



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

February 15, 2022

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

Re: Docket No. G-40, Sub 163 – Annual Review of Gas Costs

Dear Ms. Dunston:

In connection with the above-referenced docket, I transmit herewith for filing on behalf of the Public Staff corrected Page 6 of the testimony of R. Tyler Allison, Financial Analyst, Accounting Division. This corrected Page 6 replaces Page 6 of the testimony filed by Public Staff witness Allison on February 14, 2022.

By copy of this letter, we are forwarding copies to all parties of record.

Sincerely,

s/ Elizabeth D. Culpepper
Staff Attorney
elizabeth.culpepper@psncuc.nc.gov

Attachment

Executive Director
(919) 733-2435

Communications
(919) 733-5610

Economic Research
(919) 733-2267

Legal
(919) 733-6110

Transportation
(919) 733-7766

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Electric
(919) 733-2267

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(919) 733-4326

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DEFERRED ACCOUNT BALANCE

2 **Q. WHAT IS THE APPROPRIATE DEFERRED ACCOUNT BALANCE**
 3 **AS OF SEPTEMBER 30, 2020?**

4 A. Based on my review of the Company's monthly deferred account
 5 filings and the Public Staff's conclusion that the gas costs are
 6 prudently incurred, the Public Staff has determined that the
 7 appropriate ending balance in Frontier's Deferred Gas Cost Account
 8 at September 30, 2021, is **\$127,686** ~~\$43,062~~, debit balance owed to
 9 Frontier from customers, as shown on Schedule 8 of Company
 10 witness Bell's testimony. The following table summarizes the activity
 11 in Frontier's Deferred Gas Cost Account for the current review
 12 period:

Filed Deferred Account Balance - October 1, 2020	\$43,062
Gas Cost True-up	119,598
Transportation Customer Balancing True-up	(36,541)
Transco Refund	(107)
Interest	1,661
Rounding	13
Public Staff Recommended Deferred Account Balance - September 30, 2021	<u>\$127,686</u>

14 **Q. HAS THE COMPANY CONTINUED TO USE THE APPROPRIATE**
 15 **INTEREST RATE IN THE DEFERRED ACCOUNT?**

16 A. Yes. In its Order on Annual Review of Gas Costs issued
 17 June 13, 2017, in Docket No. G-40, Sub 135, the Commission
 18 concluded that Frontier should begin calculating interest on its
 19 deferred account using the net-of-tax overall rate of return approved
 20 by the Commission in its Order Approving Use of Natural Gas Bond