116 | \$3,299,010 | \$4,652,489 | \$18,175,381 | \$19,230,861 | \$18,740,757 | \$15,444,613 | \$120,268,623 |
| 3 Other Gas Costs Expensed (Sch 4) | (\$20,046,426) | (\$10,943,559) | (\$3,821,587) | (\$5,467,748) | (\$5,154,842) | (\$6,598,053) | (\$8,904,627) | \$14,925,034 | \$6,764,774 | \$5,104,545 | (\$7,025,087) | (\$16,458,981) | (\$57,626,558) |
| 4 Total Cost of Gas Expensed | \$8,596,951 | \$4,987,460 | \$8,701,299 | \$6,498,779 | \$6,493,932 | \$5,368,964 | \$2,955,860 | \$28,469,588 | \$34,559,436 | \$34,402,774 | \$21,781,330 | \$8,544,985 | \$171,361,359 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Demand and Storage Charges
For the Twelve Months Ended March 31, 2020
Schedule 2

| | Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|----|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|--------------------|----------------------|
| | Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| | DEMAND & STORAGE COSTS: | | | | | | | | | | | | | |
| 1 | Transco FT Reservation - 1002264 | 39,016 | 37,960 | 39,226 | 37,960 | 39,226 | 39,226 | 37,960 | 39,226 | 37,960 | 39,226 | 39,226 | 36,695 | 462,905 |
| 2 | Transco FT Reservation - 1003703 | 2,828,793 | 2,752,297 | 2,844,040 | 2,752,297 | 2,844,040 | 2,844,040 | 2,752,297 | 2,844,040 | 2,752,297 | 2,844,040 | 2,844,040 | 2,660,554 | 33,562,775 |
| 3 | Transco FT Reservation -1004996 | | | | | | | | | | 136,708 | 136,708 | 127,889 | 401,305 |
| 4 | Transco FT Reservation - 1006505 | 29,137 | 28,356 | 29,301 | 28,356 | 29,301 | 29,301 | 28,356 | 29,301 | 28,356 | 29,301 | 29,301 | 27,411 | 345,779 |
| 5 | Transco Southern Expansion - 1004190 | 518,884 | | | | | | | | 504,662 | 579,427 | 579,427 | 542,044 | 2,724,443 |
| 6 | Transco FT Momentum - 9103562 | 195,275 | 190,656 | 197,011 | 190,656 | 197,011 | 197,011 | 190,656 | 197,011 | 190,656 | 197,011 | 197,011 | 184,301 | 2,324,267 |
| 7 | Transco FT Reservation - 9130053 | 200,339 | 194,970 | 201,469 | 194,970 | 201,469 | 201,469 | 194,970 | 201,469 | 194,970 | 201,469 | 201,469 | 188,471 | 2,377,501 |
| 8 | Transco FT Reservation - 1012381/1012387 | 26,114 | 25,368 | 26,213 | 25,368 | 26,213 | 26,213 | 25,368 | 26,213 | 25,368 | 26,213 | 26,213 | 24,522 | 309,386 |
| 9 | Transco Southeast Expansion - 1012028 | 654,186 | 636,256 | 657,464 | 636,256 | 657,464 | 657,464 | 636,256 | 657,464 | 636,256 | 657,464 | 657,464 | 615,047 | 7,759,043 |
| 10 | Transco FT Reservation - 9178381 | 1,712,409 | 1,666,140 | 1,721,678 | 1,666,140 | 1,721,678 | 1,721,678 | 1,666,140 | 1,721,678 | 1,666,140 | 1,721,678 | 1,721,678 | 1,610,602 | 20,317,639 |
| 11 | Dominion Transmission Reservation | 323,422 | 199,578 | 199,578 | 199,578 | 199,578 | 199,578 | 199,578 | 199,578 | 322,934 | 322,934 | 322,934 | 322,934 | 3,012,204 |
| 12 | 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 |
| 13 | 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 | 43,451 | 548,378 |
| 14 | East Tennessee Patriot Expansion (Enbridge) | 478,850 | 478,850 | 478,850 | 478,850 | 478,850 | 478,850 | 478,850 | 464,500 | 464,500 | 464,500 | 464,500 | 464,500 | 5,674,450 |
| 15 | Columbia Gas Transmission FT Reservation | 232,504 | 116,496 | 116,231 | 116,814 | 116,814 | 116,814 | 116,814 | 233,635 | 233,635 | 235,119 | 235,119 | 246,285 | 2,116,282 |
| 16 | Cove Point LNG FTS Reservation | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 10,970 | 131,640 |
| 17 | Cardinal | 473,985 | 458,898 | 474,195 | 458,898 | 474,195 | 474,195 | 458,898 | 474,195 | 458,898 | 474,195 | 474,195 | 443,602 | 5,598,349 |
| 18 | City of Monroe | 3,485 | 4,720 | 6,280 | 5,747 | 2,556 | 2,257 | 1,537 | 3,950 | 4,646 | 3,269 | 1,562 | 3,302 | 43,311 |
| 19 | Piedmont Redelivery Agreement | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 760 | 9,120 |
| 20 | Firm Backhaul Capacity on Transco | 334,800 | | | | | | | | 324,000 | 334,800 | 334,800 | 313,200 | 1,641,600 |
| 21 | GSS Demand and Capacity | 177,373 | 171,911 | 177,641 | 171,911 | 177,641 | 177,641 | 171,911 | 177,641 | 171,960 | 177,692 | 177,692 | 166,228 | 2,097,241 |
| 22 | WSS Demand and Capacity | 60,404 | 58,455 | 60,404 | 58,455 | 60,404 | 60,404 | 58,455 | 60,404 | 58,455 | 60,404 | 60,404 | 56,507 | 713,155 |
| 23 | LGA Demand and Capacity | 16,676 | 16,139 | 16,676 | 16,139 | 16,676 | 16,676 | 16,139 | 16,676 | 16,139 | 16,676 | 16,676 | 15,601 | 196,890 |
| 24 | ESS Demand and Capacity | 105,675 | 102,266 | 105,675 | 102,266 | 105,675 | 105,675 | 102,266 | 105,675 | 102,266 | 105,675 | 105,675 | 98,857 | 1,247,645 |
| 25 | Eminence Demand and Capacity | 107,429 | 103,963 | 107,429 | 103,963 | 107,429 | 107,429 | 103,963 | 107,429 | 103,963 | 107,428 | 107,428 | 100,497 | 1,268,350 |
| 26 | Columbia Demand and Capacity | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 144,626 | 1,735,514 |
| 27 | Cove Point LNG FPS Reservation | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 74,415 | 892,980 |
| 28 | DTI-GSS Demand and Capacity | 172,934 | 172,934 | 172,934 | 172,934 | 172,934 | 172,934 | 172,934 | 172,934 | 173,091 | 173,091 | 173,091 | 173,091 | 2,075,833 |
| 29 | Pine Needle | 295,375 | 285,846 | 291,942 | 282,524 | 291,942 | 291,942 | 282,524 | 291,942 | 282,524 | 291,942 | 291,942 | 273,107 | 3,453,549 |
| 30 | Saltville Demand and Capacity | 265,995 | 265,995 | 247,578 | 247,578 | 286,692 | 286,692 | 286,692 | 286,692 | 286,692 | 286,692 | 286,692 | 286,692 | 3,320,683 |
| 31 | EDF Trading FT Reservation | | | | | | 256,250 | 256,250 | 256,250 | 256,250 | 256,250 | 256,250 | 256,250 | 1,793,750 |
| 32 | TOTAL DEMAND & STORAGE COSTS EXPENSED | \$9,577,222 | \$8,290,717 | \$8,495,977 | \$8,270,324 | \$8,531,949 | \$8,787,901 | \$8,561,478 | \$8,892,064 | \$9,619,282 | \$10,067,367 | \$10,065,660 | \$9,559,353 | \$108,719,294 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Commodity Gas Cost
For the Twelve Months Ended March 31, 2020
Schedule 3

| Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|---------------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| COMMODITY COSTS INCURRED | | | | | | | | | | | | | |
| Contract # 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 238,143 | 138,875 | 0 | 89,400 | 466,418 |
| Contract # 75 | 0 | 325,370 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 325,370 |
| Contract # 118 | 0 | 727,427 | 633,950 | 652,500 | 593,650 | 534,750 | 484,500 | 413,850 | 736,285 | 633,950 | 544,050 | 433,401 | 6,388,312 |
| Contract # 114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32,850 | 29,100 | 82,878 | 144,828 |
| Contract # 46 | 620,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 847,795 | 756,400 | 660,300 | 536,500 | 3,421,395 |
| Contract # 74 | 2,309,753 | 1,458,972 | 2,376,000 | 1,935,000 | 1,046,250 | 1,668,138 | 1,815,425 | 1,572,425 | 832,458 | 366,153 | 214,550 | 108,250 | 15,703,373 |
| Contract # 1 | 446,169 | 1,947,389 | 1,388,427 | 1,407,450 | 1,226,236 | 1,150,926 | 1,095,522 | 962,745 | 3,855,393 | 4,342,417 | 4,470,781 | 3,045,217 | 25,338,674 |
| Contract # 111 | 399,288 | 1,680,975 | 267,488 | 79,975 | 38,123 | 803,928 | 1,132,788 | 797,498 | 704,710 | 1,596,431 | 871,779 | 871,528 | 9,244,509 |
| Contract # 86 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,867 | 44,867 |
| Contract # 122 | 4,077,472 | 1,070,098 | 1,336,971 | 758,623 | 1,091,279 | 1,167,283 | 1,397,391 | 1,332,413 | (20,117) | 0 | 0 | 0 | 12,211,413 |
| Contract # 34 | 1,047,375 | 522,525 | 37,200 | 0 | 0 | 78,925 | 0 | 111,450 | 1,481,325 | 2,052,182 | 1,621,625 | 1,466,899 | 8,419,506 |
| Contract # 113 | 0 | 0 | 125,400 | 0 | 0 | 32,888 | 0 | 0 | 0 | 55,438 | 0 | 0 | 213,725 |
| Contract # T26 | 1,395 | 226 | 115 | 60 | 58 | 57 | 55 | 142 | 191 | 245 | 275 | 418 | 3,237 |
| Contract # 110 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 143,481 | 330,555 | 283,565 | 65,837 | 823,438 |
| Contract # 123 | 0 | 150,579 | 1,136,692 | 1,289,030 | 1,269,209 | 0 | 0 | 453,899 | 1,236,206 | 1,206,033 | 995,088 | 1,301,658 | 9,038,393 |
| Contract # 49 | 3,100,650 | 0 | 0 | 0 | 0 | 0 | 0 | 50,200 | 2,887,721 | 2,331,700 | 1,754,150 | 1,631,200 | 11,755,621 |
| Contract # 9 | 167,338 | 320,749 | 0 | 23,350 | 697,500 | 140,950 | 131,166 | 0 | 605,140 | 746,025 | 760,675 | 290,025 | 3,882,917 |
| Contract # 108 | 0 | 0 | 0 | 340,343 | 309,550 | 0 | 0 | 215,550 | 0 | 0 | 0 | 0 | 865,443 |
| Contract # 124 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 80,350 | 0 | 80,350 |
| Contract # 54 | 3,346,987 | 354,290 | 141,413 | 0 | 105,188 | 55,313 | 0 | 312,209 | 3,917,559 | 3,175,752 | 2,308,350 | 1,695,000 | 15,412,059 |
| Contract # 121 | 427,123 | 379,553 | 330,214 | 0 | 0 | 280,540 | 269,922 | 0 | 0 | 0 | 0 | 0 | 1,687,351 |
| Transco Cash Out | 0 | 0 | 0 | 0 | 0 | 0 | (642) | 50 | (61) | (21,687) | (11,672) | 0 | (34,012) |
| Monroe Cash Out | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transportation Pooling Cash Out | (1,421,721) | 34,373 | 11,922 | (24,836) | 1,344 | (131,446) | (422,910) | (89,988) | (194,251) | (304,879) | (1,117,456) | (90,624) | (3,750,471) |
| Miscellaneous Charges (a) | 0 | 0 | 0 | 0 | 7,082 | 0 | 0 | 0 | 13,379 | 0 | 0 | 0 | 20,461 |
| Secondary Market Transactions: | | | | | | | | | | | | | |
| Contract # 46 | (253,800) | (26,600) | (475,000) | 0 | (382,500) | (485,300) | (666,000) | (48,000) | 0 | 0 | 0 | 0 | (2,337,200) |
| Contract # 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (385,875) | 0 | 0 | (259,350) | (645,225) |
| Contract # 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (8,760) | 0 | 0 | (8,760) |
| Bundled Sales | (447,153) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (464,300) | 0 | (274,152) | (1,185,605) |
| Facilities Damages | (9,016) | (2,751) | (9,281) | (5,699) | (3,048) | (960) | (14,780) | (4,374) | 0 | (16,128) | (3,617) | (1,984) | (71,640) |
| Reservation Fees | 117,273 | 43,650 | 45,105 | 43,650 | 45,105 | 45,105 | 43,650 | 45,105 | 170,914 | 176,611 | 176,611 | 165,217 | 1,117,996 |
| Pipeline Transportation Charges | 119,219 | 94,409 | 58,242 | 55,491 | 51,787 | 49,555 | 48,486 | 60,089 | 166,013 | 191,728 | 225,652 | 202,072 | 1,322,742 |
| Withdrawal/Injection Fees | 78,926 | 175,147 | 157,505 | 50,671 | 59,654 | 51,898 | 50,960 | 107,616 | 145,192 | 59,688 | 86,700 | 74,715 | 1,098,672 |
| TOTAL COMMODITY COSTS INCURRED | 14,127,677 | 9,256,380 | 7,562,361 | 6,605,608 | 6,156,466 | 5,442,548 | 5,365,533 | 6,292,879 | 17,381,601 | 17,377,279 | 13,950,855 | 11,478,972 | 120,998,157 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Commodity Gas Cost
For the Twelve Months Ended March 31, 2020
Schedule 3

| Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|---------------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| STORAGE INJECTIONS | | | | | | | | | | | | | |
| Columbia Storage | 0 | (792,089) | (724,604) | (724,969) | (655,539) | (606,537) | (619,821) | (616,289) | 0 | 0 | 0 | 0 | (4,739,849) |
| Cove Point LNG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DTI GSS | 0 | (843,202) | (771,363) | (771,751) | (697,841) | (645,677) | (659,818) | (656,067) | 0 | 0 | 0 | 0 | (5,045,719) |
| Transco Eminence | (164,197) | (152,605) | (197,201) | (53,190) | (50,581) | (25,284) | (21,354) | (83,014) | (214,694) | (97,849) | (56,951) | (162,328) | (1,279,250) |
| Transco ESS | (166,980) | (221,998) | (177,252) | (45,196) | (85,503) | (39,505) | (42,085) | (28,578) | (201,516) | (176,690) | (56,348) | (169,125) | (1,410,776) |
| Transco GSS | (145,899) | (269,450) | (735,629) | (676,386) | (553,746) | (427,774) | (338,823) | (177,919) | (88,981) | (68,679) | (43,602) | (118,138) | (3,645,026) |
| Transco LGA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LNG | (12,372) | (351,842) | (283,837) | (13,425) | (12,945) | (12,606) | (12,792) | (153,790) | (288,230) | (12,594) | (19,242) | (11,557) | (1,185,232) |
| Pine Needle | 0 | (82,767) | (88,335) | (138,882) | (114,165) | (62,858) | (43,178) | (10,733) | (79,489) | (23,846) | 0 | (71,538) | (715,792) |
| Saltville | (54,858) | (106,821) | 0 | 0 | (199,772) | (109,534) | (125,925) | (20,868) | (268,954) | (136,404) | (22,403) | (185,828) | (1,231,367) |
| Transco WSS | (27,830) | (425,175) | (670,928) | (578,729) | (795,431) | (522,102) | (478,718) | (257,753) | (52,590) | (59,147) | (52,214) | (144,523) | (4,065,142) |
| TOTAL STORAGE INJECTIONS | (572,137) | (3,245,949) | (3,649,150) | (3,002,530) | (3,165,524) | (2,451,879) | (2,342,514) | (2,005,011) | (1,194,455) | (575,209) | (250,759) | (863,037) | (23,318,153) |
| STORAGE WITHDRAWALS | | | | | | | | | | | | | |
| Columbia Storage | 1,056,542 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 289,716 | 120,790 | 1,112,077 | 1,498,492 | 4,077,616 |
| Cove Point LNG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DTI GSS | 1,197,498 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 493,462 | 419,597 | 863,254 | 1,160,954 | 4,134,764 |
| Transco Eminence | 382,236 | 227,703 | 0 | 0 | 11,604 | 0 | 126,342 | 76,049 | 146,629 | 187,268 | 236,472 | 142,883 | 1,537,185 |
| Transco ESS | 406,032 | 261,987 | 0 | 0 | 12,826 | 97,098 | 45,075 | 72,965 | 134,351 | 203,124 | 261,615 | 142,770 | 1,637,842 |
| Transco GSS | 693,015 | 432,627 | 0 | 0 | 0 | 0 | 11,879 | 151,520 | 193,260 | 788,475 | 932,562 | 379,872 | 3,583,211 |
| Transco LGA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LNG | 122,243 | 8,432 | 70,949 | 93,126 | 101,453 | 91,349 | 92,695 | 64,087 | 63,287 | 120,129 | 183,830 | 101,662 | 1,113,241 |
| Pine Needle | 327,772 | 387,998 | 0 | 0 | 0 | 0 | 0 | 0 | 169,344 | 71,352 | 109,647 | 664,578 | 1,730,692 |
| Saltville | 583,773 | 183,073 | 0 | 0 | 0 | 0 | 0 | 0 | 278,779 | 118,861 | 443,567 | 79,313 | 1,687,366 |
| Transco WSS | 741,505 | 128,050 | 42,750 | 0 | 0 | 0 | 0 | 0 | 219,408 | 399,196 | 897,639 | 658,153 | 3,086,701 |
| TOTAL STORAGE WITHDRAWALS | 5,510,616 | 1,629,870 | 113,699 | 93,126 | 125,883 | 188,447 | 275,991 | 364,621 | 1,988,234 | 2,428,792 | 5,040,662 | 4,828,677 | 22,588,618 |
| TOTAL COMMODITY COSTS EXPENSED | \$19,066,156 | \$7,640,302 | \$4,026,909 | \$3,696,204 | \$3,116,825 | \$3,179,116 | \$3,299,010 | \$4,652,489 | \$18,175,381 | \$19,230,861 | \$18,740,757 | \$15,444,613 | \$120,268,623 |

(a) W Va & Mississippi property taxes

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Other Cost of Gas Charges (Credits)
For the Twelve Months Ended March 31, 2020
Schedule 4

| Gas Flow Month | | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|----------------------------|--------------------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|--------------------|--------------------|----------------------|-----------------------|-----------------------|
| Reporting Month | | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| Item | | | | | | | | | | | | | | |
| 1 | Unbilled Deliveries | | | | | | | | | | | | | |
| Deferred Account Activity: | | | | | | | | | | | | | | |
| 2 | Sales Customers Only | 551,694 | 972,804 | 1,485,655 | 706,721 | 1,712,871 | 52,022 | 106,485 | (1,784,015) | (1,408,311) | 350,437 | 1,402,507 | (793,737) | 3,355,135 |
| 3 | All-Customers | (4,843,064) | (6,413,287) | (5,994,743) | (6,389,303) | (6,781,086) | (6,404,877) | (5,553,522) | 1,924,393 | 4,117,390 | 5,589,684 | 2,470,903 | (2,531,584) | (30,809,095) |
| 4 | Miscellaneous charges (a) | (2,913,674) | (1,915,855) | 1,111,410 | 303,928 | 221,049 | (268,444) | (5,281,899) | 2,226,994 | 946,069 | (2,042,522) | (5,881,714) | (7,273,224) | (20,767,881) |
| Demand and Storage Costs: | | | | | | | | | | | | | | |
| 5 | Reverse prior month estimate | (9,577,222) | (8,290,717) | (8,513,745) | (8,269,793) | (8,531,604) | (8,787,578) | (8,561,276) | (8,889,538) | (9,293,903) | (10,065,997) | (10,065,534) | (9,558,960) | (108,405,868) |
| 6 | Current month estimate | 8,290,717 | 8,513,745 | 8,269,793 | 8,531,604 | 8,787,578 | 8,561,276 | 8,889,538 | 9,293,903 | 10,065,997 | 10,065,534 | 9,558,960 | 9,882,830 | 108,711,476 |
| Commodity Costs: | | | | | | | | | | | | | | |
| 7 | Reverse prior month estimate | (19,390,150) | (7,835,272) | (4,025,022) | (3,845,065) | (3,494,160) | (2,930,509) | (3,180,058) | (4,676,105) | (16,829,401) | (19,166,932) | (20,374,342) | (15,864,132) | (121,611,150) |
| 8 | Current month estimate | 7,835,272 | 4,025,022 | 3,845,065 | 3,494,160 | 2,930,509 | 3,180,058 | 4,676,105 | 16,829,401 | 19,166,932 | 20,374,342 | 15,864,132 | 9,679,825 | 111,900,825 |
| 9 | TOTAL OTHER COST OF GAS | (\$20,046,426) | (\$10,943,559) | (\$3,821,587) | (\$5,467,748) | (\$5,154,842) | (\$6,598,053) | (\$8,904,627) | \$14,925,034 | \$6,764,774 | \$5,104,545 | (\$7,025,087) | (\$16,458,981) | (\$57,626,558) |

(a) Miscellaneous charges:

| | | | | | | | | | | | | | |
|-------------------------------|----------------------|----------------------|--------------------|------------------|------------------|--------------------|----------------------|--------------------|------------------|----------------------|----------------------|----------------------|-----------------------|
| IMT Deferral | (409,673) | (492,750) | (242,123) | (329,365) | (341,958) | (357,868) | (698,333) | 512,170 | 735,024 | 577,248 | 125,398 | (464,730) | (1,386,961) |
| IMT Tax Adjustment | | | | | | | | | | | | | 0 |
| CUT Deferral | (2,686,612) | (1,499,620) | 1,234,404 | 536,113 | 470,373 | 10,004 | (4,925,597) | 235,846 | (1,757,224) | (4,721,370) | (7,563,269) | (7,704,896) | (28,371,847) |
| CUT Increment/(Decrement) | 197,795 | 93,101 | 121,278 | 100,235 | 96,286 | 100,495 | 354,649 | 1,521,007 | 2,051,508 | 2,167,702 | 1,626,244 | 941,633 | 9,371,933 |
| High Efficiency Discount Rate | (21,449) | (10,055) | (5,730) | (5,707) | (5,740) | (7,255) | (23,024) | (46,403) | (67,110) | (78,614) | (68,102) | (47,383) | (386,572) |
| Gas Loss-Facilities Damages | 6,265 | (6,530) | 3,581 | 2,652 | 2,088 | (13,820) | 10,406 | 4,374 | (16,128) | 12,510 | (1,984) | 2,152 | 5,567 |
| | (\$2,913,674) | (\$1,915,855) | \$1,111,410 | \$303,928 | \$221,049 | (\$268,444) | (\$5,281,899) | \$2,226,994 | \$946,069 | (\$2,042,522) | (\$5,881,714) | (\$7,273,224) | (\$20,767,881) |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Demand and Storage Rate Changes
For the Twelve Months Ended March 31, 2020
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 |
| 05/01/19 | RP19-1043-000 | Columbia Gas Transmission SST Demand Chg | \$6.57900 | \$6.58000 | (\$0.00100) | | | |
| 06/01/19 | RP19-1191-000 | Columbia Gas Transmission SST Demand Chg | \$6.61200 | \$6.57900 | \$0.03300 | | | |
| 12/31/19 | RP20-187-000 | Columbia Gas Transmission SST Demand Chg | \$6.65400 | \$6.61200 | \$0.04200 | | | |
| 02/01/20 | RP20-382-000 | Columbia Gas Transmission SST Demand Chg | \$6.97000 | \$6.65400 | \$0.31600 | | | |
| 01/01/19 | RP19-63-002 | East Tennessee Natural Gas FT-A Patriot | \$9.29000 | \$9.57700 | (\$0.28700) | | | |
| 05/01/19 | RP19-945-000 | Pine Needle LNG-1 Demand Charge | \$0.09099 | \$0.09206 | (\$0.00107) | | | |
| 04/01/19 | RP19-800-000 | Transco FT Reservation Charge - Zone 1 to Zone 5 | \$0.59523 | \$0.43557 | \$0.15966 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 2 to Zone 5 | \$0.58125 | \$0.42021 | \$0.16104 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 3 to Zone 5 | \$0.53861 | \$0.39102 | \$0.14759 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 4 to Zone 5 | \$0.47524 | \$0.34582 | \$0.12942 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 2 to Zone 6 | \$0.67558 | \$0.48833 | \$0.18725 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 3 to Zone 6 | \$0.63294 | \$0.45914 | \$0.17380 | | | |
| 04/01/19 | | Transco FT Reservation Charge - Zone 6 to Zone 6 | \$0.16340 | \$0.13032 | \$0.03308 | | | |
| 04/01/19 | | Transco FT - Zone 1 to Zone 5 Former PS Rate Schedule | \$1.07935 | \$0.83990 | \$0.23945 | | | |
| 04/01/19 | | Transco FT - Zone 2 to Zone 5 Former PS Rate Schedule | \$1.05439 | \$0.81073 | \$0.24366 | | | |
| 04/01/19 | | Transco FT - Zone 3 to Zone 5 Former PS Rate Schedule | \$0.97826 | \$0.75530 | \$0.22296 | | | |
| 04/01/19 | | Transco FT - Zone 3 to Zone 5 Electric Power Unit Rate | \$0.00505 | \$0.00225 | \$0.00280 | | | |
| 04/01/19 | | Transco FT - Zone 4 to Zone 6 Electric Power Unit Rate | \$0.00538 | \$0.00239 | \$0.00299 | | | |
| 04/01/19 | | Transco FT - Zone 3 to Zone 5 Momentum Expansion | \$0.31776 | \$0.31496 | \$0.00280 | | | |
| 04/01/19 | | Transco GSS Demand | \$0.12995 | \$0.10068 | \$0.02927 | | | |
| 11/01/19 | RP20-145-000 | Transco GSS Demand | \$0.13000 | \$0.12995 | \$0.00005 | | | |
| | | Cardinal Pipeline Zone 1B Reservation Charge | \$0.03937 | \$0.03934 | \$0.00003 | 04/01/19 | G-39, Sub 43 | 03/26/19 |
| | | Cardinal Pipeline Zone 2 Reservation Charge | \$0.08107 | \$0.08104 | \$0.00003 | | | |
| 11/01/19 | RP19-1638-000 | Dominion FTNN/FTNN-GSS Reservation Charge | \$4.16770 | \$4.17420 | (\$0.00650) | | | |
| 11/01/19 | | Dominion GSS Demand | \$1.86980 | \$1.86730 | \$0.00250 | | | |
| 05/30/19 | RP18-1115-002 | Saltville FSS - Space Reservation Charge | \$0.10020 | \$0.10770 | (\$0.00750) | | | |
| 05/30/19 | | Saltville FSS - Injection Reservation Charge | \$3.48190 | \$3.74020 | (\$0.25830) | | | |
| 05/30/19 | | Saltville FSS - Withdrawal Reservation Charge | \$1.72350 | \$1.85130 | (\$0.12780) | | | |
| 07/01/19 | RP18-1115-002 | Saltville FSS - Space Reservation Charge | \$0.11670 | \$0.10020 | \$0.01650 | | | |
| 07/01/19 | | Saltville FSS - Injection Reservation Charge | \$4.00000 | \$3.48190 | \$0.51810 | | | |
| 07/01/19 | | Saltville FSS - Withdrawal Reservation Charge | \$2.00000 | \$1.72350 | \$0.27650 | | | |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Demand and Storage Capacity Level Changes
For the Twelve Months Ended March 31, 2020
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 | Commission Action Order Date |
|-----------------------------|--|---------------------------|--------------------------------|---|--|------------------|------------------------------------|
| 08/01/19 | Transco Firm Transportation Zone 5 to Zone 5 | 20,000 | 0 | 20,000 | | N/A | |
| 03/01/20 | Transco Firm Transportation Zone 5 to Zone 5 | 0 | 20,000 | (20,000) | | N/A | |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Demand and Storage Costs
Incurred versus Collected
For the Twelve Months Ended March 31, 2020
Schedule 7

| | Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|---|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|--------------|-------------|---------------|
| | Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| | Item | | | | | | | | | | | | | |
| 1 | Demand & Storage Costs Expensed | \$9,577,222 | \$8,290,717 | \$8,495,977 | \$8,270,324 | \$8,531,949 | \$8,787,901 | \$8,561,478 | \$8,892,064 | \$9,619,282 | \$10,067,367 | \$10,065,660 | \$9,559,353 | \$108,719,294 |
| 2 | Prior Month True Up | (1,286,504) | 223,028 | (243,952) | 261,811 | 255,974 | (226,302) | 328,262 | 404,366 | 772,094 | (463) | (506,574) | 323,870 | \$305,608 |
| 3 | Current Month True Up | | | | | | | | | | | | | |
| 4 | Demand & Storage Costs Incurred | 8,290,717 | 8,513,746 | 8,252,025 | 8,532,135 | 8,787,923 | 8,561,598 | 8,889,740 | 9,296,430 | 10,391,376 | 10,066,904 | 9,559,086 | 9,883,223 | 109,024,902 |
| 5 | Demand & Storage Costs Billed | 3,266,716 | 1,805,048 | 1,983,613 | 1,732,425 | 1,749,188 | 1,770,025 | 2,734,065 | 9,208,243 | 11,833,845 | 12,816,005 | 9,731,355 | 6,061,260 | 64,691,787 |
| 6 | Incurred (Over) Under Collected | \$5,024,002 | \$6,708,697 | \$6,268,412 | \$6,799,710 | \$7,038,735 | \$6,791,574 | \$6,155,675 | \$88,187 | (\$1,442,469) | (\$2,749,101) | (\$172,269) | \$3,821,963 | \$44,333,115 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Deferred Account Activity
Sales Customers Only Account
For the Twelve Months Ended March 31, 2020
Schedule 8

| Month | Commodity Cost | | Uncollectible Gas Cost | Hedging Activity | (Increment)/ Decrement | Rounding & Miscellaneous | | Ending Balance |
|--------------|----------------------|-----------------------------|---------------------------|---------------------|---------------------------|-----------------------------|--------------------|-------------------|
| | Beginning Balance | (Over) Under Collections | | | | Adjustments | Interest | |
| Apr-19 | (\$699,747) | (\$551,664) | \$57,689 | | | (\$30) | (\$5,491) | (\$1,199,243) |
| May-19 | (\$1,199,243) | (\$914,970) | \$94,787 | | | (\$57,834) | (\$9,502) | (\$2,086,762) |
| Jun-19 | (\$2,086,762) | (\$1,485,655) | \$102,376 | | | \$0 | (\$16,115) | (\$3,486,156) |
| Jul-19 | (\$3,491,203) | (\$706,721) | \$148,951 | | | \$0 | (\$21,867) | (\$4,070,840) |
| Aug-19 | (\$4,070,840) | (\$1,712,871) | \$81,782 | | | \$0 | (\$28,341) | (\$5,730,271) |
| Sep-19 | (\$5,730,271) | (\$52,022) | \$24,017 | | | \$0 | (\$33,317) | (\$5,791,592) |
| Oct-19 | (\$5,791,592) | (\$106,485) | (\$28,227) | | | \$0 | (\$33,982) | (\$5,960,286) |
| Nov-19 | (\$5,960,286) | \$1,948,448 | (\$62,937) | | | (\$164,433) | (\$29,579) | (\$4,268,787) |
| Dec-19 | (\$4,268,787) | \$1,408,503 | (\$19,589) | \$0 | | (\$192) | (\$20,732) | (\$2,900,797) |
| Jan-20 | (\$2,900,797) | (\$350,437) | (\$14,044) | (\$832,249) | | \$0 | (\$20,295) | (\$4,117,822) |
| Feb-20 | (\$4,117,822) | (\$1,402,507) | (\$4,927) | \$0 | | \$0 | (\$27,965) | (\$5,553,221) |
| Mar-20 | (\$5,553,221) | \$793,737 | \$3,577 | \$0 | | \$0 | (\$29,896) | (\$4,785,803) |
| Total | | (\$3,132,645) | \$383,454 | (\$832,249) | \$0 | (\$222,489) | (\$277,081) | |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Deferred Account Activity
All Customers Account
For the Twelve Months Ended March 31, 2020
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-19 | (\$3,040,186) | (36,231) | 5,024,002 | (144,587) | (120) | (2,153,274) | 0 | (9,833) | (\$360,228) |
| May-19 | (360,228) | 99,093 | 6,708,697 | (395,520) | 1,017 | (1,640,232) | 0 | 11,753 | \$4,424,580 |
| Jun-19 | 4,424,580 | 160,805 | 6,268,412 | (434,475) | 0 | (1,703,948) | (131,265) | 37,725 | \$8,621,835 |
| Jul-19 | 8,632,409 | (29,488) | 6,799,710 | (380,918) | 0 | (1,705,367) | 0 | 63,651 | \$13,379,996 |
| Aug-19 | 13,379,996 | 126,690 | 7,038,735 | (384,339) | 0 | (1,698,360) | 0 | 92,344 | \$18,555,065 |
| Sep-19 | 18,555,065 | 1,637 | 6,791,574 | (388,333) | 0 | (1,703,835) | 0 | 121,252 | \$23,377,360 |
| Oct-19 | 23,377,360 | (1,298) | 6,155,675 | (600,855) | 20,000 | (1,690,743) | 0 | 146,849 | \$27,406,988 |
| Nov-19 | 27,406,988 | 29,352 | 88,187 | (2,035,229) | (26,761) | (1,642,608) | (106,190) | 148,250 | \$23,861,989 |
| Dec-19 | 23,861,989 | (51,516) | (1,442,469) | (2,622,414) | (990) | (1,546,788) | 0 | 121,973 | \$18,319,785 |
| Jan-20 | 18,319,785 | (3,199) | (2,749,101) | (2,837,384) | 0 | (1,660,086) | 0 | 85,230 | \$11,155,245 |
| Feb-20 | 11,155,245 | (144,798) | (172,269) | (2,153,837) | 0 | (1,580,435) | 0 | 52,952 | \$7,156,858 |
| Mar-20 | 7,156,858 | 50,158 | 3,821,963 | (1,340,538) | 0 | (1,630,917) | 0 | 44,122 | \$8,101,647 |
| Total | | \$201,205 | \$44,333,115 | (\$13,718,429) | (\$6,854) | (\$20,356,592) | (\$237,455) | \$916,269 | |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Gas Supply
For the Twelve Months Ended March 31, 2020
Schedule 10

| Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| SOURCES OF SUPPLY AT CITY GATE | | | | | | | | | | | | | |
| Contract # 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 95,227 | 60,000 | 0 | 50,000 | 205,227 |
| Contract # 75 | 0 | 124,525 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 124,525 |
| Contract # 118 | 0 | 299,970 | 310,000 | 300,000 | 310,000 | 310,000 | 300,000 | 310,000 | 360,186 | 310,000 | 310,000 | 289,900 | 3,410,056 |
| Contract # 114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,000 | 15,000 | 47,135 | 77,135 |
| Contract # 46 | 220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 330,452 | 310,000 | 310,000 | 290,000 | 1,460,452 |
| Contract # 74 | 818,565 | 549,999 | 950,000 | 750,000 | 465,000 | 790,000 | 760,000 | 665,000 | 318,000 | 163,000 | 110,000 | 60,000 | 6,399,564 |
| Contract # 1 | 163,432 | 786,012 | 627,582 | 627,582 | 627,582 | 627,582 | 627,582 | 627,580 | 1,493,428 | 1,778,033 | 2,090,741 | 1,637,258 | 11,714,394 |
| Contract # 111 | 140,000 | 640,000 | 105,000 | 35,000 | 17,000 | 368,000 | 485,000 | 332,000 | 314,392 | 703,868 | 461,787 | 507,293 | 4,109,340 |
| Contract # 86 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,000 | 20,000 |
| Contract # 122 | 1,393,450 | 385,149 | 510,936 | 283,174 | 467,153 | 539,839 | 612,547 | 536,357 | (8,098) | 0 | 0 | 0 | 4,720,507 |
| Contract # 34 | 380,000 | 200,000 | 15,000 | 0 | 0 | 35,000 | 0 | 50,000 | 570,000 | 874,936 | 780,000 | 787,711 | 3,692,647 |
| Contract # 113 | 0 | 0 | 50,000 | 0 | 0 | 15,000 | 0 | 0 | 0 | 25,000 | 0 | 0 | 90,000 |
| Contract # T26 | 158 | 13 | 8 | 4 | 3 | 4 | 3 | 12 | (18) | (13) | 28 | 82 | 283 |
| Contract # 110 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 67,951 | 162,037 | 162,037 | 40,826 | 432,851 |
| Contract # 123 | 0 | 62,767 | 445,168 | 554,414 | 548,235 | 0 | 0 | 211,337 | 479,714 | 545,418 | 505,000 | 705,227 | 4,057,280 |
| Contract # 49 | 1,080,000 | 0 | 0 | 0 | 0 | 0 | 0 | 20,000 | 1,144,227 | 1,085,000 | 890,000 | 881,452 | 5,100,679 |
| Contract # 9 | 60,000 | 123,500 | 0 | 10,000 | 310,000 | 65,000 | 49,777 | 0 | 228,000 | 330,000 | 385,000 | 155,000 | 1,716,277 |
| Contract # 108 | 0 | 0 | 0 | 156,840 | 162,068 | 0 | 0 | 162,068 | 0 | 0 | 0 | 0 | 480,976 |
| Contract # 124 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 40,000 | 0 | 40,000 |
| Contract # 54 | 1,130,000 | 137,000 | 55,000 | 0 | 45,000 | 25,000 | 0 | 135,666 | 1,539,346 | 1,460,001 | 1,170,000 | 910,000 | 6,607,013 |
| Contract # 121 | 161,789 | 156,840 | 162,068 | 0 | 0 | 162,068 | 156,840 | 0 | 0 | 0 | 0 | 0 | 799,605 |
| Transco Cash Out | 0 | 0 | 0 | 0 | 0 | 0 | (319) | 0 | (27) | (8,098) | (5,565) | 0 | (14,009) |
| Monroe Cash Out | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transportation Pooling Cash Out | (332,775) | (22,714) | 25,398 | (8,151) | 1,276 | (52,912) | (123,587) | (29,178) | (29,863) | (87,433) | (400,294) | (31,482) | (1,091,715) |
| Secondary Market Transactions | | | | | | | | | | | | | 0 |
| Contract # 46 | (90,000) | (10,000) | (190,000) | 0 | (170,000) | (230,000) | (300,000) | (20,000) | 0 | 0 | 0 | 0 | (1,010,000) |
| Contract # 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (150,000) | 0 | 0 | (140,000) | (290,000) |
| Contract # 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (4,000) | 0 | 0 | (4,000) |
| Bundled Sales | (158,565) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (190,092) | 0 | (148,190) | (496,847) |
| Facilities Damages | (3,005) | (917) | (3,094) | (1,900) | (1,108) | (349) | (6,569) | (1,944) | 0 | (7,168) | (1,608) | (882) | (28,544) |
| Subtotal | 4,963,048 | 3,432,144 | 3,063,067 | 2,706,963 | 2,782,209 | 2,654,232 | 2,561,274 | 2,998,898 | 6,752,917 | 7,525,489 | 6,822,126 | 6,061,330 | 52,323,696 |
| Supplier Fuel Use | (125,301) | (88,256) | (67,755) | (61,201) | (60,995) | (68,693) | (59,059) | (62,448) | (114,303) | (127,552) | (145,073) | (136,222) | (1,116,858) |
| TOTAL SUPPLY TO CITY GATE | 4,837,747 | 3,343,888 | 2,995,312 | 2,645,762 | 2,721,214 | 2,585,539 | 2,502,215 | 2,936,450 | 6,638,614 | 7,397,937 | 6,677,053 | 5,925,108 | 51,206,838 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Summary of Gas Supply
For the Twelve Months Ended March 31, 2020
Schedule 10

| Gas Flow Month | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | |
|----------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Reporting Month | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
| STORAGE INJECTIONS | | | | | | | | | | | | | |
| Columbia Storage | 0 | (298,400) | (298,400) | (298,400) | (298,400) | (298,400) | (298,400) | (298,397) | 0 | 0 | 0 | 0 | (2,088,797) |
| Cove Point LNG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DTI GSS | 0 | (317,289) | (317,289) | (317,289) | (317,289) | (317,289) | (317,289) | (317,290) | 0 | 0 | 0 | 0 | (2,221,024) |
| Transco Eminence | (59,000) | (58,566) | (82,729) | (22,303) | (23,455) | (12,672) | (10,473) | (40,946) | (85,792) | (43,446) | (28,861) | (89,147) | (557,390) |
| Transco ESS | (60,000) | (85,197) | (74,360) | (18,951) | (39,649) | (19,799) | (20,640) | (14,096) | (80,526) | (78,452) | (28,555) | (92,880) | (613,105) |
| Transco GSS | (51,293) | (100,586) | (300,191) | (275,874) | (249,764) | (208,534) | (161,631) | (85,359) | (34,586) | (29,662) | (21,492) | (63,107) | (1,582,079) |
| Transco LGA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LNG | (103) | (89,203) | (72,806) | 0 | 0 | 0 | (137) | (38,615) | (73,973) | 0 | (239) | 0 | (275,076) |
| Pine Needle | 0 | (31,038) | (36,225) | (56,925) | (51,750) | (30,795) | (20,700) | (5,175) | (31,050) | (10,350) | 0 | (38,469) | (312,477) |
| Saltville | (19,232) | (39,999) | 0 | 0 | (89,998) | (53,332) | (59,999) | (10,000) | (106,665) | (58,840) | (11,030) | (99,149) | (548,244) |
| Transco WSS | (9,864) | (161,054) | (277,809) | (239,511) | (364,057) | (258,239) | (231,729) | (125,482) | (20,742) | (25,921) | (26,116) | (78,337) | (1,818,861) |
| TOTAL STORAGE INJECTIONS | (199,492) | (1,181,332) | (1,459,809) | (1,229,253) | (1,434,362) | (1,199,060) | (1,120,998) | (935,360) | (433,334) | (246,671) | (116,293) | (461,089) | (10,017,053) |
| STORAGE WITHDRAWALS | | | | | | | | | | | | | |
| Columbia Storage | 394,232 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 122,761 | 51,182 | 471,219 | 632,275 | 1,671,669 |
| Cove Point LNG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DTI GSS | 451,886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 205,609 | 174,832 | 359,689 | 485,755 | 1,677,771 |
| Transco Eminence | 120,200 | 75,649 | 0 | 0 | 4,446 | 0 | 49,741 | 30,178 | 60,341 | 76,436 | 98,121 | 61,323 | 576,435 |
| Transco ESS | 127,683 | 87,915 | 0 | 0 | 5,010 | 38,839 | 18,398 | 30,151 | 56,214 | 83,590 | 110,386 | 62,345 | 620,531 |
| Transco GSS | 237,334 | 148,160 | 0 | 0 | 0 | 0 | 4,829 | 62,354 | 80,191 | 327,168 | 386,955 | 158,280 | 1,405,271 |
| Transco LGA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LNG | 15,917 | 1,095 | 9,719 | 13,247 | 14,411 | 12,939 | 13,111 | 9,039 | 9,106 | 17,903 | 27,315 | 15,061 | 158,863 |
| Pine Needle | 116,645 | 137,588 | 0 | 0 | 0 | 0 | 0 | 0 | 62,953 | 26,525 | 40,913 | 247,977 | 632,601 |
| Saltville | 188,314 | 59,247 | 0 | 0 | 0 | 0 | 0 | 0 | 101,374 | 43,860 | 166,130 | 29,817 | 588,742 |
| Transco WSS | 256,576 | 44,308 | 15,000 | 0 | 0 | 0 | 0 | 0 | 88,829 | 161,618 | 364,894 | 267,542 | 1,198,767 |
| TOTAL STORAGE WITHDRAWALS | 1,908,787 | 553,962 | 24,719 | 13,247 | 23,867 | 51,778 | 86,079 | 131,722 | 787,378 | 963,114 | 2,025,622 | 1,960,375 | 8,530,650 |
| COMPANY USE VOLUMES | (19,131) | (10,756) | (6,611) | (4,004) | (3,713) | (4,315) | (4,060) | (6,042) | (13,464) | (21,991) | (26,445) | (21,991) | (142,523) |
| GAS SUPPLY FOR DELIVERY | 6,527,911 | 2,705,762 | 1,553,610 | 1,425,752 | 1,307,006 | 1,433,942 | 1,463,236 | 2,126,770 | 6,979,194 | 8,092,390 | 8,559,937 | 7,402,403 | 49,577,913 |

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 622
Hedging Deferred Account Activity
For the Twelve Months Ended March 31, 2020
Hinson Exhibit 2

Hinson Exhibit 2

| | Item | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Total |
|----|----------------------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|
| 1 | Beginning balance | (\$832,249) | (\$771,374) | (\$376,788) | \$167,991 | \$193,437 | \$226,736 | \$221,139 | \$209,071 | \$210,284 | \$1,216,070 | \$2,443,069 | \$2,872,773 | (\$832,249) |
| | Broker Transactions | | | | | | | | | | | | | |
| 2 | Premium | 65,160 | 395,670 | 547,690 | 24,260 | 31,920 | 1,740 | 19,340 | 0 | 995,830 | 381,990 | 411,930 | 69,700 | 2,945,230 |
| 3 | Settle | 0 | 0 | 0 | 0 | 0 | (9,473) | (33,575) | 0 | 0 | 0 | 0 | 0 | (43,048) |
| 4 | Fees | 352 | 2,236 | 3,269 | 141 | 164 | 841 | 923 | 0 | 5,833 | 2,144 | 2,403 | 434 | 18,738 |
| 5 | Margin Requirement | | | | | | | | | | | | | |
| | OTC Transactions | | | | | | | | | | | | | |
| 6 | Premium | | | | | | | | | | | | | |
| 7 | Settle | | | | | | | | | | | | | |
| 8 | Fees | | | | | | | | | | | | | |
| 9 | Swaps (Proceeds) / Costs | | | | | | | | | | | | | |
| | Other | | | | | | | | | | | | | |
| 10 | Interest | | | | | | | | | | 35 | | | 35 |
| 11 | Move to Sales Customer D/A | | | | | | | | | | 832,249 | | | 832,249 |
| 12 | Sub-total | (766,737) | (373,468) | 174,171 | 192,392 | 225,521 | 219,844 | 207,827 | 209,071 | 1,211,946 | 2,432,488 | 2,857,402 | 2,942,906 | 2,920,955 |
| 13 | Interest | (4,637) | (3,320) | (588) | 1,045 | 1,215 | 1,295 | 1,244 | 1,213 | 4,124 | 10,581 | 15,371 | 16,865 | 38,816 |
| 14 | Ending balance | (\$771,374) | (\$376,788) | \$173,583 | \$193,437 | \$226,736 | \$221,139 | \$209,071 | \$210,284 | \$1,216,070 | \$2,443,069 | \$2,872,773 | \$2,959,771 | \$2,959,771 |