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August 31, 2020

Mr. Earl Taylor, Executive Director
c/o Ectory Lawless - Docket Room
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

20-00106

Re: Piedmont Natural Gas Company, Inc., Performance Incentive Plan Report for the period July 1, 2019 - June 30, 2020

Dear Mr. Taylor:

In accordance with the reporting provisions of Service Schedule No. 316, Performance Incentive Plan ("Plan"), Piedmont Natural Gas Company, Inc. ("Company"), submits the accompanying annual report of shared gas cost savings for the period July 1, 2019 through June 30, 2020.

As the enclosed Gain/Loss Summary page indicates, the annual accumulated total gains and savings under the Plan total \$5,426,110. Under the Plan's sharing formula, \$4,069,583 of these gains and savings is allocated to the Company's Tennessee ratepayers. The remaining \$1,356,528 is reflected as the Company's share. Detailed calculations supporting the amounts shown on the Gain/Loss Summary page are provided in this filing. Please note that all enclosures provided in this filing, with the exception of the Gain/Loss Summary page itself, contain CONFIDENTIAL INFORMATION. The sealed CONFIDENTIAL DOCUMENTS will be forwarded to you via first class, U.S. Mail.

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

Very truly yours,

Paul S. Davidson

PSD:cdg

cc: Michelle Mairs
Dan Ray
Bruce Barkley
Pia Powers
James Jeffries IV

Piedmont Natural Gas Company, Inc.
Gain / Loss Summary
Report on Performance Incentive Plan
July 2019 - June 2020

Month	Year	Gas Procurement Incentive Mechanism Gain/(Loss) 1/	25% Company GPI Sharing Gain/(Loss) 2/	75% TN Ratepayer GPI Sharing Gain/(Loss)	Capacity Management Incentive Mechanism Gain/(Loss)	25% Company CMI Sharing Gain/(Loss)	75% TN Ratepayer CMI Sharing Gain/(Loss)	Total Gain/(Loss)	25% Total Company Gain/(Loss) 3/	75% Total TN Ratepayer Gain/(Loss) 3/
July	2019	\$ 34,209	\$ 8,552	\$ 25,657	\$ 525,000	\$ 131,250	\$ 393,750	\$ 559,209	\$ 139,802	\$ 419,407
August	2019	\$ 45,081	\$ 11,270	\$ 33,811	\$ 525,000	\$ 131,250	\$ 393,750	\$ 570,081	\$ 142,520	\$ 427,561
September	2019	\$ 64,251	\$ 16,063	\$ 48,188	\$ 533,770	\$ 133,443	\$ 400,328	\$ 598,021	\$ 149,505	\$ 448,516
October	2019	\$ 62,917	\$ 15,729	\$ 47,188	\$ 525,000	\$ 131,250	\$ 393,750	\$ 587,917	\$ 146,979	\$ 440,938
November	2019	\$ 63,988	\$ 15,997	\$ 47,991	\$ 329,167	\$ 82,292	\$ 246,875	\$ 393,154	\$ 98,289	\$ 294,866
December	2019	\$ 102,584	\$ 25,646	\$ 76,938	\$ 329,167	\$ 82,292	\$ 246,875	\$ 431,750	\$ 107,938	\$ 323,813
January	2020	\$ 91,838	\$ 22,960	\$ 68,879	\$ 329,167	\$ 82,292	\$ 246,875	\$ 421,005	\$ 105,251	\$ 315,754
February	2020	\$ 48,519	\$ 12,130	\$ 36,389	\$ 329,167	\$ 82,292	\$ 246,875	\$ 377,686	\$ 94,421	\$ 283,264
March	2020	\$ 28,378	\$ 7,094	\$ 21,283	\$ 329,167	\$ 82,292	\$ 246,875	\$ 357,544	\$ 89,386	\$ 268,158
April	2020	\$ 49,599	\$ 12,400	\$ 37,199	\$ 329,167	\$ 82,292	\$ 246,875	\$ 378,765	\$ 94,691	\$ 284,074
May	2020	\$ 57,938	\$ 14,484	\$ 43,453	\$ 329,867	\$ 82,467	\$ 247,400	\$ 387,805	\$ 96,951	\$ 290,853
June	2020	\$ 34,006	\$ 8,502	\$ 25,505	\$ 329,167	\$ 82,292	\$ 246,875	\$ 363,173	\$ 90,793	\$ 272,380
		<u>\$ 683,307</u>	<u>\$ 170,827</u>	<u>\$ 512,480</u>	<u>\$ 4,742,803</u>	<u>\$ 1,185,701</u>	<u>\$ 3,557,103</u>	<u>\$ 5,426,110</u>	<u>\$ 1,356,528</u>	<u>\$ 4,069,583</u>

1/ The monthly gain or loss set forth in this column reflects total gains or losses calculated under the gas procurement mechanism.

2/ Company GPI sharing reflects 25% of gains or losses calculated under the gas procurement mechanism.

3/ The Company is subject to a cap on overall gains or losses of \$1.6 million annually. Any gains above this cap will be reflected in the Total TN Ratepayer Gain/(Loss) column.