

June 1, 2023

**VIA ELECTRONIC FILING**

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

Dear Ms. Dunston:

*Re: Public Service Company of North Carolina, Inc. d/b/a Dominion Energy North Carolina's Direct Testimony and Exhibits of Glory J. Creel and Rose M. Jackson Docket No. G-5, Sub 661 – PUBLIC/REDACTED*

Enclosed for filing on behalf of Public Service Company of North Carolina, Inc., (“PSNC”) is the Direct Testimony and Exhibits of Glory J. Creel and Rose M. Jackson.

Witness Jackson testimony and Jackson Direct Exhibit 2 Attachment contain 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 Testimony and 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 below.

Very truly yours,

/s/Mary Lynne Grigg

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

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**BEFORE THE  
NORTH CAROLINA UTILITIES COMMISSION**

**PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED**

**DOCKET NO. G-5, SUB 661**

**DIRECT TESTIMONY**

**OF**

**GLORY J. CREEL**

**June 1, 2023**

1 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, BY WHOM YOU ARE  
2 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 and  
5 Regulatory Affairs Specialist for Public Service Company of North Carolina,  
6 Incorporated d/b/a Dominion Energy North Carolina (“the Company”).

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

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

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

17 A. The purpose of my testimony is to provide the data necessary to true-up the  
18 Company’s actual gas costs with the gas costs billed to our customers during the  
19 12-month review period ended March 31, 2023. Commission Rule R1-17(k)(6)  
20 sets forth the filing requirements for the annual review of gas costs. Subsection (c)  
21 requires the Company to file certain data showing actual gas costs, volumes of gas  
22 purchased, and such other information as may be directed by the Commission.

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

3 A. Yes. The required information provided in Schedules 1 through 10 of Creel Direct  
4 Exhibit 1 attached to my testimony was prepared under my supervision. The  
5 following schedules were prepared in the prescribed format:

6 Schedule 1: Summary of Cost of Gas Expense

7 Schedule 2: Summary of Demand and Storage Charges

8 Schedule 3: Summary of Commodity Gas Cost

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

10 Schedule 5: Summary of Demand and Storage Rate Changes

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

12 Schedule 7: Summary of Demand and Storage Costs Incurred Versus  
13 Collected

14 Schedule 8: Summary of Deferred Account Activity - Sales Customers Only  
15 Account

16 Schedule 9: Summary of Deferred Account Activity - All Customers  
17 Account

18 Schedule 10: Summary of Gas Supply

19 In addition, Creel Direct Exhibit 2 sets forth the review period Hedging Deferred  
20 Account Activity, Creel Direct Exhibit 3 sets forth the review period Deferred  
21 Account Interest Rate and Creel Direct Exhibit 4 sets forth the review period of  
22 Over-Collection Tax Rider 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, 2023?

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. WHAT ACTIVITY OCCURRED IN THE SALES CUSTOMERS ONLY  
11 DEFERRED ACCOUNT DURING THE TWELVE MONTHS ENDED MARCH  
12 31, 2023?

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

14	Under-Collection as of March 31, 2022	\$10,922,343
15	Commodity Cost Over-Collections	(\$21,994,938)
16	Hedging Deferred Account Balance as of March 31, 2022	(\$9,818,653)
17	Uncollectible Gas Cost	\$1,197,212
18	Miscellaneous Adjustments	(\$415,226)
19	Accrued Interest	<u>\$1,110,178</u>
20	Over-Collection as of March 31, 2023	<u>(\$18,999,083)</u>

21 Q. WHAT ACTIVITY OCCURRED IN THE ALL CUSTOMERS DEFERRED  
22 ACCOUNT DURING THE TWELVE MONTHS ENDED MARCH 31, 2023?

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

1	Under-Collection as of March 31, 2022	\$26,767,209
2	Demand Cost Under-Collections	\$54,435,440
3	Commodity Cost Under-Collections	\$7,363,933
4	All Customers Increment	(\$21,056,781)
5	Miscellaneous Adjustments	(\$254,397)
6	Secondary Market Transaction Credits	(\$38,432,050)
7	Supplier Refunds	(\$3,146,903)
8	Accrued Interest	<u>\$3,187,191</u>
9	Under-Collection as of March 31, 2023	<u>\$28,863,641</u>

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

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

16 Q. PLEASE DISCUSS CREEL DIRECT EXHIBIT 2.

17 A. Creel Direct Exhibit 2 reflects the cash transactions associated with the Company's  
18 hedging program during the 12-month review period ended March 31, 2023. As of  
19 the end of the review period, there was a credit (over-collection) balance of  
20 (\$3,485,031) due to the sales customers in the Hedging deferred account. When  
21 added to the (\$18,999,083) credit (over-collection) balance in the Sales Customers  
22 Only deferred account, the total is (\$22,484,114) due to sales customers.

1 Q. WHAT IS THE INTEREST RATE PRESENTLY BEING APPLIED TO THE  
2 COMPANY'S DEFERRED ACCOUNTS?

3 A. In the Company's last general rate case, Docket No. G-5, Sub 632, the Commission  
4 approved in Finding of Fact No. 33 of its Order dated January 21, 2022, the  
5 Company's use of "a net of tax interest rate of 6.57% for all deferred accounts,  
6 adjusted as appropriate for income taxes."

7 Q. DID THE COMPANY REVIEW THE DEFERRED ACCOUNT INTEREST  
8 RATE AS PART OF THIS PROCEEDING?

9 A. Yes. The Company reviewed the 6.57% annual interest rate approved in Docket  
10 No. G-5, Sub 632, and determined that no adjustment is necessary at this time.  
11 Creel Direct Exhibit 3 attached hereto sets forth the calculation of the 6.57% annual  
12 interest rate. This rate was applicable to deferred account interest starting in January  
13 2022 when approved by the Commission in the Company's general rate case. As  
14 provided in the applicable riders of the Company's tariff, the Company will  
15 continue to review the interest rate calculation annually and make adjustments as  
16 necessary.

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

20 A. Yes. Effective December 1, 2021, temporary increments applicable to All  
21 Customers deferred account was approved in Docket No. G-5, Sub 638. These  
22 increments were in effect until December 1, 2022 when new increments applicable

1 to the All Customers deferred account went into effect pursuant to the  
2 Commission's Order in Docket No. G-5, Sub 654.

3 Q. DOES THE COMPANY PROPOSE NEW TEMPORARY RATE INCREMENTS  
4 OR DECREMENTS?

5 A. The Company proposed an increase to fixed gas cost rates and a decrease to the  
6 temporary rate increments applicable to the All Customers deferred account filed  
7 on June 1, 2023 in Docket No. G-5, Sub 662. Therefore, the Company is not  
8 proposing any change in the temporary rate increments applicable to the All  
9 Customers deferred account in this proceeding.

10 Q. THE COMPANY PETITIONED FOR AUTHORIZATION TO TRANSFER THE  
11 TAX RIDER BALANCE TO THE ALL CUSTOMERS DEFERRED ACCOUNT.  
12 IS THIS TRANSFER REFLECTED IN THE COMPANY'S ALL CUSTOMERS  
13 DEFERRED ACCOUNT?

14 A. No. In its October 14, 2022 filing in Docket No. G-5, Sub 653, the Company  
15 requested to transfer the balance in the Tax Act Revenue Deferred from Over-  
16 Collections ("Tax Rider") deferred account to the Company's All Customers  
17 deferred account. After discussions with the Public Staff subsequent to the October  
18 filing the Company agreed to request Commission authority to transfer this balance  
19 to the All Customers deferred account in this proceeding.

20 Q. PLEASE EXPLAIN THE TAX RIDER BALANCE.

21 The over-collection of federal taxes was determined in the Company's last general  
22 rate case, Docket No. G-5, Subs 632 and 634, to be amortized and returned to  
23 customers over a one-year period via a Tax Rider effective November 1, 2021. As



1 of September 30, 2022 the Company projected the Tax Rider balance would likely  
2 be over-refunded if the Tax Rider was extended beyond the October 31, 2022  
3 expiration. Therefore, after October 31, 2022, the Company proposed the remaining  
4 balance and any miscellaneous adjustments going forward to be moved to the All  
5 Customers deferred account.

6 Q. PLEASE DISCUSS CREEL DIRECT EXHIBIT 4.

7 A. Creel Direct Exhibit 4 reflects the one-year refund to customers associated with the  
8 Company's over-collection of federal taxes. As of March 31, 2023, there was a  
9 credit (over-collection) balance of (\$1,372,576) due to all customers in the over-  
10 collection ("Tax Rider") deferred account. When netted with the \$28,863,641 debit  
11 (under-collection) balance in the All Customers deferred account, the total is  
12 \$27,491,065 due from all customers.

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

18 A. The Company did not make any significant accounting changes during the review  
19 period.

20 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

21 A. Yes, it does.

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Annual Review of Gas Costs**  
**For the Twelve Months Ended March 31, 2023**  
**Filing Requirements**

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Creel Direct Exhibit 1

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- 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

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Creel Direct Exhibit 2

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Hedging Deferred Account Activity

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Creel Direct Exhibit 3

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Deferred Account Interest Rate

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Creel Direct Exhibit 4

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Over-Collections Tax Rider Activity

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Cost of Gas Expense**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 1**

<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
<b>Item</b>													
1 Demand & Storage Costs Expensed (Sch 2)	\$9,932,732	\$9,210,989	\$9,478,831	\$9,241,020	\$9,478,855	\$9,479,314	\$9,240,938	\$9,651,148	\$10,697,011	\$11,106,541	\$10,944,604	\$10,170,417	\$118,632,402
2 Commodity Costs Expensed (Sch 3)	\$24,765,895	\$17,705,904	\$14,763,078	\$14,233,986	\$10,950,487	\$17,280,408	\$16,895,181	\$21,766,050	\$32,726,566	\$70,638,041	\$34,868,642	\$20,003,264	\$296,597,503
3 Other Gas Costs Expensed (Sch 4)	(\$36,296,990)	(\$24,366,501)	(\$17,284,645)	(\$13,461,001)	(\$9,349,726)	(\$13,281,339)	\$14,665,803	\$25,047,724	\$66,810,120	(\$6,824,902)	(\$25,879,816)	(\$7,422,106)	(\$47,643,381)
4 Total Cost of Gas Expensed	(\$1,598,363)	\$2,550,392	\$6,957,264	\$10,014,005	\$11,079,617	\$13,478,384	\$40,801,923	\$56,464,922	\$110,233,697	\$74,919,680	\$19,933,430	\$22,751,575	\$367,586,524

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Demand and Storage Charges**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 2**

	<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
	<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
	<b>DEMAND &amp; STORAGE COSTS:</b>													
1	Transco FT Reservation - 1002264	31,633	30,677	31,699	30,677	31,699	31,699	30,677	31,699	30,677	31,699	31,699	28,632	373,168
2	Transco FT Reservation - 1003703	2,293,501	2,224,190	2,298,329	2,224,190	2,298,329	2,298,329	2,224,190	2,298,329	2,224,190	2,298,329	2,298,329	2,075,910	27,056,148
3	Transco FT Reservation - 1004996										110,606	110,606	99,902	321,115
4	Transco FT Reservation - 1006505	23,678	22,966	23,731	22,966	23,731	23,731	22,966	23,731	22,966	23,731	23,731	21,435	279,365
5	Transco Southern Expansion - 1004190	418,359								405,671	465,770	465,770	420,696	2,176,265
6	Transco FT Momentum - 9103562	168,702	163,794	169,254	163,794	169,254	169,254	163,794	169,254	163,794	169,254	169,254	152,874	1,992,275
7	Transco FT Reservation - 9130053	162,806	157,909	163,173	157,909	163,173	163,173	157,909	163,173	157,909	163,173	163,173	147,382	1,920,859
8	Transco FT Reservation - 1012381/1012387	20,518	19,888	20,551	19,888	20,551	20,551	19,888	20,551	19,888	20,551	20,551	18,562	241,934
9	Transco Southeast Expansion - 1012028	527,449	511,452	528,500	511,452	528,500	528,500	511,452	528,500	511,452	528,500	528,500	477,355	6,221,615
10	Transco Southeast Trail Project - 9223476	1,199,942	1,162,836	1,201,597	1,162,836	1,201,597	1,201,597	1,162,836	1,201,597	1,162,836	1,201,597	1,201,597	1,085,314	14,146,183
11	Transco FT Reservation - 9178381	1,718,919	1,666,350	1,721,895	1,666,350	1,721,895	1,721,895	1,666,350	1,721,895	1,666,350	1,721,895	1,721,895	1,555,260	20,270,949
12	Eastern Gas Transmission	322,004	330,085	330,085	330,085	330,085	330,085	330,085	330,085	330,085	543,087	543,087	457,408	4,633,589
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)	417,500	417,500	417,500	417,500	417,500	417,500	417,500	417,500	417,500	417,500	417,500	417,500	5,010,000
16	Columbia Gas Transmission FT Reservation	334,728	171,211	171,971	171,971	171,971	171,971	171,971	343,951	343,951	343,845	343,845	343,845	3,085,229
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	473,845	459,170	474,475	459,170	474,475	474,475	459,170	474,475	452,850	467,945	467,945	422,660	5,560,653
19	City of Monroe	3,892	4,167	2,358	4,097	2,383	2,842	4,015	2,695	2,703	2,286	4,349	2,214	38,001
20	Piedmont Redelivery Agreement	760	760	760	760	760	760	760	760	760	760	760	760	9,120
21	Firm Backhaul Capacity on Transco													
22	GSS Demand and Capacity	144,361	184,580	190,733	184,580	190,733	190,733	184,580	190,733	184,830	190,991	172,731	156,015	2,165,601
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	229,819	240,101	240,101	240,101	240,101	240,101	240,101	240,101	240,101	240,101	240,101	240,101	2,870,933
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	172,821	326,596	326,596	326,596	326,596	326,596	326,596	326,596	327,398	327,398	267,337	267,337	3,648,463
30	Pine Needle	247,279	239,303	277,599	268,645	277,599	277,599	268,645	277,599	268,645	277,599	277,599	250,735	3,208,847
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	265,625	133,333	133,333	133,333	133,333	133,333	133,333	133,333	805,333	805,333	805,333	805,333	4,420,292
33	<b>TOTAL DEMAND &amp; STORAGE COSTS EXPENSED</b>	<b>\$9,932,732</b>	<b>\$9,210,989</b>	<b>\$9,478,831</b>	<b>\$9,241,020</b>	<b>\$9,478,855</b>	<b>\$9,479,314</b>	<b>\$9,240,938</b>	<b>\$9,651,148</b>	<b>\$10,697,011</b>	<b>\$11,106,541</b>	<b>\$10,944,604</b>	<b>\$10,170,417</b>	<b>\$118,632,402</b>

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Commodity Gas Cost**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 3**

<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Total
<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	
<b>COMMODITY COSTS INCURRED</b>													
Contract # 16	0	0	0	0	0	0	0	0	295,148	4,140,622	0	109,100	4,544,870
Contract # 118	0	1,979,165	3,018,854	3,679,229	2,712,252	3,688,663	3,315,301	2,117,915	1,601,956	2,714,189	1,882,067	1,106,271	27,815,862
Contract # 64	199,250	174,500	2,236,650	0	0	0	84,800	121,738	1,487,450	1,728,519	0	0	6,032,907
Contract # 46	3,211,220	0	0	0	0	0	0	0	692,900	1,728,000	1,670,900	932,400	8,235,420
Contract # 74	992,200	2,129,588	0	455,478	0	0	256,850	3,951,230	1,298,183	1,807,121	619,445	184,013	11,694,105
Contract # 1	6,522,780	4,463,336	4,743,942	2,402,326	4,157,821	2,391,194	3,206,481	5,824,425	4,828,051	9,208,922	4,548,245	2,802,526	55,100,049
Contract # 111	1,626,167	1,240,535	4,392,675	3,135,000	2,185,950	2,506,915	2,155,110	2,361,895	1,880,690	2,377,991	955,784	513,480	25,332,193
Contract # 130	214,650	63,000	111,375	73,500	0	4,389,600	5,874,861	3,072,865	283,500	1,160,525	112,500	0	15,356,376
Contract # 86	0	0	0	0	148,000	0	0	0	0	467,500	0	0	615,500
Contract # 135	0	0	0	0	0	0	0	0	0	0	510,876	0	510,876
Contract # 129	2,602,356	0	0	0	0	0	0	0	3,675,052	8,113,696	3,985,342	1,800,612	20,177,057
Contract # 94	0	0	0	0	0	0	0	0	0	0	234,100	301,988	536,088
Contract # 128	0	0	0	0	0	0	98,765	0	128,500	0	0	0	227,265
Contract # 34	1,766,904	2,157,150	1,725,775	2,107,226	1,119,100	2,160,700	2,009,000	2,343,740	2,633,275	6,539,277	4,792,075	1,567,600	30,921,822
Contract # 133	0	0	0	137,700	0	0	0	0	0	0	0	0	137,700
Contract # T26	324	35	24	91	60	20	126	139	690	1,878	425	304	4,117
Contract # 134	0	0	0	0	0	249,925	337,830	0	0	0	0	0	587,755
Contract # 110	0	0	0	128,550	0	371,660	594,417	270,985	1,555,500	2,421,370	1,633,700	869,400	7,845,581
Contract # 123	0	228,268	74,475	3,668,892	0	0	0	1,079,023	0	1,829,613	1,227,250	235,175	8,342,694
Contract # 49	70,050	0	310,950	0	0	0	0	299,963	1,737,000	2,489,450	1,833,850	973,000	7,714,263
Contract # 9	0	0	0	0	0	0	62,350	522,920	2,849,039	7,837,771	1,817,041	802,843	13,891,964
Contract # 124	0	2,364,750	0	0	0	0	0	0	0	0	0	0	2,364,750
Contract # 121	0	3,396,131	5,744,370	6,079,119	4,943,151	7,699,139	6,440,488	4,205,919	195,755	580,306	972,775	113,100	40,370,251
Contract # 132	0	30,299	38,681	49,652	39,764	76,679	55,584	38,868	0	0	4,212,388	0	4,541,914
Contract # 54	5,848,317	156,000	74,200	0	0	0	0	171,100	3,960,576	7,123,781	0	1,730,050	19,064,025
Contract # 127	0	0	0	0	0	0	0	0	0	453,136	0	0	453,136
Contract # 131	2,122,065	1,801,070	74,150	124,125	2,250,600	1,573,472	439,600	1,045,450	266,910	1,820,787	219,087	0	11,737,317
Transco Cash Out	(879)	0	0	0	0	0	0	0	(29,157)	0	(62,254)	(1,533)	(93,824)
Monroe Cash Out	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation Pooling Cash Out	(186,372)	(106,651)	(263,313)	(193,162)	(459,798)	(819,791)	(333,872)	(196,811)	583,178	528,977	(328,153)	168,748	(1,607,020)
Miscellaneous Charges (a)	0	0	0	12,689	0	5,891	0	0	28,591	0	0	0	47,171
<b>Secondary Market Transactions:</b>													
Contract # 46	0	0	(1,948,050)	(360,400)	(1,960,200)	0	0	0	(930,750)	(514,150)	0	0	(5,713,550)
Contract # 111	0	0	0	0	0	0	0	(64,645)	0	0	0	0	(64,645)
Contract # 129	(1,055,700)	0	0	0	0	0	(4,814)	0	0	0	0	(35,777)	(1,096,290)
Contract # 54	0	0	0	0	0	0	0	0	0	0	0	(34,575)	(34,575)
Bundled Sales	(578,012)	0	0	0	0	0	0	0	0	0	0	0	(578,012)
Facilities Damages	(9,290)	(2,414)	(6,880)	(7,645)	(17,209)	(9,508)	(16,508)	(9,612)	(3,554)	(4,555)	(35,636)	(5,750)	(128,562)
Reservation Fees	490,135	237,931	245,862	237,931	245,862	245,862	237,931	245,862	13,500	13,950	13,950	12,600	2,241,378
Pipeline Transportation Charges	153,989	163,730	106,846	88,864	88,212	84,207	103,649	184,468	181,518	331,386	278,097	187,182	1,952,149
Withdrawal/Injection Fees	45,878	49,817	42,220	40,504	38,772	98,097	137,340	182,883	141,202	69,962	75,426	115,468	1,037,570
<b>TOTAL COMMODITY COSTS INCURRED</b>	<b>24,036,032</b>	<b>20,526,240</b>	<b>20,722,807</b>	<b>21,859,669</b>	<b>15,492,336</b>	<b>24,712,725</b>	<b>25,055,290</b>	<b>27,770,318</b>	<b>29,354,703</b>	<b>64,970,021</b>	<b>31,169,279</b>	<b>14,448,225</b>	<b>320,117,645</b>

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Commodity Gas Cost**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 3**

<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
<b>STORAGE INJECTIONS</b>													
Columbia Storage	0	(1,114,619)	(1,484,250)	(1,814,899)	(1,460,934)	(2,199,348)	(1,813,676)	(1,222,804)	0	0	0	0	(11,110,529)
Cove Point LNG	0	(23,083)	(30,175)	(36,897)	(29,701)	(44,713)	(36,872)	(24,848)	0	0	0	0	(226,290)
DTI GSS	0	(1,151,883)	(1,505,787)	(1,841,233)	(1,482,132)	(2,231,261)	(1,839,992)	(1,240,535)	0	0	0	0	(11,292,823)
Transco Eminence	(278,330)	(261,190)	(467,243)	(603,520)	(152,047)	(275,374)	(86,030)	(399,732)	(110,006)	(523,685)	(398,671)	(80,144)	(3,635,972)
Transco ESS	(143,215)	(91,648)	(104,198)	(174,268)	0	0	(59,430)	(229,317)	(55,003)	(272,000)	(218,007)	(49,970)	(1,397,055)
Transco GSS	(278,959)	(931,775)	(1,398,590)	(1,247,286)	(1,045,721)	(810,618)	(806,084)	(989,433)	(461,217)	(739,454)	(260,491)	(105,900)	(9,075,526)
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	(15,818)	(15,000)	(16,000)	(16,000)	(14,680)	(376,395)	(328,999)	(663,943)	(372,770)	(15,000)	(180,045)	(80,365)	(2,095,014)
Pine Needle	(95,754)	(209,369)	(259,580)	(543,792)	(143,447)	(447,602)	0	(262,743)	(140,588)	(287,211)	(118,853)	(14,176)	(2,523,114)
Saltville	(497,981)	0	0	0	0	0	(1,586,256)	(1,294,982)	(276,341)	(433,372)	(1,045,691)	(168,662)	(5,303,284)
Transco WSS	(233,191)	(452,151)	(777,380)	(1,471,752)	(730,027)	(1,276,362)	(1,685,612)	(1,136,938)	(535,537)	(582,254)	(342,567)	(81,125)	(9,304,895)
<b>TOTAL STORAGE INJECTIONS</b>	<b>(1,543,248)</b>	<b>(4,250,718)</b>	<b>(6,043,202)</b>	<b>(7,749,647)</b>	<b>(5,058,687)</b>	<b>(7,661,674)</b>	<b>(8,242,951)</b>	<b>(7,465,275)</b>	<b>(1,951,460)</b>	<b>(2,852,976)</b>	<b>(2,564,325)</b>	<b>(580,341)</b>	<b>(55,964,504)</b>
<b>STORAGE WITHDRAWALS</b>													
Columbia Storage	108,832	0	0	0	0	0	0	0	1,055,094	1,399,921	1,452,696	2,025,800	6,042,342
Cove Point LNG	0	0	0	0	0	0	0	0	0	253,356	0	0	253,356
DTI GSS	94,740	0	0	0	0	0	0	0	812,262	2,138,548	334,953	167,444	3,547,947
Transco Eminence	185,003	71,376	0	0	249,001	165,581	0	498,569	407,790	236,357	761,587	611,709	3,186,974
Transco ESS	158,565	98,469	0	0	0	0	0	125,644	239,395	0	311,640	358,439	1,292,152
Transco GSS	701,812	302,548	1,970	45,316	188,221	0	0	559,687	772,993	930,817	993,560	288,792	4,785,714
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	105,932	78,928	81,494	76,211	79,618	63,776	82,842	6,881	63,848	1,549,718	72,227	102,057	2,363,530
Pine Needle	156,188	110,564	9	0	0	0	0	0	173,447	231,118	57,658	0	728,985
Saltville	191,600	310,050	0	0	0	0	0	270,226	785,200	1,262,100	730,800	587,650	4,137,626
Transco WSS	570,439	458,447	0	2,437	0	0	0	0	1,013,295	519,063	1,548,566	1,993,489	6,105,736
<b>TOTAL STORAGE WITHDRAWALS</b>	<b>2,273,110</b>	<b>1,430,383</b>	<b>83,473</b>	<b>123,964</b>	<b>516,839</b>	<b>229,357</b>	<b>82,842</b>	<b>1,461,006</b>	<b>5,323,324</b>	<b>8,520,996</b>	<b>6,263,688</b>	<b>6,135,380</b>	<b>32,444,362</b>
<b>TOTAL COMMODITY COSTS EXPENSED</b>	<b>\$24,765,895</b>	<b>\$17,705,904</b>	<b>\$14,763,078</b>	<b>\$14,233,986</b>	<b>\$10,950,487</b>	<b>\$17,280,408</b>	<b>\$16,895,181</b>	<b>\$21,766,050</b>	<b>\$32,726,566</b>	<b>\$70,638,041</b>	<b>\$34,868,642</b>	<b>\$20,003,264</b>	<b>\$296,597,503</b>

(a) W Va & Mississippi property taxes

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Other Cost of Gas Charges (Credits)**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 4**

<b>Gas Flow Month</b>		Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
<b>Reporting Month</b>		Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
<b>Item</b>														
1	Unbilled Deliveries													
Deferred Account Activity:														
2	Sales Customers Only	(4,916,896)	(5,302,921)	(4,729,511)	(2,550,466)	(7,745,353)	(5,378,407)	6,712,086	13,069,438	4,227,857	22,456,664	5,613,412	954,260	22,410,163
3	All-Customers	(9,807,390)	(9,900,373)	(9,398,479)	(7,816,549)	(8,090,115)	(7,125,099)	(4,273,050)	(1,529,416)	9,080,064	6,256,483	1,609,086	506,645	(40,488,194)
4	Miscellaneous charges (a)	(13,990,884)	(6,541,473)	(2,307,285)	(300,980)	55,291	519,087	6,698,524	3,497,750	15,837,651	(2,777,455)	(16,639,524)	(7,985,963)	(23,935,262)
Demand and Storage Costs:														
5	Reverse prior month estimate	(9,928,840)	(9,206,821)	(9,476,473)	(9,236,923)	(9,476,473)	(9,476,473)	(9,236,923)	(9,648,453)	(10,694,308)	(11,104,255)	(10,940,256)	(10,168,203)	(118,594,400)
6	Current month estimate	9,206,821	9,476,473	9,236,923	9,476,473	9,476,473	9,236,923	9,648,453	10,694,308	11,104,255	10,940,256	10,168,203	10,783,073	119,448,633
Commodity Costs:														
7	Reverse prior month estimate	(24,943,976)	(18,084,174)	(15,192,789)	(14,582,969)	(11,550,412)	(17,980,863)	(16,923,494)	(22,040,208)	(31,004,304)	(68,258,906)	(35,662,311)	(19,971,574)	(296,195,978)
8	Current month estimate	18,084,174	15,192,789	14,582,969	11,550,412	17,980,863	16,923,494	22,040,208	31,004,304	68,258,906	35,662,311	19,971,574	18,459,656	289,711,658
9	<b>TOTAL OTHER COST OF GAS</b>	<b>(\$36,296,990)</b>	<b>(\$24,366,501)</b>	<b>(\$17,284,645)</b>	<b>(\$13,461,001)</b>	<b>(\$9,349,726)</b>	<b>(\$13,281,339)</b>	<b>\$14,665,803</b>	<b>\$25,047,724</b>	<b>\$66,810,120</b>	<b>(\$6,824,902)</b>	<b>(\$25,879,816)</b>	<b>(\$7,422,106)</b>	<b>(\$47,643,381)</b>

(a) Miscellaneous charges:

IMT Deferral	(275,059)	(226,027)	(193,883)	(144,869)	(131,467)	(175,786)	(147,416)	(112,234)	525,295	(32,808)	(273,945)	157,966	(1,030,232)
Trailer Gas	0	0	0	0	0	0	0	0	3,704	0	0	9,353	13,057
CUT Deferral	(12,161,494)	(6,197,589)	(2,022,995)	(23,048)	331,116	869,814	4,925,825	100,421	8,004,752	(8,549,185)	(20,251,016)	(11,910,384)	(46,883,782)
CUT Increment/(Decrement)	(1,520,233)	(100,455)	(81,873)	(125,805)	(137,048)	(167,225)	1,935,201	3,552,873	7,378,823	5,894,136	3,975,497	3,828,268	24,432,159
High Efficiency Discount Rate	(34,098)	(17,402)	(8,534)	(7,258)	(7,310)	(7,717)	(15,087)	(43,310)	(74,923)	(89,599)	(90,061)	(71,165)	(466,464)
	<b>(\$13,990,884)</b>	<b>(\$6,541,473)</b>	<b>(\$2,307,285)</b>	<b>(\$300,980)</b>	<b>\$55,291</b>	<b>\$519,087</b>	<b>\$6,698,524</b>	<b>\$3,497,750</b>	<b>\$15,837,651</b>	<b>(\$2,777,455)</b>	<b>(\$16,639,524)</b>	<b>(\$7,985,963)</b>	<b>(\$23,935,262)</b>

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Demand and Storage Rate Changes**  
**For the Twelve Months Ended March 31, 2023**  
**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
04/01/22	RP22-00654-001	Columbia Gas Transmission SST Demand Chg	\$9.69100	\$9.47300	\$0.21800			
04/01/22		Columbia Gas Transmission FSS - Reservation Charge	\$2.59200	\$2.48100	\$0.11100			
04/01/22		Columbia Gas Transmission FSS - Capacity Charge	\$0.04670	\$0.04470	\$0.00200			
05/01/22	RP22-00763-000	Columbia Gas Transmission SST Demand Chg	\$9.73400	\$9.69100	\$0.04300			
12/01/22	RP23-00126-000	Columbia Gas Transmission SST Demand Chg	\$9.73100	\$9.73400	(\$0.00300)			
04/01/22	RP21-01187-006	Eastern Gas Transmission FTNN	\$7.00580	\$4.15530	\$2.85050			
04/01/22		Eastern Gas Transmission FT	\$2.43490	\$2.02800	\$0.40690			
04/01/22		Eastern Gas Transmission GSS Demand	\$3.25480	\$1.86550	\$1.38930			
11/01/22	RP22-01283-000	Eastern Gas Transmission FTNN	\$7.07440	\$7.00580	\$0.06860			
11/01/22		Eastern Gas Transmission GSS Demand	\$3.26760	\$3.25480	\$0.01280			
11/01/22	RP21-01187-010	Eastern Gas Transmission FTNN	\$5.96740	\$7.07440	(\$1.10700)			
11/01/22		Eastern Gas Transmission FT	\$1.91550	\$2.43490	(\$0.51940)			
11/01/22		Eastern Gas Transmission GSS Demand	\$2.67840	\$3.26760	(\$0.58920)			
11/01/22		Eastern Gas Transmission GSS Capacity Charge	\$0.02580	\$0.03180	(\$0.00600)			
05/01/22	RP22-00749-000	Pine Needle LNG-1 Demand Charge	\$0.08652	\$0.07707	\$0.00945			
04/01/22	RP22-00669-000	Transco FT Reservation Charge - Zone 1 to Zone 5	\$0.48335	\$0.48232	\$0.00103			
04/01/22		Transco FT Reservation Charge - Zone 2 to Zone 5	\$0.46988	\$0.46885	\$0.00103			
04/01/22		Transco FT Reservation Charge - Zone 3 to Zone 5	\$0.43451	\$0.43362	\$0.00089			
04/01/22		Transco FT Reservation Charge - Zone 4 to Zone 5	\$0.38202	\$0.38126	\$0.00076			
04/01/22		Transco FT Reservation Charge - Zone 2 to Zone 6	\$0.54718	\$0.54595	\$0.00123			
04/01/22		Transco FT Reservation Charge - Zone 3 to Zone 6	\$0.51181	\$0.51072	\$0.00109			
04/01/22		Transco FT Reservation Charge - Zone 6 to Zone 6	\$0.12810	\$0.12790	\$0.00020			
04/01/22		Transco FT - Zone 1 to Zone 5 Former PS Rate Schedule	\$0.87744	\$0.87487	\$0.00257			
04/01/22		Transco FT - Zone 2 to Zone 5 Former PS Rate Schedule	\$0.85335	\$0.85082	\$0.00253			
04/01/22		Transco FT - Zone 3 to Zone 5 Former PS Rate Schedule	\$0.79013	\$0.78792	\$0.00221			
04/01/22		Transco FT - Zone 3 to Zone 5 Electric Power Unit Rate	\$0.00502	\$0.00413	\$0.00089			
04/01/22		Transco FT - Zone 4 to Zone 6 Electric Power Unit Rate	\$0.00545	\$0.00449	\$0.00096			
04/01/22		Transco FT - Zone 3 to Zone 5 Momentum Expansion	\$0.27299	\$0.27210	\$0.00089			
04/01/22	Transco FT - Zone 5 to Zone 3 Southeastern Trail Project	\$0.00502	\$0.00413	\$0.00089				
04/01/22	RP22-00845-000	Transco GSS Demand	\$0.13161	\$0.10537	\$0.02624			
04/01/22		Transco GSS Demand	\$0.00097	\$0.00063	\$0.00034			
11/01/22	RP23-00087-000	Transco GSS Demand	\$0.13186	\$0.13161	\$0.00025			
11/01/22	RP23-00361-000	Transco GSS Demand	\$0.12076	\$0.13186	(\$0.01110)			
11/01/22		Transco GSS Capacity Charge	\$0.00085	\$0.00097	(\$0.00012)			
		Cardinal Pipeline Zone 1B Reservation Charge	\$0.03941	\$0.03932	\$0.00009	04/01/22	G-39, Sub 48	03/29/22
		Cardinal Pipeline Zone 2 Reservation Charge	\$0.08111	\$0.08102	\$0.00009			



**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Demand and Storage Capacity Level Changes**  
**For the Twelve Months Ended March 31, 2023**  
**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 Action Effective Date	Docket Number	Order Date
11/01/22	Transco Firm Transportation Zone 5 to Zone 5	6,000	0	6,000		N/A	
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	
11/01/21	Transco Firm Transportation Zone 5 to Zone 5	0	21,000	(21,000)		N/A	
04/01/21	Transco Firm Transportation Zone 5 to Zone 5	0	34,000	(34,000)		N/A	

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Demand and Storage Costs**  
**Incurred versus Collected**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 7**

	<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
	<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
	<b>Item</b>													
1	Demand & Storage Costs Expensed	\$9,932,732	\$9,210,989	\$9,478,831	\$9,241,020	\$9,478,855	\$9,479,314	\$9,240,938	\$9,651,148	\$10,697,011	\$11,106,541	\$10,944,604	\$10,170,417	\$118,632,402
2	Prior Month True Up	(722,019)	269,652	(239,550)	239,550	0	(239,550)	411,530	1,045,855	409,947	(163,999)	(772,053)	614,870	\$854,232
3	Current Month True Up													
4	Demand & Storage Costs Incurred	9,210,713	9,480,640	9,239,281	9,480,570	9,478,855	9,239,765	9,652,468	10,697,003	11,106,958	10,942,542	10,172,552	10,785,286	119,486,634
5	Demand & Storage Costs Billed	1,775,775	1,862,945	1,434,017	1,681,926	1,767,983	1,982,186	4,434,321	7,413,235	14,512,115	11,722,034	8,356,071	8,108,586	65,051,194
6	Incurred (Over) Under Collected	\$7,434,938	\$7,617,696	\$7,805,264	\$7,798,643	\$7,710,872	\$7,257,579	\$5,218,147	\$3,283,768	(\$3,405,157)	(\$779,493)	\$1,816,481	\$2,676,701	\$54,435,440

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Deferred Account Activity**  
**Sales Customers Only Account**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 8**

Month	Beginning Balance	Commodity Cost (Over) Under Collections	Uncollectible Gas Cost	Hedging Activity	(Increment)/ Decrement	Rounding & Miscellaneous Adjustments	Interest	Ending Balance
Apr-22	\$10,922,343	\$4,916,201	\$84,940			\$695	\$73,559	\$15,997,739
May-22	\$15,997,739	\$5,302,921	\$194,585			\$0	\$102,731	\$21,597,975
Jun-22	\$21,597,975	\$4,729,511	\$310,467			\$0	\$132,166	\$26,770,119
Jul-22	\$26,770,119	\$2,550,466	\$361,638			\$0	\$154,679	\$29,836,902
Aug-22	\$29,836,902	\$7,745,353	\$260,095			\$0	\$185,441	\$38,027,791
Sep-22	\$38,027,791	\$5,392,520	\$88,006			(\$14,112)	\$223,370	\$43,717,575
Oct-22	\$43,717,575	(\$6,712,086)	(\$79,590)			\$0	\$220,963	\$37,146,863
Nov-22	\$37,146,863	(\$13,071,399)	(\$78,751)	(\$9,818,653)		\$1,961	\$140,636	\$14,320,656
Dec-22	\$14,320,656	(\$4,231,561)	(\$39,927)			\$3,704	\$66,783	\$10,119,657
Jan-23	\$10,119,657	(\$22,037,642)	(\$1,251)			(\$419,022)	(\$6,079)	(\$12,344,338)
Feb-23	(\$12,344,338)	(\$5,613,412)	\$30,357			\$0	(\$82,945)	(\$18,010,337)
Mar-23	(\$18,010,337)	(\$965,809)	\$66,643			\$11,548	(\$101,129)	(\$18,999,083)
<b>Total</b>		<b>(\$21,994,938)</b>	<b>\$1,197,212</b>	<b>(\$9,818,653)</b>	<b>\$0</b>	<b>(\$415,226)</b>	<b>\$1,110,178</b>	

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Deferred Account Activity**  
**All Customers Account**  
**For the Twelve Months Ended March 31, 2023**  
**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-22	\$26,767,209	2,718,807	7,434,938	(346,466)	110	(2,142,257)	(2,021,177)	162,149	\$32,573,313
May-22	\$32,573,313	2,644,706	7,617,696	(362,029)	0	(2,023,978)	0	200,083	\$40,649,792
Jun-22	\$40,649,792	1,872,536	7,805,264	(279,321)	0	(2,206,013)	0	242,468	\$48,084,727
Jul-22	\$48,084,727	344,830	7,798,643	(326,925)	0	(2,630,548)	(7,121)	277,694	\$53,541,302
Aug-22	\$53,541,302	724,326	7,710,872	(345,083)	0	(3,081,854)	0	307,129	\$58,856,693
Sep-22	\$58,856,693	253,591	7,257,579	(386,066)	(4)	(2,798,852)	0	334,389	\$63,517,329
Oct-22	\$63,517,329	(79,321)	5,218,147	(865,777)	0	(2,430,537)	(8,594)	353,100	\$65,704,347
Nov-22	\$65,704,348	(302,043)	3,283,768	(1,452,309)	0	(2,217,893)	0	358,173	\$65,374,044
Dec-22	\$65,374,044	(27,188)	(3,405,157)	(5,647,719)	0	(4,600,121)	0	320,766	\$52,014,626
Jan-23	\$52,014,626	(633,557)	(779,493)	(4,590,368)	(253,066)	(4,800,552)	(3,771)	254,734	\$41,208,554
Feb-23	\$41,208,554	(149,876)	1,816,481	(3,275,691)	0	(4,840,626)	(1,106,241)	205,120	\$33,857,720
Mar-23	\$33,857,720	(2,879)	2,676,701	(3,179,029)	(1,438)	(4,658,821)	0	171,387	\$28,863,641
<b>Total</b>		<b>\$7,363,933</b>	<b>\$54,435,440</b>	<b>(\$21,056,781)</b>	<b>(\$254,397)</b>	<b>(\$38,432,050)</b>	<b>(\$3,146,903)</b>	<b>\$3,187,191</b>	

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Gas Supply**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 10**

<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
<b>SOURCES OF SUPPLY AT CITY GATE</b>													
Contract # 16	0	0	0	0	0	0	0	0	48,000	581,300	0	40,000	669,300
Contract # 118	0	453,937	471,696	456,480	471,696	471,696	422,868	471,696	426,052	453,120	471,696	425,489	4,996,426
Contract # 64	40,000	25,000	310,000	0	0	0	10,000	25,000	240,000	271,751	0	0	921,751
Contract # 114	0	0	0	0	0	0	0	0	0	0	0	0	0
Contract # 46	780,301	0	0	0	0	0	0	0	130,000	240,000	310,000	280,000	1,740,301
Contract # 74	205,000	335,000	0	52,000	0	0	40,000	616,230	212,000	293,381	189,825	75,000	2,018,436
Contract # 1	1,421,796	845,937	644,099	263,163	588,248	210,947	376,296	952,267	858,609	1,445,307	1,271,931	1,117,461	9,996,061
Contract # 111	389,161	178,000	598,000	355,000	225,000	274,000	241,000	440,986	389,930	397,961	257,261	205,268	3,951,567
Contract # 130	45,000	10,000	15,000	10,000	0	310,000	669,002	461,851	45,000	145,000	30,000	0	1,740,853
Contract # 86	0	0	0	0	20,000	0	0	0	0	68,000	0	0	88,000
Contract # 135	0	0	0	0	0	0	0	0	0	0	147,156	0	147,156
Contract # 129	535,000	0	0	0	0	0	0	0	590,000	1,225,000	1,185,000	725,000	4,260,000
Contract # 94	0	0	0	0	0	0	0	0	0	0	80,000	120,000	200,000
Contract # 128	0	0	0	0	0	0	13,004	0	20,000	0	0	0	33,004
Contract # 34	359,773	370,000	235,000	238,621	155,000	155,000	210,000	379,550	445,000	924,450	1,268,000	577,000	5,317,394
Contract # 133	0	0	0	15,000	0	0	0	0	0	0	0	0	15,000
Contract # 78	0	0	0	0	0	0	0	0	0	0	0	0	0
Contract # T26	33	(3)	0	6	4	0	7	(8)	52	60	6	33	190
Contract # 134	0	0	0	0	0	25,000	39,000	0	0	0	0	0	64,000
Contract # 110	0	0	0	15,000	0	39,827	68,700	43,000	300,000	361,000	310,000	280,000	1,417,527
Contract # 123	0	40,300	10,000	405,800	0	0	0	208,000	0	315,000	360,000	95,000	1,434,100
Contract # 49	15,000	0	40,000	0	0	0	0	58,000	315,000	335,000	340,000	280,000	1,383,000
Contract # 9	0	0	0	0	0	0	10,000	93,000	509,742	1,235,388	655,000	355,000	2,858,130
Contract # 124	0	450,000	0	0	0	0	0	0	0	0	0	0	450,000
Contract # 121	0	724,697	838,697	724,697	734,697	734,697	727,697	753,521	43,890	99,100	241,500	45,000	5,668,193
Contract # 132	0	4,286	4,286	4,286	4,286	4,286	4,286	4,284	0	0	1,268,000	0	1,298,000
Contract # 54	1,216,100	20,000	10,000	0	0	0	0	30,000	664,964	1,160,774	0	715,000	3,816,838
Contract # 127	0	0	0	0	0	0	0	0	0	80,000	0	0	80,000
Contract # 126	0	0	0	0	0	0	0	0	0	0	0	0	0
Contract # 131	433,845	284,700	10,000	15,000	310,000	159,246	60,000	180,000	62,000	263,199	64,204	0	1,842,194
Transco Cash Out	(190)	0	0	0	0	0	0	0	(5,726)	0	(10,692)	(477)	(17,085)
Transportation Pooling Cash Out	(36,092)	(13,931)	(28,027)	(17,172)	(54,143)	(55,241)	(31,663)	(23,145)	151,704	140,850	(52,669)	70,312	50,783
Secondary Market Transactions													0
Contract # 46	0	0	(270,000)	(40,000)	(270,000)	0	0	0	(170,000)	(70,000)	0	0	(820,000)
Contract # 111	0	0	0	0	0	0	0	(10,929)	0	0	0	0	(10,929)
Contract # 129	(230,000)	0	0	0	0	0	(614)	0	0	0	0	(15,000)	(245,614)
Contract # 54	0	0	0	0	0	0	0	0	0	0	0	(15,000)	(15,000)
Bundled Sales	(125,860)	0	0	0	0	0	0	0	0	0	0	0	(125,860)
Facilities Damages	(1,956)	(508)	(1,448)	(1,330)	(2,993)	(1,654)	(2,871)	(1,202)	(444)	(651)	(5,091)	(1,353)	(21,500)
<b>Subtotal</b>	<b>5,046,911</b>	<b>3,727,415</b>	<b>2,887,303</b>	<b>2,496,551</b>	<b>2,181,795</b>	<b>2,327,804</b>	<b>2,856,712</b>	<b>4,682,101</b>	<b>5,275,773</b>	<b>9,964,990</b>	<b>8,381,127</b>	<b>5,373,733</b>	<b>55,202,216</b>
Supplier Fuel Use	(75,794)	(71,773)	(51,745)	(45,042)	(38,959)	(53,214)	(63,459)	(106,287)	(107,479)	(175,706)	(148,473)	(106,371)	(1,044,302)
<b>TOTAL SUPPLY TO CITY GATE</b>	<b>4,971,117</b>	<b>3,655,642</b>	<b>2,835,558</b>	<b>2,451,509</b>	<b>2,142,836</b>	<b>2,274,590</b>	<b>2,793,253</b>	<b>4,575,814</b>	<b>5,168,294</b>	<b>9,789,284</b>	<b>8,232,654</b>	<b>5,267,362</b>	<b>54,157,914</b>

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Summary of Gas Supply**  
**For the Twelve Months Ended March 31, 2023**  
**Schedule 10**

<b>Gas Flow Month</b>	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	
<b>Reporting Month</b>	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
<b>STORAGE INJECTIONS</b>													
Columbia Storage	0	(206,057)	(206,057)	(206,057)	(206,057)	(206,057)	(206,057)	(206,057)	0	0	0	0	(1,442,399)
Cove Point LNG	0	(4,286)	(4,286)	(4,286)	(4,286)	(4,286)	(4,286)	(4,284)	0	0	0	0	(30,000)
DTI GSS	0	(210,820)	(210,820)	(210,820)	(210,820)	(210,820)	(210,820)	(210,820)	0	0	0	0	(1,475,740)
Transco Eminence	(60,169)	(48,497)	(66,366)	(70,105)	(21,941)	(26,396)	(10,000)	(68,917)	(20,000)	(80,838)	(108,479)	(30,473)	(612,181)
Transco ESS	(30,960)	(17,017)	(14,800)	(20,243)	0	0	(6,908)	(39,536)	(10,000)	(41,987)	(59,320)	(19,000)	(259,771)
Transco GSS	(58,840)	(168,002)	(192,910)	(140,701)	(146,545)	(75,457)	(90,993)	(165,660)	(81,431)	(110,849)	(68,834)	(39,103)	(1,339,325)
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	0	0	0	0	(69)	(28,411)	(25,469)	(91,738)	(48,982)	0	(44,909)	0	(239,578)
Pine Needle	(20,496)	(38,493)	(35,394)	(60,636)	(19,872)	(41,186)	0	(43,484)	(24,536)	(42,558)	(31,044)	(5,174)	(362,873)
Saltville	(105,549)	0	0	0	0	0	(180,026)	(217,994)	(49,080)	(65,349)	(277,957)	(62,649)	(958,604)
Transco WSS	(49,388)	(82,610)	(108,650)	(168,226)	(103,661)	(120,385)	(192,796)	(192,885)	(95,806)	(88,440)	(91,721)	(30,351)	(1,324,919)
<b>TOTAL STORAGE INJECTIONS</b>	<b>(325,402)</b>	<b>(775,782)</b>	<b>(839,283)</b>	<b>(881,074)</b>	<b>(713,251)</b>	<b>(712,998)</b>	<b>(927,355)</b>	<b>(1,241,375)</b>	<b>(329,835)</b>	<b>(430,021)</b>	<b>(682,264)</b>	<b>(186,750)</b>	<b>(8,045,390)</b>
<b>STORAGE WITHDRAWALS</b>													
Columbia Storage	35,335	0	0	0	0	0	0	0	190,107	252,238	261,747	365,009	1,104,436
Cove Point LNG	0	0	0	0	0	0	0	0	0	65,130	0	0	65,130
DTI GSS	32,669	0	0	0	0	0	0	0	161,163	424,315	66,459	33,223	717,829
Transco Eminence	38,948	15,284	0	0	38,545	25,474	0	71,326	61,138	36,030	116,629	115,635	519,009
Transco ESS	36,620	22,533	0	0	0	0	0	25,434	47,405	0	59,360	72,266	263,618
Transco GSS	205,810	85,951	500	9,916	36,906	0	0	95,673	131,910	159,114	167,831	49,706	943,317
Transco LGA	0	0	0	0	0	0	0	0	0	0	0	0	0
LNG	17,423	12,939	13,316	12,392	12,904	10,303	12,804	1,027	9,445	227,565	10,575	15,370	356,063
Pine Needle	53,489	37,227	3	0	0	0	0	0	41,004	54,126	13,134	0	198,983
Saltville	40,000	65,000	0	0	0	0	0	44,445	130,000	210,000	120,000	115,000	724,445
Transco WSS	177,155	140,198	0	664	0	0	0	0	196,375	100,399	296,093	386,335	1,297,219
<b>TOTAL STORAGE WITHDRAWALS</b>	<b>637,449</b>	<b>379,132</b>	<b>13,819</b>	<b>22,972</b>	<b>88,355</b>	<b>35,777</b>	<b>12,804</b>	<b>237,905</b>	<b>968,547</b>	<b>1,528,917</b>	<b>1,111,828</b>	<b>1,152,544</b>	<b>6,190,049</b>
<b>COMPANY USE VOLUMES</b>	<b>(14,403)</b>	<b>(8,895)</b>	<b>(6,993)</b>	<b>(5,811)</b>	<b>(8,467)</b>	<b>(5,996)</b>	<b>(2,875)</b>	<b>(16,103)</b>	<b>(17,255)</b>	<b>(41,654)</b>	<b>(42,677)</b>	<b>(32,108)</b>	<b>(203,237)</b>
<b>GAS SUPPLY FOR DELIVERY</b>	<b>5,268,761</b>	<b>3,250,097</b>	<b>2,003,101</b>	<b>1,587,596</b>	<b>1,509,473</b>	<b>1,591,373</b>	<b>1,875,827</b>	<b>3,556,241</b>	<b>5,789,751</b>	<b>10,846,526</b>	<b>8,619,541</b>	<b>6,201,048</b>	<b>52,099,336</b>

**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Hedging Deferred Account Activity**  
**For the Twelve Months Ended March 31, 2023**  
**Creel Direct Exhibit 2**

	Item	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
1	Beginning balance	(\$9,818,653)	(\$10,747,921)	(\$11,535,820)	(\$11,947,544)	(\$12,675,005)	(\$13,453,638)	(\$14,124,497)	(\$14,173,054)	(\$4,216,708)	(\$3,530,927)	(\$3,550,276)	(\$3,536,782)	(\$9,818,653)
	Broker Transactions													
2	Premium	86,050	79,000	74,250	0	153,300	197,900	0	0	705,420	0	32,720	70,590	1,399,230
3	Settle	(960,335)	(806,818)	(422,580)	(660,490)	(861,600)	(795,750)	27,330	183,310	0	0	0	0	(4,296,933)
4	Fees	1,215	810	775	311	1,064	2,349	1,436	4,633	1,532	0	138	349	14,611
5	Margin Requirement													
	OTC Transactions													
6	Premium													
7	Settle													
8	Fees													
9	Swaps (Proceeds) / Costs													
	Other													
10	Interest													
11	Move to Sales Customer D/A								9,818,653					9,818,653
12	Sub-total	(10,691,723)	(11,474,929)	(11,883,375)	(12,607,724)	(13,382,241)	(14,049,139)	(14,095,731)	(4,166,458)	(3,509,756)	(3,530,927)	(3,517,417)	(3,465,844)	(2,883,092)
13	Interest	(56,198)	(60,891)	(64,169)	(67,281)	(71,397)	(75,358)	(77,323)	(50,250)	(21,171)	(19,349)	(19,365)	(19,187)	(601,939)
14	Ending balance	(\$10,747,921)	(\$11,535,820)	(\$11,947,544)	(\$12,675,005)	(\$13,453,638)	(\$14,124,497)	(\$14,173,054)	(\$4,216,708)	(\$3,530,927)	(\$3,550,276)	(\$3,536,782)	(\$3,485,031)	(\$3,485,031)

Public Service Company of North Carolina, Incorporated  
Docket No. G-5, Sub 661  
Creel Direct Exhibit 3  
2023 Deferred Account Interest Rate

Item	Capital Structure	Cost	Overall Return	Pre-tax Return	Net of Tax Return
Long Term Debt	47.06%	4.48%	2.110%	2.110%	
Short Term Debt	1.34%	0.25%	0.000%	0.000%	
Common Equity	51.60%	9.60%	4.950%	6.427%	
Total	<u>100.00%</u>		<u>7.060%</u>	<u>8.537%</u>	
State Income Tax Rate	2.50%				
Federal Income Tax Rate	<u>21.00%</u>				
Composite	<u>22.98%</u>				
Net of Tax Factor	<u>77.02%</u>				<u>6.575% [1]</u>
Monthly Interest Rate					<u>0.548%</u>

[1] Finding of Fact No. 33, Docket No. G-5, Sub 632, Final Order dated 1/21/2022



**Public Service Company of North Carolina, Inc.**  
**Docket No. G-5, Sub 661**  
**Overcollection Tax Rider Activity**  
**As of March 31, 2023**  
**Creel Direct Exhibit 4**

	Item	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
1	Beginning Levelized balance	(\$18,690,999)	(\$16,221,055)	(\$13,842,601)	(\$9,512,471)	(\$6,411,611)	(\$5,344,853)	(\$4,675,253)	(\$4,247,514)	(\$3,897,495)	(\$3,459,779)	(\$2,994,041)	(\$2,477,902)	(\$1,383,788)	(\$1,401,334)	(\$1,371,805)	(\$1,371,886)	(\$1,371,886)	(\$18,690,999)
2	Refund	(2,469,943)	(2,378,454)	(4,330,130)	(3,100,860)	(1,066,758)	(669,600)	(427,739)	(350,019)	(437,715)	(465,738)	(516,137)	(1,094,113)	17,546	(29,529)	0	0	0	(\$17,319,191)
3	Miscellaneous Adjustments											2				(80)		(691)	(\$769)
4	Ending balance	(\$16,221,055)	(\$13,842,601)	(\$9,512,471)	(\$6,411,611)	(\$5,344,853)	(\$4,675,253)	(\$4,247,514)	(\$3,897,495)	(\$3,459,779)	(\$2,994,041)	(\$2,477,902)	(\$1,383,788)	(\$1,401,334)	(\$1,371,805)	(\$1,371,886)	(\$1,371,886)	(\$1,372,576)	(\$1,372,576)

1 Docket No. G-5, Sub 632 and 634

**BEFORE THE**

**NORTH CAROLINA UTILITIES COMMISSION**

**PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED**

**DOCKET NO. G-5, SUB 661**

**DIRECT TESTIMONY**

**OF**

**ROSE M. JACKSON**

**JUNE 1, 2023**

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 – Fuel  
6 Commodities.

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. (“DESC”).  
12 Our group’s specific responsibilities for PSNC include planning and  
13 procurement of gas supply and pipeline capacity, nominations and scheduling  
14 related to natural gas transportation and storage services on interstate pipelines  
15 and the Company’s system, gas cost accounting, state and federal regulatory  
16 issues concerning supply and capacity, asset and risk management, and gas  
17 transportation administration. As of October 1, 2022, I assumed responsibility  
18 for managing coal and oil procurement for DESC.

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

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

1 employment with SCANA Corporation (“SCANA”) as an accountant. Over the  
2 years, I have held various positions of increasing responsibility related to gas  
3 procurement, interstate pipeline and local distribution company scheduling, and  
4 preparation of gas accounting information. In May 2002, I became Manager of  
5 Operations and Gas Accounting at SCANA and was responsible for gas  
6 scheduling on interstate pipelines and gas accounting for all SCANA  
7 subsidiaries. In November 2003, I was made Fuels Planning Manager and  
8 assisted all SCANA subsidiaries with strategic planning and special projects  
9 associated with natural gas. I held this position until promoted to General  
10 Manager – Supply and Asset Management in December 2005. Following  
11 SCANA’s merger with Dominion Energy, Inc. (“Dominion Energy”), in 2019,  
12 I became Director – Gas Supply Services in January 2021. In October 2022, I  
13 was named Director – Fuel Commodities and assumed responsibility for  
14 managing coal and oil procurement for DESC.

15 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

16 A. Yes. I have presented testimony on behalf of the Company many times,  
17 including its last ten gas cost reviews.

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

20 A. North Carolina General Statute Section 62-133.4 allows the Company to track  
21 and recover from its customers the cost of natural gas supply and transportation  
22 and to adjust customer charges to reflect changes in those costs. This is  
23 accomplished through Rider D to the Company’s tariff. Under subsection (c)

1 of the statute, the Commission must conduct an annual review of the  
2 Company's gas costs, comparing the Company's prudently incurred costs with  
3 the costs recovered from customers during a 12-month test period. To facilitate  
4 this review, Commission Rule R1-17(k)(6) requires the Company to submit to  
5 the Commission, on or before June 1 of each year, certain information for the  
6 12-month test period ended the previous March 31.

7 The purpose of my testimony is to demonstrate that all gas costs were  
8 prudently incurred by the Company during the 12-month review period ended  
9 March 31, 2023, and therefore meet the requirement for recovery. My  
10 testimony also provides the Commission with information pursuant to the Order  
11 Requiring Reporting issued in Docket No. G-100, Sub 91, and addresses the  
12 Commission's Order on Annual Review of Gas Costs issued last year in Docket  
13 No. G-5, Sub 6 which required an economic analysis of new or incremental  
14 supply. Finally, I will describe the Federal Energy Regulatory Commission  
15 ("FERC") proceedings in which the Company became a party during the review  
16 period, as required by the Commission's Order on Annual Review of Gas Costs  
17 issued in Docket No. G-5, Sub 533.

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

22 Q. PLEASE BRIEFLY DESCRIBE PSNC AND THE COMPOSITION OF ITS  
23 MARKET.

1 A. PSNC is a local distribution company primarily engaged in the purchase,  
2 transportation, distribution, and sale of natural gas to approximately 640,000  
3 customers in North Carolina. About half of the Company's throughput during  
4 the review period consisted of deliveries to industrial or large commercial  
5 customers, including electric generation, many of whom either purchased or  
6 transported gas under interruptible rate schedules. The remainder of the  
7 Company's throughput consisted of firm sales service to residential and small  
8 and medium-sized commercial customers.

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

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

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

22 The second criterion is maintaining the necessary operational flexibility  
23 that will enable the Company to react to the effects of unpredictable weather on

1 firm sales customer usage. The Company's gas supply portfolio must be  
2 capable of handling the monthly, daily, and hourly changes in these customers'  
3 demand needs. Operational flexibility largely results from gas supply  
4 agreements having different purchase commitments and swing capabilities (for  
5 example, the ability to adjust purchased gas within the contract volume on either  
6 a monthly or daily basis) and from injections into and withdrawals out of  
7 storage.

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

21 Q. WHAT IS DOMINION ENERGY'S NATURAL GAS SUSTAINABILITY  
22 INITIATIVE?

23 A. This initiative is a part of Dominion Energy's "Net Zero" goal for carbon

1           dioxide and methane emissions by 2050. It includes a plan to reduce emissions  
2           associated with upstream natural gas purchases by:

- 3           •       Supporting federal methane regulations.
- 4           •       Encouraging suppliers to adopt net-zero commitments.
- 5           •       Requesting supplier emissions disclosures on an annual basis.
- 6           •       Incorporating a sustainability focus into fuel procurement  
7           practices.

8   Q.    HOW DOES PSNC DETERMINE ITS FIRM CUSTOMERS' DEMAND  
9   REQUIREMENTS?

10   A.   PSNC estimates firm customer demand for an extremely cold weather day, or  
11   design day, using a statistical modeling program that is developed by applying  
12   regression analysis to historical firm throughput. Design-day demand is  
13   estimated using historical weather and 50 heating degree-days (“HDDs”).  
14   HDDs measure the coldness of the weather experienced, based on the extent to  
15   which the daily mean temperature falls below a reference temperature of 60  
16   degrees Fahrenheit.

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

20   A.   Column (1) of the table in Jackson Direct Exhibit 1 shows the results of the  
21   review period’s firm peak-day demand forecast, which was performed prior to  
22   the winter heating season, and the assets that were available to meet those firm  
23   peak-day requirements going into the winter heating season. The assets



1 included year-round, seasonal, and peaking capabilities and consisted of firm  
2 transportation and storage capacity on interstate pipelines as well as the LNG  
3 peaking capability of the Cary Energy Center. They also included short-term  
4 peaking services the Company acquired to cover a temporary shortfall of assets.

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 187,000  
21 dekatherms per day (dts/day) under term contracts with nine different suppliers  
22 as of November 1, 2022, 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. PLEASE DESCRIBE PSNC'S INTERSTATE TRANSPORTATION AND  
6 STORAGE CAPACITY.

7 A. PSNC subscribes to interstate capacity so that natural gas can be delivered from  
8 supply areas or gas storage facilities to PSNC's local distribution system. Most  
9 of PSNC's firm transportation and storage capacity is obtained from Transco,  
10 which currently is the only interstate pipeline having a direct interconnection  
11 with the Company's system. The other interstate transportation and storage  
12 providers with whom PSNC has contracted for service include Columbia Gas  
13 Transmission, LLC ("Columbia Gas"); Cove Point LNG, LP ("Cove Point");  
14 Eastern Gas Transmission and Storage, Inc. ("Eastern Gas"); East Tennessee  
15 Natural Gas, LLC ("East Tennessee"); Pine Needle LNG Company, LLC  
16 ("Pine Needle"); Saltville Gas Storage Company, L.L.C. ("Saltville"); and  
17 Texas Gas Transmission, LLC ("Texas Gas"). Because Transco is the sole  
18 direct interstate pipeline interconnection, the Company needs to use the Transco  
19 firm transportation capacity, including segmentation of that capacity, to receive  
20 natural gas from the other interstate providers.

21 Q. WHAT IS SEGMENTATION?

22 A. Segmentation allows a shipper on an interstate pipeline to double the amount of  
23 its contracted-for capacity by scheduling deliveries of natural gas from both

1 directions. Thus, for example, PSNC can use one segment of contracted firm  
2 transportation capacity on Transco to schedule deliveries on a primary firm  
3 basis from supply points in the Gulf production area northward to the  
4 Company's city gate. At the same time, PSNC may be able to use a different,  
5 non-overlapping segment of Transco capacity to schedule deliveries on a  
6 secondary firm basis from Columbia Gas, Cove Point, Eastern Gas, East  
7 Tennessee/Saltville, Pine Needle, and Texas Gas southward to the Company's  
8 city gate. In addition, when a segment is not needed to serve customers, PSNC  
9 can release it to other shippers, which generates revenue that mitigates the  
10 Company's capacity costs.

11 Q. DID WINTER STORM ELLIOTT AFFECT PSNC'S GAS SUPPLY  
12 PROCUREMENT DURING THIS REVIEW PERIOD?

13 A. Yes. The Company had to adjust its plans during the weather event due to some  
14 unexpected developments resulting from the storm.

15 Q. PLEASE EXPLAIN.

16 A. The Company prepared extensively for the winter storm that was forecasted to  
17 occur over the long Christmas holiday weekend, December 23-26, 2022. As  
18 temperatures fell on the night of December 23rd, pressures at the Company's  
19 Dan River Takeoff from Transco dropped well below the historical operating  
20 pressure that the Company uses to model deliveries of gas on that part of the  
21 system. As a result, the Company was unable to deliver quantities of peaking  
22 supply and off-system storage as originally planned. To address this situation,  
23 the Company curtailed additional interruptible customers and made additional

1 withdrawals of gas from the Company's on-system liquefied natural gas  
2 ("LNG") facility at the Cary Energy Center.

3 In addition, one supplier declared force majeure due to Winter Storm  
4 Elliott. This affected less than 1% of total gas supply, and the Company was  
5 able to replace the affected quantities using Cary LNG storage.

6 Q. PLEASE DESCRIBE THE COMPANY'S LNG PEAKING FACILITY.

7 A. The Cary Energy Center can liquefy and store up to 1 billion cubic feet of LNG  
8 and has a maximum daily withdrawal capability of approximately 100,000  
9 dts/day. Assuming that storage levels are at maximum capacity, the LNG  
10 inventory would be exhausted in 10 days at the maximum daily withdrawal rate.

11 Q. WHAT BENEFITS DOES THE CARY ENERGY CENTER PROVIDE THE  
12 COMPANY?

13 A. Because the facility is located on PSNC's system, the Cary Energy Center  
14 provides additional reliability and security of gas supply during colder than  
15 normal weather or critical operating conditions. For example, during Winter  
16 Storm Elliott, when the Company experienced lower than normal Transco  
17 operating pressures at the Dan River Takeoff, the Company made more LNG  
18 withdrawals than were originally planned to deliver gas in the area.

19 Q. DID PSNC ACQUIRE ASSETS TO MEET EXPECTED PEAK-DAY  
20 REQUIREMENTS DURING THIS REVIEW PERIOD?

21 A. To meet an expected capacity shortfall during the 2022-23 winter season,  
22 PSNC contracted for a total of 61,000 dts/day of firm peaking services from  
23 two different suppliers for a specified number of days during the winter.

1 Q. WHAT PROCESS DOES PSNC UNDERTAKE TO ACQUIRE CAPACITY  
2 TO MEET ITS INCREASING CUSTOMER DEMAND?

3 A. PSNC's design-day demand forecast projects firm customer load growth and is  
4 used to determine total asset needs. This forecast is updated annually, and  
5 capacity alternatives are evaluated on an on-going basis. If needed, PSNC  
6 acquires incremental storage or transportation capacity to meet the growth  
7 requirements of its firm sales customers consistent with its best-cost strategy.  
8 This analysis incorporates the reliability and timing of new services, as well as  
9 any transportation charges, storage costs, and supplier reservation fees required  
10 to deliver gas to the city gate.

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

16 Q. IN LIGHT OF THE CAPACITY SHORTFALL YOU MENTIONED  
17 EARLIER, WHAT STEPS IS THE COMPANY TAKING TO ACQUIRE  
18 ADDITIONAL RESOURCES TO SERVE FIRM PEAK-DAY DEMAND?

19 A. In the short-term, PSNC has contracted for 40,000 dt/ day of peaking supply for  
20 the upcoming winter season and is in the process of acquiring additional  
21 peaking services to meet its peak-day demand. In the long-term, PSNC has  
22 entered into precedent agreements with Mountain Valley Pipeline ("MVP") for  
23 firm transportation on two projects that, if completed, will provide PSNC a

1 second direct interstate pipeline interconnection. PSNC is also proceeding with  
2 plans to construct a second LNG peaking facility.

3 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE MVP PROJECTS  
4 AND THE ARRANGEMENTS THE COMPANY MADE TO OBTAIN  
5 SERVICE.

6 A. MVP's mainline project consists of approximately 300 miles of transmission  
7 pipeline, with compression facilities, extending from northwestern West  
8 Virginia to southern Virginia. The 75-mile Southgate lateral project, also with  
9 compression facilities, connects the mainline with the Company's system.

10 PSNC entered into precedent agreements for 250,000 dts/day of firm  
11 transportation on the mainline and 300,000 dts/day of firm transportation on  
12 Southgate. This capacity will provide PSNC access to natural gas produced in  
13 the Marcellus and Utica shale regions of West Virginia, Pennsylvania, and  
14 Ohio. The completion of the mainline will benefit PSNC by providing much  
15 needed natural gas supply into Transco Zone 5 which should help mitigate price  
16 spikes and recently experienced lower pressures on Transco. In addition, the  
17 Southgate lateral is designed to connect directly with East Tennessee's pipeline,  
18 which will enable PSNC to make primary firm deliveries from Saltville storage  
19 to the Company's system and replace less reliable secondary firm deliveries  
20 using Transco segmented capacity. That is why PSNC contracted for 50,000  
21 dts/day more of capacity on Southgate than on the MVP mainline.

22 Q. WHAT IS THE CURRENT STATUS OF THE TWO MVP PIPELINE  
23 PROJECTS?

1           A.     The MVP mainline is nearly 94% complete and work continues to  
2           obtain the permits necessary to complete the project. MVP’s latest target in-  
3           service date for the mainline project is the second half of 2023. During the  
4           review period, the following updates were announced:

- 5           •     On August 23, 2022, FERC granted an extension of time to  
6           October 13, 2026, to complete the MVP mainline project.
- 7           •     On February 28, 2023, the United States Fish and Wildlife  
8           Service (“Wildlife Service”) issued its third biological opinion  
9           for the MVP mainline project in response to vacatur and remand  
10          of the second biological opinion in February 2022 by the United  
11          States Court of Appeals for the Fourth Circuit (“Fourth  
12          Circuit”).
- 13          •     On March 29, 2023, the Fourth Circuit published an opinion  
14          denying the petition for review in which the Sierra Club and  
15          other environmental pipeline opponents challenged the Virginia  
16          Department of Environmental Quality’s issuance of a Virginia  
17          Water Protection Individual Permit for the MVP mainline  
18          project.
- 19          •     On April 3, 2023, the Fourth Circuit granted the Sierra Club’s  
20          and other pipeline opponents’ petition for review of the West  
21          Virginia Department of Environmental Protection’s issuance of  
22          a Clean Water Act certification for the MVP project and vacated  
23          the certification.





1 Q. PLEASE DISCUSS THE COMPANY'S PLANS FOR BUILDING A  
2 SECOND LNG PEAKING FACILITY.

3 A. In reviewing its design-day demand over a ten-year period, the Company  
4 forecasted a need for assets in 2030 even if MVP is placed into service. The  
5 Company developed a plan for a new LNG facility to meet that incremental  
6 need. The Company has selected a site [BEGIN CONFIDENTIAL] [REDACTED]  
7 [REDACTED] [END CONFIDENTIAL] to build an LNG facility with up to 200  
8 million cubic feet per day of withdrawal capacity for approximately ten days.  
9 The in-service date for the new LNG facility is estimated to be late 2026 or  
10 early 2027, in order to provide withdrawals in the winter of 2027-2028. The  
11 Company is in the process of acquiring the site and selecting the engineering,  
12 procurement, and construction contractor and is planning to begin site work in  
13 late 2023 or early 2024. The Company estimates that the LNG project will cost  
14 between [BEGIN CONFIDENTIAL] [REDACTED] [END  
15 CONFIDENTIAL].

16 Q. DID PSNC PERFORM A COST/BENEFIT ANALYSIS OF THE PROPOSED  
17 LNG FACILITY?

18 A. A traditional economic analysis of alternatives could not be completed because  
19 long-term viable alternatives to the proposed facility are not available in the  
20 similar timeframe as the LNG project. Additionally, the operational constraints  
21 caused by lower than historical pressures on Transco's system during Winter  
22 Storm Elliott demonstrates the need for more on-system supply, since the  
23 Company could not receive all the winter peaking supply it had contracted for.

1 Additional benefits of on-system LNG include allowing PSNC to manage daily  
2 firm demand swings in a reliable manner and mitigating the impact of price  
3 spikes during periods of high demand.

4 Q. HOW DID THE COMPANY REACH THE CONCLUSION THAT  
5 ALTERNATIVES TO THE LNG FACILITY WERE NOT AVAILABLE?

6 A. As I stated earlier, security of supply refers to the assurance that gas will be  
7 available when needed for firm sales customers and is the first and foremost  
8 criterion in PSNC's gas procurement policy. The Company evaluated whether  
9 there were alternatives to the proposed facility that would provide security of  
10 supply to serve firm customers. PSNC determined that there are currently no  
11 viable alternatives to meet security of supply in the same timeframe as the new  
12 LNG facility.

13 Short-term peaking contracts are the most similar service to LNG to  
14 meet peak demand, but they have become increasingly difficult to acquire and  
15 are not a long-term solution. For example, PSNC acquired a short-term contract  
16 from an LNG facility that temporarily had excess availability, but as the demand  
17 continues to rise, that LNG facility will not continue to have supply for PSNC  
18 to acquire. Further, the current constraints on interstate pipelines and lack of  
19 future firm transportation options exacerbate the lack of short-term peaking  
20 options available to meet demand. Additionally, as PSNC experienced in  
21 Winter Storm Elliott, when pressure issues occurred on Transco, PSNC could  
22 not receive the contracted supplies. Therefore, the Company does not have

1 long-term viable options that provide reliable alternatives to the new LNG  
2 facility.

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

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

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

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

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

1 policy and major purchasing decisions.

- 2 • Utilize deferred gas cost accounting to calculate the Company's  
3 benchmark cost of gas to provide a smoothing effect on gas price  
4 volatility.
- 5 • Conduct a hedging program to mitigate price volatility.

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

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

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

19 A. The primary objective of PSNC's hedging program has always been to help  
20 mitigate the price volatility of natural gas for firm sales customers at a  
21 reasonable cost. The hedging program meets this objective by having financial  
22 instruments such as call options or futures in place to mitigate in a cost-effective  
23 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. The hedging program decreased gas costs by \$3,485,031.

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

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

1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

2 A. Yes.

**DESIGN-DAY DEMAND REQUIREMENTS (IN DTS) AND AVAILABLE ASSETS (IN DTS)  
FOR WINTER SEASONS FROM 2022-23 THROUGH 2027-28**

		(1)	(2)	(3)	(4)	(5)	(6)
		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Contracted Capacity*</b>							
Transco	FT	390,743	390,743	390,743	390,743	390,743	390,743
Eastern Gas**	FT	7,275	7,272	7,272	7,272	7,272	7,272
Subtotal		398,018	398,015	398,015	398,015	398,015	398,015
<b>Seasonal Capacity</b>							
Transco	Storage	33,218	33,218	33,218	33,218	33,218	33,218
Eastern Gas**	Storage	61,148	61,445	61,445	61,445	61,445	61,445
Columbia Gas**	Storage	35,063	35,052	35,052	35,052	35,052	35,052
East Tennessee/Saltville**	Storage	48,861	48,458	48,458	48,458	48,458	48,458
Subtotal		178,290	178,173	178,173	178,173	178,173	178,173
<b>Peaking Capacity</b>							
Transco	LGA	5,175	5,175	5,175	5,175	5,175	5,175
Pine Needle**	LNG	102,703	102,672	102,672	102,672	102,672	102,672
Cary Energy Center	LNG	100,000	100,000	100,000	100,000	100,000	100,000
Cove Point**	LNG	24,808	24,800	24,800	24,800	24,800	24,800
Short-Term Peaking Service	LNG	61,000	40,000	-	-	-	-
Subtotal		293,686	272,647	232,647	232,647	232,647	232,647
<b>Total</b>		869,993	848,835	808,835	808,835	808,835	808,835
<b>Design-Day Requirements</b>		874,220	881,047	897,382	914,019	930,965	948,225
<b>Surplus (Shortage)</b>		(4,227)	(32,212)	(88,547)	(105,184)	(122,130)	(139,390)
<b>Reserve Margin</b>		(0.48%)	(3.66%)	(9.87%)	(11.51%)	(13.12%)	(14.70%)

\* 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 83,476 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 11 through 16 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.

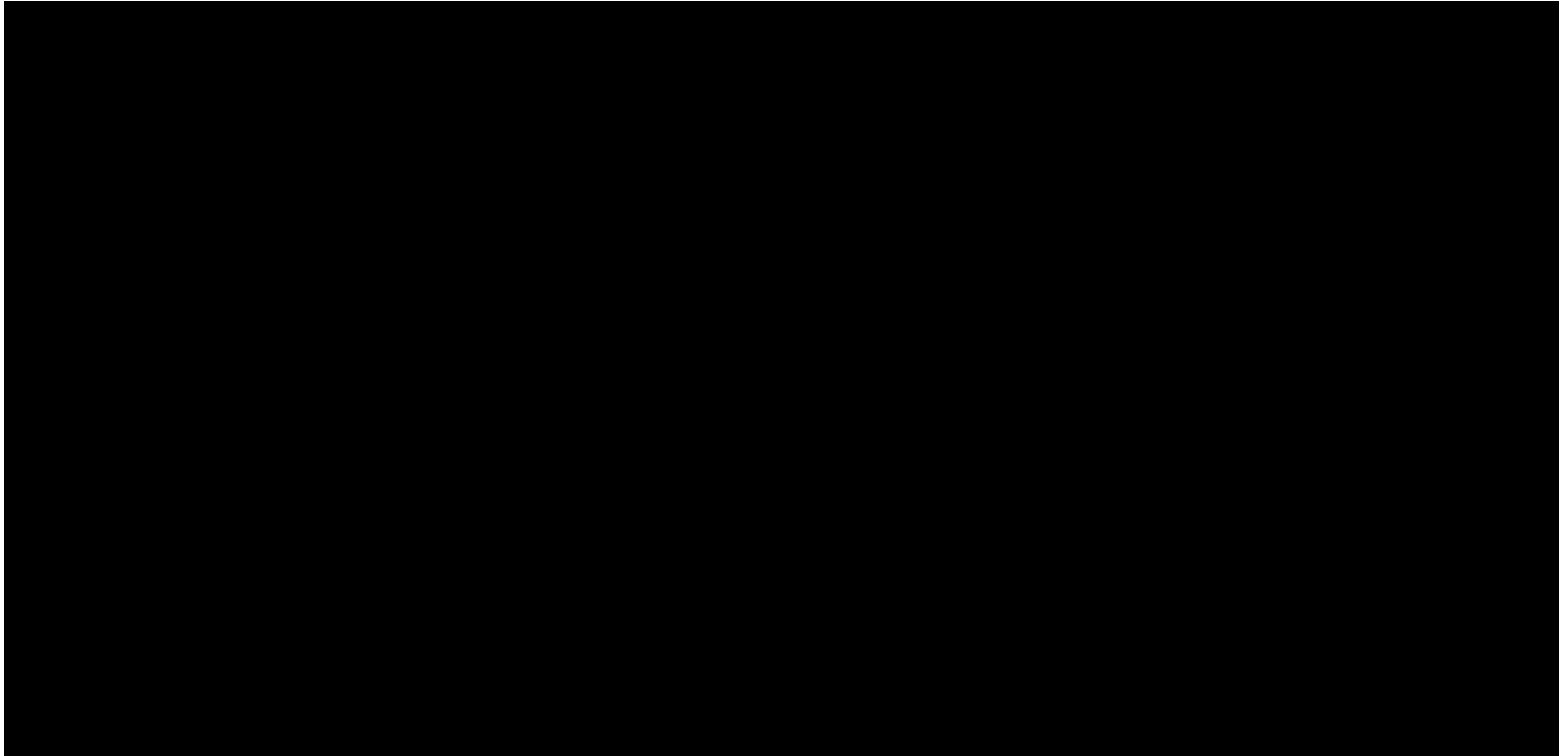
9. **Please describe any significant storage, transmission, and distribution upgrades required for the Company to fulfill its peak day requirements during the next five (5) years.**

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

- 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 No. G-5, Sub 661  
Jackson Direct Exhibit 2  
Attachment  
System Upgrades for 2023-27  
CONFIDENTIAL



**PROCEEDINGS BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION  
IN WHICH PSNC INTERVENED FROM APRIL 2022 THROUGH MARCH 2023**

<b>Date</b>	<b>Pipeline</b>	<b>Docket No.</b>	<b>Docket Description</b>	<b>Company Position</b>
4/11/22	East Tennessee Natural Gas, LLC	RP22-742-000	On March 31, 2022, East Tennessee made its annual fuel and loss retention percentage adjustment filing.	Intervention.
4/11/22	Pine Needle LNG Company, LLC	RP22-749-000	On March 31, 2022, Pine Needle made its annual fuel retention percentage and electric power rate filing.	Intervention.
4/11/22	East Tennessee Natural Gas, LLC	RP22-755-000	On March 31, 2022, East Tennessee made its annual cashout report filing.	Intervention.
4/11/22	Columbia Gas Transmission, LLC	RP22-763-000	On March 31, 2022, Columbia Gas made its filing to adjust the Operational Transaction Rate Adjustment surcharge for the upcoming summer season.	Intervention.
5/6/22	Transcontinental Gas Pipe Line Company, LLC	RP22-845-000	On April 27, 2022, Transco filed revised tariff records to track rate changes attributable to storage services purchased from Eastern Gas, the costs of which are included in the rates and charges payable under Transco's Rate Schedules GSS and LSS.	Intervention.

<b>Date</b>	<b>Pipeline</b>	<b>Docket No.</b>	<b>Docket Description</b>	<b>Company Position</b>
7/11/22	Cove Point LNG, LP	RP22-1003-000	On June 30, 2022, Cove Point filed to modify its tariff to charge a fuel reimbursement percentage of 0.00% when the calculated fuel retainage percentage results in a percentage that is less than zero.	Intervention.
7/11/22	Cove Point LNG, LP	RP22-1030-000	On July 1, 2022, Cove Point filed its annual report of penalty revenue distributions.	Intervention.
7/27/22	Transcontinental Gas Pipe Line Company, LLC	RP22-1060-000	On July 20, 2022, 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.
9/1/22	Transcontinental Gas Pipe Line Company, LLC	RP22-1147-000	On August 25, 2022, 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, Eastern Gas, and Texas Eastern.	Intervention.
10/12/22	Saltville Gas Storage Company, LLC	RP22-1272-000	On September 30, 2022, Saltville made its annual fuel reimbursement adjustment filing.	Intervention.
10/12/22	Transcontinental Gas Pipe Line Company, LLC	RP22-1275-000	On September 30, 2022, Transco made its annual filing to revise the surcharge for under-recovery of cashout revenues.	Intervention.

<b>Date</b>	<b>Pipeline</b>	<b>Docket No.</b>	<b>Docket Description</b>	<b>Company Position</b>
10/12/22	Texas Gas Transmission, LLC	RP22-1284-000	On September 30, 2022, Texas Gas made its annual filing to establish new fuel retention percentages.	Intervention.
1/6/23	Transcontinental Gas Pipe Line Company, LLC	RP23-315-000	On December 29, 2022, Transco made its annual true-up surcharge filing for quantities subject to cashout.	Intervention.
1/6/23	Columbia Gas Transmission, LLC	RP23-318-000	On December 30, 2022, Columbia Gas filed its annual penalty revenue crediting report.	Intervention.
1/26/23	Transcontinental Gas Pipe Line Company, LLC	RP23-361-000	On January 19, 2023, Transco filed revised tariff records to track rate changes attributable to storage services purchased from Eastern Gas, the costs of which are included in the rates and charges payable under Transco's Rate Schedules GSS and LSS.	Intervention.
3/9/23	Transcontinental Gas Pipe Line Company, LLC	RP23-488-000	On February 28, 2023, Transco made its annual fuel tracker filing to update fuel retention percentages.	Intervention.
3/9/23	Columbia Gas Transmission, LLC	RP23-501-000	On February 28, 2023, Columbia Gas made its annual electric power cost adjustment filing.	Intervention.
3/9/23	Columbia Gas Transmission, LLC	RP23-502-000	On February 28, 2023, Columbia Gas made its annual transportation cost rate adjustment filing.	Intervention.

<b>Date</b>	<b>Pipeline</b>	<b>Docket No.</b>	<b>Docket Description</b>	<b>Company Position</b>
3/9/23	Columbia Gas Transmission, LLC	RP23-503-000	On February 28, 2023, Columbia Gas made its annual fuel retainage adjustment filing.	Intervention.
3/9/23	Transcontinental Gas Pipe Line Company, LLC	RP23-523-000	On March 1, 2023, Transco made its annual transmission electric power filing.	Intervention.
3/9/23	Columbia Gas Transmission, LLC	RP23-524-000	On March 1, 2023, Columbia made its annual filing to revise Capital Cost Recovery Mechanism rates.	Intervention.

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing *Direct Testimony and Exhibits of Glory J. Creel and Rose M. Jackson*, as filed in Docket No. G-5, Sub 661, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 1st day of June, 2023.

/s/Mary Lynne Grigg  
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