

# Holland & Knight

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Electronically Filed in TPUC Docket  
Room on August 29, 2023 at 12:29 p.m.

August 29, 2023

23-00061

**Via E-mail and U.S. Mail**

Hebert H. Hillard, Chairman  
c/o Ectory Lawless - Docket Room  
Tennessee Public Utility Commission  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

**Re: Piedmont Natural Gas Company, Inc., Performance Incentive Plan  
Report for the Period July 1, 2022 through June 30, 2023**

Dear Chairman Hillard,

Enclosed for electronic filing with the Commission is Piedmont Natural Gas Company, Inc.'s ("Piedmont") annual report of shared gas cost savings for the period July 1, 2022 through June 30, 2023.

As the enclosed Gain/Loss Summary page indicates, the annual accumulated total gains and savings under the Plan total \$7,574,183. Under the Plan's sharing formula, \$5,974,183 of these gains and savings are allocated to the Company's Tennessee ratepayers. The remaining \$1,600,000 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 required original and four (4) physical copies of this filing, along with the \$25.00 filing fee, is being delivered today to Ms. Lawless. The hardcopy of the workpapers is being sent to Ms. Lawless from the Charlotte office.

Hebert H. Hillard, Chairman

August 29, 2023

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

Sincerely yours,

HOLLAND & KNIGHT LLP



Paul S. Davidson  
Equity Partner

PSD/jv  
Enclosures

cc: Michelle Mairs  
Brian Heslin  
Pia Powers  
James Jeffries IV  
Brian Franklin  
Mason Maney

Piedmont Natural Gas Company, Inc.  
Performance Incentive Plan (IPA)  
July 2022 - June 2023

**Piedmont Natural Gas Company, Inc.**  
**Gain / Loss Summary**  
**Report on Performance Incentive Plan**  
**July 2022 - June 2023**

Month	Year	Gas Procurement	25%	75%	Capacity	25%	75%	Total	25%	75%
		Incentive Mechanism	Company GPI Sharing	TN Ratepayer GPI Sharing	Management Incentive Mechanism	Company CMI Sharing	TN Ratepayer CMI Sharing		Total Company	Total TN Ratepayer
		Gain/(Loss) 1/	Gain/(Loss) 2/	Gain/(Loss)	Gain/(Loss)	Gain/(Loss)	Gain/(Loss)	Gain/(Loss)	Gain/(Loss) 3/	Gain/(Loss) 3/
July	2022	\$ 121,400	\$ 30,350	\$ 91,050	\$ 458,333	\$ 114,583	\$ 343,750	\$ 579,733	\$ 144,933	\$ 434,800
August	2022	\$ 102,865	\$ 25,716	\$ 77,149	\$ 458,333	\$ 114,583	\$ 343,750	\$ 561,198	\$ 140,300	\$ 420,899
September	2022	\$ 155,385	\$ 38,846	\$ 116,539	\$ 458,333	\$ 114,583	\$ 343,750	\$ 613,719	\$ 153,430	\$ 460,289
October	2022	\$ 289,336	\$ 72,334	\$ 217,002	\$ 458,333	\$ 114,583	\$ 343,750	\$ 747,669	\$ 186,917	\$ 560,752
November	2022	\$ 34,810	\$ 8,702	\$ 26,107	\$ 600,000	\$ 150,000	\$ 450,000	\$ 634,810	\$ 158,702	\$ 476,107
December	2022	\$ (77,042)	\$ (19,261)	\$ (57,782)	\$ 600,000	\$ 150,000	\$ 450,000	\$ 522,958	\$ 130,739	\$ 392,218
January	2023	\$ 84,116	\$ 21,029	\$ 63,087	\$ 600,000	\$ 150,000	\$ 450,000	\$ 684,116	\$ 171,029	\$ 513,087
February	2023	\$ 54,026	\$ 13,507	\$ 40,520	\$ 600,000	\$ 150,000	\$ 450,000	\$ 654,026	\$ 163,507	\$ 490,520
March	2023	\$ 56,109	\$ 14,027	\$ 42,082	\$ 600,000	\$ 150,000	\$ 450,000	\$ 656,109	\$ 164,027	\$ 492,082
April	2023	\$ 29,264	\$ 7,316	\$ 21,948	\$ 600,000	\$ 150,000	\$ 450,000	\$ 629,264	\$ 157,316	\$ 471,948
May	2023	\$ 30,300	\$ 7,575	\$ 22,725	\$ 600,000	\$ 150,000	\$ 450,000	\$ 630,300	\$ 29,099	\$ 601,201
June	2023	\$ 54,881	\$ 13,720	\$ 41,161	\$ 605,400	\$ 151,350	\$ 454,050	\$ 660,281	\$ -	\$ 660,281
		<u>\$ 935,450</u>	<u>\$ 233,862</u>	<u>\$ 701,587</u>	<u>\$ 6,638,733</u>	<u>\$ 1,659,683</u>	<u>\$ 4,979,050</u>	<u>\$ 7,574,183</u>	<u>\$ 1,600,000</u>	<u>\$ 5,974,183</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.