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May 31, 2023

VIA Electronic Filing

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

Re: Filing with Quarterly Surveillance Report Period Ended March 31, 2023
Docket No. M-1, Sub 12PSNC

Dear Ms. Dunston:

Pursuant to the North Carolina Utilities Commission's ("Commission") January 30, 2020 *Order Requiring Electronic Filing of Quarterly Financial and Operational Data* in Docket No. M-100, Sub 157, enclosed is the quarterly surveillance report on Commission Form GS-1 for Public Service Company of North Carolina, Inc. ("PSNC") for the period ended March 31, 2023.

Due to methodological and timing differences between the data presented in this report and the manner in which PSNC would otherwise calculate pro forma rate base and income for ratemaking purposes for the relevant period, PSNC respectfully submits that the information reflected on the attached report should be used for informational purposes only. The report is not an accurate reflection of the Company's reporting for ratemaking purposes.

Thank you for your assistance with this matter. Please do not hesitate to contact me if you have any questions regarding this submittal.

Very truly yours,

/s/Mary Lynne Grigg

MLG/tll

cc: Gina C. Holt
Byron W. Hinson
B. Craig Collins
Glory Creel

NCUC Form G.S.-1
Public Service Company of North Carolina, Inc.

Index

Pursuant to the North Carolina Utilities Commission's ("Commission") January 30, 2020 Order Requiring Electronic Filing of Quarterly Financial and Operational Data in Docket No. M-100, Sub 157, enclosed in the quarterly surveillance report, on Commission Form G.S.-1, for Public Service Company of North Carolina, Inc. for the period ending March 31, 2023

Due to methodological and timing differences between the data presented in this report and the manner in which PSNC would otherwise calculate pro forma rate base and income for ratemaking purposes for the relevant period, PSNC respectfully submits that the information reflected on the attached report should be used for informational purposes only. The report is not an accurate reflection of the Company's reporting for ratemaking purposes.

NCUC Form G.S.-1
Rate of Return Calculations
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 1
($000s)

Line No.	Item	13-Mo Avg Total Capitalization	Capitalization Ratio	13-Mo Avg Capital/ Rate Base	Embedded Cost	Overall Cost/ Rate %	Net Operating Income
		[a]	[b]	[c]	[d]	[e]	[f]
		Total Company					
1	Long-Term Debt	$798,445	33.87%	$798,445	4.37%	1.48%	$34,857
2	Short-Term Debt	313,508	13.30%	313,508	3.39%	0.45%	10,613
3	Common Equity	1,245,545	52.83%	1,245,545	8.45%	4.46%	105,248
4	Total Capitalization [1]	$2,357,498	100.00%	$2,357,498		6.39%	$150,718
		North Carolina Retail					
5	Long-Term Debt	$798,445	37.18%	$743,224	4.37%	1.62%	$32,479
6	Short-Term Debt	313,508	14.60%	291,853	3.39%	0.49%	9,880
7	Common Equity	1,035,721	48.23%	964,113	9.05%	4.36%	87,252
8	Total Capitalization [2]	$2,147,674	100.02%	$1,998,990		6.47%	$129,611
		Residual [3]					
9	Long-Term Debt	$0	0.00%	$55,221	4.37%	0.00%	$2,378
10	Short-Term Debt	0	0.00%	21,655	3.39%	0.00%	733
11	Common Equity	209,824	100.00%	281,432	6.39%	6.39%	17,996
12	Total Capitalization	$209,824	100.00%	$358,308		6.39%	$21,107

[1] Schedule 2, Page 1 of 3
[2] Schedule 2, Page 2 of 3
[3] Total Company less North Carolina Retail

NCUC Form G.S.-1
Ratio of Earnings to Fixed Charges
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

Financial Method
Schedule 1a
($000s)

Line No.	Item	Total Company/ North Carolina	
	Ratio of Earnings to Fixed Charges		
1	Consolidated Net Income	$106,167	[1]
	Fixed Charges		
2	Interest on Debt	$45,313	
3	Amortization of debt discount and expense	157	
4	Fixed Charges (L2+L3)	$45,470	
	Taxes		
5	Federal Income Tax	$19,929	
6	State Income Tax	3,256	
7	Income Tax on Other Income (including subsidiaries)	4,451	
8	Property Taxes	11,277	
9	Total Taxes	$38,913	
10	Earnings Available for Fixed Charges (L1+L4+L9)	$190,550	
11	**Ratio of Earnings to Fixed Charges (L4/L10)**	419.07%	
	No four quarters ending shall be less than 175%		

[1] *Consolidated net income less after tax earnings of subsidiaries plus cash distributions*

NCUC Form G.S.-1
Capital Structure
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 2

($000s)

		Total Company Capital Structure			
Line No.		Long-term Debt [1]	Short-term Debt	Common Equity	Total Capital [a] + [b] + [c]
		[a]	[b]	[c]	[d]
	Balance at end of:				
1	Mar-22	798,425	259,191	1,255,021	2,312,637
2	Apr-22	798,426	234,814	1,262,670	2,295,909
3	May-22	798,427	230,629	1,264,290	2,293,346
4	Jun-22	798,428	270,251	1,230,944	2,299,622
5	Jul-22	798,432	302,879	1,226,243	2,327,554
6	Aug-22	798,436	306,692	1,222,361	2,327,489
7	Sep-22	798,441	384,628	1,187,558	2,370,627
8	Oct-22	798,445	401,335	1,187,397	2,387,177
9	Nov-22	798,452	389,586	1,221,185	2,409,223
10	Dec-22	798,459	387,387	1,244,269	2,430,115
11	Jan-23	798,466	367,663	1,272,797	2,438,926
12	Feb-23	798,473	294,474	1,300,912	2,393,859
13	Mar-23	798,480	246,077	1,316,442	2,360,999
14	Total	$10,379,788	$4,075,605	$16,192,090	$30,647,483
15	13 Month Average (L14/13)	$798,445	$313,508	$1,245,545	$2,357,499
16	Capitalization Ratio	33.87%	13.30%	52.83%	100%
17	Actual Interest Accrued	$34,857			
18	Average Embedded Cost (L17/L15)	4.37%			

[1] Long Term Debt reflects gross current maturities, less unamortized debt expense and includes operating leases

NCUC Form G.S.-1
Capital Structure
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 2

($000s)

Line No.		NC Retail Capital Structure			
		Long-term Debt	Short-term Debt [1]	Common Equity [2]	Total Capital [a] + [b] + [c]
		[a]	[b]	[c]	[d]
	Balance at end of:				
1	Mar-22	798,425	259,191	1,045,197	2,102,813
2	Apr-22	798,426	234,814	1,052,846	2,086,085
3	May-22	798,427	230,629	1,054,466	2,083,522
4	Jun-22	798,428	270,251	1,021,120	2,089,798
5	Jul-22	798,432	302,879	1,016,419	2,117,730
6	Aug-22	798,436	306,692	1,012,537	2,117,665
7	Sep-22	798,441	384,628	977,734	2,160,803
8	Oct-22	798,445	401,335	977,573	2,177,353
9	Nov-22	798,452	389,586	1,011,361	2,199,399
10	Dec-22	798,459	387,387	1,034,445	2,220,291
11	Jan-23	798,466	367,663	1,062,973	2,229,102
12	Feb-23	798,473	294,474	1,091,088	2,184,035
13	Mar-23	798,480	246,077	1,106,618	2,151,175
14	Total	$10,379,788	$4,075,605	$13,464,378	$27,919,771
15	13 Month Average	$798,445	$313,508	$1,035,721	$2,147,675
16	Capitalization Ratio	37.18%	14.60%	48.23%	100%

[1] Short-term debt reflects actual short term debt
[2] Schedule 2, Page 3 of 3
Common Equity excludes Acquisition Adjustment

NCUC Form G.S.-1 | NC Rate Base Method
Capital Structure | Schedule 2
Public Service Company of North Carolina, Inc. | Page 3 of 3
Twelve Months Ended March 31, 2023 | ($000s)

Line No.	Month	North Carolina Retail Common Equity Consolidated Common Equity	Exclude Acquisition Adjustment	Net Common Equity [1]
		[a]	[c]	[e]
	Balance at end of:			
1	Mar-22	1,255,021	(209,824)	1,045,197
2	Apr-22	1,262,670	(209,824)	1,052,846
3	May-22	1,264,290	(209,824)	1,054,466
4	Jun-22	1,230,944	(209,824)	1,021,120
5	Jul-22	1,226,243	(209,824)	1,016,419
6	Aug-22	1,222,361	(209,824)	1,012,537
7	Sep-22	1,187,558	(209,824)	977,734
8	Oct-22	1,187,397	(209,824)	977,573
9	Nov-22	1,221,185	(209,824)	1,011,361
10	Dec-22	1,244,269	(209,824)	1,034,445
11	Jan-23	1,272,797	(209,824)	1,062,973
12	Feb-23	1,300,912	(209,824)	1,091,088
13	Mar-23	1,316,442	(209,824)	1,106,618
14	Total	$16,192,090	($2,727,712)	$13,464,378
15	13 Month Average			$1,035,721

[1] Net Common Equity does not reflect common equity adjustments from last rate case

NCUC Form G.S.-1
Rate Base
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 3
($000s)

Line No.	Item	Plant in Service [1]	Accumulated Provision for Depreciation [1]	Deferred Income Taxes [1]	Misc Working Capital	Lead/ Lag CWC [2]	Net Regulatory Assets	Rate Base Sum [a] - [f]
		[a]	[b]	[c]	[d]	[e]	[f]	[g]
	Total Company/NC Retail							
	Balance at:							
1	Mar-22	3,179,387	(955,591)	(362,546)	(20,385)	20,984	109,732	1,971,582
2	Apr-22	3,184,127	(961,442)	(362,419)	(16,453)	21,015	108,543	1,973,371
3	May-22	3,192,658	(966,609)	(362,358)	(8,528)	21,072	107,623	1,983,858
4	Jun-22	3,199,157	(971,600)	(370,204)	199	21,114	106,452	1,985,118
5	Jul-22	3,209,677	(977,572)	(378,999)	5,665	21,184	105,858	1,985,813
6	Aug-22	3,218,150	(982,238)	(378,927)	13,642	21,240	105,886	1,997,752
7	Sep-22	3,227,783	(987,566)	(389,485)	23,943	21,303	105,367	2,001,345
8	Oct-22	3,230,787	(988,965)	(388,858)	29,367	21,323	103,919	2,007,573
9	Nov-22	3,239,100	(994,788)	(388,618)	25,551	21,378	103,160	2,005,783
10	Dec-22	3,252,494	(1,000,691)	(375,503)	19,689	21,466	102,279	2,019,735
11	Jan-23	3,257,954	(1,006,550)	(375,098)	11,796	21,502	101,253	2,010,857
12	Feb-23	3,277,055	(1,012,730)	(374,826)	10,101	21,629	100,453	2,021,681
13	Mar-23	3,285,301	(1,018,580)	(373,792)	6,978	21,683	100,811	2,022,402
14	Total	$41,953,630	($12,824,921)	($4,881,636)	$101,566	$276,894	$1,361,336	$25,986,869
15	13 Month Average	$3,227,202	($986,532)	($375,510)	$7,813	$21,300	$104,718	$1,998,990

[1] Rate Base does not reflect adjustments from last rate case
[2] Lead/Lag CWC calculated as .0066, determined at 2021 Rate Case times monthly net plant

NCUC Form G.S.-1
Income Statement
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 4

($000s)

Line No.	Item	Total Company/ North Carolina
		[a]
1	Operating Revenues	
2	Residential Sales	$467,144
3	Commercial Sales [2]	231,887
4	Industrial Sales [2]	725
5	Public Authority Sales	0
6	Sales for Resale	0
7	Other Gas Sales	0
8	Total Sales of Gas (Sum L2 - L7)	$699,756
9	Other Operating Revenues	
10	Gas Transportation for Others	$72,763
11	Other Operating Revenues	$12,033
12	Total Gas Operating Revenues (L8 + L10 + L11)	$784,552
13	Operating Expenses	
14	Purchased Gas	$367,587
15	Maintenance Expense	47,122
16	Other Operating Expense [1]	111,554
17	Taxes Other Than Income Taxes	17,955
18	Total Operating Expenses (Sum L14 - L17)	$544,218
19	Depreciation and Amortization	$84,697
20	Total Expenses and Depreciation	$628,915
21	Operating Taxes	
22	Federal Income Tax Liability	($69,731)
23	Federal Income Tax - Deferred	92,925
24	Investment Tax Credit (ITC) Normalization	0
25	Amortization of ITC	0
26	Total Federal Income Taxes (Sum L22 - L25)	$23,194
27	State Income Tax Liability	($9,542)
28	State Income Tax - Deferred	12,374
29	Total State Income Taxes	$2,832
30	Total Operating Taxes (Sum L26 - L28)	$26,026
31	Total Operating Expenses, Depreciation and Taxes (L30 + L20)	$654,941
32	Net Operating Income (L12-L31) (Net of Interest on Customer Deposits)	$129,611

[1] Includes interest on customer deposits of $449,770 see MFR Page 4.8
[2] Revenues are categorized as commercial or industrial based on categories in Rule R6-19.2

NCUC Form G.S.-1 | Financial Method
Income Statement | Schedule 4
Public Service Company of North Carolina, Inc. |
Twelve Months Ended March 31, 2023 | ($000s)

Line No.	Item	Total Company/ North Carolina
		(a)
31	Other Income	
32	Allow for Equity Funds Used During Construction	$1,659
33	Equity and Earnings of Subsidiary Companies	1,653
34	Interest and Dividend Income	6,580
35	Miscellaneous Income	15,989
36	Total Other Income (Sum L32 - L35)	$25,881
37	Other Deductions	
38	Miscellaneous Income Deductions [2]	$1,794
39	Taxes Applicable to Other Income & Deductions	2,246
40	Total Other Income Deductions (L38 + L39)	$4,040
41	Interest Charges	
42	Interest on Long-term Debt	$34,700
43	Amortization of Debt Discount and Expense	157
44	Interest on Advances from Affiliated Companies	0
45	Other Interest Expense [1]	12,058
46	Allowance for Borrowed Funds Used During Construction	(710)
47	Total Interest Charges (Sum L42 - L46)	$46,205
48	Net Income Before Extraordinary and Delayed Items	$105,248
49	Extraordinary & Delayed Items	0
50	Net Income (Loss)	$105,248

[1] Excludes interest on customer deposits of $449,770 see MFR Page 4.8

NCUC Form G.S.-1 | Financial Method
Condensed Balance Sheet | Schedule 5
Public Service Company of North Carolina, Inc. | ($000s)
Twelve Months Ended March 31, 2023

Line No.	Item	Total Company Booked
		(a)
1	Assets	
2	Gas Utility Plant in Service (excluding CWIP)	$3,528,731
3	Less: Accum Depreciation & Amortization	$1,048,127
4	Net Plant in Service	$2,480,604
5	Plus: Materials and Supplies	68,686
6	Net Plant in Service and Materials and Supplies	$2,549,290
7	CWIP	78,951
8	Other Assets	449,671
9	Total Assets	$3,077,912
10	Liabilities And Member's Equity	
11	Common Equity	1,316,442
12	Long-term Debt	807,048
13	Total Capitalization (L11+L12)	$2,123,490
14	Short-term Debt	246,077
15	Advances from Parent or Affiliate	0
16	Accumulated Deferred Income Taxes	301,524
17	Other Liabilities & Deferred Credits	406,821
18	Total Liabilities	$3,077,912

NCUC Form G.S.-1
Comparative Data
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 6

($000s)

		Total Company/North Carolina					
		Test Year 12 Months Ended December 31, 2020 End of Period After Increase NCUC Docket G-5, Sub 632			Actual Operations Twelve Months Ended March 31, 2023		
Line No.	Item	Revenue	Expenses as % of: Revenue	Expenses as % of: Expenses	Revenue	Expenses as % of: Revenue	Expenses as % of: Expenses
		[a]	[b]	[c]	[d]	[e]	[f]
1	Operating Revenues						
2	Gross Operating Revenues	$575,094	100.00%		$784,552	100.00%	
3	Operating Revenue Deductions						
4	Cost of Gas	$218,682	38.03%	45.86%	$367,587	46.85%	56.16%
5	Operating and Maintenance Expenses	141,094	24.53%	29.59%	158,226	20.17%	24.18%
6	Depreciation and Amortization	79,719	13.86%	16.72%	84,697	10.80%	12.94%
7	Taxes Other than Income Taxes	18,975	3.30%	3.98%	17,955	2.29%	2.74%
8	Taxes - State Income	2,004	0.35%	0.42%	2,832	0.36%	0.43%
9	Taxes - Federal Income	16,409	2.85%	3.44%	23,194	2.96%	3.54%
10	Total Operating Expenses	$476,883	82.92%	100.00%	$654,491	83.42%	100.00%
11	Interest on Customer Deposits	587	0.10%		450	0.06%	
12	Net Operating Income for Return (L2-L10-L11)	$97,624	16.98%		$129,611	16.52%	

NCUC Form G.S.-1
Comparative Data
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method
Schedule 6

($000s)

Line No.	Item	Rate Base: Test Year 12-Months Ended December 31, 2020 End of Period After Increase NCUC Docket G-5, Sub 632 Total Company	Rate Base: 13-Month Average Actual Operations 12-Months Ended March 31, 2023 Total Company
		[a]	[b]
13	Gas Utility Plant in Service	$2,978,034	$3,227,202
14	Less: Accumulated Provision for Depreciation	(912,701)	(986,532)
15	Net Plant in Service (Sum of L13 & L14)	2,065,333	2,240,670
16	Working Capital - Other	(19,941)	7,813
17	Working Capital - Lead Lag [1]	13,657	21,300
18	Deferred Regulatory Assets	0	104,718
19	Less: Deferred Income Taxes	(356,990)	(375,510)
20	Original Cost Rate Base (L15 thru L19)	$1,702,059	$1,998,991

[1] O&M Expenses x 0.0963 in Rate Case

NCUC Form G.S.-1
Long-Term Debt and Interest Charges
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Rate Base Method/Financial Method
Schedule 7
($000s)

Line No.	Type of Obligation (Bonds, Debentures, Notes, etc.)	Issue Date	Maturity Date	Face Amount	Amount Outstanding	Interest Rate	Interest Booked for 12 Months Ended This Report	Interest Annualized on O/S Long-Term Debt [e] x [d]
		[a]	[b]	[c]	[d]	[e]	[f]	[g]
1	6.99% Due 2026	01/01/96	01/15/26	50,000	50,000	6.99%	3,495	3,495
2	7.45% Due 2026	12/15/96	12/15/26	50,000	50,000	7.45%	3,725	3,725
3	3.10% Due 2051	03/18/21	03/18/51	150,000	150,000	3.10%	4,650	4,650
4	4.13% Due 2046	06/22/16	06/22/46	100,000	100,000	4.13%	4,130	4,130
5	4.18% Due 2047	06/30/17	06/30/47	150,000	150,000	4.18%	6,270	6,270
6	4.33% Due 2028	06/15/18	06/15/28	100,000	100,000	4.33%	4,330	4,330
7	4.05% Due 2030	03/30/20	03/30/30	200,000	200,000	4.05%	8,100	8,100
8	Total Senior Debt			$800,000	$800,000		34,700	34,700
9	Operating Leases	Various	Various	0	412			
10	Other LTD	Various	Various				0	
11	Unamortized Debt Expense, Discount, & Premium				(1,932)		157	157
12	Current Portion of Long-Term Debt							
13	Total Long Term Debt			$800,000	$798,480		$34,857	$34,857

NCUC Form G.S.-1
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

Statistical Data
Schedule 8

Total Company/North Carolina

Line No.	Sales Classification	Operating Revenues	DT's Sold	Revenue per DT Sold	Number of Customers: End of Period	Number of Customers: Average	Informational Only: Avg DT Usage per Customer
		[a]	[b]	[c]	[d]	[e]	[f]
1	Residential	$ 467,143,602	27,546,186	$16.96	594,196	584,334	47.14
2	Commercial [1]	175,523,502	14,700,029	11.94	46,818	46,356	317.11
3	Industrial [1]	57,088,655	7,078,805	8.06	317	304	23,272.78
4	Total	$699,755,759	49,325,020	$14.19	641,331	630,995	78.17
5	Gas Transported for Others	$ 72,763,308	115,831,635	$0.63	395	405	286,298.58

[1] Revenues are categorized as commercial or industrial based on Rate Schedule

NCUC Form G.S.-1
NCUC Form G.S.-1 vs. NCUC Fee
Public Service Company of North Carolina, Inc.
Twelve Months Ended March 31, 2023

NC Jurisdictional Revenue
Schedule 9
($000s)

Line No.	Item		Total Co [a]	
1	Total Revenues per Schedule 4		$784,552	
2	Exclude CIAC Gross-Up		(221)	
3	Miscellaneous		(8,214)	*[1]*
4	Adjust for Recoveries in Excess of Write-Off		386	
5	Uncollectibles		(820)	
6	Revenues Subject to Fee		775,683	
7	Regulatory Fee Rate		0.14%	
8	Regulatory Fee		$1,077	
[1]	*exclude refund liability*	*(8,214)*		
	Total	*($8,214)*		

[2] *Blended rate of 0.1375% utilized due to 3/4 of the reporting period being at 0.14% and 1/4 of the reporting period being at 0.13%*

VERIFICATION

DOCKET NO. M-1, Sub 12PSNC

STATE OF NORTH CAROLINA

COUNTY OF GASTON

The undersigned, Glory J. Creel, being first duly sworn, says that (i) she is Rates & Regulatory Specialist for Public Service Company of North Carolina, Incorporated ("PSNC"), and, as such, she is authorized, and has been designated by PSNC, to make this proof on its behalf; (ii) she has read the foregoing report and the matters and things stated therein are true of her own knowledge, except as to those matters and things stated therein on information and belief, and as to those, she believes them to be true.

Glory J Creel
Glory J. Creel

Subscribed and sworn to before me, this 30th day of May, 2023.

Wendy A Murphy
Wendy A. Murphy, Notary Public

My Commission Expires: March 24, 2028

[OFFICIAL SEAL]

WENDY A MURPHY
NOTARY
PUBLIC
GASTON COUNTY, NC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Quarterly Surveillance Report for the Period Ended March 31, 2022*, as filed in Docket No. M-1, Sub 12PSNC, was served via electronic delivery or mailed, first-class, postage prepaid, upon all parties of record.

This, the 31st day of May, 2023.

/s/Mary Lynne Grigg

Mary Lynne Grigg
McGuireWoods LLP
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Raleigh, North Carolina 27601
Telephone: (919) 755-6573
mgrigg@mcguirewoods.com

Attorney for Public Service Company of North Carolina, Inc.